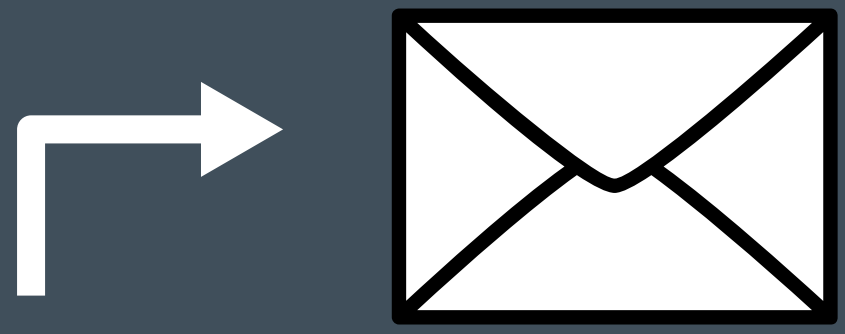
NCAFP

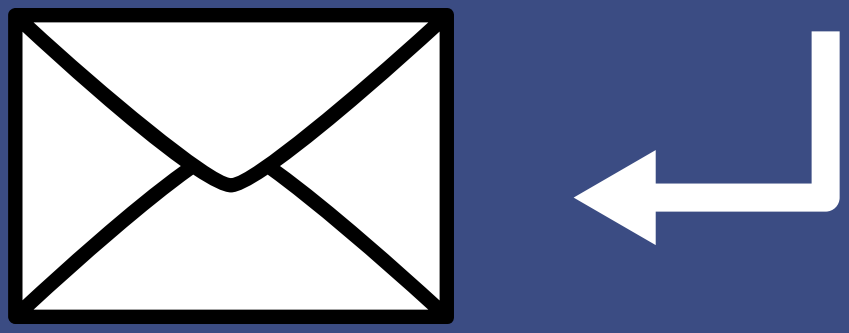
National Committee on American Foreign Policy

*August 2022*

# Debating Cross-Taiwan Strait Relations:

## Emerging Leaders' Perspectives





*An NCAFP Emerging Leaders Report*

# Debating Cross-Taiwan Strait Relations: Emerging Leaders' Perspectives

## Introduction

The People's Republic of China, Taiwan, and the United States share a genuine desire for stable and peaceful cross-Taiwan Strait relations. Yet, the fragile peace of this unique triangular relationship is more tense and dangerous than it has been in decades. Beijing, Taipei, and Washington regularly accuse one another of taking steps to erode the oft-cited but vaguely defined "status quo" across the Strait. Against the high-stakes backdrop of escalating U.S.-China competition, each incremental step taken by any party in the name of promoting stability or deterring conflict is viewed by at least one other party as an indication of bad faith at best and violent intentions at worst. This has led to an action-reaction dynamic in which all parties believe themselves to be simply defending their position from the coercive salami-slicing tactics of the others. All the while, the risk of military conflict and loss of life grows. A range of other costly and harmful outcomes—from arms racing, to trade and economic disruptions, to the entrenchment of animosity among the populations of the various actors—loom.

The below exchange of letters by emerging leaders in the PRC and Taiwan reflect and build on a Track II dialogue held in June involving participants from China, Taiwan, and the United States.[1] It seeks to expound on some of the key areas in which perceptions, understanding, and interests on either side of the Taiwan Strait diverge. It also seeks to identify possible avenues to reduce risk and misunderstanding.

***

Dear Taiwan Colleague,

As I write this letter to you, I recall my first visit to Taiwan in 2010. At that time, the "three links" across the Taiwan Strait had been opened.[2] We took a non-stop flight from Shanghai to Taipei, which took only two hours. My colleagues envied me. My boss told me that before the "three links," he had to spend a whole day traveling because the only way to get to Taiwan was to transfer through another location.

[1] This report is not meant to be a consensus document and was drafted before US Speaker Nancy Pelosi visited Taipei in early August.

[2] The "three links" refer to the two-way direct mail, trade and navigation links between the two sides of the Taiwan Strait.

At that time when Ma Ying-jeou took office in 2008, cross-Strait relations entered a new period of peaceful development under the "1992 Consensus." We have all witnessed those eight years of prosperity. Unfortunately, the Democratic Progressive Party (DPP) in Taiwan came to power again in 2016 and refused to recognize the 1992 Consensus, the foundation of cross-Strait relations. As a result, cross-Strait relations took a sharp turn for the worse. As an ordinary Chinese and a person engaged in Taiwan research, I am more and more worried about the current situation. I would like to take this opportunity to express my concerns and put forward my thoughts and suggestions.

First, I suggest that the DPP authorities change their policy of restricting cross-Strait exchanges. I'm very worried that public opinions of both sides are highly opposed due to lack of communication. As we discussed earlier, the "Chinese identity" in Taiwan is getting lower and lower, and there are even fewer forces supporting reunification. On the Mainland, more and more people believe that the situation in Taiwan has changed completely, and they have lost patience.

I think the main reasons for diverging public opinions are due to the different education systems and the serious lack of communication. On the lack of communication, I think the DPP authorities implemented many policies to hinder cross-Strait exchanges, such as passing the "reverse osmosis law" ("反渗透法"), amending "the Act Governing Relations between the People of the Taiwan Area and the Mainland Area"(两岸人民关系条例), formulating the "Economic Espionage Crime" amendment into their National Security Act, etc.[3] These regulations make many Taiwan compatriots afraid to come to the Mainland for exchanges. The normal cross-Strait exchanges have become a dangerous "Trojan horse" in Taiwan, and cross-Strait economic and cultural cooperation have also been affected.

I strongly suggest that we go back to an environment of resuming normal exchanges. "Exchanging" is extremely important to the people, especially to the young generation. In addition, urban exchanges between the two sides, such as the Shanghai-Taipei City Forum, should also be maintained.[4]

Second, I suggest that China and the United States jointly return to the era of "managing the Taiwan Strait Crisis." To my knowledge, during the second term of the George W. Bush administration, the United States publicly criticized Chen Shui-bian's "Taiwan independence" acts in an effort to restrain him. To a certain extent, the U.S.' approach at the time was conducive to maintaining relative peace in the Taiwan Strait.

---

[3] "反渗透法"is a law passed by Taiwan after Tsai Ing-wen came to power. Its main content is to restrict and punish the Taiwan people who go to the Mainland, suppressing parties and groups with different positions in Taiwan.

[4] The Shanghai-Taipei City Forum has been held annually since 2010. Relying on the forum platform, the two cities have established an exchange mechanism in the fields of education, environmental protection, transportation, culture, sports, urban planning, community, agricultural transportation and marketing. At the end of 2014, Ko Wen-je was elected mayor of Taipei. Even though he is known to be from the pro-green camp, he still insisted on holding this twin cities forum with Shanghai.

However, in recent years, the anti-"Taiwan independence" function of the United States has been greatly weakened. The United States has continuously hollowed out the "one-China" policy. Its allies—namely the EU, Australia, and Japan—have begun to imitate and follow the United States' "one-China" policy, claiming that the "one–China" policy has not changed, while constantly developing increasingly "official relations" with Taiwan.

Tsai Ing-wen's words and deeds have proved to be in favor of "Taiwan independence." The DPP, which has the "Taiwan independence" party platform, has further expanded its ruling advantages in Taiwan, and the next leader of Taiwan may be another Chen Shui-bian or Tsai Ing-wen. In my personal opinion, as long as the DPP can freeze the "Taiwan independence" platform of its party charter, the two sides of the Taiwan Strait will have a basis for dialogue. But at present, the DPP is going further and further along the opposite path. I deeply believe that the United States could play a positive role in the anti-"Taiwan independence" position.

Thirdly, I suggest that we should all reflect on the essence of "peace." Peace is a state and a long-term goal of human beings. Peace in "peaceful reunification policy" is a tool, a method, or a path to serve the ultimate goal of "unification." I do believe that if Taiwan pledges not to declare independence and the DPP eliminates its independence platform, China could renounce the use of military force against Taiwan.

Although the possibility of a military crisis or even a military conflict in the Taiwan Strait remains high, this does not mean that it is bound to occur. The Mainland will continue to emphasize the priority policy of peaceful reunification, because Taiwan is a political issue rather than a military issue. A peaceful and stable cross-Strait relationship is undoubtedly in the Mainland's interests.

Although the difficulties in implementing peaceful reunification have increased significantly in recent years, thinking about the eight years of peaceful development between the two sides, and thinking about the achievements of cross-Strait relations in the past forty years, I am not pessimistic about future of cross-Strait relations.

Best,
PRC Colleague

***

Dear PRC Colleague,

I share your lament about the lack of cross-Strait exchanges in recent years. When it comes to building mutual trust and avoiding worst-case scenario thinking about each other's thinking, there is every reason to engage each other. I am particularly relieved to read your message that ultimately Taiwan is a political issue rather than military issue.

Throughout the course of our talks, I think two points jump out to me: there is disagreement on the causes of recent tension, and there is a need to examine more closely the internal political constraints facing all sides.

First, each side has different interpretations on "who changed first," or who is mainly responsible for kick-starting this recent downward spiral in the relationship. As you know, Beijing's commentaries tend to assign responsibility for the downturn in relations to the rise of the Democratic Progressive Party (DPP) in 2016 and the DPP not recognizing the "1992 Consensus" to this day. On the other hand, Taiwanese observers frequently attribute the souring mood for exchanges to Beijing's frequent military exercises around Taiwan's vicinity and highly publicized public remarks by some People's Liberation Army (PLA) generals and scholars on the immediate urgency of using force against Taiwan.

These moves have helped fuel centrifugal forces and increased barriers to exchanges between the two sides. Perhaps the military exercises serve the PLA's internal training needs. Perhaps the threatening rhetoric are only the generals' and pundits' personal opinions, or are only a strategic communication tool designed to increase deterrence against so-called Taiwan's independence elements, rather than preludes to an actual invasion. Either way, certainly this shows the importance of having more exchanges, so as to enhance mutual understanding and avoid preventable threat-inflation and worst-case scenario.

But politically these moves can have counterproductive effects, as the military exercises and hardline rhetoric strengthen the Taiwanese public's framing of mainland China as a security threat to be kept out, rather than a partner to be engaged. They foster an increasingly Beijing-unfriendly atmosphere in Taiwan, which makes it difficult for the ruling party in Taipei to work with Beijing to lower the tensions.

This leads to my second point, electoral viability is central to any cross-Strait policy coming out of Taiwan, no matter which party is in power. Beijing may need to be a little more pragmatic about what degree of policy flexibility it can expect from Taipei. As you noted, opinion polls in Taiwan consistently show more support for "Taiwanese identity" and weaker support for unification over time, though the majority of the Taiwanese electorate still favors maintaining the status quo as broadly defined.

Both the DPP and the opposition party, the Kuomintang (KMT), are working under these electoral constraints. It is for that reason that while the ruling DPP's party charter incorporated a so-called "Taiwan independence" clause in 1991, when it was still a minority party, and even after Tsai Ing-wen cruised to two straight electoral landslides, Taiwan still has stuck with the more status quo-friendly official name "Republic of China." That reveals a DPP that is responsive to Taiwan's pro-status quo electorate.

On the other hand, the KMT's two recent chairmen, Johnny Chiang and Eric Chu, have both sought ways to triangulate their understanding of the "1992 Consensus" as well. Chiang reframes it as "1992 Consensus based on the ROC Constitution" (基於中華民國憲法的九二共識), while Chu calls it a "no consensus" consensus. Both leaders went through this repackaging in order to make the KMT's platform politically palatable to this Beijing-wary Taiwanese electorate. Unless the public opinion trends drastically reverse directions, there are few compelling reasons to expect the KMT will substantively revise its position even if it displaces the DPP, because while the KMT is closer to Beijing on the Chinese national identity question, at present the KMT is just as constrained by the pro cross-Strait status quo and unification-wary electorate as the DPP.

These observations call for two policy recommendations. First, Beijing may be best-positioned among the Beijing-Taipei-Washington triangle to show flexibility and extend the first olive branch to Taiwan, in the hope of kick-starting a thaw in cross-Strait relations through tit-for-tat. Beijing's polity is less constrained by the media news cycle than Taipei and may be better able to weather policy shifts that are politically unpopular in the short-term, but more constructive in the long-term. A potential starting point may be a restoration of regular quasi-official level dialogue between the Association for Relations Across the Taiwan Strait in Beijing (海協會, ARATS) and the Straits Exchange Foundation in Taipei (海基會, SEF) to build confidence and facilitate more exchanges. This will face the least headwind in Taiwan if it can proceed without prior political preconditions.

Second, there are good reasons for strategic patience. The Taiwanese society's pro-status quo majority is in line with all sides' preference for stability. Even if this pro status quo orientation may be slightly disappointing to Beijing in the short-term, it certainly does not cross any red-lines. If Beijing and Taipei can agree on the Taiwanese electorate's binding power on Taiwanese political leaders, there will be relatively little urgency in deterring potential Taiwanese "provocations." So there is incentive to turn down hardline rhetoric for starters to create a more conducive atmosphere for more friendly cross-Strait exchanges. Therefore, like you, I am also not pessimistic about peace and the possibility of kick-starting a virtuous cycle in cross-Strait relations, especially if Beijing can exhibit slightly more flexibility.

As the ancient Confucian philosopher Mencius once said, "only greater actors can serve with benevolence; only smaller actors can serve with wisdom" (惟仁者為能以大事小。惟智者為能以小事大). Magnanimity does not have to be a sign of weakness, it can be a testimony to confidence and strength.

Best,
Taiwan Colleague

***

It appears from both letters that Beijing and Taipei share a desire to resume cross-Strait dialogue in order to "lower the temperature" across the Strait and mitigate risks and miscalculations. What political concessions or compromises might be required by each side to re-start these talks, and how would you characterize "success" in such talks?

Our Taiwan colleague asserts that Taiwan's main political parties—and its electorate—are increasingly aligned in "unification-wary" sentiments. This raises the challenge of how Beijing can engage with a Taiwan whose political sands are shifting and whose electorate is becoming less invested in Beijing's priority of unification. While our Taiwan colleague argues that Beijing can afford to be "patient," is it possible that Beijing perceives it is "losing" the KMT as a pro-unification interlocutor? If so, will it conclude that the Taiwan issue can no longer be solved politically, and instead resort to coercion or force?

***

Dear Taiwan Colleague,

Thank you for your letter. I have carefully read your views and analysis. I agree with your analysis on "the internal political constraints" from the three sides. Indeed, an important reason for disagreement and even for military actions lies in their own internal factors.

You mentioned that the DPP still uses the "Republic of China." But I don't think this can prove that the DPP and Tsai Ing-wen have kept a low profile. In fact, it was Tsai Ing-wen's frequent and public use "Republic of China, Taiwan," adding "Taiwan" on purpose, that is provocative. In the international community, Tsai Ing-wen has repeatedly called herself "President of Taiwan," and "ROC" has become a tool for "Taiwan independence." The Mainland and the pro-unification parties strongly believe this is a kind of "back door listing" (借壳上市).

Speaking of the KMT, frankly, I am very disappointed with the two recent Party Chairmen, Johnny Chiang and Eric Chu, but especially with Chairman Chu. As you said, the KMT are working under these electoral constraints. But it is an absolutely biased view if they believed that the "1992 Consensus" is an "electoral constraint." Chairman Chu should reflect on why he encountered great opposition in the party. As for the DPP, my personal view it that Tsai Ing-wen should make efforts in cross-Strait relations after she was re-elected in 2020. At that time, Tsai reached the peak of power and did not have these "electoral constraints." It is a pity that things went in the opposite direction.

As you said, the Mainland has greater policy autonomy and flexibility than Taiwan and the U.S. Beijing may be best-positioned among the Beijing-Taipei-Washington triangle. But I need to clarify two points on Mainland's decision-making process: one is that public opinion also puts enormous pressure on the Mainland's decision-makers. In recent years, although policymakers are still able to publicly and firmly express "peaceful reunification," Mainland people have gradually lost patience

with peaceful reunification. For example, we know that each locality has a government department dedicated to Taiwan affairs (台办). In Shanghai, the Taiwan affairs office provides Taiwanese with a lot of convenience, even exceeding the treatment enjoyed by other Mainland residents in Shanghai, which once caused huge dissatisfaction. The other point is that Mainland policy announcements or documents will not change direction easily. For example, the laws and documents of the Mainland have been written into the "1992 Consensus," which is an important basis for the Mainland's policy towards Taiwan. However, in my personal opinion, the Mainland may be able to demonstrate flexibility in practice. Meanwhile, new content can be added in documents.

The above discussion leads to my views on the functional roles of the "两会" (ARATS 海协会 and SEF 海基会). As we all know, "两会" are the wisdom of the people across the Taiwan Strait. From the Mainland perspective, the "1992 Consensus" is an unavoidable premise.

Indeed, each side has its own statements and different interpretations from their own perspectives, positions and interests. However, I think we don't want to let the discussion about "whose responsibility" to be endless. I believe we all hope to find "solutions" to solve the issue, even if there is only a small progress. I make suggestions based on your point of view.

First, the KMT should demonstrate its ability to deal with cross-Strait relations. It is still the second largest party in Taiwan and holds political power in many cities. There are many reasons the KMT is losing votes, but in my opinion, cross-Strait policy is precisely the advantage of the KMT. As I mentioned in the last letter, Mayor Ko Wen-je of Taipei City is a good example.

Second, you mentioned that the DPP, as the ruling party, has various "restraints." I suggest that DPP politicians can at least "speak less," withdrawing "Taiwan independence" actions and provocative remarks. A recent example of these actions is the 14th Straits Forum which was just held in Fujian—the event was opposed by the Mainland Affairs Council (MAC), and many people were even banned from participating.

Finally, as we talked about earlier, Mainland policy is more flexible in practice. Scholars, including myself, will also play a role in guiding Mainland public opinion to be more rational.

Best wishes,
PRC Colleague

***

Dear PRC Colleague,

Thank you for your thoughtful letter. I found a lot to agree with in your message. More meaningful cross-Strait exchanges is beneficial to both sides, and there are things that both sides, including Taiwan, can do differently to lower the hurdles to having such exchanges.

First, the DPP can and should avoid erecting unnecessary barriers to cross-Strait exchanges. Trust-building has to start from somewhere, and city-level events like the Shanghai-Taipei City Forum, which focus mainly on less-sensitive 'low-politics' issues such as environmental protection, are probably good places to start.

On the Straits Forum, being a higher-level and somewhat more political event, it may be more politically contentious within Taiwan because of Taipei's concern that Taiwanese attendees may be subject to greater PRC "influence."

But in my personal view, even then, these opportunities for high-level face-to-face contact can be at least a potential asset for Taiwan, rather than a liability. It is also unnecessary for Taiwan to frame Taiwanese presence at the forum as entirely passive: sure, at the event Taiwanese attendees may be 'influenced' by PRC attendees, but they can also develop greater understanding of PRC attendees, too, and possibly develop stronger capacity to engage and persuade them, if need be. Such is the nature of interactions: it is a two-way street. Taiwan need not be overly anxious about exchanges so as to "throw the baby out with the bathwater."

That Taipei has been cold towards such exchanges seems to reflect two things: it is partly a natural insecurity stemmed from being the smaller actor, and partly a result of the ruling DPP feeling it has no skin in the game. The DPP's non-recognition of the 1992 Consensus entails its exclusion from many such cross-Strait exchanges. Naturally it has little incentive to magnify the message of those in attendance—its political competitors both internal and external.

So for problem-solving, and for avoiding this vicious cycle of non-contact, one hopes there can be creative ways to give the DPP a stake in the process. One way is to "go wide": perhaps officials and scholars can help with triangulating a repackaged political foundation that can be politically viable for all sides. It is in this sense that I find your message encouraging, when you said that while the "Mainland" sees the "1992 Consensus" as an "unavoidable premise," it is still possible for it to show some flexibility *in practice*. It would be very interesting to jointly explore just what kind of flexibility is possible *and* politically viable for Beijing, as I took your point that public opinion also puts great pressure on Beijing's leadership.

Besides "going wide," another option is to "go small." If it is too difficult to amend political premise wholesale, then perhaps on the sidelines of these fora on the Mainland, Beijing can create additional add-on subsidiary working groups for seemingly non-political topics *and* explicitly suspend the need

for political preconditions. In that case, it may enable Taiwanese, and especially DPP-affiliated experts and party officials, to attend without fear of facing negative labels back home. With time and with enough confidence-building through regularized contact, perhaps higher level participation at the main event may become more normalized and less political risky for the participants.

On Taiwan's domestic electoral constraints, I understand why, as you explained, many see the DPP and Tsai Ing-wen's frequent use of this term "Republic of China, Taiwan" to be a kind of "back door listing" (借壳上市). In my view, that linguistic creation "Republic of China, Taiwan" may indeed be the DPP pushing the envelope, but that is also the extent of the envelope that the DPP can and will realistically push in the foreseeable circumstances. Let's put aside for a moment the inherent constraint of the Taiwanese electorate, which is clearly pro-status quo. Structurally, if the DPP pushes past that point, it may possibly lead to Beijing launching military sanctions, and worse, Taiwan's friends and partners may interpret it as Taiwan being overly provocative, which may weaken their own support for Taiwan in the case of conflict, just when Taiwan needs them the most.

In short, pushing past "Republic of China, Taiwan" would be a high-risk low-reward for Taiwan and the DPP. Therefore, while that language is irritating to Beijing, perhaps Beijing can afford to be cautiously optimistic about that the fact of the DPP's walking up to that point is not proof that the DPP is paving the way towards something bigger. But rather, it could also be interpreted as the DPP having reached its politically viable and strategically rational "ceiling." In other words, even at the height of its power in 2020, it still could not push past it. This reading should hopefully give Beijing reason for patience, especially if as you said, it has been losing patience lately.

Of course, gauging intention is difficult, though it is critical to avoiding worst-case scenario judgment, which is why we need more dialogues like ours and more exchanges in general.

In short, I agree that promoting more exchanges is crucial for stability and for trust-building, from which more positive connection may possibly follow. In order to remove hurdles to exchanges, I feel Taipei can exhibit more confidence and be more encouraging of bilateral fora, especially starting at the city level and on less political topics. Beijing can also consider giving more benefit of the doubt to the strength of pragmatism in Taiwan's electorate and policy elites. Moreover, Beijing can also consider displaying more flexibility on 'political questions', to incentivize more Taiwanese political actors to develop a stake in vibrant cross-Strait exchanges and a more stable relationship in general. These are tall tasks, but I am optimistic that with wisdom and political will from all sides, it is still possible to work towards a stable and positive future.

Best wishes,
Taiwan Colleague

***

## Conclusion

For both correspondents, restarting cross-Strait dialogue is a priority. With some flexibility and creativity, establishing such connections could be feasible notwithstanding political constraints on both sides: municipal-level talks, talks on common interests peripheral to political issues, and talks between lower-profile participants could be low-risk options for generating goodwill and momentum. Both correspondents agreed that Beijing has greater flexibility to dial down tensions by taking positive steps toward engagement than either Taipei or Washington, both of which are constrained by electoral politics. Nevertheless, our PRC correspondent points out that popular support for a "patient" approach to Taiwan is waning in China. If popular resentment of Taiwanese grows on the Mainland, it could prove to be an insidious obstacle to peace.

Establishing this baseline of communication and exchange is an essential step to calming tensions across the Strait, but it will not be sufficient to address the many looming challenges ahead. Both correspondents emphasized the need for restrained leadership on all sides. A key challenge will be effectively communicating restraint—and intent in general—particularly from Taipei (and Washington), where shifts in popular opinion on cross-Strait issues and a lively democratic process dictate Taipei's options.

As both correspondents point out, continued informal dialogue between subject matter experts on both sides of the Strait—and the communication of insights gained by such dialogues to policymakers—can add ballast to the relationship.

***

**The NCAFP would like to thank the following organizations for their support of our work:**
**Carnegie Corporation of New York**
**Fubon Group**
**Henry Luce Foundation**
**MacArthur Foundation**

## TRACK II PARTICIPANTS

**Ambassador Raymond F. BURGHARDT**
*President*
Pacific Century Council

**Ms. Caitlin CAMPBELL**
*Analyst in Asian Affairs*
Congressional Research Service

**Dr. Ketty W. CHEN**
*Vice President*
Taiwan Foundation for Democracy

**Professor DA Wei**
*Director, Center for International Security and Strategy (CISS) and Professor of International Relations, School of Social Science*
Tsinghua University

**Ambassador Joseph R. DONOVAN, Jr.**
*US Ambassador, Retired*
US Department of State

**Ambassador Susan M. ELLIOTT**
*President & CEO*
NCAFP

**Professor Kathy Xiaofan HE**
*Assistant Professor, Graduate Institute of Taiwan Studies*
Xiamen University

**Professor JIN Kai**
*Non-Resident Scholar, Sigur Center for Asian Studies, Elliott School of International Affairs*
George Washington University
*Research Fellow*
Global Governance Institution

**Ms. Pamela KENNEDY**
*Research Analyst, East Asia Program*
Stimson Center

**Ms. Juliet LEE**
*Deputy Director, Forum on Asia-Pacific Security*
NCAFP

**Professor LEU Guan-yi**
*Assistant Professor, Graduate Institute of East Asian Studies*
National Chengchi University

**Mr. David SACKS**
*Research Fellow*
Council on Foreign Relations

**Dr. SU Chi**
*Chairman*
Taipei Forum

**Mr. SUNG Wen-Ti**
*Sessional Lecturer, Taiwan Studies Program*
The Australian National University (ANU)

**Ms. Susan A. THORNTON**
*Director, Forum on Asia-Pacific Security*
NCAFP

**Professor TONG Liqun**
*Associate Professor, Institute for Taiwan, Hong Kong & Macao Studies*
Shanghai Institute for International Studies (SIIS)

**Professor Charles Chong-han WU**
*Associate Professor, Department of Diplomacy*
National Chengchi University

**Professor Donald S. ZAGORIA**
*Senior Vice President*
NCAFP