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Beyond WHA:

Assessing the cross-strait “diplomatic truce”

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Observers perhaps underestimate the level of mutual trust and the common interests between the CCP and the KMT when they dismiss the “diplomatic truce” as non-existent. While the reality of a diplomatic truce is backed with little concrete evidence, Beijing’s self-restraint on establishing diplomatic ties with Taipei’s allies and the cross-strait arrangement to make room for Taiwan at this year’s WHA are not insignificant moves. One could point out that the so-called diplomatic truce is merely short term and tactical, and that it is easily reversible. This paper argues that the diplomatic truce is a little more than that. To secure asymmetric coexistence with the PRC on the international arena, the Ma Ying-jeou administration seems ready to negotiate two agreements which appear like the main tactical purposes Beijing wants to achieve before 2012 through more flexibility on Taiwan’s international space: an Economic Cooperation Framework Agreement, and an agreement to end the state of hostility between the two sides which would define their relationship as a legacy of the Chinese civil war. Marginalising Taiwan independence movement is still a strong incentive for both sides to maintain a tactical *modus vivendi*, and Beijing is ready for further concessions on Taiwan’s international space under a patron/client relationship.

After 12 failed attempts, Taiwan was invited to attend this year’s World Health Assembly as an observer under the designation “Chinese Taipei”. A symbolic issue in Taiwan since the 2003 SARS crisis, participation at the WHA had been presented by the KMT government as a litmus test to assess Beijing’s willingness to reciprocate Ma Ying-jeou’s cross-strait policies. For the first time since 1971, Taiwanese officials up to the rank of Minister of the Department of Health have attended a United Nations event. The Ma Ying-jeou administration has presented Taiwan’s accession to the WHA as a breakthrough for both cross-strait relations and Taipei’s foreign policy. President Ma has claimed that this year’s attendance was a result of his “flexible diplomacy” (活路外交, *huolu waijiao*), based on self-restraint and mutual non-denial (互不否認, *hubu fouren*). According to him, Beijing and Taipei have already reached a “diplomatic truce” (外交休兵, *waijiao xiubing*). Under a framework of asymmetric coexistence, the WHA attendance would be a “first step” on the path of increased substantial participation to global affairs. Many questions remain on the next steps though. They concern the extent and the sustainability of the so-called diplomatic truce between the two sides. The key question is whether the *modus operandi* of Taiwan’s accession to the WHA can be replicated to access other international organizations, if it is able to launch a constructive process between the two sides, or if it is merely a case *sui generis* bearing no consequences for the substantial expansion of Taiwan’s international space. This paper will explore Taiwan’s strategy to increase the scope of its international activities and assess the costs the Ma administration is able to withstand to secure further international space.

1. The WHA issue: Foreign policy under a patron/client relationship?

Taiwan has been granted participation in the WHA merely as a result of flexible cross-strait policies, not foreign policy. To a certain extent, the Ma administration has displaced the centre of gravity of Taipei's foreign policy from Washington to Beijing, adjusting it to the cross-strait balance of power. Under the "diplomatic truce", any new breakthrough in Taiwan's foreign policy is submitted to cross-strait negotiations, and the MOFA's role is limited to managing existing relationships. Taipei is bandwagoning for diplomatic profit¹. Taiwanese diplomats contend that this year's substantial participation is the result of 12 years of efforts to reintegrate the international community. They emphasize the support of the US, Japan, and the EU. Through these efforts, the WHA issue has gained international visibility. As Beijing is not completely insensitive to foreign pressure on issues engaging China's international image, Western support would have reinforced the incentives for Beijing to shift policy. The international factor can't be dismissed but it is not decisive.

More decisively, Beijing had the opportunity to secure Taiwan's public opinion support for Ma's cross-strait policies at an acceptable cost. The WHA has been a highly emotive issue on the island since the 2003 SARS crisis. In 2004, former President Chen Shui-bian was able to use Taiwan's exclusion from the WHO network and Beijing's policy of marginalising the island even in time of global health crisis to launch a radical presidential campaign. The WHA issue created a positive dynamics for a campaign emphasizing injustice, marginalisation, identity, and democracy vs authoritarianism. For both sides, the WHA issue is much more than a matter of public health. It encompasses China's image in the island, democratic politics and mainland policy in Taiwan, human security and sovereignty. Moreover, Ma Ying-jeou had engaged a lot of credibility in promising to secure access to the global health body. A failure would have dealt a heavy blow to his mainland policy. Jacques Delisle adds that the peculiar structure of the WHO, with a dual executive structure (WHO/WHA), contributed to Beijing's flexibility². There were also factors linked to current circumstances. The first anniversary of the Ma administration has often been put forward. One could more reasonably point out that the global spread of the swine flu made Taiwan's participation a matter of popular support for Ma's cross-strait policies, in order not to repeat the 2003 fiasco.

On balance, one could argue that Taiwan's participation to the WHA with no voting rights represents more a victory than a concession for Beijing. In May 2005, the PRC representation signed a Memorandum of Understanding with the WHO secretariat. It required that all contacts between the WHO and Taipei went through

¹ Randall L. Schweller, «Bandwagoning for Profit, Bringing the Revisionist State Back In», *International Security*, Vol. 19, n°1, Summer 1994, pp. 72-107.

² Jacques deLisle, «Taiwan in the World Health Assembly: A Victory, With Limits», *Brookings Northeast Asia Commentary*, n°29, May 2009.

Beijing. According to information disclosed in 2005 by Chang Jung-kung, director of the KMT department for mainland affairs, the MOU specified that the WHO secretariat could invite health experts from “Taiwan, China” but in no way officials in their public capacity³. The KMT government has tried to dismiss the MOU, but Ma Ying-jeou and Fransisco Ou (Minister of Foreign Affairs) had already acknowledged his existence in earlier declarations. In 2009, what Taiwan achieved was a little better than what was stipulated in the MOU. But Margaret Chan, Director-General of the WHO, definitely followed the spirit of the MOU when she invited the Taiwanese delegation to observe the WHA on Beijing’s behalf. An invitation from the Director-General can’t be compared to granting Taiwan an observer status. The invitation has to be renewed each year at the discretion of the WHO. In the future, it should be the standard procedure for Taiwan to observe the meeting, except if the Constitution of the WHO is amended to make room for a new arrangement inspired by Taiwan’s participation in the World Trade Organization, as it was discussed in cross-strait second track meetings.

This *modus operandi* marks a clear break with the past. During the past years, Taiwan’s bid to gain an observer status had been pushed by its diplomatic allies. The WHA General Committee, in charge of establishing the agenda of the Assembly meeting, rejected that bid every year but once. The only entity enjoying an observer status based on a WHA resolution is Palestine. It was adopted following the adoption by the UN General Assembly of a resolution on that subject. Observers invited by the Director-General of the WHO, “Chinese Taipei” include the Order of Malta, the International Federation of the Red Cross and Red Crescent Societies, the Interparliamentary Union, and the International Committee of the Red Cross. Their invitation is reissued every year. Another peculiar case is the Holy See, which is the only observer labelled a non-member “state”⁴. Without a doubt, Beijing has won additional leverage to attach conditions to Taipei’s future participation, or even to extract new concessions from the Ma administration, but it should be emphasized that Beijing is holding a double-edge sword, and that refusal to let Taiwan participate again would set a precedent in the WHA, and would definitely produce a popular backlash on the island. As a whole, Taiwan’s effort to join the WHA case shifted from a Palestine model to an Order of Malta model.

In Taiwan, the name issue has drawn more attention than any other one. The Taiwanese delegation was invited under the name “Chinese Taipei” (中華台北, *Zhonghua Taipei*), the same it uses in other international organizations, such as the Asia Development Bank, APEC or the Olympic Games Committee. But in these three organizations, Taiwan enjoys the status of a member with full-rights. At the 2009 WHA, it has only speaking rights. From the sovereignty angle, the WHA is the

³ Alain Guilloux, *Taiwan, Humanitarian Aid and Global Governance*, Routledge, 2009, p. 78.

⁴ World Health Organization, “Provisional List of Delegates and Other Participants According to Information Received as of 17 May, 2009”.

worst agreement ever reached by Taipei negotiators. But this should not be exaggerated. There have been inaccurate reports in the Taiwanese press that Taiwan has been designated as “Province of China” on the WHO website. In reality, this designation still appears for information dating back to 2003, but starting from 2009, the WHO website uses the name “Chinese Taipei”⁵. There were also reports that the only confirmed case of swine flu in Taiwan had been included in the total of Chinese cases. In reality, there is a special mention of Taiwan on WHO website⁶. Gaining more space at the WHA and in the various committees of the WHO will apparently take more diplomatic efforts.

Beijing has managed to upgrade the patron/client relationship already in place for cross-strait economic relations to the level of Taiwan’s foreign affairs. The WHA arrangement clearly undermines Taipei’s claim that the Republic of China is conducting its foreign policy in a sovereign way. But this did not come without a symbolic cost for China, although it was outweighed by benefits in terms of image. China has conceded that Yeh Chin-chuan, Taiwan’s Minister of the Department of Health, leads the delegation to the WHA delivered a speech at the plenary assembly. Chinese Minister of Health Chen Zhu even congratulated him for his speech. Moreover, the WHO contacted Taipei’s Department of Health directly, which amounts to a de facto recognition of the ROC. Minister Yeh’s altercation with a pro-independence supporter was broadcasted in Taiwan, attracting more attention than technical issues related to the island’s potential contributions to global health. Allowing a member of Taiwan’s executive Yuan to be referred to as “Minister” in the list of participants marks a break with usual Chinese practise of downgrading the status of Taiwan officials. This probably explains why Taipei accepted the Malta model instead of insisting on the Palestine one.

In any case, Taiwan’s participation at the WHA has been presented by Taiwan’s MOFA as the first part of the story. Under Ma Ying-jeou, Taipei’s diplomacy stresses positive contributions to the global society as a moral duty and as a means to improve the international image of Taiwan. Taiwanese diplomats argue that Taiwan’s participation to information sharing groups will open new spaces for the island’s foreign policy⁷. Because health industry in Taiwan is one of the most advanced in the world, diplomats argue that positive contributions to global health will help Taiwan to network with developing countries and to increase its presence worldwide, by positioning itself as a key partner. This optimistic view is not linked anymore to the goal of expanding the number of countries recognizing the ROC

⁵ See www.who.int, accessed on May 24, 2009.

⁶ See www.who.int/csr/don/2009_05_23/en/, accessed on May 24, 2009.

⁷ Taiwan was already included in the International Health Regulations (IHR) in early April 2009. Other mechanisms: WHO’s Food Safety Network (INFOSAN), Global Outbreak Alert Response Network (GOARN), Stop TB Partnership, Framework Convention on Tobacco Control (FCTC), International Collaboration and Prevention Combating Counterfeit Drugs (IMPACT).

though. It is all the more unlikely that Taipei will use its participation to information sharing groups as a means to promote diplomatic recognition of the ROC, for two reasons. First, Ma Ying-jeou will not take the initiative to break the truce. Second, even if Beijing broke the truce and established diplomatic relations with a new ally, Taipei is not anymore in position to compete with the PRC. Therefore, one could discuss to which extent dignity through positive contributions to the welfare of humankind could be a new guideline for the KMT's foreign policy, or if the Ma administration holds a hidden agenda, which seems dubious, as explained below. More immediately, the key question is whether the WHA has launched a constructive process between the two sides on Taiwan's international process. KMT officials and researchers interviewed in Taipei argue that Beijing is ready for conditional concessions. On the diplomatic arena, the cross-strait *modus vivendi* could well be characterized by a process of asymmetric reciprocity.

2. ECFA as a prerequisite: Taiwan's strategy to gain further substantial international space

Since 1971, Taipei has been largely excluded from any participation in global governance. As an advanced economy, Taiwan could contribute to a large range of issues, from climate security to intellectual property rights. Meanwhile, Taipei gets limited access to public goods, which undermines its ability to deal with non-traditional threats at home. As a missing link in the global networks of governance, it seems in the interest of international organisations to benefit from Taiwan's expertise without denying to the island's population access to public goods. Under Ma Ying-jeou, the practical question is whether the two sides can find out through their consultations a model to allow Taiwan to benefit and to contribute to global governance without international recognition, while keeping autonomous control over its foreign policy. To this respect, the WHA issue could serve both as a negotiation model and as a basis for mutual trust for the two sides to discuss Taiwan's international space.

Taipei has not communicated on its list of priorities. Obviously, there are debates within the Taiwanese administration on the best hierarchy of goals, both in terms of gains and feasibility. For some in Taipei, the biggest stake for Taiwan's diplomacy is to support the island's economic integration in East Asia⁸. UN specialized agencies are politically more sensitive and can bring much less concrete benefits. This view matches Ma Ying-jeou's priorities, which is on revitalizing the island's economy. But Taiwan will likely pursue economic expansion in East Asia and meaningful participation in global international organisations. Without a clear wish list though, one could put into doubt that the Ma administration has a clear strategy.

⁸ Interviews, Taipei, April 11-18 2009.

The costs the Ma administration is willing to withstand are clearer. Flexible diplomacy implies self-restraint and concessions. Ma argued before the MOFA in August 2008 that it aimed at “improving (Taiwan’s) international standing and increasing the cost-effectiveness of (Taiwan’s) diplomatic budget” by not being “at loggerheads with the mainland in each and every international encounter”⁹. KMT officials argue that the diplomatic truce is based on a realistic assessment of both external (the cross-strait balance of power) and domestic constraints. From 2000 to 2008, the DPP administration had gained three diplomatic allies and lost nine. The confrontational approach was neither sustainable nor even popular. On the island, there have been repeated scandals on the secret funds involved in foreign affairs, beyond any legislative scrutiny. As Ma Ying-jeou’s mandate is based on a reputation of incorruptibility, he would not engage in buying over new allies without risking great political costs.

As a gesture of goodwill towards Beijing, the Ma administration has dropped Taiwan’s bid to join the United Nations as a full right member, and replaced it with a policy of substantial participation to the UN specialized agencies. According to Taiwanese diplomats abroad, gaining an observer status at the International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO), two of the 16 specialized agencies of the UN, should become the next target¹⁰. The practical issues these two organizations deal with are of utmost importance for the world 10th trading power. But arguably, among the specialized agencies of the UN, they are the less likely to allow Taiwan in, because they imply a clear definition of territorial sovereignty. Some scholars argue that the global crisis creates a momentum for Taiwan’s participation in the IMF and the World Bank¹¹. One of the practical problem is that most of the UN specialized agencies could not allow a flexible solution such as the WHO’s. Their constitutions have only arrangements for non-member “states” of the UN or entities which are “not responsible of their foreign relations”, such as for example Macau’s participation in the UNESCO, on behalf of China. How to interpret these voices from Taiwan’s MOFA? They suggest that elements within the ministry may set high standards in order to express slight disagreements with Ma Ying-jeou’s low-key foreign policy, or that it does so as a negotiating tactic to secure less sensitive gains. The Ma administration room for manoeuvre to balance increased cross-strait interactions with diplomatic breakthroughs is thin. UN specialized agencies are a target, but there is a strong probability that Taipei’s priority will focus on diplomatic diplomacy towards East Asia. The Taiwanese business community anticipates the launch in 2010 of the ASEAN+1 Free Trade Area, and needs emergency measures to cope

⁹ “President Ma’s Remarks at Ministry of Foreign Affairs: The Concept and Strategy of the Flexible Diplomacy”, Taipei, August 4, 2008.

¹⁰ Interview, Paris, May 20, 2009.

¹¹ Interviews, Taipei, April 11-18, 2009.

with a dramatic drop in their competitiveness that will arise in China and Southeast Asian countries. But Taipei is constrained by Beijing to adopt a comprehensive strategy to gain market access in the ASEAN+1 FTA, and to balance any breakthrough in East Asia by a stronger commitment to economic integration with the mainland.

Taiwan's insistence to negotiate an Economic Cooperation Framework Agreement with the mainland should be seen in that light. Ma Ying-jeou has already backed-pedalled on Lien Chan's initial initiative to negotiate with the mainland a comprehensive economic agreement, including merchandises, capital and workers. ECFA is less ambitious, and deals mainly with trade of goods. Therefore, it can be negotiated faster than a comprehensive agreement. There is a sense of urgency in Taipei's business community to conclude a framework agreement setting principles, which could be completed later by adding appendices on different economic branches. But the purpose is beyond China. Here comes the idea of a trade-off between the two sides. There is currently some optimism in Taipei that signing an ECFA, even with the risk of revitalising the DPP, will open up new spaces for economic diplomacy¹². Some present the ECFA as a necessary concession to sign free trade agreements, perhaps first with Malaysia and Singapore. All advanced ASEAN countries are watching the development of cross-strait relations to assess if there are opportunities to upgrade their trade relationship with Taiwan. Therefore, ECFA can't be dissociated from Taiwan's ambition to join the process of regional integration. Moreover, according to certain scholars, signing ECFA is also a prerequisite for Taiwan's participation in the UN specialized agencies¹³. They deem it a necessary concession to build sufficient mutual trust with Beijing so that the mainland side will allow Taipei's participation in other international organizations. But as a prerequisite, Beijing needs to be reassured that participation in these organizations will not be used by Taipei for pursuing independence under a DPP government.

Taipei's foreign policy falls within a strategy aiming at institutionalising the cross-strait relationship in a web of agreements, to increase its stability and predictability¹⁴. However, it is highly unlikely that cross-strait negotiations on Taiwan's international space will lead to written agreements in a predictable future. Consultations on foreign affairs will be conducted through secret channels, probably a mix of party-to-party and second track, without an institutionalised communication channel. They should proceed step by step, through punctual trade-offs. This could prove a weakness at one point or another of the negotiating process, at least in terms of domestic support in Taiwan.

¹² Interviews, Taipei, April 11-18, 2009.

¹³ Interviews, Taipei, April 11-18, 2009.

¹⁴ Interview with Chao Chien-min, vice-chairman of the Mainland Affairs Council, Taipei, April 12, 2009.

3. The two-level game in Taiwan

The “diplomatic truce” has been one of Ma Ying-jeou’s key electoral promises during the presidential campaign. He is now bound by the nature of his democratic mandate to deliver concrete results to his constituencies in terms of international space. Moreover, he has been elected on a platform of “economics first”, with precise promises (a growth rate of 6% and a GDP per capita of 30000\$ in 2012) on which he will be held accountable. As Taiwan’s economy is highly dependent on foreign trade, foreign policy must serve Taiwan’s economic growth by eliminating external constraints to the island’s development. At this stage of cross-strait relations under Ma’s *modus vivendi*, domestic criticism in Taiwan has focused on increased interactions with China as a whole, lack of economic results and policies leading to democratic erosion. Foreign policy, including the WHA issue, has also drawn some criticism from the political opposition, even from some elements within the KMT and the MOFA. Verbal attacks have denounced the non-democratic process of cross-strait negotiations and a foreign policy selling out national sovereignty.

As the major opposition party, the DPP has been on the frontline to attack Ma’s foreign policy. But on the whole, the general public has deemed Taiwan’s observation of the 2009 WHA a positive development. According to a poll released by the KMT-leaning TV station TVBS, 48% of respondents were satisfied by Minister Yeh attending the WHA, while 24% were not¹⁵. According to the same poll, 62% of respondents expressed that the designation “Chinese Taipei” was acceptable. This indication of popular sentiment in Taiwan was confirmed by a poll conducted by National Chengchi University Poll Center (37,4% said they were satisfied with Taiwan’s participation under the name Chinese Taipei, and 37,8% argued that the title was unsatisfying but acceptable¹⁶). The TVBS poll also indicated that to 41% of the respondents, Taiwan’s sovereignty was not jeopardized (矮化, *aihua*) by the name “Chinese Taipei”, while 33% thought it was. According to a DPP poll, 71,9% of Taiwanese opposed that Taiwan’s international space be negotiated with Beijing and needed Chinese consent¹⁷. This is indeed the reason why cross-strait negotiations on this matter are held secret. But the DPP poll does not reach the conclusion that the WHA participation is not popular. This explains why during the May 17 rally in Taiwan, the DPP has not insisted on the WHA issue. The demonstration focused on the ECFA, the Parade and Assembly law (集會遊行法, *jihui youxing fa*), and Ma’s mainland policy as a whole. The DPP did not take the risk of putting the WHA issue at the heart of its opposition strategy because it remains a popular achievement of the Ma administration. Therefore, one can point out that the DPP still has no clear position on the public position it should take on an

¹⁵ « Minjindang 517 youxinghou yu canjia WHA mindiao », May 19-21, www.tvbs.com.tw. Poll conducted with 1236 Taiwanese above the age of 20 between May 19 and May 21.

¹⁶ « Reactions Mixed on WHA Admission », *Taipei Times*, May 19, 2009.

¹⁷ “Minjindang mindiao: 43,5% renying yi Taiwan jiaru WHA”, *CNA*, May 21, 2009.

issue it's not sure to aggregate new support. Ideologically, the DPP truly believes in the sell-out of Taiwan. Under Tsai Ying-wen leadership, the opposition strategy of the DPP follows a path-dependency pattern. Like in the 1990s, it focuses on democracy, sovereignty and national identity. But the WHA had been expected for too long in Taiwan to provide the DPP with an opportunity to challenge the KMT mainland policy.

Whether the DPP will be able to seize the opportunity of Ma's diplomatic shortcomings remains a key question for the future of the balance of power between the DPP and the KMT. DPP politicians have criticized the lack of openness and legislative scrutiny on Taiwan's negotiations with the Mainland. This issue appears too technical to draw much public attention. But three points could put the DPP in a better position and even create divisions within the KMT. First, the question of dignity and sovereignty will remain the most sensitive. The Legislative Yuan had voted two bills compelling the MOFA to refuse participation in the WHA under the framework stipulated by the WHO/PRC 2005 Memorandum of Understanding. Interestingly, a KMT legislator had initiated one of these bills¹⁸. Second, criticism will focus on the link between diplomacy and democracy. To please Mainland China and avoid disrupting the WHA process, Ma has for example delayed his ratifying of the UN International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights. Third, the secrecy of cross-strait communication channels could provide the DPP with new opportunities to conquer new popular support. But these factors will interplay. They correspond exactly to the three historical demands of the DPP, on which it has build its rise in Taiwan politics: independence, human rights and democracy.

On a more general level, some Taiwanese scholars have argued that in the longer run, Ma Ying-jeou's "diplomatic truce" could lack support within the Taiwanese MOFA because it undermines bureaucratic interests¹⁹. This view should be balanced. After the KMT's victory in 2008, conservative mainlanders pushed aside under Chen Shui-bian are regaining control over key positions in the MOFA. Some of them have a very strong Chinese identity and oppose a "two-China" solution²⁰. If dissensions arise between the executive branch and the MOFA because the latter is marginalised in the conduct of foreign policy, this could compel Ma Ying-jeou into readjustments of his diplomacy, and in any case, atmosphere in the MOFA should be carefully assessed to forecast the room for manoeuvre of the Ma administration.

¹⁸ Lin Cho-shui, "Deal on WHA Would Hurt Taiwan", *Taipei Times*, April 14, 2009.

¹⁹ Liu Shih-chung, « Seeking a Cross-Strait Diplomatic Truce: Theory and Practice », Transcript produced from an audio recording, The Brookings Institution, Washington DC, October 30, 2008.

²⁰ Interviews, Taipei, April 11-18, 2009.

4. Assessing Beijing's goodwill

The WHA marks a turning point in Beijing's policy towards Taiwan's international space. In 1997, China adopted a "three emptiness policy" (三光政策, *sanguang zhengce*), aiming at depriving Taipei from any diplomatic ally, blocking Taiwan's participation at any international event, whatever its scale, and tire out Taiwanese diplomatic resources²¹. For Beijing, securing Taiwanese domestic support to Ma Ying-jeou's mainland policy is a new tactic to promote peaceful unification. This implies self-restraint on Taiwan's bilateral relations. KMT officials and Taiwanese diplomats have praised Chinese self-restraint on Paraguay and El Salvador, two countries having recently experienced a democratic transfer of power and the election of candidates having promised during the campaign to establish official ties with the PRC. Ma Ying-jeou has argued that he was confident both sides would reject establishing diplomatic ties with each other's allies²².

Hu Jintao's six points have confirmed Beijing's willingness to treat Taiwan's meaningful participation in international organisations with relative flexibility²³. This message had already been conveyed to Lien Chan in 2005 and to other KMT delegations, and the "six points" came as official reassurance. Contrarily to previous guidelines of Beijing's policy towards Taiwan, the six points are not purely a unilateral declaration, although some of its key elements have not been negotiated with Taipei, such as the use of the "One-China principle" instead of the "1992 consensus". As a matter of fact, Beijing's policy shift is based on intensive consultations with the KMT and at the second track level before the 2008 transfer of power in Taiwan. In Taipei, Hu Jintao's speech was widely seen as confirmation that Beijing would reciprocate Ma Ying-jeou's low-key approach to cross-strait relations. If the CCP/KMT communication channel has been decisive, increased understanding of Taiwan's public opinion through second track interactions and academic research has helped too. During Chen Shui-bian's second mandate, there were already voices in Mainland China arguing that the suppression of Taiwan's

²¹ Chao Chien-min, "The Republic of China's Foreign Relations Under President Lee Teng-hui", in: Chao Chien-min, Bruce Dickson (eds), *Assessing the Lee Teng-hui's Legacy in Taiwan's Politics*, ME Sharpe, 2001, p. 191.

²² "Official Shares Insight on Diplomatic Truce Strategy", *Taipei Times*, August 25, 2008.

²³ To celebrate the 30th anniversary of Ye Jianying's declaration to Taiwan compatriots, Hu Jintao delivered a key speech on December 31, 2008, « 攜手推動兩岸關係和平發展, 同心實現中華民族偉大復興 ». He emphasized six points: (1) The One-China principle as a basis for mutual trust, and the definition of cross-strait relations as a legacy from the Chinese civil war. (2) Building a framework for economic cooperation. (3) Taiwan consciousness is not equivalent to a pro-independence stance. (4) Increase communication channels, and invite DPP officials to dialogue with the mainland if they give up their pro-independence stance. (5) Avoid useless waste of resources on the international arena, and accept Taiwan's meaningful participation to international organizations through pragmatic negotiation channels, if it doesn't aim at creating a "Two Chinas" or a "One China, one Taiwan" situation. (6) Discuss military confidence-building measures and an agreement to cease the state of hostility between the two sides, in order to reach a peace agreement under the One China principle.

international space was counterproductive to a certain extent. According to reports in the Taiwanese press, there was a debate in Beijing in 2007, highlighting the contradiction between the goals of the TAO and the MFA. The former was elaborating policies to win the hearts of the Taiwanese, while the latter was following its logical goal of establishing diplomatic relations with every country of the world²⁴. KMT's diplomacy towards the CCP reinforced the message that bullying the Taiwanese in every corner of the world undermined Beijing's goals. The change in Beijing's approach would seem superficial to some, but the six points are an official guideline at the top level of the CPP and should not be disregarded.

Under a patron/client relationship, Beijing has much to offer to reward Ma Ying-jeou's low-key policies. The agenda of cross-strait negotiations on Taiwan's international space is mostly shaped in Taipei, but Ma Ying-jeou's advisors acknowledge that Beijing holds most of the bargaining chips. They foresee with open optimism Beijing's responding selectively but positively to Taipei's demands²⁵. Some Taiwanese scholars argue that the mainland side is already quite clear about which international organizations Taiwan will be able to join, and under which *modus operandi*²⁶. Beijing's agenda is clearer than Taiwan's, and the two sides, for different reasons, both have strong incentives to institutionalise their relationship. Beijing's bottom line on Taiwan's international relations is also crystal clear. Any breakthrough should be pre-emptively balanced by the ECFA, and should be easily reversible to pre-empt a new transfer of power in Taiwan. More importantly perhaps, it has to be instrumental in promoting a political agreement between the two sides. Without further flexibility, the Chinese side will not be able to create a momentum in 2011 to sign with Taipei a peace agreement or an agreement formally ending their state of hostility (結束敵對狀態, *jieshu didui zhuangtai*), before succession occurs at the 18th CCP Congress a few months after presidential elections in Taiwan. The peace agreement stands high on Hu Jintao's agenda. It could represent a key achievement ensuring his prestige in the history of the CCP. If Beijing was able to sign through the SEF/ARATS communication channel an agreement defining cross-strait relations as a relationship inherited from the Chinese civil war, it would be perceived as a new framework equivalent to unification in everything but in name²⁷.

Nevertheless, although the Mainland Affairs Council and the MOFA have refrained from commenting on the issue, diplomatic bullying of Taiwan on minor international events has not ceased, even after President Hu Jintao put forward his six points. In Paris on April 23, 2009, the Taiwanese delegation was banned from attending a UNESCO ceremony for the UN-sponsored World Digital Library

²⁴ Lin Chia-ch'ing, *Xin Xinwen*, n°1058, June 13, 2007, pp. 62-64.

²⁵ Interviews, Taipei, April 11-18, 2009.

²⁶ Interviews, Taipei, April 11-18, 2009.

²⁷ Interviews, Taipei, April 11-18, 2009.

Taiwan had contributed to set up, although it was not clear whether the ban came from a specific Chinese move or from standard operations procedures in UN-affiliated institutions. In any case, Beijing has not extended flexibility on minor international events. This is also true of Taiwan's parliamentary diplomacy, which could be seen as unthreatening for Beijing, but on which constraints are as strong as ever according to Legislative Yuan speaker Wang Jinping²⁸. There are competing interpretations to this diplomatic suppression in line with past practise. One could argue that Beijing is still playing a two-pronged strategy mixing elements of flexibility with core intransigence. This would allow more room for manoeuvre to display goodwill in the future. In that case, Beijing would keep the option of saying that diplomatic bullying happens beyond central control, by radical nationalist citizens or by officials following outdated guidelines. A second hypothesis would look into a potential lack of coordination between Taiwan policy and foreign policy. At this early stage of "peaceful development" in cross-strait relations, old habits may not have changed yet. It should be underlined though that diplomatic suppression has happened below the threshold where it would become the focus of the Taiwanese Medias and the opposition.

5. Sustaining the diplomatic truce

For some pan-blue scholars, the diplomatic truce is instrumental in reaching "coexistence and shared prosperity"²⁹. Coexistence implies a "Two-China" solution, a formula Beijing has repeatedly deemed unacceptable. At best for Taipei, coexistence could lead to co-management of the status quo or in other words, freezing the asymmetric coexistence of the two sides in the international arena with increased substantial participation to international organizations balanced by a strong institutionalised economic link with the mainland and a loose political agreement. At best for Beijing, the diplomatic truce would improve China's image in Taiwan, reduce popular support for the *status quo*, and promote the goal of unifying the two sides. The cross-strait *modus vivendi* is more a process than a steady foundation for bilateral interactions. It lacks a clear definition, but it is shaped progressively through consultations. Co-management of the status quo is the only common interest between the two sides. Both hope that it will transform the structure of the Taiwan issue, but it should be pointed out that the problem has only been delayed up to now. Therefore, worst-case scenarios can't be brushed aside. It remains to be seen if the cross-strait *modus vivendi* is sustainable, and Taiwan's international space is certainly the most dangerous issue for its sustainability.

²⁸ "Wang Jinping: Taiwan guohui waijiao reng cao dalu qiangli weidu", *CNA*, March 9, 2009.

²⁹ Chao Chun-shan, "Cong waijiao xiubing dao gongcun gongrong", *Zhongyang Ribao*, June 4, 2009.

As the two sides are still in a process of trust-building, the Taiwanese side emphasizes how much it believes Beijing will reciprocate its concessions, hoping that speaking out “trust” will work as a self-fulfilling prophecy. But to many observers, a patron-client relationship will help revive the DPP once it has rebuilt a leadership and a clean image. At that point, one should not forget that the main rationale for the current *modus vivendi* is the CCP/KMT alliance against the DPP. If the diplomatic side of the *modus vivendi* reinforced the DPP where it is supposed to keep it weak, it could provoke unexpected consequences on cross-strait relations. Another scenario is for the CCP to gain the DPP support for the diplomatic truce. Fostering an island-wide consensus on Taiwan’s international space will not be an easy task, but by keeping a reasonable rhythm of increased Taiwanese participation in international affairs and in adjusting its policies, the mainland side could increase popular support in Taiwan for the diplomatic truce. The following paragraphs are preliminary ideas to open the discussion on how to increase the stability of the *modus vivendi*, based on the presumption that it is in the mid-term interest of both sides.

First, institutionalisation of a specific cross-strait channel with high representatives from both sides to discuss matters related to Taiwan’s international space would certainly help to increase Taipei’s confidence in an engagement policy. It seems out of reach in the near future though. The lack of transparency is seen now in Beijing and in Taipei as an asset to achieve concrete results, but this could change during electoral periods in Taiwan, or if sudden events erode mutual trust.

Second, cross-strait communication on foreign policy issues should be conducted with some degree of transparency. If the Taiwanese negotiators are not held accountable before the general public, or at least, before the commission on national defence and foreign affairs of the Legislative Yuan, public support for the diplomatic truce could erode. The history of Taiwan democracy shows that the DPP can take advantage of its stance on sovereignty when it is reinforced by his calls for further democratisation.

Third, without a clear list of goals, the chances of Taipei to secure international space are slimmer. The WHA issue shows that specific conditions such as high international visibility and foreign support are not fully irrelevant, even if they are not decisive. Public support for a clearly spelled-out goal is also an important of success. There is no reason that foreign entities such as the European Union wouldn’t support Taiwan’s substantive participation to international organisations since it matches the values of the EU and it’s already an EU policy.