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## Taiwan: Crisis Deferred, But Maybe Not For Long

BY DENNY ROY

Taiwan's elections on January 14, which for the first time combined polls for the presidency and the legislature, displayed further positive evolution in Taiwan's now well-established democracy. The results also precluded an immediate disruption in relations between Taiwan and the PRC, which is good news in Washington. In Beijing's view, however, the goal is not stability across the Taiwan Strait, but unification. Chinese impatience might weigh more heavily on President Ma Ying-jeou, and by extension on the United States, during Ma's second term.

**Denny Roy, Senior Fellow at the East-West Center, discusses the implications of the recent Taiwan election results. "In the short-term, we can expect a deepening of cross-Strait economic and social integration, persistence of the diplomatic truce, and possibly Chinese tolerance of a small expansion of Taiwan's participation in international organizations and economic agreements. Beyond that, however, the worries from Ma's first term will intensify."**

Although the election awarded the presidency and a majority of the legislature to the Kuomintang (KMT), it strengthened Taiwan's two-party system. After a sound beating in the 2008 presidential election and the trial and imprisonment of former President Chen Shui-bian for corruption, the ability of the Democratic Progressive Party (DPP) to remain a viable challenger to the KMT was questionable. In the intervening years, however, the DPP rebounded impressively. DPP candidate Tsai Ing-wen was an intelligent candidate who raised important policy issues. Her 45 percent of the vote improved on the 42 percent garnered by DPP candidate Frank Hsieh in 2008. The DPP also gained 13 new seats in the legislature, although the gain was less than expected.

Another trend that continued during the 2012 election is the movement of both major parties toward the middle of the political spectrum. It has become an oversimplification to call the KMT the pro-unification or "Mainlander" party and the DPP the pro-independence or "Taiwanese" party. Ma's cross-Strait policy includes a promise not to negotiate unification while he is president. Ma's vice-president-elect, Wu Den-yih, has said Taiwan is economically over-dependent on the PRC. The KMT was careful not to make statements during the campaign that appeared pro-China. Tsai presented herself as the candidate of the people in general, not just ethnic Taiwanese. Tsai was initially against the Economic Cooperation Framework Agreement that the Ma government reached with Beijing, but later stepped back by saying she would "reassess" it if elected. The essential difference between the DPP and the KMT on cross-Strait economic policy is now over the speed of integration, not whether to integrate. Both parties noticeably decreased the use of their signature blue (KMT) and green (DPP) colors during the election campaign, indicative of attempts by both to reach beyond their traditional support bases.

Analysts disagreed over the role of cross-Strait relations in the election. All agreed it was one of the top two or three issues, but some insisted the election was an unofficial referendum on the "'92 consensus," the conceptual basis on which the Ma government has reduced cross-Strait tensions and increased economic cooperation with the PRC. The '92 consensus is conveniently oblique shorthand for the idea that both the Taipei and Beijing governments accept that Taiwan is part of "China," although the Ma government has made clear that by



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their interpretation “China” means the Republic of China, not the PRC. A key difference in the approaches of the two parties has been that the KMT is willing to accommodate Beijing’s “one China” demand to reduce tensions and smooth the way for greater economic interdependence, while the DPP is unwilling to profess even the weakened form of the one China principle. The DPP is not only more cautious about cross-Strait economic integration than the KMT, but also puts the onus on Beijing to adapt to the outcomes of Taiwan’s democratic system. The Taiwanese community that comprises the core support base for the DPP resists the notion that Taiwan is part of China, seeing this as dooming Taiwan to eventual political absorption by the mainland. Accordingly, candidate Tsai called the ’92 consensus an agreement between two political parties rather than a legitimate expression of the will of Taiwan’s people. She proposed instead to forge a “Taiwan consensus” based on broad-based public input.

In the short-term, we can expect a deepening of cross-Strait economic and social integration, persistence of the diplomatic truce, and possibly Chinese tolerance of a small expansion of Taiwan’s participation in international organizations and economic agreements. Beyond that, however, the worries from Ma’s first term will intensify. The Chinese public and some groups that have influence over foreign policy increasingly demand that Beijing begin to redress the issues that up to now the Chinese were forced to tolerate out of weakness. The prominence of these voices is manifest in recent PRC statements and policies involving the Yellow Sea and the South China Sea. With Taiwan, as well, PRC impatience is apparent. Immediately after Ma’s election in 2008, Chinese elites expressed a willingness to spend years, even decades, laying a foundation of understanding and “trust” through trade, cultural exchanges and social interaction across the Strait before tackling the difficult matter of negotiating a political settlement. Yet before the end of Ma’s first term, many PRC observers were complaining that Taiwan was engaged in “peaceful separation,” pocketing the economic concessions offered by China without allowing real progress toward unification.

During Ma’s second term, therefore, Taipei may face increased PRC pressure to begin negotiations on political issues. A high priority for Beijing is to secure a binding commitment from Taiwan not to seek independence. This demand will emerge if the two sides begin serious talks about a cross-Strait peace treaty. For this reason Ma has moved slowly on a peace treaty or other confidence building measures, which Ma’s political opponents would closely scrutinize for any hints of Ma failing to live up to his commitments not to compromise Taiwan’s sovereignty. Given that the PRC has not even taken the strategically insignificant but symbolic step of moving its mobile short-range missiles away from firing positions opposite Taiwan, it is unlikely that China will be willing to offer Taiwan anything worth the Taipei government permanently restraining its future options. But this might not be a matter of what Taiwan wants. As the gap in strength between China and Taiwan widens, it will be harder for Ma and especially for his successors to resist Chinese pressure.

Arms sales from the United States are another issue that will come under greater PRC pressure during Ma’s second term. While Beijing has always opposed US arms sales, the Chinese seem to be moving closer to demanding either a timetable for the cessation of US arms sales or the power to veto certain proposed sales by raising the threat of serious damage to US-China relations. US officials have said publicly that they try to strike a balance between maintaining Taiwan’s defenses and not angering China too much. If it is not already impossible to achieve both objectives at the same time, it soon will be.

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