Track Two Dialogue on EU-China-Relations and the Taiwan Question Shanghai, 5-6 June 2010

A workshop jointly organised by German Institute for International and Security Affairs / Stiftung Wissenschaft und Politik (SWP), Berlin and Shanghai Institutes for International Studies (SIIS), Shanghai, with the friendly support of the Robert Bosch Foundation, Stuttgart.

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Peaceful Development of Cross-Strait Relations: Progress and Limits

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Ludwigkirchplatz 3-4 10719 Berlin Phone +49 30 880 07-0 Fax +49 30 880 07-100 www.swp-berlin.org Relations across the Taiwan Strait have undoubtedly improved since Ma Yingjeou's election as president of the Republic of China (ROC) on Taiwan in March 2008. High level semi-official contacts and negotiations between Taipei and Beijing have resumed and intensified, several important technical agreements have been concluded, interactions between both societies have deepened, particularly with the arrival of a growing number of People's Republic of China (PRC) tourists and the partial liberalization of PRC investments on the island; and Taiwan's international status has slightly improved. For its part, President Hu Jintao and the PRC authorities have continued to give priority to the "peaceful development of cross-Strait relations", relegating unification to a distant future. As a result, today a genuine détente has taken shape in the Taiwan Strait. Much to the pleasure of the USA, Taiwan's only international protector, and also the EU and the international community at large.

However, can this détente help both sides to settle their fundamental disputes? Even if it is consolidated, can this détente allow the ROC and the PRC to overcome the still unsolved sovereignty issue and eventually normalize their relationship? Will it be strong enough to solve the still unaddressed security issues that oppose Taipei and Beijing? And can the US remain uninvolved in the cross-Strait negotiations once these negotiations enter the rough seas and still largely frozen waters of security and sovereignty?

These questions seem almost rhetorical ones as most observers are very much aware of the difficulties, if not the impossibility to tackle them. But they need to be asked in order to better evaluate both the improvements that the relations across the Taiwan Strait have witnessed since the Kuomintang's return to power in 2008 and the daunting task and unprecedented challenges ahead for both Beijing and Taipei.

A genuine détente in the Strait, but a policy questioned by the DPP

The major driver of the current détente across the Taiwan Strait has been Ma Ying-jeou's election and the return of the KMT to power. These events have directly triggered two policy changes: a return to the so-called "1992 consensus" (*jiu'er gongshi*), a formulation coined by Su Chi in 2000 to characterize the awkward compromise reached by both sides in November 1992 about the "one China principle", and an acceptation by the Ma government of an accelerated integration between the Taiwanese and the Chinese economies. Of course, Hu Jintao's "peaceful development of relations across the Strait" strategy, which was initiated at the 17th Party Congress in October 2007 and reasserted at the end of

2008, has also helped consolidating this détente ¹. Nevertheless, the implementation of this strategy has been highly dependent of Taiwan's endorsement of the two key policies promoted by the KMT indicated above.

Although, under Chen Shui-bian, Taipei's and Beijing's semi-governmental organizations, the Straits Exchange Foundation (SEF) and the Association for the Relations Across the Taiwan Strait (ARATS) respectively, kept contacts, held a few low key meetings and negotiated the careful opening of direct charter flights, the revival of their full-fledged exchanges and top-level meetings was only possible after Ma's entry into office. To date, the SEF and the ARATS have concluded 12 technical agreements, mostly dealing with direct transportation, tourism, food safety, judicial assistance and relaxation of investment restrictions. More importantly, since late 2009, both sides have been negotiating a Cross-Strait Economic Cooperation Framework Agreement (ECFA), due to be signed in June 2010 at the 5th round of SEF-ARATS talks.

The most visible outcomes of this détente have been the establishment of 270 direct flights per week across the Taiwan Strait, an unprecedented surge of the number of PRC tourists in Taiwan and an increasing dependence of the Taiwanese economy upon China (40% of its exports and around two-third of its outbound investments).

However, the KMT's mainland policy has been under intensified attack from the anti-unification Democratic Progressive Party (DPP) and the pan-green camp as a whole, alarmed by the risks that this rapid integration pauses for Taiwan's sovereignty. The DPP has also tried to capitalize on the deteriorating economic situation in Taiwan caused by the global financial tsunami (in 2009, cross-Strait exchanged decreased by 17.5% to US\$ 109 billion) and Ma Ying-jeou government's weaknesses and inadequate management and communication style (ex: Morakot typhoon in August 2009).

While the DPP is not yet in a position to challenge Ma and the KMT in 2012, it has recovered in several by- and local elections parts of its lost electorate, adding pressure on the current Taiwanese government as well as on Beijing (cf. Dafydd Fell's paper). And although détente in the Strait has been welcomed by a large majority of Taiwanese, a substantial minority of them has continued to show concern or distrust. This group estimates that the "pace of cross-Strait exchanges"

¹ Cf. Hu Jintao's report to the Congress, *Xinhua*, December 31, 2008; *Straits Times*, January 2, 2009. Online: <u>http://www.china.org.cn/english/congress/229611.htm</u>. Hu Jintao's six points were: 1) one China principle; 2) strengthening commercial ties, including negotiating an economic cooperation agreement; 3) promoting personnel exchanges; 4) stressing cultural common links between the two sides; 5) allowing Taiwan's "reasonable" participation in global organizations; and 6) negotiating a peace agreement", in Hsiao, Russell, "Hu Jintao's 'Six-Points' Proposition to Taiwan", *China Brief*, IX (January 12, 2009) 1, pp.1-3.

has been "too fast" (33%) and that Beijing has remained "hostile towards the ROC people" $(39\%)^2$. It is also opposed to ECFA (36% against 41% in favour of it)³.

Because of these resistances as well as the increasing dissatisfaction toward his government, Ma has been hesitant to open political and security discussions with China, giving priority to ECFA and the stabilization of cross-Strait functional exchanges. But can this strategy allow both sides to move forward and address the delicate issues mentioned above?

Towards a creeping normalisation and its limits

One positive trend that should be acknowledged is what I would be tempted to qualify as a "silent and creeping normalization" of the relations between the Beijing and the Taipei governments. Of course, most of the talks and negotiations are still held by or through the SEF-ARATS channel. However, on the one hand, more and more government officials of both sides, involved in specific areas a competence, are associated to these discussions; and on the other hand, a larger number of government agencies of both sides have established direct contacts and negotiation channels. That has been the case for instance of China's Ministry of Commerce and Taiwan's Ministry of Economic Affairs. True, appropriate "fictions" have been kept and duly respected: for instance, when China's Vice Minister of Commerce Jiang Zengwei visited Taiwan in March 2010, he did it in his capacity of honorary president of Beijing's non-profit Association of Economy and Trade Across the Taiwan Straits (AETATS) and at the invitation of the Taiwan External Trade Development Council (TAITRA). However, he did meet his Taiwanese counterpart as well as Minister of Economic Affairs Shih Yenshiang⁴.

Similarly, in May 2010, the tourism offices established by Beijing and Taipei in the other side's capital city are branches of China's "Cross-Straits Tourism Exchanges Association" and "Taiwan Strait Tourism Association", respectively. In addition, as Yang Ruey-tzhong, the head of the Beijing office, stated, his organization is an "NGO with public power" (and not a "Liaison Office", a term usually used by the Beijing offices of local governments in the PRC...)⁵. But this is the first time in 60 years for Taiwan and mainland China to exchange quasi-

² In September 2009, Mainland Affairs Council website (consulted in April 2010).

³ Opinion survey conducted just after the televised debate between president Ma and the DPP Chairwoman Tsai Ying-wen; before the debate the percentiles were 38% and 36% respectively, TVBS Poll Centre, 25 April 2010, quoted by Alan D. Romberg, "All Economics is Political: EFCA Front and Center", *China Leadership Monitor*, No. 32, Spring 2010, p. 23.

⁴ *China Post*, March 26, 2010.

⁵ Lianhebao (United Daily News), May 4, 2010; Xinjingbao (Beijing News), May 5, 2010; Zhongguo shibao (China Times), May 7, 2010.

official offices. And this move can trigger more substantial ones, as the exchange of quasi-official representative offices.

In other words, beyond the face-saving Confucian "*zhengming*" (correct and find the proper names) exercise that has been going on in the Strait, not only since 2008 but since the creation of the SEF and the ARATS in 1991, both sides have had no other choice but to *de facto* recognise the other side's government, its jurisdiction on the territory that it administers, and to deal with it on an equal footing. Obviously, we are far from the "one country, two systems" formula (cf. Chris Hughes's paper).

Moreover, since the KMT's return to power and to its original ideology (pre-Lee Teng-hui or pre-1993-1994), there has been a quiet acceptation by both sides of the principle of "complete overlapping sovereignty". As the Chinese Communist Party (CCP) claims that the PRC includes both the Chinese mainland and Taiwan, the KMT claims that the ROC includes the same territories (in spite of the ambiguous status of Outer Mongolia, only *de facto* recognised by Taipei as an independent state). Much to Beijing's pleasure which see in this return to the roots, a KMT endorsement of the "one China principle".

However, this silent consensus is due to remain ambivalent and awkward. For one thing, as it is well known, there is no agreement about the definition of "one China" between the KMT and the CCP. And in the foreseeable future, it is unlikely that, under the umbrella of "one China", Beijing officially recognises the existence of the ROC on Taiwan (in contrast, Taipei would not have difficulties recognising the existence of the PRC on the mainland). In addition, Taiwan's pangreen opposition does not accept this principle or the so-called "1992 consensus". The DPP has gone as far as to "tolerate", in a resolution approved in 1999, the ROC as the current name of Taiwan. It is true that under Chen Shui-bian, the DPP presidential majority was unable to question the foundations of the "Law on the relations between the peoples of both sides of the Strait" (liang'an renmin guanxi tiaoli) which defines these relations as between the Taiwan area (Taiwan diqu) and the mainland area (Dalu diqu) of the ROC. Nevertheless, since Taiwan's democratisation, the *legal* definition of the ROC has constantly and blatantly clashed with its *political* definition: Taiwan or, to be more accurate, the areas under the jurisdiction of the Taipei government (Taiwan, Penghu, Kinmen, Matsu). The continuing consolidation of the Taiwanese identity, in spite of the KMT's 2008 victory, is probably the best indicator of this fundamental divide.

Obviously, Beijing's recognition of the ROC on Taiwan would help strengthening the DPP's reconciliation with the ROC and marginalise the proindependence forces within the pan-green camp (in favour of the establishment of a Republic of Taiwan). But once again, such a move is unlikely, at least today.

These limits to normalisation have generated other more difficult to overcome obstacles.

While Beijing officials seem more disposed to directly interact with their alter ego in Taipei, these contacts are restricted to the economic, educational and cultural fields, in other words to the areas in which Taiwan is allowed by China to develop, as Hong Kong or Macau, international relations and cooperation. Neither the PRC and ROC foreign ministries nor, more importantly, defence ministries (see below) have been able to set up channels of communication. It is true that, when need be and in times of crisis in particular, both sides have been able to hold high level secret contacts⁶. And as Su Chi, former general secretary of Ma's National Security Council, has recently admitted, secret communications channels have since 2008 helped both sides to build trust, especially in sensitive areas, presumably such as defence and security in the Strait⁷.However, this very secrecy underscores a major limitation to full normalisation.

Another important limitation has been the lack of progress of Taiwan's international status. A de facto "diplomatic truce" (waijiao tingzhan) has been respected by both sides since May 2008, Beijing for example dissuading Paraguay, Nicaragua and San Salvador from switching official relations and, as a consequence, Taipei keeping its 23 diplomatic allies; Taiwan has been admitted as an observer in the WHA (World Health Assembly); but that's about it. Taiwan still remains at the doorstep of the WHO and seems unable to join any other technical or specialised international organisation under the UN system (as the International Civil Aviation Organisation). In other words, the KMT's "indirect strategy" to enhance Taiwan's international status has rapidly reached its limits, perpetuating frustration on the island and feeding the DPP's criticism of Ma's accommodating and weak behaviour vis-à-vis China. This accommodating attitude was for example illustrated by Ma's refusal in 2009 to meet with the Dalai Lama who visited Taiwan in the aftermath of the Morakot typhoon and, more importantly, to deliver a visa to Rebiya Kaader, the president of the World Uyghur Congress, yet also a legal and law-abiding resident in the USA.

Some of these limits were expected, others less so. In any case, they constitute strong obstacles to the conclusion of any peace treaty between Beijing and Taipei, the PRC and the ROC. But more than the issue of sovereignty, the major disappointment of the recent détente across the Taiwan Strait has been its inability to address security problems and initiate military confidence-building measures (CBMs).

⁶ Bernkopf Tucker, Nancy, *Strait Talk. United States-Taiwan Relations and The Crisis with China*, Cambridge: Harvard University Press, 2009.

⁷ *China Post*, May 17, 2010.

Security in the Taiwan Strait

Security constitutes a particularly important set of issues that have not yet been really addressed by Beijing and Taipei. Since December 2008, there have been signs that Hu is now ready to stop excluding them, while still giving priority to economic and easier items of negotiation. In May 2009, he indicated to Wu Bohsiung, then KMT chairman, that "the two sides should be prepared and create conditions for solving these problems". More specifically, he "proposed that both sides of the Taiwan Strait can discuss, in pragmatic terms, issues of political relations, as well as establishment of cross-Strait military confidence building measures (CBM) **under the special conditions prior to the unification of the country**."⁸

However, nothing has changed on the ground. For example, in May 2009, a golf tournament among retired mainland and Taiwan military officers took place in Xiamen, suggesting that Beijing wanted to give some substance to track II discussions⁹. But not far from it, both in Fujian and Jiangxi, the number of conventional missiles targeted against Taiwan has continued to increase, to 1,500 in 2009 from 1,300 the year before, according to Taiwanese sources¹⁰. And the People's Liberation Army (PLA) weapons' deployment vis-à-vis the island has not been weakened whatsoever; on the contrary, it has become more and more credible and threatening for Taiwan, due to an everyday improving capability to project forces at sea¹¹.

This situation has compelled Ma to remain overcautious on these matters. In late July 2009, he declared that "people feel uneasy if we go to the negotiating table on security issues while still under the threat of missile attack"¹². He was actually reiterating a point made several times earlier: the withdrawal of the missiles is a precondition to "political talks" on an end-of-hostility agreement or a peace accord, a negotiation that he postponed in any case after his possible reelection in 2012¹³.

In addition, since late 2009, the growing mobilisation of the DPP against ECFA and the KMT's overall too accommodating policy towards China has forced Ma not only to keep these conditions in place but also to exclude any political discussion in the coming months, at least until ECFA is signed. The "six national

⁸ Hu Jintao, "six-point statement", op. cit.

⁹ Xinhua, quoted by Brown, David C., "China-Taiwan Relations: Moving Relations towards a New Level", Comparative Connections, July 2009.

¹⁰ Information given by Ms. Lai Hsin-yuan, Chairwoman of Taiwan's Mainland Affairs Council, *Reuters*, February 13, 2009.

¹¹ For instance, according to US sources, in addition to the 1,400 DF-9 and DF-11, have been deployed vis-à-vis Taiwan, 150 DH-10 LACM and S-300PMU2 long-range surface-to-air missiles (200km).

¹² *Bloomberg*, July 31, 2009.

¹³ Straits Times, May 8, 2009.

visions" (*liuguolun*) that he presented in his mid-term speech have confirmed this caution¹⁴. But, if and when ECFA is concluded, can Ma really accept to link up CMB talks, let alone peace agreement negotiations, to the future unification of the Chinese nation (*Zhonghua minzu*)¹⁵. Obviously welcome by China and convergent with Hu Jintao's policy, this linkage remains unacceptable not only to the pangreen camp but probably to the majority of the Taiwanese public opinion. Opinion polls continue to show how much the Taiwanese wish to remain open-ended regarding the future of their island: 63% of them support either the status quo in the Strait indefinitely (28%) or the option "status quo now and decision later" $(35\%)^{16}$.

At the same time, it would be in Ma's interest to initiate CBM talks rather rapidly and *before* starting peace agreement negotiations, **if there is no "unification string" attached to them**: this would demonstrate his seriousness about Taiwan's security (now his sixth "national vision") and allow him to better find a common ground with the DPP as far as mainland policy is concerned. But can the establishment of CBMs really reduce the PLA's threat against Taiwan?

De-targeting missiles is an easy task, but also quickly reversible; and in any case, PLA's 1,500 odd conventional missiles aimed at Taiwan constitute just a small portion, and arguably a decreasing part, of the PLA forces that can be projected against the island today and in the coming years¹⁷.

Moreover, as far as CBM negotiations are concerned, the Taiwanese government and military are still in the learning curve. Since early 2008, much advice has been given to them by outside and particularly American specialists¹⁸. Nevertheless, it remains unclear what objectives Taipei would like to reach and which body of the government—the SEF and, if not, who?—would negotiate these CBMs. If we trust Su Chi, some kind of minimal CBMs may have already been discussed through secret channels presumably to avoid and better manage incidents in the Strait. But these channels are not sustainable if genuine military CBMs and substantial arms reductions are to be negotiated. In the current circumstances, the most likely format of CBM talks would be to attach "military advisers" of both sides to the SEF and the ARATS.

¹⁴ Xinbao, May 5, 2010. Online: <u>http://roc-taiwan.org/ct.asp?xItem=144755&ctNode</u> <u>=2237&mp=2</u>; China Post, May 20, 2010.

¹⁵ The Chinese nationalist language chosen by Ma in his press conference has triggered a strong reaction among the anti-unification opposition, *Taiwan News*, May 20, 2010.
¹⁶ Settember 2000, lost Mag data ways any triggered to be a strong reaction.

¹⁶ September 2009, last Mac data, <u>www.mac.gov.tw</u>

¹⁷ Shichor, Yitzhak, *Missiles Myths: China's Threat to Taiwan in a Comparative Perspective*, CAPS Papers, 45, Taipei, August 2008. For a more pessimistic assessment, cf. Shlapak, David A., Orletsky, David T., Reid, Toy I., Tanner, Murray Scot & Wilson, Barry, A *Question of Balance. Political Context and Military Aspects of the China-Taiwan Dispute*, Washington DC: Rand, 2009.

¹⁸ Glaser, Bonnie & Glosserman, Brad, *Promoting Confidence Building across the Taiwan Strait*, A Report to the CSIS International Security Program and to Pacific Forum CSIS, Washington DC: CSIS, September 2008.

In any case, China has acknowledged that these are difficult issues, because they are in its view closely linked to US arms sales to Taiwan, and therefore also involve the US. Although Hu has not yet officially reiterated his predecessor Jiang Zemin's proposal made in October 2002 to decrease the number of missiles deployed against Taiwan in exchange of an end of US arms sales to Taiwan, this potential bargaining stance remains very much in the mind of the Chinese leadership¹⁹.

The paradox is that since May 2008 the US has stayed pretty much under the water as far as the improvement of cross-Strait relations has been concerned, at least until President Obama announced in early 2010 a US\$ 6.4 billion arms package to Taiwan. But China's fierce criticism of this deal and fresh threats against the US companies involved in this deal have in a sense perpetuated the irony of the situation: perceived as the major obstacle to the peaceful development of cross-Strait relations, the US has been singled out while Ma's Taiwan, the recipient of this much-needed arms package has been totally ignored by the CCP's propaganda machine. Why? Because China thinks that it is not in its interest to associate the US to the negotiation of military CBMs, let alone a peace accord with Taiwan. But can Beijing really circumvent the US factor? Is it actually in its interest to ignore it? Probably not.

The unavoidable US factor

The recent row about arms sales has underlined the fact that Taiwan remains an important feature of US-China relations. Nevertheless, the US has been a rather passive, although pleased, observer of the melting of political ice in the Taiwan Strait, a body of water of which, ironically, it still guarantees the security and freedom of navigation. This is because, as the situation in the Strait has been improving and the world economy deteriorating, both Washington and Beijing have been busier addressing global financial and security issues, swiftly putting Taiwan on the back-burner. President Obama in this respect has just prolonged his predecessor's policy, allowing more robust arms sales to take place (Blackhawk helicopters) but still keeping the most visible and offensive weapons, at least provisionally, on hold (F-16), not to distract the Chinese government from the core issues of Sino-US relations (as North Korea, Iran and the yuan undervalue).

¹⁹ After her visit to China in May 2010, the US Senate Intelligence Committee Chairwoman Dianne Feinstein said China had offered to reposition its military forces opposite Taiwan to ease cross-strait tensions. She added however, "In my meeting with some of the leadership, it was mentioned that China had offered to redeploy back. Now I understand the word 'redeploy' isn't 'remove.' And I understand the nature of what's there and the number of troops." *Reuters*, June 16, 2010.

But can the US stay idle as the military balance in the Strait has titled in favour of China and Taiwan's defence has become obviously weaker, in spite of the electoral promises made, but not kept by Ma (increase of the military budget to 3% of the GDP) and the continuing modernisation effort of the ROC armed forces?

Since 2008, a debate has taken shape among US experts that have expressed some of the concerns or interrogations of their government - and any American administration constrained to abide by the 31 years-old Taiwan Relations Act. The US military, for its part, has adjusted to this new situation, moving more surface ships and submarines to the Pacific Ocean, and especially to Guam.

Whatever the outcome of this debate, it is in the US interest to move into two directions: on the one hand, push more strongly both sides to negotiate CBMs, and even an interim agreement; on the other hand, discuss and address directly with China Taiwan's long-term security.

Regarding the negotiations of CBMs, the US will refrain from acting as an official mediator, not only because that would violate the 1982 "six assurances" given by President Reagan to Taiwan but also because neither Beijing nor Taipei would accept it. However, it is more and more tempted to act as a facilitator, in particular because it is the only power to enjoy close relations with both the PRC and the ROC militaries. The better political and security relationship between Taipei and Washington may help the former, particularly through a steady flow of arms transfers, to go to the negotiating table in a stronger (or not too weak) position. This argument has been reiterated by both capitals in the aftermath of the row about arms sales in early 2010^{20} . But this is a complicated matter since Beijing tries to convince the international community that US arms sales would be detrimental to the conclusion of any CBMs²¹. Some US analysts have shown an obvious optimism about the conclusion in the coming years of "robust CBMs" and, possibly, an interim peace agreement, as if some in the US government wanted a deal at any cost, while ironically China suspects Washington of trying to thwart any genuine reconciliation between Beijing and Taipei²². Yet, this optimism raises many questions: for instance, how can the PLA adapt its "modernization programs in ways that reduces its ability to successfully invade Taiwan"? Would that really be enough? For these reasons, some US experts tend to, if not question the very usefulness of CBMs, then at least to underline their limited impact on the long-term security of Taiwan.

This long-term security cannot be achieved without taking into account both the US and China's interests. Even if the changing military balance between China

 ²⁰ "Peace through strength" or negotiate with China with more confidence has been in particular promoted by Vice-Minister of Defence Andrew Yang in March 2010.
 ²¹ Romberg Alan "A Confederacy of Skeptics" on ait p. 11

²¹ Romberg, Alan, "A Confederacy of Skeptics", *op. cit.*, p. 11.

²² Saunders, Phillip C. & Kastner, Scott (2009) "Is a China-Taiwan Peace Deal in the Cards?", *Foreign Policy*, July 27, 2009; cf. also from the same authors "Bridge over Troubled Water? Envisioning a China-Taiwan Peace Agreement", *International Security*, Spring 2009.

and Taiwan has complicated any American intervention in an armed conflict in the Strait, it is unlikely that the US questions its security commitment towards the latter or revises the Taiwan Relations Act. For these well-known reasons, Taiwan's long-term security can only be based on US-China mutual reassurances. Beijing of course would like to convince Washington to stop selling weapons to Taipei and agree upon the "peaceful reunification" of the two sides of the Strait, as opposed to the "peaceful resolution" of their differences, America's long-standing policy; but such changes are unlikely, mainly because Taiwan cannot remain defenceless. Conversely, the PLA will continue its rapid modernisation pace, shaping a new security environment around Taiwan and, more generally in East Asia, probably compelling the US military to privilege asymmetrical warfare in case of an armed conflict in the Strait. For this reason, a complete demilitarisation of the Taiwan Strait is harder and harder to conceive, making a US-China direct negotiation on Taiwan more and more necessary.

Because of the multiple constraints indicated above, it is impossible to draft the likely contours of a US-China agreement about Taiwan security. But this accord or understanding cannot be linked to any specific political outcome of the differences between Beijing and Taipei, because such a linkage would rapidly derail the negotiations.

The bottom line of the argument developed here is that when security issues are genuinely addressed by Beijing and Taipei, the US factor will naturally and rapidly invite itself to the negotiation table.

Conclusion

Since 2008, the relations across the Taiwan Strait have entered an unprecedented period of détente. This détente has yielded some unquestionable achievements, but a lot remains to be done; and arguably, no breakthrough can take shape if China does not adopt a more flexible policy as far as the ROC-Taiwan existence, sovereignty, international status and security are concerned. Since 2008, Taiwan, or to be more accurate, Ma's KMT has showed unprecedented accommodation and made many concessions, China has not made any, or so few. The major benefits given by Beijing to Taipei are commercial ones (e. g. the "early harvest" in ECFA) and have all been aimed at making Taiwan more dependent upon the mainland and consolidating a pro-China constituency on the island, united front strategy-inspired gestures that can only be considered with suspicion by the antiunification opposition. Taiwan's international space has not been really improved since it remains (and will probably remain) in the PRC's eyes a "non-state", a subnational "political entity" (zhengquan). Moreover, the emphasis given by the Beijing and Ma governments to the CCP-KMT channel of communication has been detrimental to a genuine reconciliation in the Strait. Although an ECFA will

probably be signed in late June or early July 2010, CBMs and a peace accord will not take shape easily. Finally, excluding the US from any accord guaranteeing Taiwan security seems unrealistic.

Obviously, only political courage and creativity can help bridging the gap in the strait and reaching out to the segments of the Taiwanese society that have been left out of the negotiation table. Beijing, Taipei and Washington are well aware that building a bridge of mutual trust in the Taiwan Strait will require much time and energy and may remain a "mission impossible" as long as the PRC and the ROC do not share the same political values.