

Election 2008 and the Future of Cross-Strait Relations

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With the nomination of Frank Hsieh Chang-ting as the Democratic Progressive Party (DPP) presidential candidate to oppose Kuomintang (KMT) candidate Ma Ying-jeou in Taiwan's March 2008 presidential election, and with the PRC gearing up greater pressure on Taiwan's participation in international organizations, this is an appropriate moment to think about how the election will affect cross-Strait relations. The policies adopted by the next Taipei administration will, of course, be decisive in determining the course of those relations over the next four or even eight years. However, the campaign itself will shape both the way the next administration approaches cross-Strait issues and the mindset of Mainland policymakers as they prepare to deal with the new Taiwan leadership. It will also condition U.S. attitudes toward the winner.

Taiwan—Where the Candidates Stand on Cross-Strait Relations

One of the striking things that emerges from conversations with senior leaders in the KMT and DPP is their common assertion that, for all of the barbed rhetoric and legislative battles that divide them, and for all of the attempts by the current Taipei administration to paint the KMT as a PRC collaborator, the mainstreams of their parties are not terribly far apart in crucial respects on cross-Strait issues.

Both candidates advocate broader cross-Strait economic and cultural ties. Both seek to expand Taiwan's "international space" in a capacity that does not subordinate it to the People's Republic of China (PRC). And both believe that, at the end of the day, it is up to the people of Taiwan to decide on the island's relationship with the Mainland. The KMT supports ultimate reunification as a matter of "principle," but only after the Mainland has undergone an economic and political transformation that would make it well off and democratic. And the DPP supports ultimate independence, but not at the cost of war. Moreover, some senior DPP leaders have even said they could live with versions of "one China," as long as the outcome did not derogate Taiwan's sovereignty or subordinate it to the Mainland, as most agree the PRC's current "one country, two systems" concept would do.

So, at one level, the two parties seem to hold visions of the future—especially in the short to medium term—that are not vastly different. One prominent DPP leader said that the only real difference between Frank Hsieh and Ma Ying-jeou is that Ma says that the "Republic of China" is a sovereign, independent state, while Hsieh says "Taiwan" is.¹ Still, this is not a small difference in terms of the theology of "one China," either in

Taiwan or in the view of China's leaders. And with "identity" a key election issue, no doubt the campaign will exaggerate those differences that do exist. Thus, although Ma and Hsieh both place considerable weight on maintaining peace and stability while promoting cross-Strait exchanges, the philosophical differences and historical political animosities between the two parties will no doubt make for substantial fireworks during the campaign.

Finally, while Hsieh's policies are moderate, he is an experienced and, some would admirably say, "cunning" campaigner, and the prospects are therefore for a very vigorous and highly charged contest. Among other things, despite efforts to reach compromise on the composition of the Central Election Commission (CEC),² signs are that the legislative battle over that crucial issue will continue to be heated.³ This issue is particularly important, as the commission has strong influence on such key issues as which referenda may go on the ballot and when elections are held—including whether the LY and presidential elections will be held on the same date.⁴ Any further DPP efforts to make changes to the Presidential and Vice Presidential Election and Recall Law that would bar Ma from participating in the election would be especially charged for obvious reasons.⁵ Before looking at PRC hopes, fears, expectations, and plans—and a few comments on U.S. views—it is worthwhile taking a closer look at Ma and Hsieh and the way they approach cross-Strait issues.

Ma Ying-jeou

Former KMT chairman and mayor of Taipei, Ma Ying-jeou is now his party's formal nominee for president, and he has selected former premier and economics expert and strong advocate of a cross-Strait "common market" Vincent Siew as his running mate.⁶ Once seen as a shoo-in, Ma faces a number of challenges. Foremost among these is the fact that he is currently on trial for corruption. Although the KMT has now amended the party charter to permit Ma to run even if he is convicted in the first trial,⁷ he could be stopped by conviction and a sentence of over ten years or by the failure of an appeal of a conviction carrying a shorter sentence. Moreover, as noted, his candidacy could falter if the Presidential and Vice Presidential Election and Recall Law were amended to bar anyone from running if convicted in the first court no matter the length of the sentence.

Barring either of these contingencies, Ma seems determined to fight on till the end. It is striking that, while the popularity of the opposition (including both Frank Hsieh individually and the DPP as a party) has not substantially grown, until quite recently Ma's own approval ratings have been shrinking. Nonetheless, he has consistently led Hsieh on many individual issues, and polls show he would win by a wide margin if the election were held "tomorrow."⁸ Moreover, the KMT retains a substantial lead over the DPP in terms of party identification and trust.⁹ So one ought not exaggerate Ma's current plight at this point.

Still, taken altogether, these signs underscore that this will not be a nine-month coronation ceremony, as some people once anticipated, with Ma inexorably proceeding to victory. Rather, the prospect is for a hard-fought race down to the finish line.

For the most part, the election will turn on domestic issues. But that includes not simply economic and social questions, but also issues relating to “Taiwanese identity.” And here cross-Strait issues and relations with the United States are very much in play. Having charged the current administration with foreign policy incompetence,¹⁰ Ma will underscore his charge that a DPP victory would risk Taiwan’s security, international status, and economic well-being. Rather than fecklessly creating turmoil over sovereignty questions, he will argue, one should focus on raising up Taiwan and its people.

Management of this issue is politically tricky. The KMT has decided, for example, not to oppose the Chen Shui-bian-endorsed DPP proposal for a referendum on applying to the United Nations, but to focus on that proposal’s effort to do so under the name “Taiwan.” As KMT secretary-general Wu Den-yih put it, the DPP proposal is “just a political ploy...to provoke international and Chinese opposition...and then play the game of sympathy to gain swing votes.”¹¹ The KMT hopes instead, he said, to place an alternative, “more practical” referendum on the ballot that would not rule out the use of “Taiwan” in all cases, but that would flexibly permit application to the UN and other international organizations under “a name that would increase the country’s chances [of being admitted] while protecting the nation’s dignity.”¹²

In the wake of public U.S. criticism of the DPP proposal, Ma Ying-jeou put it this way: “The pan-blue and pan-green camps share the same goal of helping Taiwan re-enter the UN, but we should use a name that won’t damage the trust of our allies.”¹³

Looking toward creation of a cross-Strait common market with rules that lift investment limits even as they maintain “reasonable restrictions” on high-technology exports to the Mainland,¹⁴ Ma has said of his priorities:

There is no chance that we can solve the sovereignty issue in our lifetime, but instead we can manage the issue . . . so that we can shift our emphasis, our energy onto other more urgent issues, such as economic, security, education, and cultural issues.¹⁵

Ma has sought to capture both the imagination and support of younger voters by appealing to Taiwan’s distinctness, and to avoid confrontation with the Mainland by not equating that “distinctness” with “Taiwan independence.” Thus, he reportedly will soon publish a discourse on the concept of “localization” (*pen-t’u hua*), which he views as “a process of rebirth and recreation” of a society tolerant of diverse cultures and which includes the selection of a “native regime” (*pen-t’u cheng-ch’uan*) by the 23 million people of Taiwan. He distinguishes this from “desinicization,” which would manifest a desire to shed a Chinese connection.¹⁶

Ma may not subscribe to every detail of what has been agreed over the past two years between former KMT chairman Lien Chan and PRC president Hu Jintao. But he has endorsed the 29 April 2005 Hu-Lien joint press communiqué,¹⁷ and he will forswear pursuit of Taiwan independence, while endorsing the “1992 Consensus” and “one China” under the formulation of “one China, respective interpretations” (*yi ge zhong guo, ge zi biao shu* 一個中國，各自表述 or *yi zhong, ge biao* 一中，各表). Indeed, if elected, Ma intends to “immediately” engage in talks with the Mainland on the basis of the “1992 Consensus.”¹⁸

Ma has said that, if pushed for his interpretation of “one China” under this formula, it would be “the Republic of China.” When pressed as to whether this would not kill off any initiatives with Beijing, he has responded that he is convinced the PRC would not seize upon that definition as a reason to break off dialogue or refuse to reach agreements. Beijing would not “accept” it, Ma argues, but Beijing could live with it. He calls this “mutual non-denial.”¹⁹ And although the PRC has not embraced *yi zhong, ge biao*, both public and numerous private comments by Chinese officials appear to substantiate Ma’s view.²⁰

Even if this approach worked, and even if the Mainland took a number of steps in the economic and human exchange area to demonstrate the value to Taiwan of adopting a “one China” position, it is not clear how much headway Ma could make with his more far-reaching proposals. These include his desire for an “interim peace accord” and a *modus vivendi* to allow Taiwan more international space.

Beijing is open to talking about an agreement “ending the state of hostilities” and a “peace accord” on the basis of the “1992 Consensus,” as mentioned in the Hu-Lien joint press communiqué. Indeed, Jiang Zemin proposed an agreement on “ending the state of hostilities” in his January 1995 “eight point” proposal²¹ and the idea was codified in Article 7 of the Anti-Secession Law.²² But Beijing is not prepared to sign an “interim” accord, as Ma has proposed, that specifies a duration of 30 or 50 years. That is, the PRC would not accept an agreement that officially endorsed the notion that unification could be put off for several decades. It isn’t that anyone necessarily thinks it will come in a shorter timeframe, even if they hope it might. But they could not subscribe to such a delay as a formal matter. One might think that there are ways around this problem, such as specifying that the agreement would be valid for 30 years “or until final agreement on cross-Straits relations is reached.” But it would probably still be too difficult for the PRC to sign something that did not specify unification, not as a desired goal, but as the predetermined end state, a condition no Taiwan leader could accept.²³

Nonetheless, somewhere between the notion of a “peace accord” without a timeframe and an “end of hostilities agreement,” there would seem to be room for negotiation.

Even if a peace agreement proved possible, however, and even if it included, as Ma has said would be necessary, a reduction in PRC missiles pointed at Taiwan,²⁴ it is extremely unlikely that the PLA would abandon all deterrent capabilities against Taiwan

independence. After all, while Ma might be a reliable opponent of Taiwan independence, no one could guarantee that all follow-on governments would subscribe to the same policy.

And in the face of such PLA capabilities, Taiwan would still need to hedge against future PRC military pressure. So would the United States, both in terms of its own capabilities and in terms of its provision to Taiwan of defensive weapons and defense “software” to help maintain credible deterrence and war-fighting capability. In sum, arriving at mutually acceptable terms for an accord such as that proposed by Ma would face significant challenges.

As to the idea of a *modus vivendi* affording Taiwan greater international space, anything premised on Taiwan’s “sovereignty” would, of course, be ruled out by Beijing.²⁵ On the other hand, anything that folded Taiwan in as part of a PRC delegation would be ruled out by Taipei. But if these issues could be finessed, there is likely to be a range of activities that meet the criteria of both sides, giving greater scope to Taiwan’s international participation while not offending either side’s sensitivity on the issue of sovereignty. If so, what Taiwan sees as Beijing’s mean-spirited obstruction of the island’s participation in a variety of international organizations and meetings²⁶ would probably ease significantly. Particularly objectionable has been the PRC pressure in recent years to force any Taiwan delegation to accept a label akin to “Taiwan, China,” especially in official organizations, as appears to have been the case in respect to participation in WHO activities and membership in the Office of International Epizootics.²⁷ Sometimes this has gone to the extreme of PRC demands that the Taiwan organization change its formal name, not just the way it is listed on a conference program or a name tag. In the case of totally unofficial organizations, under a *modus vivendi* premised on Taiwan’s agreement to some “one China” formulation, one would hope for a cessation of such manipulation.

But beyond that, as well, one sees the potential for substantial changes. Beijing might well reverse its position on Taiwan’s observership in WHA and its paternalistic approach to Taiwan’s participation in WHO activities. Senior PRC officials argue today that there is no legal basis for Taiwan’s observer status, but this is a strained construction of both the applicable regulations and the history of observers at WHA, and could readily be scrapped in the right political circumstances. What is clear from many discussions of this issue over several years is that “legal principle” has not been the basis of the PRC position as much as some combination of an unwillingness to do anything that might benefit Chen Shui-bian and internal PRC bureaucratic contention over how to handle this issue. That said, given the development of agreements between the PRC and WHO in the past two years giving the Mainland a significant voice on the extent of Taiwan’s involvement with WHO, it might be difficult for Beijing to totally backtrack.²⁸

Whether PRC flexibility could extend to creating some sort of unique arrangement for Taiwan to participate in such institutions as the World Bank and IMF, as Ma advocates,²⁹ is less certain. Like the WHA/WHO, they are UN organizations. But unlike the health organizations, they have no charter provision that provides for non-state

observers. Still, allowing an association with the Bank and Fund would not only be a sensible step given Taiwan's important role in the world economy, it would also earn the PRC substantial appreciation on the island and drive home that acceptance of "one China" pays off in concrete ways.

Frank Hsieh Chang-ting

Many people were surprised at Frank Hsieh's substantial victory in the DPP primary; they should not have been. Poll after poll in the weeks just before the vote had shown Hsieh leading his main rival, Premier Su Tseng-chang, by 5, 10 or more percentage points within the party, and by a somewhat smaller margin among the public at large. The surprise for many was that Su immediately dropped out of the primary without waiting for the public polling, which was to account for 70 percent of the total weight in choosing a candidate. But it appears he judged he would not be able to make up the difference, and so took the high road of giving Hsieh a clear path.

An even greater surprise was Su's sudden resignation as premier. But one can imagine that, following what became a heated competition for the nomination, the prospect of sitting in the premier's seat with Chen Shui-bian still in office promoting his own initiatives, on the one hand, and Frank Hsieh moving in as the new leader, on the other, was less than enticing.³⁰

In any event, Frank Hsieh is the nominee. He describes himself as a "pragmatic idealist." He has promised never to forsake his goal of making Taiwan a "normal country"—which has become a major theme of his campaign—and has expressed confidence that Taiwan will eventually succeed in securing "dignified status" in the international community under its own name. In this connection, he says that Taiwan's "peaceful and legitimate" bid to enter the United Nations as "Taiwan" will help the world to understand Taiwan's wish to be recognized as a "normal country."³¹

Nonetheless, Hsieh asserts he will pursue those goals under the premises of domestic political stability and economic prosperity.³² And, stressing the importance of a constructive attitude on both sides rather than specific policies, he describes his approach as "win-win" for the Mainland and for Taiwan. The point, he says, is not whether a "1992 Consensus" exists or not, but whether both sides believe it is important to conduct negotiations. "If we do, we can negotiate with each other even without the 'consensus.'"³³ Thus, although he rejects a "one China" precondition for opening direct links with the Mainland, he also insists that Taiwan should not adopt a "closed door" policy, and he has advocated removing the ban on transportation and other links as a way of halting the business exodus to the PRC—as long as the terms of such exchanges protect Taiwan's security.³⁴

Despite his emphasis on maintaining Taiwan's standing as an "independent, sovereign state," Hsieh's very pragmatism generated criticism from the more fundamentalist wing of the party during the primary. Even his main opponent in the DPP

primary, Premier Su Tseng-chang, himself a moderate, thought he saw a weakness in Hsieh's position that he could exploit (see below). Although Hsieh won handily, those charges hurt him with some "deep Green" supporters. Thus, even as he vies with Ma for their common natural constituency in the center,³⁵ Hsieh will need to be attentive to his pan-Green base.

As one example, toward the end of the primary campaign, Su attacked Hsieh for claiming that the existing constitution is a "one China" constitution. Asserting his own fidelity to Taiwan's separate status from the PRC by embracing *yi bian, yi guo* (一邊一國) ("one country on each side" of the Strait),³⁶ Su charged that Hsieh's "constitutional one China" was confusing and insisted that there was no "one China" relationship between Taiwan and the Mainland.³⁷ In the face of this criticism, Hsieh noted that his point in the past, and his point now, was that, like it or not—and he says he does not like it any more than anyone else—the current constitution *is* a "one China" constitution. Moreover, he argues, although Taiwan "absolutely cannot accept" any PRC demands to recognize "one China,"³⁸ the government has an obligation to adhere to the existing constitution until it is changed, something that can only occur when there is a broad consensus in society to act.

Within this framework, Hsieh has argued that the winning strategy for Taiwan is the "co-existence of sovereignty and openness and the unity of independence and status quo."³⁹ Shortly after being nominated as premier in January 2005, when he was chosen to put a more moderate face on the Chen government following a bitter DPP defeat in the LY election, Hsieh said the following:

"I think it is essential to improve the atmosphere between the two sides [of the Strait]. We should stop policies or language that provoke one another. My administration should be consistent and predictable, to move toward reconciliation and cooperation . . . I don't think it is necessary to provoke mainland China, verbally or with our behavior."⁴⁰

Taking a consistent position in an interview after leaving the premiership almost 18 months later, Hsieh said that if Taiwan could not write a new constitution at that point (which he felt it could not), then Taiwan could adjust its schedule, waiting to deal with these issues on a schedule that best suited Taiwan's overall interests.⁴¹ At the same time, in line with that approach—and quite different from Chen Shui-bian's position, he said state companies should only be asked to drop the word "China" from their names if there were a practical need to do so, such as to avoid confusion with similarly named PRC firms.

Even as recently as the DPP candidates' televised debate in late March 2007, the former premier said that, though "Taiwanization" was well under way, it was still "not possible" to eliminate the "one China" concept from the constitution because there was not yet a sufficient consensus.⁴²

As the heated 2007 DPP nomination campaign headed for the finish, however, Hsieh shifted his emphasis: "I never supported 'a constitutional one China.' I came up

with the term as something we should work to reform.”⁴³ And while he chided his opponents for not recognizing the validity of the constitution and the name “Republic of China,” he argued that the party should seek to amend the constitution, no matter how difficult it might be, once 70 percent of the population was supportive of full identification with “Taiwan.”⁴⁴

Hsieh apparently sees his position as giving him some leverage in dealing with Beijing. If the Mainland respects Taiwan’s needs and desires, and gives it sufficient international space, then popular support for constitutional change will not become overwhelming; but if Beijing presses Taiwan too hard, then opinion on the island will shift decisively toward change, and the “one China constitution” will come under challenge. Given that it could take many years to change the constitution, in any case, the PRC would have ample time to show its “goodwill.”⁴⁵

Hsieh will assert—as he already has—that the best guarantee against PRC absorption of Taiwan is to return the DPP to office.⁴⁶ He says that “the mission of the next president will be to protect Taiwan, but the KMT does not dare face the true problem of the incremental drive by the People’s Republic of China to annex Taiwan as part of the PRC.”⁴⁷ He favors a more open economic policy toward the Mainland than the current administration, but he will argue that he would protect Taiwan’s future options better than Ma.⁴⁸

Moreover, Hsieh has joined Chen Shui-bian in attacking Vincent Siew’s idea of a cross-strait common market: “I lean toward loosening restrictions on cross-strait business relations, such as opening Taiwan to Chinese professionals and capital. But we must put tight restrictions on Taiwan’s high-tech and agricultural exchanges with China. The two sides will never share a market, and China’s complete unconditional access to the Taiwanese market must be avoided at all cost.”⁴⁹

Chen Shui-bian has gone further. He has denounced the common market idea as a “front” to promote “one China.” “It is not an inflammatory statement. The ‘one China market’ will spell the beginning of disaster and our economy will be completely devoured by China.”⁵⁰

Unsurprisingly, these attacks have drawn sharp rejoinders from Ma and Siew. Siew has called the criticisms “full of distorted and simplified viewpoints” and “twisted criticism.”⁵¹ And Ma has lashed out at what he termed Hsieh’s “closed-door” approach, saying that the DPP candidate “should explain his cross-strait policies better, instead of attacking mine.”⁵²

In an effort to shore up his support in the pan-Green camp, Hsieh has not only, as noted, supported the very popular idea of applying to join the United Nations under the name “Taiwan”⁵³—something the Chen administration has identified as a “fixed policy”⁵⁴—but he has also backed the idea of putting this issue to a referendum to help forge a “national consensus.”⁵⁵ That referendum campaign is now the subject of an

intensive effort directed from the presidential office and will be the focus of a massive rally organized by the DPP in September.⁵⁶

Chen Shui-bian argues that this issue “has nothing to do” with a change in the national title, and that pursuing the application, and the referendum, are not violations of previous pledges (including to President Bush). He stresses that they are, instead, part of an effort to build a “Taiwan-centric” notion of national character and identity and “to let the whole world hear the voice of the 23 million people of Taiwan.”⁵⁷ And, he says, “Nobody can stop us.”⁵⁸

China never supports or likes whatever we do, but we can’t stop just because China is unhappy. Should the U.S. decide to block our attempt, we would respect their decision. But this is what our people want and this is the spirit of [the] U.N. We will not give up.⁵⁹

In taking this approach, Chen is playing to public opinion in Taiwan, where recent polls showed over 71 percent of the people, cutting across political lines, backed the idea of applying to the UN as “Taiwan.”⁶⁰

Beijing has already issued warnings that such a referendum is “a referendum on reunification or independence” in covert form that seeks to change the status quo of the Mainland and Taiwan both belonging to “one China.” The statement from the State Council Taiwan Affairs Office warned that if this state of affairs “continued to develop,” it would have a “serious impact” on cross-Strait relations, on peace in the Strait, and even on peace in the Pacific.⁶¹

The point relevant to our discussion is that if the referendum goes forward,⁶² Hsieh’s support for the measure will certainly weigh heavily in Beijing’s assessment of whether, to paraphrase Margaret Thatcher, this is a man the PRC can do business with. It will also weigh heavily with the United States, which has come out openly against the referendum as an “initiative that appears designed to change Taiwan’s status unilaterally.”⁶³ In fact, this difference of view between Washington and Taipei has created significant tensions, which have led, as a first step, to a truncated transit of the United States by Vice President Annette Lu in early July on her way to Central America.⁶⁴

But cutting the other way, Hsieh has taken a fairly firm position against the more problematic versions of the proposal by DPP chairman Yu Hsi-kun and others to revise the party charter through adoption of a “normal country resolution” (正常國家決議文) at the DPP conference in August.⁶⁵ Their goal was to replace a 1999 resolution that sought to moderate the original party charter and appeal to a broader electorate by abandoning the goal of “declaring independence.”⁶⁶ The original version of the “normal country resolution” reportedly was intended to codify in the DPP charter the so-called *si yao, yi meiyou* (四要一沒有) (“four wants, one without”) that Chen Shui-bian laid out in early March.⁶⁷

In any event, given Hsieh's position on the matter, and despite the argument of some that a more radical resolution would secure the fundamentalist base and allow Hsieh himself to cater to the center, if anything along these lines is adopted, it will likely be a substantially watered-down version.

Having taken note of Ma's legal problems, it is appropriate to note that Hsieh has his own problems. Not only is he being questioned about improper handling of political donations when he was the mayor of Kaohsiung in 2002 (Hsieh denies any impropriety),⁶⁸ but, along with other DPP leaders, he may also face charges over his own use of discretionary special allowance funds, just as Ma has been charged.⁶⁹ If he is indicted on a charge of misusing the special allowance, Hsieh is committed to quitting the presidential race, but he has explicitly not extended such a commitment to indictment over the donations issue.⁷⁰

However, DPP party rules bar anyone indicted from running, and, in contrast to the KMT, the DPP has decided (at least for now) against amending the rules as a contingency action in case of Hsieh's indictment.⁷¹ Whatever the ultimate disposition of that issue, and although his words are not "Shermanesque,"⁷² Hsieh has implied he would stand aside if he is found guilty on any of these charges: "If I am convicted of corruption in any case, I will not insist on participating in the presidential race."⁷³

Beijing's Perspective

Beijing obviously has a very good idea about Ma and Hsieh and what each stands for. Though no PRC official will express a preference, it seems pretty clear that the Mainland would find it much easier to deal with Ma, even if he would not be the compliant tool that the DPP paints him to be.⁷⁴ He would openly oppose Taiwan independence and endorse "one China, respective interpretations," and he would be willing to set aside efforts to resolve sovereignty differences through constitutional revision.

At the same time, while they have no illusions that Hsieh would endorse "one China," they believe that the situation will change for the better even if he is elected. They view his willingness to live with the existing ROC constitution—even though he advocates eventually changing it—as a considerable improvement over what they see as Chen Shui-bian's repeated active efforts to change it. Still, even if one assumes Beijing is making allowances for the rhetorical requirements of a political campaign, the leaders in Zhongnanhai cannot but be disturbed by how far the campaign process pushed the debate toward greater assertion of Taiwan's independence and sovereignty.

Over the past several months, Beijing has focused more on the immediate future than on the post-May 2008 situation. Mainland spokesmen have on several occasions warned against Chen Shui-bian's intention to pull off a surprise maneuver that would either create "Taiwan independence" outright or set the stage for moving decisively in that direction in the next administration. Most PRC officials and knowledgeable experts agree that it is "virtually impossible" to bring about a constitutional change by the time

Chen leaves office in May 2008; the political and procedural bars in Taiwan are simply too high. Despite his penchant for referring to achieving “mission impossible,” even Chen now explicitly agrees with that assessment.⁷⁵ And overall, Beijing expresses far greater confidence than in the past about its ability to manage cross-Strait issues successfully, crediting the March 2005 Anti-Secession Law with having clarified the PRC’s stand and thus having brought greater stability to the situation.

On the other hand, in the words of one informed person, “strategically we have greater confidence, but tactically we must be very careful; one misstep could lead to disaster.” Thus, Beijing officials are unable to entirely let go of their anxiety that Chen will “find a way” to codify *yi bian, yi guo* or take other steps that could precipitate a crisis as he moves to what some have called the “substantive stage” of his independence aspirations. They characterize the entire next year as unpredictable and label it as a “period of high danger,”⁷⁶ but some see the third quarter as particularly decisive. That is the time when any amendments would have to be passed in the LY or referenda readied for the ballot, and it is when, on the eve of the 17th Chinese Communist Party Congress, the leadership in Beijing would be most sensitive to charges of weakness in the face of intolerable provocation.⁷⁷

Although it now appears that Chen Shui-bian has pulled back from pushing a constitutional amendment before he leaves office, Beijing’s concern about handling of the proposal for a “2nd Republic” constitution, as discussed in the last issue of *CLM*,⁷⁸ remains high on the Mainland’s worry list. Even if adoption of such a change is now clearly out of the question in the immediate future, they fear Chen might succeed in putting a referendum on the ballot seeking public endorsement of the idea. PRC analysts fear that, if such a referendum passed, this could force the next administration to give the proposal serious consideration, whether it favored the idea or not. Even if the referendum failed, they think that merely introducing it could enhance the prospects of DPP victory in both the LY and presidential elections. Moreover, regardless of its impact on the election outcome—and even though a “2nd Republic” is not, as one informed PRC observer put it, “one hundred percent Taiwan independence”—simply bringing the issue into the public debate could significantly change the shape of future political discourse in Taiwan.

In the meantime, Beijing is concerned not only that the pan-Blue would find it politically difficult to oppose such a referendum if it made it to the ballot (because they would not want to be criticized for denying the people of Taiwan the right to express their views on such a fundamental issue) but also that Chen thinks he can get away with such a referendum with the United States, as he appeared to do in the National Unification Council and Guidelines case, by arguing that he wasn’t really changing the status quo.⁷⁹

Putting all of this together, one sees that, although the vague formulation of Article 8 of the March 2005 Anti-Secession Law allows for considerable leeway of interpretation regarding when China would feel compelled to use force,⁸⁰ Beijing has substantially narrowed the range of issues that could trigger conflict. PRC officials have made a point of emphasizing that they are only focused on any constitutional change in

Taiwan that would codify separate legal status. Still, even though there is a low likelihood that Chen Shui-bian could bring about a formal constitutional amendment on sovereignty-related provisions, there is some attention in the Mainland to the second condition of Article 8, namely, “major incidents entailing Taiwan’s secession” that would trigger “non-peaceful means and other necessary measures to protect China’s sovereignty and territorial integrity.”

The issue of a “2nd Republic” is not Beijing’s only concern in this regard. Of particular concern now, as already discussed, is the proposed referendum on applying to the United Nations in the name of “Taiwan.” Article 8 language has been specifically cited in that context.

Among the list of other potential hazards is the possibility that Chen might appeal to the Council of Grand Justices for a “constitutional interpretation” holding that Taiwan is already legally independent of the Mainland, without a formal amendment (in essence, formalizing *yi bian, yi guo*).

The PRC insists it approaches these issues in a cool-headed way—“maybe too cool-headed,” some interlocutors have noted—but there could come a time, Beijing commentators say, when a response is necessary. Indeed, any of these steps, it is argued, could well provoke the Mainland to respond, especially during the run-up to the 17th Party Congress. Some argue that provoking a PRC “overreaction” is precisely Chen’s aim, as it would score a political three-in-one “hat trick” by reinforcing his authority in what might otherwise be a lame duck period, giving a boost to the DPP in the upcoming LY and presidential elections, and rallying international support to his cause.

While the PRC seeks to reassure people that it will not be easily provoked, it approaches the election campaign in a mode of watchful—but wary—waiting. With regard to Ma Ying-jeou (assuming his candidacy is not derailed), as already noted, there is a strong belief in Beijing that he will follow through on his “one China, respective interpretations” policy, and that the two sides can then proceed to develop cross-Strait relations on the basis of the Hu Jintao-Lien Chan communiqué of April 2005. Agreeing “to uphold” the “1992 Consensus” and oppose “Taiwan independence,” the two parties (KMT and CCP) determined not merely to promote much more active economic ties—including movement toward a common market as well as establishment of the “three links”—but also to end the state of hostilities, reach a peace agreement (with confidence-building measures), and construct a framework of peace, development, and stability.

Regarding the DPP, Beijing speaks in somewhat hopeful terms about what could be possible while also recognizing what is likely. But however “elusive” and hard to pin down the Mainland finds Hsieh’s cross-Strait policy at present, Mainland interlocutors envision a Hsieh administration finding some creative way to deal with the issue of “one China.” They know Hsieh will not directly embrace that principle or even indirectly do so by validating the “1992 Consensus.” But experts and relevant officials note his pragmatism⁸¹ and muse about whether there might not be a “third way” to express the idea that the Mainland and Taiwan are part of one country. Some would hope to work

with Hsieh's views on Taiwan's "one China" constitution. And, despite his desire to ultimately change the constitution, Hsieh is known to believe that Taiwan could work for some time within the current constitution's "one China" framework if the PRC is sufficiently flexible on such issues as Taiwan's "international space."

Others have suggested that if the DPP could agree that people in Taiwan are also "Chinese"—or at least *not deny* that they are "Chinese"—this might be taken as embracing "one China" and provide sufficient grounds for a resumption of dialogue.⁸²

In any event, given the DPP's resistance to embracing any sort of "one China" policy, fashioning a mutually acceptable basis for resuming high-level dialogue would be a significant test of creativity and political will.

Whatever the level of hope about reaching some accord on "one China," there is a broadly shared view in Beijing that even in the case of a DPP victory, the Mainland will be able not only to avoid repeating the stalemate of the past eight years but to accelerate economic and other "practical" relationships. Conversations with Mainland interlocutors that begin with a discussion of separating economics (the doable) from politics (the not doable), can quickly turn to how one might distinguish "high politics" from "low politics." All of this conveys the strong impression that PRC policymakers realize that, even if they are forced to go without an agreed "one China" framework, they need to advance cross-Strait ties as much as possible.

One thing Mainland commentators still say they cannot do, however, is to make gestures on "international space" absent some acceptance of "one China."⁸³ And in the meantime they are pressing Taiwan on a variety of fronts, including setting "permissible" nomenclature in international organizations—not just in WHO, but in such bodies as the global animal health organization (OIE) where Taiwan participates—and in the ongoing battle over diplomatic partners, most recently seen in Beijing's success in wooing Costa Rica into the PRC camp.⁸⁴

Moreover, some of the sticky issues connected with cross-Strait transportation links remain difficult, such as the labeling of air routes as "domestic" (Beijing's preference) or "international" (Taiwan's). One gets the impression that the issue could be finessed by calling the flights "cross-Strait" *if* Taipei deemphasized its position on *yi bian, yi guo*. But Mainland observers say that, absent some change of view in Taipei—perhaps to a position less than full acceptance of "one China" but at least less confrontational than now—a compromise on route labels would be "difficult" to achieve.⁸⁵

Those Mainland officials and experts who focus on Taiwan openly admit they have a lot to do to understand Taiwan's psychology and, as they put it, the "mentality" of the people in Taiwan and how these people view their own history. There is a perceived need to channel Taiwanese identity and nationalistic sentiment in directions that do not equate to independence, but doubt about how best to do that. Still, there is a recognition

that Beijing needs to do more thinking about how to handle relations with the DPP. As one well-placed person put it: “In the long run, the Mainland must deal with the DPP.”

In any event, and regardless of whether the DPP is in power or not, the key issue for Beijing is Taiwan independence, and the Mainland obviously hopes that the DPP can give up on its Taiwan independence position and cease Taiwan independence activities once the election is over. This, rather than whether the DPP accepts “one China,” seems to be the highest priority. Hsieh’s emphasis on promoting Taiwan as a “normal country,” however, could complicate this approach.

The United States

As to the U.S. role, Beijing is of two minds. On the one hand, a main purpose of presenting its list of horrors to American officials and experts, as is happening with increasing frequency, is to spur the United States into action to ensure none of them becomes reality. The sense in the PRC is that these issues will be much harder to deal with if they ever emerge into the light of day than while they are still being gestated. On the other hand, some PRC analysts think that Chen Shui-bian and his cohorts don’t really care about the American reaction (as presidential office secretary general Mark Chen has said on more than one occasion), because the domestic political stakes—and even the stakes personally for Chen and his family—are so high.

Beijing has invested a lot of time and effort to ensure that the United States is fully alert to Chen Shui-bian’s machinations and takes them seriously. As one person put it, “We have deep knowledge of Chen Shui-bian’s tactics, and we want to inform the United States about them.”

Since January 2007, alone, the deputy director (vice minister-level) of the State Council Taiwan Affairs Office and the ministerial-level director have visited the United States, following visits in 2006 at the same level. But there were many other conversations in many other settings, as well, all conveying a similar message.

It is evident Beijing worries that the United States puts too much emphasis on Taiwan’s democracy and places too much confidence in Chen’s inability to pass a constitutional amendment. The Mainland is more sensitive than in the past to American bridling over the suggestion that, simply because they share a strategic interest in maintaining peace and stability in the Strait, Washington and Beijing are “collaborating” to manage Taiwan policy. As a result, that imagery is no longer used. Still, it is obvious that the PRC wants the reality of such collaboration as well as to convey the impression of it as a deterrent on Taipei.⁸⁶

On the other hand, some quite openly say—perhaps as a way of challenging the United States to prove otherwise—that they are not very confident in American leverage in Taiwan. As noted earlier, they think that Chen Shui-bian has other priorities, and that

without a dedicated effort from Washington, he pays no attention to American criticism. They question the level of American dedication to the task.

One of the PRC's appeals is for special care regarding arms sales and transits of Taiwan leaders through the United States. The standard argument about "not sending wrong signals" is given with a greater sense of urgency than has sometimes been the case in the past.

Beijing is particularly concerned that the United States does not take the "2nd Republic" constitution issue seriously enough. This is true, they feel, in two senses: that Washington does not believe the prospects for the constitution's success—or for the success of a referendum on the issue—are as great as Beijing does, and that Washington would not be as concerned even if it succeeded, because the current constitution, with its links to the Mainland, would still exist.

Viewed from the United States, it is hard to fathom how Beijing comes to the conclusion that anything resembling an independence approach would not occasion a highly critical American response that would have a strong impact in Taiwan. But if one puts oneself in Beijing's shoes, it is perhaps more understandable. A point of reference for Beijing is 2003. Despite President Bush's open scolding of President Chen in the presence of PRC premier Wen Jiabao, the lack of strong follow-through left the impression of an ineffectual approach or a lack of serious intent. Whatever the United States thought it was conveying, what the PRC heard was the United States saying that it could not interfere terribly deeply in an internal Taiwan matter.

In February 2007, Chen announced (as he had in late 2004) that he was going to push for name change of state-owned enterprises and overseas representative offices to promote the use of "Taiwan" and eliminate the use of "China" wherever possible. In responding, the United States posted a press notice at the State Department, which repeated the standard lines about Chen needing to live up to his inaugural and other pledges on the constitution as well as the "four noes." It went on:

We do not support administrative steps by the Taiwan authorities that would appear to change Taiwan's status unilaterally or move toward independence. The United States does not, for instance, support changes in terminology for entities administered by the Taiwan authorities.⁸⁷

When Chen Shui-bian issued his *si yao, yi meiyou* statement in early March, Washington again cited the Taiwan leader's pledges and responded, "Rhetoric that could raise doubts about these commitments is unhelpful."

Not only people in the Mainland, but observers in Taiwan (and the United States) noted the rapidity of the response, but saw it as a weak statement that would be taken in the presidential offices in Taipei as almost a green light to proceed. That probably was an over-reading of the actual Taiwan reaction, but it was widely shared.

If this level of “softness” characterized the U.S. reaction to anything on a “2nd Republic,” this would be viewed as dangerous for Beijing. If the United States saw the “2nd Republic” issue as only touching on the geographic question of jurisdiction rather than the political issue of sovereignty, or if it opposed it weakly, that would miss the point Beijing is making and could contribute to a crisis. Without specifying what measures would be adopted in response to this sort of “provocation” from Taiwan, a number of PRC observers argue that Beijing would be forced to “do something,” even though it clearly would lead to a backlash in Taiwan as Chen Shui-bian hoped.⁸⁸

Later statements by U.S. officials may have helped. Three weeks after the “unhelpful” press guidance was issued with respect to renaming state-owned enterprises, Deputy Assistant Secretary of State for East Asian and Pacific Affairs Thomas J. Christensen introduced a new term to criticize the plan: he said it was unhelpful and “inconsistent” with Chen’s earlier pledges.

Then, in testimony before the House Foreign Affairs Committee, Deputy Secretary of State John D. Negroponte had the following to say:

We are concerned, as was mentioned earlier, about the Chinese military buildup on their side of the Straits. We’re also concerned sometimes that there are moves afoot in Taiwan, on the part of some of the actors, political actors there, to try to in some way to change the status quo by defining the nature of Taiwan differently, changing the name, calling for referendums with respect to one aspect of Taiwan or another or changing the constitution. All these things, we feel, need to be viewed in the context of resolving these issues peacefully and not taking any proactive actions whatsoever.⁸⁹

The issue arose with substantial force again with respect to the referendum on applying to the UN in the name of Taiwan. As noted, the State Department quickly issued a public condemnation of the plan⁹⁰ and the matter became a prominent feature in Taiwan media. Chen Shui-bian complained to a Washington newspaper audience:

The decision to hold a referendum on applying for UN membership involves three major aspects, and we would like to know which one Washington’s objection concerns. Is it about the matter of holding a referendum itself? Or about joining the UN? Or about using the name “Taiwan”? What is there to oppose in any of these?⁹¹

Chen charged that the United States objected “because of China, and because the introduction of a referendum would not be in China’s interests.” Having thus essentially accused the United States of being Beijing’s proxy, and seemingly ignoring the fact that mutual trust between Washington and Taipei has already been very badly damaged, he then offered what he presumably saw as an olive branch:

At the same time, we value the concern of and views expressed by the U.S. government and wish to continue our discussions with the U.S. If there are any misunderstandings, they should be cleared up so that our views do not become distorted by others. In this way, we hope to maintain the mutual trust between the U.S. and Taiwan and continue our long-term friendship.

Chen had earlier made a similar statement to a gathering in Taipei, but there he went on to be more explicit in putting the PRC and United States in the same camp. In language reminiscent of his “mission” statement in August 2006—when he was in fact talking about the same basic issue,⁹²—Chen committed himself to undertake “this heavy burden, and even a heavier one” to ease the path of the next president:

We should persistently stick to the correct road and do what is right. We should persist and should not hesitate. Nor should we retreat. This is my duty as the President of Taiwan and is also my task and mission. I hope to promote it and take the first step during my term of office so that my successor, the new president next year, and the new government next year need not be in such a difficulty, need not fear this and that, *and need not fear both China and the United States.*⁹³

Chen’s dismissal of U.S. concerns undoubtedly played well in Taiwan. Over 71 percent of respondents to a recent poll said they believed the United States “had no right to interfere” in whether Taiwan held a referendum on the UN entry issue.⁹⁴

At the same time, while the United States will pay attention to the PRC concerns—if for no other reason than that Beijing seems to take them seriously—Washington does not share the Mainland’s view that public debate about sensitive issues should be stifled. The position of the Taipei government is one thing; there the United States will hold President Chen to his word and will react increasingly sharply if he seems to be trying to get around his commitments through “lawyerly” reasoning. The United States will feel free to express its views about issues if it feels that its vital interests in peace and stability could be affected, including, for example, if Chen moved ahead to name 25 October “Independence Day” as he has taken to mulling over with visitors.⁹⁵ But it is not the U.S. role to tell people in Taiwan what they may and may not talk about.

This will not satisfy those in the Mainland who hold the view that “Americans are more concerned to maintain the status quo, but the status quo is not in China’s interest, nor is it in the interest of Taiwan.” This is not an accurate description of the U.S. view—which is focused on peace and stability rather than maintaining the status quo for the sake of maintaining the status quo,⁹⁶ but it is a view one frequently encounters in the PRC. Often this is expressed as a U.S. policy of “no war, no unification, no independence.”

But, although this writer is among those concerned whether the message of American unease about some of Taipei’s actions is being transmitted in a way

sufficiently strong to compel Chen Shui-bian to recognize he cannot ignore it without consequences, there really is no reason to believe that the United States would stand idly by if either side took steps truly threatening to peace and stability in the Strait.

The concern of many in Beijing, of course, is that the United States and China hold different judgments about what could upset peace and stability, and that if Washington waited too long to take decisive action, the issue might no longer be controllable.

On the other side of the Strait, as the Taiwan election season grinds on, it seems likely that both Frank Hsieh and Ma Ying-jeou will visit the United States.⁹⁷ Washington will welcome them as harbingers of more constructive cross-Strait relations based on a less confrontational approach from Taipei. But even if Beijing adopts a more flexible stance—and we cannot know at this point how far that flexibility will extend—there should be no illusions that a Ma or Hsieh presidency will bring total harmony in U.S.-Taiwan relations. As should be amply clear from the foregoing discussion, Washington and Taipei have differing agendas that will require sensitive handling between them.

Overall, the United States will welcome—and encourage—more cordial and productive cross-Strait relations. But, while some people will be looking for clues as to who is “really” the U.S. favorite in the Taiwan presidential race, Washington will go to some lengths to maintain strict neutrality. The issue for the United States is not which candidate or which party is in power. The issue is what policies they adopt. And while any concerns that the campaign rhetoric raises will no doubt be conveyed quietly to the candidates, everyone understands a campaign is a campaign, and while basic principles will not be abandoned, the responsibilities of governance will temper any flights of fancy. Both Ma and Hsieh appear to value a close relationship with the United States and to realize that Taiwan’s future security and well-being are tied to cooperative relations with Washington. Neither would be a U.S. puppet by any means, but both seem to fully understand that taking account of the interests of your principal sponsor is fundamental to promoting your own interests.

Final Note

Taiwan politics are known for their intensity and the focus of the candidates on painting the opposition in the worst possible light. One consequence is that contrasting positions are cast in terms of black and white, with few shades of gray. An obvious risk of this is that it tends to encourage candidates to voice extreme positions.⁹⁸

In this campaign—with two essentially moderate candidates who, despite their shared moderation, have quite different conceptions of how best to position Taiwan in cross-Strait relations—this inclination to exaggerate differences will naturally play a role in the rhetoric used and the positions taken. Still, one hopes that both candidates, and both parties, will reflect on how their campaigns can affect their ability to govern.

Beijing, too, needs to consider whether, even at this stage, it should not pay greater heed to the feelings and needs of the people of Taiwan. We have seen that Mainland experts already realize the gaps that exist in their appreciation of these matters and the requirement to address them. While Beijing's plans for dealing with the next administration in Taiwan may understandably be shaped by what they observe during the campaign, PRC policymakers also need to consider that how Beijing acts now, during the period of the campaign, can affect the positions the candidates take. The snatching away of Taiwan's former diplomatic partner Costa Rica, while perhaps satisfying to those in Beijing who wanted to demonstrate their power to punish Chen Shui-bian for provocative behavior, was badly received by the Taiwan public and added to the sense of unfairness that has been seen to characterize PRC cross-Strait policy for some time.⁹⁹

For its part, the United States would not benefit from unnecessary quarrels with either side on issues that are of such enormous importance and carry such emotional weight. But clarity is crucial, and downplaying American concerns for the sake of preserving amity would be a disservice to the vital U.S. interest in maintaining peace and stability and fostering a more constructive cross-Strait situation after 2008. Divisions within the Bush administration over appropriate responses to developments in Taipei may well be a factor in the ability to speak frankly. But, if so, even if the president is distracted by many weighty issues, including the war in Iraq, the consequences of miscalculations by either Taipei or Beijing could be equally as important as anything going on in the Persian Gulf today, so this issue, too, merits his attention. While one may not agree with all of the positions Beijing is taking about Taiwan—and the United States certainly does not—the caution so often heard from the Mainland, that one needs to deal with problems before they explode into crises, is worth heeding.

The post-2008 picture across the Taiwan Strait should, by all reasoning, be considerably brighter than what we have experienced in the past eight years. But that won't happen automatically. It will take dedicated, informed leadership from all of the major parties. It is none too soon to start exercising it.

Notes

¹ The KMT's insertion of "Taiwan" into its party charter and elimination of support of "unification" as a requirement for Mainland-based people to become "spiritual members" of the party have generated mixed reactions in Taiwan. Although some DPP leaders criticized the move as opportunistic, Frank Hsieh welcomed it "regardless of motive" as a sign that "now everyone identifies with Taiwan and the 2008 election is for a president of Taiwan" ("KMT Becomes Native; Lu, Hsieh Express Welcome; Yu: True Nature Has Not Changed," *Tung-sen Hsin-wen Pao*, 26 May 2007, translated in summary by Open Source Center [OSC], CPP20070526102001).

KMT officials argue that the new wording represents no change in the party's position on unification (Y.F. Low, "KMT Denies Scrapping 'Unification' As Party Objective," Central News Agency [CNA], 25 May 2007). Wu Den-yih, KMT secretary-general, justified the proposal this way: "Taiwanese identity is not a monopoly of the Democratic Progressive Party" (Lawrence Chung, "KMT mulls dropping reunification goal," *South China Morning Post*, 26 May 2007). But some KMT conservatives opposed the idea. Said one: "The removal of 'unification' would mean there was no difference between the KMT and

the DPP. If we can't distinguish between the KMT and the DPP, how can we persuade the electorate to vote for us?" (Mo Yan-chih, "KMT's 'Taiwan' change sparks controversy," *Taipei Times*, 27 May 2007).

² Among the terms reportedly agreed at one time, there would be 17 members of the commission. The pan-Blue and pan-Green coalitions would each recommend 14 candidates, and the premier would appoint seven people from each list. The remaining three commission members would be jointly recommended by the premier and the LY speaker from among opinion leaders not affiliated with any political party. ("DPP, KMT agree to CEC law changes," *Taiwan News*, 31 May 2007.) However, to the extent this really was an agreement, it fell apart, and debate over the CEC reorganization bill will be a focal point of debate during a two-week extended session of the LY in July. (Elizabeth Hsu, "Legislative Yuan Decides to Hold Extra Session July 10-20," CNA, 9 July 2007.)

The importance of this issue is related to the fact that the CEC has the authority to approve or disapprove referenda to appear on the ballot. Apparently fearing the effect of this in terms of mobilizing the pan-Green base, the KMT originally put forward a bill in the LY to amend the Presidential and Vice Presidential Election and Recall Law (總統副總統選舉罷免法) so as to outlaw holding national referenda and presidential elections on the same day. (George Liao, "Opposition advances bill on election, recall rulings," *Taiwan News*, 6 June 2007.) However, after the CEC unexpectedly rejected the DPP-proposed referendum on applying to the UN in the name of "Taiwan," (see below), the KMT dropped that line and adopted a new policy. Instead of seeking to block referenda from presidential ballot, it is now proposing its own referenda as alternatives to DPP proposals. As discussed below, this is true of the UN application issue, but it is also seen in the KMT's decision to sponsor a referendum on attacking corruption and seeking restoration of assets it claims the DPP has embezzled during its eight years in office to counter the DPP's proposal for a referendum to recover illegally obtained KMT assets. (Flor Wang, "KMT Submits Referendum Petition to Central Election Commission," CNA, 2 July 2007.)

³ Lilian Wu, "Lawmakers Plan to Hold Extra Session Next Week," CNA, 5 July 2007.

⁴ After the CEC declared that the LY election would be moved from December to January ("Legislative polls to be held January 12," *Taiwan News*, 1 June 2007), it seemed as though the LY election and the presidential election might be combined, and the KMT submitted a bill to block such a possibility. (George Liao, "Opposition Advances Bill on Election, Recall Rulings," *Taiwan News*, 6 June 2007.) However, the CEC subsequently decided that there was not a sufficient consensus in society to do that, and announced that the presidential ballot would be held in March. (Flor Wang, "No Consensus on Combining Presidential, Legislative Elections: CEC," CNA, 6 July 2007.)

Normally one might have thought that, although the KMT considers the CEC to be an "unlawful organization" as currently constituted and does not "accept" any of its decisions, this would end the debate. However, in the topsy-turvy world of Taiwan politics, it turns out that the KMT now wants to combine the elections and the party is appealing to the CEC to reverse its decision. ("KMT passes resolution to seek combinations of legislative and presidential polls," *Taiwan News*, 11 July 2007.)

⁵ Under the current provisions of the Presidential and Vice Presidential Election and Recall Law, Ma could not serve as (and hence could not run for) president if he is convicted and sentenced to a prison term of over 10 years. If a sentence of less than 10 years is handed down by the first court, then he would still be eligible to run until the final court of appeals has ruled—the third court under Taiwan procedures. The DPP has been seeking to amend the law so as to ban anyone from running who has been convicted simply by the first court, before appeal, regardless of the sentence. (Full text of the Election and Recall Law is available at www.cec.gov.tw/English/law1.rtf.)

With the pan-Blue controlling the LY, such an amendment would not ordinarily seem to have any prospect of passing, but the PFP (the KMT's pan-Blue coalition partner) had threatened that, if the KMT did not agree to support enough of its legislative candidates, its members would boycott LY sessions when the amendment came up for a vote, thus allowing the amendment to pass. The PFP group boycotted one session of the Procedures Committee to demonstrate their clout, but apparently the KMT made sufficient concessions so that, while total agreement on candidates has not yet been reached, the PFP has backed away from other boycott actions that would allow final passage.

⁶ The long, painful minuet over whether LY speaker Wang Jin-pyng would accept Ma's invitation to run as vice president, or, in a different vein, whether Wang would even support a ticket with Ma at the head, finally came to an end in late May. Wang turned down the vice presidential offer—albeit with a grudging comment that Ma had imposed a deadline for his decision—but he then appeared at the KMT nominating convention and was prominently featured on the dais in a show of unity with Ma, Siew, and other KMT

luminaries. (A photograph of the occasion was quite telling. It accompanied the story “Siew to lead economic revival: Ma,” *China Post*, 24 June 2007 at <http://www.chinapost.com.tw/news/113183.htm>.)

⁷ Flor Wang, “KMT Revises Charter for Presidential Candidate,” CNA, 24 June 2007. Ma’s trial is projected to conclude by the end of July, with the verdict handed down by mid-August. (Rich Chang and Shih Hsiu-chuan, “Ma verdict expected next month: judge,” *Taipei Times*, 4 July 2007.)

⁸ A *China Times* poll of 8 May 2007, after Hsieh Chang-ting’s victory in the DPP primary, showed Ma’s lead over Hsieh had dropped from over 20 percentage points at the end of February (47.4 vs. 25.9) to less than 10 points (33.0 vs. 23.5). However, this same poll showed Ma with a substantial lead over Hsieh in terms of who is viewed as less corrupt (30.6 vs. 13.3), who can advance the economy (35.4 vs. 19.8), and who can properly handle cross-Strait relations (47.6 vs. 15.2). Ma trails Hsieh in estimates of who can secure Taiwan’s sovereignty (22.9 vs. 37.5).

Three weeks later (1 June), a *China Times* poll showed Ma’s position had improved slightly, with his lead extending to 11 points (31.9 vs. 20.7).

However, most polls showed Ma’s position improved after he nominated former premier and economics expert Vincent Siew as his vice presidential running mate. *China Times* reflected an eight-point jump for Ma (to 40 percent) while Hsieh remained unchanged at 20 percent (“Chung-kuo shih-pao Latest Poll: Support for Ma-Siew Ticket up Eight Points,” *Chung-shih tien-dzu pao*, 24 June 2007, translated in summary by OSC, CPP20070625102001). Similar results were reported for a *China Times* poll in early July (38.7 percent versus 21.6 percent)

Meanwhile, the *Lien-ho pao* showed Ma-Siew at 50 percent versus 23 percent for a Hsieh-Yeh Chu-lan ticket, and 47 percent versus 27 percent if Hsieh teams up with Su Tseng-chang. (Herman Su, “DPP says opinion polls favoring Ma misleading,” *Taiwan News*, 25 June 2007.) In other words, both of these polls showed Ma regaining roughly the 20 point advantage (or more) that he enjoyed in February.

On the other hand, in its May report, the Global Views Survey Research Center (GVSRC) began a series entitled “Campaign Indicator.” Based on analysis of the views of likely voters along a number of indices, it showed Ma with 57.3 percent as against Hsieh’s 42.7 percent, less than a 15 percent gap. Moreover, this worsened slightly for the KMT candidate in June to 56.6 percent for Ma versus 43.4 percent for Hsieh (<http://www.gvm.com.tw/gvsrc/eng/index.asp>).

Setting aside the latest surge in some reports on Ma’s polling numbers, there is a question why his ratings have tended to slide over the past year. Part of the answer may lie in the lack of trust in Ma from the “deep Blue” adherents, especially in the PFP. For example, in the April GVSRC poll (the latest available with this measurement), “other” pan-Green trust in Hsieh (80.1 percent) was about the same as DPP trust in him. But “other” pan-Blue trust in Ma (67.3 percent) fell far short of KMT trust in him (82.6 percent). Whether Ma’s choice of Siew has helped bring “other” pan-Blue adherents to express greater support, and this is what the surge in late June indicated, is at this point only a matter of speculation. Some say it was not that, but the fact that Siew is known to favor robust cross-Strait economic relations, appealing to the “light Blue” business community and perhaps even some “light Green” supporters. In any case, to understand better what is happening, it would be useful if a detailed analysis of the political leanings—not just the party affiliation—of Ma’s (and Hsieh’s) supporters were undertaken periodically throughout the course of the campaign.

In assessing all of these polls, of course, one needs to be cautious about their reliability and their comparability (e.g., precisely what question is being asked). In fact, the DPP has challenged the validity of the recent polls showing Ma’s gain. (Herman Su, “DPP says opinion polls favoring Ma misleading,” *Taiwan News*, 25 June 2007.) But these kinds of data are still the only available indicators of any trends.

⁹ In the National Chengchih University tracking poll, which goes back 15 years, party identification in December 2006 split 34.7 percent KMT vs. 19.3 percent DPP. Except for mid-2006, at the height of Chen Shui-bian’s troubles, when the gap was even larger, one has to go back a full decade, to December 1996, to find as high a level of KMT identification or as large a gap in the KMT’s favor. (Significantly, “independent” or “non-response” remains in the traditional 40 percent range.) (NCCU, Election Study Center, “Important Political Attitude Trend Distribution in Taiwan: Party Preferences,” <http://esc.nccu.edu.tw/eng/data/data03-1.htm>.)

Following a slight dip for the KMT in May and bump-up for the DPP, the GVSRC’s June report showed trust in the KMT (46.6 percent) and in the DPP (34.5 percent) consistent with these measurements over a considerable period of time (<http://www.gvm.com.tw/gvsrc/eng/index.asp>).

¹⁰ Jenny W. Hsu, “Ma criticizes government’s foreign policy,” *Taiwan News*, 2 June 2007.

¹¹ George Liao, "Latest proposal by KMT escalates referendum war," *Taiwan News*, 29 June 2007.

¹² Mo Yan-chih and Ko Shu-ling, "KMT to hold referendum on UN bid," *Taipei Times*, 29 June 2007.

According to one report, some KMT central standing committee members opposed any agreement to allow use of the name "Taiwan" in such applications. But party chairman Wu Po-hsiung insisted on including the option to do so because he believed that the DPP otherwise would label the KMT "unpatriotic." (Li Hsien-ming, "Kuomintang Passes Proposal to Hold Referendum on Taiwan's Return to UN, including Option of Using Name of Taiwan," *Lien-ho pao*, 5 July 2007, translated in summary by OSC, CPP20070705100002.)

¹³ Mo Yan-chih and Ko Shu-ling, "KMT to hold referendum on UN bid," *Taipei Times*, 29 June 2007. This issue, including the U.S. reaction, is reviewed in greater detail in our discussion of Frank Hsieh, below.

¹⁴ Wang Yu-chung, "Campaign Strategy: Ma Ying-jeou to Open Taiwan to China," *Tzu-yu shih-pao*, 31 May 2007, citing Ma's interview with the Singapore newspaper *Lianhe zaobao* and translated in summary by OSC, CPP20070531100002.

¹⁵ Mo Yan-chih, "Ma lays into DPP in CNN interview," *Taipei Times*, 4 February 2007.

¹⁶ "Ma Ying-jeou: Localization Does Not Mean Desinicization," *Lien-ho Hsin-wen Wang*, 9 June 2007 (translated in summary by OSC, CPP20070610102001).

¹⁷ "Full Text of Press Communiqué on Talks Between CPC General Secretary Hu Jintao and KMT Chairman Lien Chan," 29 April 2005, Xinhua (translated by OSC, CPP20050429000169).

¹⁸ "Ma to talk with Beijing under 1992 consensus if elected president," *Taiwan News*, 4 June 2007.

Although Chen Shui-bian has attacked any effort to proceed with the Mainland on the basis of the "1992 Consensus" and with the goal of ultimate unification—including in his videoconference "Newsmaker" appearance at the National Press Club on 29 May 2007—Ma has stuck with his position that accepting the "1992 Consensus" will benefit Taiwan's economy, political reform, national defense, and diplomacy. ("Ma Ying-jeou: Accepting 1992 Consensus Will Help Taiwan's Development," *Chung-yang Kuang-po Tien-t'ai*, 10 June 2007, translated in summary by OSC, CPP20070610102004.)

¹⁹ "Ma floats mutual non-denial concept in cross-strait interplay," *Taiwan News*, 13 June 2007.

²⁰ One centrally involved person in Beijing has pointed out that the PRC would not accept *yi zhong, ge biao* from Lee Teng-hui (or from Chen Shui-bian, had he ever endorsed it) because Lee was seen as determined to twist the meaning of "respective interpretations" into a "one China, one Taiwan" or "two Chinas" position. If Ma were to be elected and foreswear Taiwan independence, *yi zhong, ge biao* would be seen as a more reliable position.

²¹ "Jiang Zemin's Eight-point Proposal," Taiwan Affairs Office of the State Council, 30 January 1995 (http://www.gwytb.gov.cn:8088/detail.asp?table=JiangEP&title=Jiang+Zemin's+Eight-point+Proposal&m_id=3).

²² "Full text of Anti-Secession Law," *People's Daily Online*, 14 March 2005, http://english.people.com.cn/200503/14/eng20050314_176746.html.

²³ Ma rejected the statements of a prominent KMT hardliner who stressed unification. Ma said that the time was not yet ripe to discuss that issue. "Taiwanese independence has never been an option for the KMT, but it's not the time to discuss unification with China either." (Mo Yan-chih, "Ma rejects hardline 'two Chinas' view," *Taipei Times*, 22 June 2007.)

²⁴ Ma even insists on some drawdown of missiles opposite Taiwan as a precondition for discussing a peace accord. (Flora Wang, "Missiles must go before talks with China, Ma says," *Taipei Times*, 5 June 2007.)

²⁵ One would hope that, over time, both sides might consider various concepts of "sovereignty" to see if there were not an approach both could agree on. But that is not at all probable in the timeframe we are considering here.

²⁶ In a recent poll, over 60 percent expressed anger at PRC squeezing of Taiwan in the international community and 85 percent said this would affect cross-Strait relations. (Flor Wang, "Majority of Poll Respondents Angry with China's Double-Dealing," CNA, 14 June 2007.)

²⁷ Y.F. Low, "China Plots to Change Taiwan's Membership Name in Animal Health Group," CNA, 18 May 2007.

²⁸ The first "Memorandum of Understanding" between Beijing and the WHO was reached in May 2005, and an implementing agreement was signed that July. Neither text has been officially released, but Taipei recently obtained and released publicly what appears to be the text of the implementing agreement. The text shows a significant level of PRC control over Taiwan's participation—and WHO's acquiescence.

The PRC health minister, Gao Qiang, recently stated that Beijing plans to sign a second, “more extensive and comprehensive,” MOU with WHO on Taiwan’s participation. Characterized as facilitating Taiwan’s “full participation” in the International Health Regulations that were to come into effect on 15 June, Gao’s announcement predictably met with rejection in Taipei. (Jenny W. Hsu, “Taiwan slams PRC plan to ink memo with WHO,” *Taiwan News*, 16 May 2007.)

Beijing also reported it had submitted a government statement to the WHO secretariat announcing that the PRC “decides that the International Health Regulations. . . are applicable to the whole territory of the PRC, including the Hong Kong Special Administrative Region [SAR], the Macau SAR, and Taiwan province.” (Liu Guoyuan and Yang Jingde, “Chinese Government Issues Statement Saying International Health Regulations Applicable to Whole China,” *Xinhua*, 14 May 2007, translated by OSC, CPP20070514072004.)

Unsurprisingly, Taipei not only rejected this entire concept (Neil Lu and Y.F. Low, “Taiwan Rejects China’s IHR Claim,” *CNA*, 16 May 2007) but then issued a comprehensive statement rejecting any PRC claim to represent or speak for Taiwan in the WHO (Y.F. Low, “China Has No Jurisdiction over Taiwan: DOH,” *CNA*, 16 May 2007).

²⁹ Jenny W. Hsu, “Ma criticizes government’s foreign policy,” *Taiwan News*, 2 June 2007.

³⁰ Although Su was apparently strongly supported as Hsieh’s running mate by Chen Shui-bian, by early July the former premier indicated he would not accept a nomination. (“Su voices no interest in DPP vice presidential candidacy,” *Taiwan News*, 6 July 2007.) Still, Hsieh announced he would hold off picking a running mate until August, which led some people to speculate that the issue was not finally decided. (“Hsieh-Su Ticket Not Fallen Through Yet? Bian: Still Developing; Hsieh, Su to Meet,” *Tung-sen hsin-wen*, 7 July 2007, translated in summary by OSC, CPP20070708102001.) Others, however, suggested that Hsieh would definitely choose Yeh Chu-lan, but he did not want to force the issue against Chen’s wishes any earlier than he had to in order to give the president face. (Kao Tien-sheng, “To Show Respect to Chen Shui-bian, Frank Hsieh Will Not Choose Running Mate Until September,” *Hsin Taiwan*, 22–28 June 2007, translated in summary by OSC, CPP20070706099004.)

³¹ T.C. Jiang, “U.N. Bid Aimed at World Recognition: DPP Candidate,” *CNA*, 12 June 2007.

³² Sophia Wu, “DPP Primary Winner Vows to Pursue National Goal with Pragmatism,” *CNA*, 7 May 2007.

³³ Flora Wang, “Hsieh seeks ‘win-win’ relationship with PRC,” *Taipei Times*, 12 June 2007.

³⁴ The argument is that businesses would not need to relocate to the Mainland if people and goods could freely move back and forth.

³⁵ Hsieh has been very open about the need for the DPP to move to the center as it focuses on making democracy work. (Kao Tien-sheng, Lee Hsin-yi, and Lee Hung-tien, “Interview with Frank Hsieh: Taiwan’s Winning Strategy,” *Hsin Taiwan [Weekly]*, 6–12 May 2006, translated by Open Source Center [OSC], CPP20060516099001.)

³⁶ Ts’ai Tzung-hsun, Wu Wei-kung, Ch’en I-min, and Chung Li-hua, “Premier Su Tseng-chang [Su Chen-ch’ang] Says State Position Must Be Clear, Firm on ‘Each Side, a Separate Country’ Principle,” *Tzu-yu Shih-pao*, 3 May 2007 (translated in summary by OSC, CPP20070503100001). When Chen Shui-bian first articulated this concept in August 2002, he not only caused a significant stir in Taiwan, he was chastised by the United States as well as the PRC.

³⁷ Shih Hsiu-chuan and Flora Wang, “DPP bigwigs in ‘one China’ spat,” *Taipei Times*, 21 April 2007.

³⁸ Dennis Engbarth, “Taiwan must protect security before links, say DPP hopefuls,” *Taiwan News*, 22 April 2007.

³⁹ Kao Tien-sheng, Lee Hsin-yi, and Lee Hung-tien, “Interview with Frank Hsieh.”

⁴⁰ “Hsieh offers KMT, China peace pipe,” *Taipei Times*, 29 January 2005.

⁴¹ Kao Tien-sheng, Lee Hsin-yi, and Lee Hung-tien, “Interview with Frank Hsieh.”

⁴² Elizabeth Hsu, “Taiwan Undergoing ‘Taiwanization’: Former Premier Hsieh,” *CNA*, 24 March 2007.

⁴³ “Hsieh slammed for ‘one China’ remark,” *Taiwan News*, 21 April 2007.

⁴⁴ Flora Wang, “DPP Must Recognize Constitution, Hsieh Says,” *Taipei Times*, 23 April 2007.

Under growing criticism, Hsieh pointed out that, even as premier in March 2005, he had proposed doing away with the “one China” concept through constitutional reform. (Elizabeth Hsu, *op cit.*) Press reports from the time indicate that, on the eve of the PRC’s passage of the Anti-Secession Law, Hsieh argued that, if the law posed an immediate danger to Taiwan and included Taiwan in its territory, he would support amending the constitution as a counter-move, although the Executive Yuan would not itself move for revision (Joy Su, “Hsieh backs constitutional retaliation,” *Taipei Times*, 9 March 2005). He made clear

at the time that he was speaking specifically of amending the first six articles of the constitution that define the sovereignty of the ROC (“Constitution may be amended to counter anti-secession,” *China Post*, 9 March 2005). He supplemented this approach by noting that the “four noes” policy was only valid so long as the PRC did not initiate military action against Taiwan. “That is our bottom line. Should military action begin in the Strait, the ‘four noes’ policy will be automatically invalidated.” (Jimmy Chuang, “President’s ‘four noes’ predicated on peace, premier says,” *Taipei Times*, 10 March 2005.)

Immediately after the Anti-Secession Law’s enactment—as then-Taipei mayor Ma Ying-jeou was arguing that, while the Anti-Secession law was neither necessary nor wise, proposals for independence, name rectification, or constitutional amendment “cannot represent mainstream Taiwan public opinion” (News Conference, *Formosa Television Cable News*, 14 March 2005, translated by FBIS, CPP20050314000214)—Hsieh was taking a different tack. He said the first six articles “should be” amended or a “defensive referendum” should be held by way of response to Beijing. “If the final decision is not to amend the constitution, I will respect that decision. But I feel that the constitution should be amended.” (Li Tzu-shun and Ch’en Yen-po, “Hsieh Chang-t’ing: Taiwan Strait Faces Threat of War,” *Chung-shih Wan-pao*, 15 March 2005, translated by FBIS, CPP20050316000054.) Still, it is worth noting that Hsieh also said that “Although we are all very angry at Beijing’s ill-motivated legislation, we must remain calm and refrain from any irrational extreme reaction.” (Sofia Wu, “Anti-secession Law Helps Enhance Taiwan Identity: Premier,” *CNA*, 15 March 2005.)

A shift in Hsieh’s tone over this period reflected the pressure that the United States applied on Taipei to avoid an overly strident reaction. Thus, stressing a theme that has also characterized his recent statements, Hsieh said two days later that, while the “one China” framework of the constitution could be amended, it required the forging of a national consensus and due regard to the reactions from the “international community” and Beijing. (Flor Wang, “Premier Promises No Change to ROC’s Official Designation,” *CNA*, 18 March 2005.) And when a number of constitutional amendments—already on the table in March—were passed by the LY that August, neither a national name change nor any other “sensitive issue” was among them.

Consistent with this more measured approach, as a mass demonstration was being organized in March 2005 to protest the Anti-Secession Law, Hsieh said that the government was not involved with the demonstration because it did not want the “international community” to misunderstand it or perceive it to be “stirring up” contention. (Kao Ling-yun, “26 March Protest Rally is Not Being Organized by Government. Premier Hsieh: To Avoid Misunderstanding,” *Lien-ho Wan-pao*, 18 March 2005, translated by FBIS, CPP20050318000198.)

Hsieh’s pragmatism was on display again when he stepped down as premier in early 2006 after the DPP’s defeat in local elections. At a time when Chen Shui-bian was pressing a more restrictive policy toward the Mainland, cautioning against the “three links,” Hsieh supported direct transportation links with the Mainland. He said: “What we really care about is what is actually good for Taiwan. From the business point of view, since Taiwan is an island nation, I think direct air traffic across the Taiwan Strait is good for the country.” He added that he realized his view of “certain policies is somewhat different from the person who is in power.” (Jimmy Chuang, “Hsieh backs direct links with China in jab at Chen,” *Taipei Times*, 21 January 2006.)

A month later, Hsieh directly criticized Chen Shui-bian’s confrontational approach even more directly. After Chen scrapped the National Unification Council and Guidelines, although Hsieh was probably more critical of the way Chen went about it than the idea of setting the Council and Guidelines aside, he charged: “[Chen] may have secured the DPP’s loyal supporters, but he has lost U.S. trust in him.” (“Ex-Taiwan Premier Hsieh Criticizes Chen Shui-bian’s Scrapping of NUC,” *Kyodo*, 1 March 2006, disseminated by OSC, JPP20060301056023.)

⁴⁵ Private conversations in Taiwan, May 2007.

⁴⁶ Lu Hsien-hsiu and Hsieh Wu-hsiung, “Frank Hsieh Says Taiwan Not to Be Reunified If People Choose Right Person,” *Tzu-yu shih-pao*, 11 May 2007 (translated by OSC, CPP20070511100001). A *China Times* poll of 9 May showed Hsieh is seen by the public as better able than Ma to “secure Taiwan’s sovereignty” by a margin of 37.5 percent vs. 22.9 percent (available the day of its publication at <http://news.chinatimes.com/2007Cti/2007Cti-News/2007Cti-News-Content/0,4521,110501+112007050900010,00.html>, translated by the National Policy Foundation).

⁴⁷ Dennis Engbarth, “Hsieh slams KMT for refusing to face China threat,” *Taiwan News*, 30 June 2007.

⁴⁸ Flora Wang, “Hsieh in favor of cross-strait links, with some rules,” *CNA*, 4 June 2007.

How Hsieh would seek to implement the “three links,” specifically the establishment of scheduled cross-strait air links, remains to be seen. Although, as already noted, he has spoken in favor of establishing them, he joined with the other DPP leaders during the nomination campaign in agreeing that they could only be realized after Taiwan’s sovereignty and national security were ensured. (Ko Shu-ling and Mo Yan-chih, “DPP candidates avoid war of words,” *Taipei Times*, 22 April 2007). Recognizing the difficulty this requirement poses, in early June Hsieh suggested skirting the issue. He observed that he had long supported expanding direct charter flights as a way of avoiding controversy that regularly scheduled flights would create in terms of whether they would be defined as “international” or “domestic.” (Y.L. Kao, “DPP President Candidate Favors Cross-Strait Direct Flights, CNA, 8 June 2007.)

⁴⁹ “DPP candidate warns against common market with China,” *Taiwan News*, 27 June 2007.

⁵⁰ Ko Shu-ling, “Chen says KMT’s ‘common market’ a ‘one China’ ploy,” *Taipei Times*, 1 July 2007.

⁵¹ Flor Wang, “KMT VP Candidate Complains about Attacks on Common Market Idea,” CNA, 5 July 2007.

⁵² Mo Yan-chih, “Ma blasts Hsieh’s closed-door policy on trade with China,” *Taipei Times*, 8 July 2007.

⁵³ A Mainland Affairs Council poll in late April 2007 found that over 77 percent of respondents favored joining the United Nations and other international organizations under the name “Taiwan.” (“Support for cross-strait links at seven-year low,” *Taipei Times*, 6 May 2007.) This is not an entirely new position for Hsieh. In 2005, while he was premier, he had remarked that applying to the UN as “Taiwan” was under consideration along with “ROC” and other possibilities. He said then, as Chen Shui-bian has been arguing of late, that the name used for such an application did not necessarily have to conform with the official name. (Lilian Wu, “Taiwan Premier Says Taiwan, Republic of China Names Top Choices for UN Bid,” CNA, 18 March 2005.)

⁵⁴ Jewel Huang, “MOFA grilled over UN name bid,” *Taipei Times*, 31 May 2007.

⁵⁵ Lilian Wu, “Time Ripe for Referendum on Joining U.N. as Taiwan: Ex-premier,” CNA, 6 March 2007.

⁵⁶ Cheng Jen-wen, “DPP Pushes Forward Referendum on UN Membership, To Hold March on 15 September,” *Lien-ho pao* (translated in summary by OSC, CPP20070705100002).

⁵⁷ “Taiwan will hold U.N. bid referendum: Chen,” *China Post*, 19 June 2007.

⁵⁸ Matthew Lee, “Taiwan to seek U.N. membership, DPP seen staying on in power: Chen,” Interview, Kyodo, 11 July 2007.

⁵⁹ *Ibid.*

⁶⁰ Ko Shu-ling, “Poll shows support for UN bid,” *Taipei Times*, 24 June 2007.

⁶¹ “Transcript of the News Conference of the Taiwan Affairs Office [TAO] of the State Council on 13 June 2007,” TAO website in Chinese (translated by OSC, CPP20070613071001). (The original Chinese-language text is at http://www.gwytb.gov.cn/xwfbh/xwfbh0.asp?xwfbh_m_id=83.)

⁶² The Executive Yuan’s Referendum Review Commission ruled against including the proposed referendum on the ballot, but the DPP is appealing this ruling, and it is generally believed the largely pro-Green appeals board will reverse the review commission decision. (Y.F. Low, “DPP to Appeal Against Ruling on U.N. Referendum,” CNA, 29 June 2007.) If so, all the sponsors will need to do to place the referendum on the ballot is to gather some 835,000 signatures, not considered a particularly difficult hurdle.

⁶³ Sean McCormack, State Department Spokesman, Daily Press Briefing (DPB #109), 19 June 2007 (available at <http://www.state.gov/r/pa/prs/dpb/2007/jun/86611.htm>).

⁶⁴ She was granted only one overnight stay in San Francisco on the way to Central America, and a four-hour refueling stop in Los Angeles on the way home.

⁶⁵ Hsieh reportedly spoke against the version introduced by DPP legislator Trong Chai (head of the drafting committee) at the 6 June party central standing committee meeting, arguing that it would harm the DPP’s prospects in the elections. He said that the DPP should not be too specific about controversial issues, but rather should outline in broad terms the kinds of difficulties Taiwan faces, propose ways to overcome those difficulties, and identify the future course Taiwan should take. On name rectification, he reportedly said that, to avoid stirring up discontent, the DPP should seek to change only those names that commemorate or symbolize dictatorship, leaving alone those that no longer have any real meaning. (He Ming-kuo, “Frank Hsieh [Hsieh Ch’ang-t’ing] says Trong Chai’s [Ts’ai T’ung-jung] version of Resolution on Normalization of Taiwan Not Good for Elections,” *Lien-ho pao*, 7 June 2007, translated in summary by OSC, CPP-20070607100001; the original [full text] Chinese-language text was found at <http://udn.com/NEWS/NATIONAL/NATS6/3877877.shtml>.)

This last point on name rectification would, at the very least, seem to run at cross-purposes with Chen Shui-bian's previous plan, under which the president said he intended to continue pushing change. One presumes that, as the standard bearer, Hsieh will have considerable say over the DPP position on such matters. (Deborah Kuo, "Taiwan President Says Name Changes Will Continue," CNA, 23 April 2007.)

⁶⁶ That resolution, known as the "Resolution Regarding Taiwan's Future" (台灣前途決議文), asserted that Taiwan, "named the Republic of China under its current constitution," is a sovereign, independent country that is not part of or subject to the jurisdiction of the PRC, and that changing its independent status "must be decided by all the residents of Taiwan by means of a plebiscite." This replaced the original platform Taiwan Independence Clause (台獨黨綱), which identified the "establishment of a sovereign and independent Republic of Taiwan" as a goal to be achieved through a new constitution. (<http://www.dpp.org.tw>). In essence, the 1999 resolution superseded that by saying "we are already independent, so we don't need to 'declare independence.'"

Shortly after adoption of the 1999 resolution Hsieh said: "The party takes a cautious approach in determining whether Taiwan will unify with China, but that is not excluded as an option." (Shih Hsiu-chuan and Flora Wang, "DPP bigwigs in 'one China' spat," *Taipei Times*, 21 April 2007.) Although this has been seized upon by some DPP fundamentalists as a sign of weakness, it probably has broad voter appeal. Moreover, the fact is it essentially mirrors the KMT statement (in a political ad in early 2006 also designed to appeal to a broader segment of the electorate) that "independence" is one of "several options" for Taiwan's future that "must be decided by the people." That is, while each party has its strong preference—the DPP for independence, the KMT for unification—both appear to have come to the position that, whatever their own preferences, or especially the preferences of their more extreme wings, it is politically advantageous to recognize openly that the ultimate judgment on this question is up to the people of Taiwan. (The KMT front-page advertisement in *Tzu-yu shih-pao* of 14 February 2006 was translated by OSC as CPP20060216310001.)

⁶⁷ One draft of the resolution reportedly calls for a referendum to make Taiwan a "normal state," changing the national flag and national anthem. (Lin He-ming, "Trong Chai [Ts'ai T'ungo-jung] Drafts Resolution of Normalization of Taiwan, Makes Seven Propositions," *Lien-ho pao*, 31 May 2007, translated in summary by OSC, CPP20070531100002.)

All of these steps, if implemented, would obviously cross PRC "red lines." In response to the draft proposals, the PRC State Council Taiwan Affairs Office "sternly warned" against such measures. (Mao Leilei and Chen Binhua, "The State Council Taiwan Affairs Office Says We Hope That the Broad Masses of DPP Members Will Earnestly Realize That 'Taiwan Independence' Will Surely Fail," Xinhua [Domestic Service], 30 May 2007; translated by OSC, CPP20070530708002.)

As to the *si yao, yi meiyou* (Y.C. Jou, "President Declares 'Four Wants and One Without,'" CNA, 4 March 2007), the "four wants" include independence, rectification of Taiwan's official name (from the "Republic of China" to "Taiwan"), a new constitution, and economic development, while the "without" refers to the assertion that Taiwan politics has no left/right divide, but only an issue of national identity and whether to unify with the Mainland or secure Taiwan's formal independence.

In reaction to widespread criticism that, in laying out the *si yao, yi meiyou* position, Chen was pursuing a destabilizing policy, Chen's spokesmen "explained" that the new formulation was not an "action plan" for declaring independence but rather a reiteration of how important Taiwan's current independent, sovereign status is. However, contemporary reports cite the president as saying that "The *pursuit* of Taiwan's independence is not a dangerous regression but the noblest undertaking" (emphasis added). And, in any event, those advocating radical DPP charter revision clearly seek to set out goals for future action.

⁶⁸ Maubo Chang, "DPP Presidential Candidate Questioned by Prosecutors," CNA, 8 June 2007.

⁶⁹ Rich Chang, "Top DPP officials may be questioned over special funds," *Taipei Times*, 5 June 2007.

⁷⁰ "Hsieh to quit presidential race if charged with corruption: aides," *Taiwan News*, 28 May 2007; Herman Su, "DPP campaign workers try to shift focus to Ma," *Taiwan News*, 10 June 2007; "Frank Hsieh: Will Not Withdraw from Presidential Race if Indicted for Anything other than Special Fund Case," *Chung-yang Kuang-po Tien-t'ai*, 10 June 2007 (translated in summary by OSC, CPP20070610102002). Hsieh said he would not bet his political career on the actions of a prosecutor he labeled as "not impartial." (Flora Wang, "Hsieh slams previous prosecutor," *Taipei Times*, 11 June 2007.)

⁷¹ Flora Wang and Shih Hsiu-chuan, "DPP will not amend rules for Hsieh," *Taipei Times*, 12 June 2007.

This is doubtless not the final word. Although the DPP characterizes itself as much more “principled” than the Kuomintang, it seems inconceivable that the party would agree to dismiss its candidate by adhering to a stricter rule than the KMT is following.

⁷² General William Tecumseh Sherman, a Union officer in the American Civil War, was proposed as a Republican candidate in the presidential election of 1884. He declined with a now-famous statement: “If nominated I will not run; if elected I will not serve.” Such a categorical, “Shermanesque” statement is rarely invoked by any politician.

⁷³ Chang Ling-yin, “Hsieh vows to continue presidential bid even if he is indicted,” *Taiwan News*, 11 June 2007.

⁷⁴ Ma continues to press China on democracy issues, among other things, and to commemorate the 4 June 1989 Tiananmen tragedy, which irks Beijing, but will not derail the Mainland’s determination to work with him if he is elected. (Flora Wang, “Missiles must go before talks with China, Ma says,” *Taipei Times*, 5 June 2007.)

⁷⁵ “President Chen Shui-bian Meets Visiting Delegation of Members of the National Committee on American Foreign Policy,” News Release, Office of the President, 23 May 2007 (http://www.president.gov.tw/en/prog/news_release/print.php?id=1105499426).

⁷⁶ *gao wei qi* (高危期)

⁷⁷ This concern is only heightened when they see statements by Chen such as the one he made on the occasion of appointing Chang Chun-hsiung premier in mid-May: “Because there will almost be one full year before my term of office expires . . . what we need to do now is sprint with all-out efforts . . . It is now baseball season again . . . Even the underdog has the opportunity to become the winner during the second half of the ninth inning.” (“The President Announces that He Has Appointed Straits Exchange Foundation Chairman Chang Chun-hsiung To Be the New Executive Yuan President,” Press Release from the Office of the President, 14 May 2007, translated by OSC, CPP20070514071001.)

⁷⁸ This would involve “freezing” the current constitution and enacting a new one that would avoid any reference to links with the Mainland. It would retain reference to the “Republic of China,” but would define it so as to mean only Taiwan and nearby islands. As explained in the previous issue of *CLM*: “What theoretically makes this proposal acceptable is that it would formally retain the existing constitution with its references to sovereignty, territorial delimitation, and so forth. But it would freeze that constitution and bring into being a parallel constitution (forming a ‘Second Republic’) that would not address those ‘sensitive’ issues at all. According to this argument, because Chen would not be ‘introducing’ problematic concepts into the constitution, and he would not be ‘eliminating’ the theoretical connections to ‘China’ that exist in the current constitution, he would be fulfilling his pledges. Even if, as some say, the preface to such a new constitution contained references to its ‘temporary’ nature (pending ultimate resolution of cross-strait relations), the effective governing document would contain no cross-strait links and for all practical purposes those connections would be neutered if not fully severed. This new state of affairs would be underscored if, as some accounts have it, the preface also described the jurisdiction of the ‘Second Republic of China’ as being limited to the 36,000 square kilometers occupied by Taiwan, the Penghus, Jinmen, and Mazu, with sovereignty solely in the hands of the 23 million people residing in those areas.” (Alan D. Romberg, “Politicians Jockey for Position in Taiwan’s 2007–2008 Elections, While Japan Jockeys for Position Across the Strait,” *China Leadership Monitor* 20, Winter 2007, 16–17, <http://www.hoover.org/publications/clm/issues/6301402.html>.)

⁷⁹ Alan D. Romberg, “The Taiwan Tangle,” *China Leadership Monitor* 18, Spring 2006 (<http://www.hoover.org/publications/clm/issues/3294281.html>).

With regard to the action on the National Unification Council and Guidelines, according to a posting on the president’s official website, Chen acknowledged to a recent visitor that, regardless of the term used to describe the action he took (“cease to function”/“cease to apply”), in fact, the Council and Guidelines “cease to be” in practice. He said that “sometimes certain phrasing is used for appearance’s sake, while the crucial factor is whether the objective has been attained.” (“President Chen Shui-bian Meets with Pepperdine University Professor, Vice Chancellor,” News Release, Office of the President, 22 May 2007 (http://www.president.gov.tw/en/prog/news_release/print.php?id=1105499425).

⁸⁰ “Article 8—In the event that the ‘Taiwan independence’ secessionist forces should act under any name or by any means to cause the fact of Taiwan’s secession from China, or that major incidents entailing Taiwan’s secession from China should occur, or that possibilities for a peaceful reunification should be

completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity." ("Full text of Anti-Secession Law," *People's Daily Online*, 14 March 2005, http://english.people.com.cn/200503/14/eng20050314_176746.html.)

⁸¹ After Hsieh's primary victory, he and Chen Shui-bian agreed that "both sides of the Taiwan Strait can engage in any kind of pragmatic opening and contact as long as they do not compromise Taiwan's sovereignty and dignity." (Lilian Wu, "President, Would-be DPP Presidential Candidate Set Tone on Key Issues," CNA, 15 May 2007.) There is lots of room for interpretation in that, but it would seem to underscore that, while he will give due deference to Chen, Hsieh will pursue his ideas for more-productive cross-Strait relations.

⁸² Lan Hsiao-wei, "Chinese Scholar Says If Democratic Progressive Party (DPP) Acknowledges Taiwanese Are Chinese Too, It Is Same as Acknowledging 'One China' Principle," *Lien-ho pao*, 12 June 2007 (translated in summary by OSC, CPP20070613100003). The full text of the article is worth reading and can be found at <http://www.udn.com/2007/6/12/NEWS/WORLD/WOR1/3884319.shtml>.

⁸³ Some argue that any gesture to Taiwan on "international space" under any circumstance is the equivalent of accepting Taiwan independence. But this does not appear to be a representative view. Most seem to think that, under a "one China" umbrella, in at least a number of cases, this issue can be circumvented.

⁸⁴ The extent to which the PRC was willing to go to win this battle is suggested by a report that Beijing has committed to take over all unfinished Costa Rican aid projects from Taiwan, consider investing in an oil refinery to create local jobs and help meet Costa Rica's energy needs, and assist Costa Rica to obtain APEC (Asia-Pacific Economic Cooperation forum) membership as well as a seat on the UN Security Council. ("Sino-Costa Rican Agreement Partially Revealed; China Promises to Get Costa Rica into UNSC," *Chung-shih Tien-tzu pao*, 10 June 2007, translated in summary by OSC, CPP20070610102004.)

⁸⁵ There are some obvious similarities between this issue and the dispute over the circumstances under which the Olympic torch could pass through Taiwan on its way to Beijing in 2008. Especially given Frank Hsieh's new attention to the Olympic torch issue, however, a one-time solution to that problem is quite likely. By comparison, both sides see the stakes of nomenclature in the case of cross-Strait transportation links as more consequential, and the terms of reference will take some time to work out.

⁸⁶ Chen Shui-bian, of course, is seeking to push the United States in the other direction. During the recent visit of AIT Managing Director Raymond Burghardt, for example, Chen chided the United States for allegedly violating the July 1982 "six assurances," including one that stated the U.S. had not changed its position on sovereignty. Chen said that this meant the United States was committed to defend Taiwan's sovereignty, which it failed to do in the recent OIE case. (Sofia Wu, "President Urges U.S. to Reaffirm 6 Assurances to Taiwan," CNA, 14 June 2007.) This is a significant distortion of the U.S. position, but one does not know if Chen realizes this and is simply making a debating point (which is likely) or actually misunderstands U.S. policy in such a fundamental way.

⁸⁷ "Taiwan: Naming of State-Owned Enterprises and Offices," Taken Question, Department of State Press Office, 9 February 2007 (2007/91; <http://www.state.gov/r/pa/prs/ps/2007/february/80364.htm>).

⁸⁸ It is interesting to note that the TAO statement warning about the serious consequences of a referendum on applying to the United Nations as "Taiwan" (endnote 61) specifically cited one of Chen's objectives as creating a cross-Strait crisis. But that realization would not be enough to forestall a PRC reaction if Chen's action were adjudged too provocative and did not generate an appropriately strong U.S. response.

⁸⁹ Testimony of Deputy Secretary of State John D. Negroponte before the House Committee on Foreign Affairs, Hearing on the Future of Political, Economic and Security Relations with China, 1 May 2007, CQ Transcripts. (Committee audio at http://boss.streamos.com/real/international/56_fc050107.smi.)

⁹⁰ See endnote 63 above.

⁹¹ "Interview with Chen Shui-bian, President of Taiwan," *Washington Post*, 8 July 2007 (full text of interview at <http://www.washingtonpost.com/wp-dyn/content/article/2007/07/07/AR2007070700929.html>)

⁹² Alan D. Romberg, "Taiwan: All Politics, All the Time," *China Leadership Monitor* 19, Fall 2006.

⁹³ "The President Attends a Tea Party at the Fushan Botanical Garden Held by the Friendship Association of Reporters Covering News from the Presidential Office," Office of the President, 22 June 2007 (translated by OSC, CPP20070622319003; emphasis added. Original Chinese text available at <http://www.president.gov.tw/>).

⁹⁴ Dennis Engbarth, "DPP files appeal against veto of U.N. referendum," *Taiwan News*, 4 July 2007.

⁹⁵ Elizabeth Hsu, "President Seeks Feedback on Independence Day Proposal," CNA, 23 May 2007.

⁹⁶ In fairness to this view, there are some people who do emphasize the status quo per se. For example, while noting the clear U.S. concern with any push in Taiwan toward independence, former deputy assistant secretary of state Randall Schriver reportedly also said: “If [Taiwan] goes in the other direction [toward unification], if the KMT [Chinese Nationalist Party] and others try to move more rapidly toward the PRC, that would be cause for a re-evaluation [of US policy toward Taiwan].” (“Armitage criticizes State Department,” *Taipei Times*, 18 February 2007.)

⁹⁷ As of this writing, Hsieh appears to be setting up a trip in late July, during which he would meet with senior officials from the State and Defense Departments and the National Security Council staff. Ma plans a similar trip later in the year.

⁹⁸ Also, in an echo of Yogi Berra’s adage that it ain’t over till it’s over, on 15 June the Kaohsiung district court nullified the results of the 2006 Kaohsiung mayoral election, which the DPP candidate, Chen Chu, had won by only slightly over 1,000 votes. (Alan D. Romberg, “Politicians Jockey for Position in Taiwan’s 2007–2008 Elections, While Japan Jockeys for Position Across the Strait,” *China Leadership Monitor* 20, Winter 2007.) Chen Chu has announced she will appeal the decision. (Flor Wang, “Kaohsiung Mayor to Appeal Annulment of Election,” CNA, 9 July 2007.)

⁹⁹ A poll in mid-June revealed that 68 percent of the respondents were aware that Beijing had offered Costa Rica over \$425 million in the campaign to woo it away from Taiwan. Seventy percent said Beijing has never stopped trying to damage Taiwan’s relations with other countries, and almost half agreed that the Mainland would increase its “diplomatic suppression” of Taiwan no matter who wins Taiwan’s presidency in 2008. (Elizabeth Hsu, “71% of Poll Respondents Support U.N. Bid Under Name of ‘Taiwan’,” CNA, 23 June 2007.)