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“Implications of the new US administration for Cross-Strait relations”

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Introduction

For all the criticism that George W. Bush's foreign policy evoked during his eight-year tenure as President of the United States, he has on the whole been commended for his handling of US-China relations. When President Barack Obama was sworn in on 20 January 2009, US-China relations were stable, manageable, and to quote David Lampton of John Hopkins School of Advanced International Studies “more fundamentally sound” than at any time since 1972.¹ The Taiwan Strait, ever the potential flashpoint in US-China relations, was experiencing an unprecedented fiction-free period, following the first eight months in office of Taiwan's new President Ma Ying-jeou and his efforts to fulfill his campaign promise of improving ties with the mainland.

What then are the implications of the Obama administration for the future of US-China relations in conjunction of Cross-Strait relations? This paper seeks to shed light on this question, drawing from analysis by American, Chinese and Taiwanese commentators.

A “secondary” issue?

Many observers in Beijing, Taipei, and Washington have noted that the substantial easing of tensions across the Taiwan Strait following the start of Ma In-Jeou's presidency in May 2008, coupled with the multiple crises the new US administration faced from its first day of office, will ensure that neither the US-China relationship nor the Taiwan Strait will be high on Obama's agenda in the foreseeable future. Immediately after the US presidential election Zhou Qi of the Institute of American Studies at the Chinese Academy of Social Studies wrote: “Iraq, Afghanistan and Iran's nuclear issue will be high among the new president's foreign policy priorities. North Korea could be listed fourth or fifth in importance. Given the improvement of cross-Strait relations and given the complications US is facing in the financial crisis, it's unlikely that any meaningful shifts in US-China policy will arise. Also, any big changes in US Cross-Strait policy are unlikely to take place in the short-term.”² Several American and Taiwanese observers concur, emphasizing that continuity from the second Bush term will be the dominant feature of US-China relations under the new administration.³ The US will maintain its 'one China' policy, its adherence to the three U.S.-PRC Joint Communiqués concerning Taiwan, and its observance of the Taiwan Relations Act, which stipulates that the US provides Taiwan with arms

1 Bruce Stokes, “Dousing the Dragon Fire”, *National Journal*, 5/9/09, p. 40.

2 Zhou Qi, “Obama's China Policy, More of the Same?”, *Caijing Online English*, 5 November 2008, <http://english.caijing.com.cn/2008-11-05/110026292.html>.

3 Lin Chengyi's remarks at roundtable “Prospect of Obama's Cross-Strait Policy” organized by *China Review* in Taipei, 31 December 2008; Jacques deLisle, “China Policy under Obama”, *Foreign Policy Research Institute E-notes*, February 2009, <http://www.fpri.org/enotes/200902.delisle.chinapolicyobama.html>.

of a defensive character and maintains the capacity to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.

Precisely how prominent a position the US-China relationship will be given in the Obama administration remains to be seen. Whether or not China will be a “secondary issue” for US under Obama, as Robert Sutter of the School of Foreign Service at Georgetown University has opined,⁴ is open to debate when one considers that Obama seeks and needs Beijing's support to deal with the global financial crisis and all of the foreign policy issues that the US administration is pre-occupied with - North Korea, the situation in Afghanistan and Pakistan, Iran, and climate change. Obama's choice of US Ambassador to Beijing Jon Huntsman Jr is not the only prominent American to have described the US-China relationship as the most important relationship in the world.⁵ Chinese observers frequently use this characterization when speaking of the United States' position in Chinese foreign relations. Even the Chinese who oppose the notion that the US and China constitute a new G-2 – and many do at least in public statements -- point to the significance of the relationship for both sides. Yang Yi of the Institute of Strategic Studies at the Chinese National Defense University disagrees with Sutter's use of "secondary issue" to describe China's position in US administration calculations and says that China might be a “less pressing issue” for Obama but certainly an important one.⁶

If the most or one of the most important bilateral relationships of the United States is a secondary issue for the Obama administration, one can surmise that the relationship could be adversely affected. On her first trip to China as Secretary of State Hillary Clinton did her best to dispel fears of the Obama administration being too preoccupied elsewhere to pay attention to ties with Beijing. On the eve of her trip to China, she stated that “even with our differences, the United States will remain committed to pursuing a positive relationship with China, one that we believe is essential to America’s future peace, progress, and prosperity.”⁷

What does China want in return?

Obama's desire to see China take a more active and constructive role to help deal with numerous pressing international problems also evokes the question of what China will expect of the United States in return for taking on more international

4 Robert Sutter's remarks at roundtable “US foreign policy under Obama administration” organized by China Reform Forum and Carnegie Endowment in Beijing 22.5.2009.

5 “Huntsman on Obama's China and trade policy”, interview with Jon Huntsman Jr, *Rolling Stones*, 17 May 2009, <http://www.rollingstone.com/nationalaffairs/index.php/2009/05/17/huntsman-on-obamas-china-and-trade-policy/>

6 Yang Yi's remarks at roundtable “US foreign policy under Obama administration” organized by China Reform Forum and Carnegie Endowment in Beijing 22.5.2009.

7 Hillary Rodham Clinton's remarks at the Asia Society, New York, “U.S.-Asia Relations: Indispensable to Our Future”, 13 February 2009. <http://www.state.gov/secretary/rm/2009a/02/117333.htm>.

responsibility. Will Beijing seek assurances from the United States that Washington, for its part, will adopt a more constructive -- from Beijing's viewpoint constructive -- position on specific facets of cross-Strait relations? Will China's leadership demand that Obama refrain from selling arms to Taiwan in return for persuading Pyongyang to return to the six-party talks? And will Beijing retaliate and if so, in which manner, if the US announces another arms sale to Taiwan?

China continues to have "very strong and direct" objections to US arms sales to Taiwan.⁸ US Deputy Assistant Secretary of Defense for East Asia David Sedney said that during talks with Chinese military leaders in Beijing in March 2009 he found that the level of concern remained high despite improved relations with the US and a reduction of political tension with Taipei. But he said that while the Chinese objections remained strong, they were presented in such a way as to allow the talks to continue and not to stop other discussions.⁹ The talks formally restarted US military-to-military exchanges with China, which Beijing cut off last year to protest the Bush administration's approval in October 2008 of a US\$6.4 billion arms deal with Taiwan. Sedney's counterpart at the State Department John Norris certainly alluded to the dilemma of wanting cooperation from China while fully aware of China's opposition to US arms sales when he said that the US will continue to abide by its obligation under the Taiwan Relations Act and make arms available to Taiwan to maintain a sufficient self-defense capability, but "the US cannot define our bilateral relationship on our differences to the detriment of possible progress on key US priorities."¹⁰

Hillary Clinton's remarks during her Beijing visit alluding to pressure from the US on the Chinese regarding human rights having been shifted to the backseat of the relationship evoked questions of the level of importance the Obama administration attaches to defending respect for human rights in China. Should this statement by Norris be interpreted to mean that Taiwan too is no longer a key US priority?

The erosion of Taiwan's influence

Taiwanese perceptions of the implications of the prominence given to China's rising power and influence under the Obama administration are reflected in an article "The Emergence of Sino-China Concert Era", written by Hsin-Chih Chen of National Cheng Kung University after Obama's and President Hu Jintao's first meeting in London in April 2009. Chen describes the global balance of power as transitioning from American hegemony into a world concert of international affairs, co-managed

8 US Deputy Assistant Secretary of Defense for East Asia Affairs David Sedney's remarks at US-China Economic and Review Commission, 4 March 2009, http://www.uscc.gov/hearings/2009hearings/transcripts/09_03_04_trans/09_03_04_trans.pdf.

9 Ibid.

10 US Deputy Assistant Secretary of State for East Asia and Pacific Affairs John Norris's remarks at US-China Economic and Review Commission, 4 March 2009, http://www.uscc.gov/hearings/2009hearings/transcripts/09_03_04_trans/09_03_04_trans.pdf.

by the US and China. “The US may not be in great decline,” Chen writes, “and China may rise peacefully. Undeniably, this mechanism will adversely impact the EU, Japan, ranking players who are experiencing a decline in its political and economic power. Small actors will face greater marginalization. Although the Sino-America Concert will bring stability to cross-Strait relations, it will nevertheless erode Taiwan’s influence in determining the direction of cross-Strait relations.”¹¹

Taiwan's marginalization is not a new topic among observers of cross-Straits relations. Taiwan's struggle to keep its voice heard in the international community has intensified over the past few decades both as a result of globalization of the world economy and as a result of China's growing economic, political and military might. This is one of Ma Ying-Jeou's many challenges as he proceeds in deepening Taiwan's economic integration with the mainland. An even bigger one is the one Hsih-Chih Chen refers to: maintaining Taiwan's influence on decision-making pertaining to cross-Straits relations.

The Obama administration can be expected to continue the US policy of encouraging Beijing to allow Taiwan more international space, as was the case when Taiwan was admitted as an observer to the World Health Assembly in May 2009. According to Bonnie Glaser of the Center of Strategic International Studies in Washington, Obama will presumably also resume visits to Taiwan by US Cabinet officials responsible for such issues as trade, agriculture, transportation, and energy, which were suspended during Chen Shui-bian’s tenure due to friction between Taipei and Washington. She also envisions far better treatment of Ma Ying-jeou than of Chen during transit stops in the US, but “transits will still be guided by the principles of providing for the safety, comfort, convenience, and dignity of Taiwan’s president.”¹²

How rosy is the future?

For all the optimism about present trends in Cross-Strait relations, Taiwan remains one of the most sensitive and divisive issues between the United States and China. How the Taiwan issue is managed by Beijing, Taipei and Washington will determine the future of US-China relations, wrote former Pentagon official Michael Pillsbury in an April 2009 article that assesses the threat perceptions in the Taiwan Strait.¹³

It is premature to think that the increasing economic contacts across the Strait and indications that the two sides are prepared to talk about military confidence-building

11 Hsin-Chih Chen, “The Emergence of Sino-America Concert Era,” Taiwan Perspective e-Paper, Taipei: Institute for National Policy Research, no. 143, 21 April 2009.

12 Bonnie Glaser, “A check sheet for Obama's Taiwan test” Asia Times Online, 8 January 2009, <http://www.atimes.com/atimes/China/KA08Ad02.html>

13 Michael Pillsbury, “China and Taiwan” - The American Debate”, *RUSI Journal*, vol 154, no. 2, April 2009, p. 82.

measures will inevitably lead to a mutual understanding between Beijing and Taipei on how to determine Taiwan's unresolved future political status. Some American observers see a substantial decline in the relevance of the Taiwan issue for US-China relations, for example Bob Ross of Boston College said in May 2009 at a workshop in Beijing that Taiwan has become a “non-issue”.¹⁴

Unsurprisingly, American cross-Strait observers are divided when debating the future of cross-Strait relations in light of a new US administration. Most do agree that compliancy would be dangerous because cross-Strait detente could break down. Pessimists emphasize the continued military threat that China has not retracted vis-à-vis Taiwan and the growing military imbalance in China's favor.

Those who dismiss the growing military imbalance in the Taiwan Strait point out that despite its increasing military prowess the People's Liberation Army cannot be entirely confident that it could overtake the island and a failure would risk the legitimacy of Communist Party rule; hence the risk will not be taken, especially as a military confrontation in the Strait would severely cripple China's economic development. Taiwan is the mainland's single largest source of investment. Optimistic assessments also point to Shelley Rigger's 2006 study that shows that the younger generation of Taiwanese have more confidence than older Taiwanese in dealing with the PRC. Younger Taiwanese tend to, according to Rigger, be more open-minded and pragmatic about China. Rigger concludes that “if anything, current trends suggest that Taiwan's public will demand policies that ease relations between the two sides in the future.”¹⁵

Ma Ying-jeou only has another two-and-half years left to persuade the voters of Taiwan of the usefulness of his mainland policies before he will have to start campaigning to secure a second term as Taiwan's President. Ultimately the voters of Taiwan will have a say in the direction of cross-Strait ties. Taiwan's voters have the option of “punishing Ma and the KMT.”¹⁶ What kind of cross-Strait policies the next president of Taiwan will pursue, if Ma is not re-elected, is unknown.

Moreover, tensions could flare across the Strait in the event of an unforeseen incident, one on par with the EP3 incident in 2001 between a Chinese fighter plane and an American reconnaissance plane, if next time the crash occurs between Chinese and Taiwanese planes. On both sides of the Strait emotions run high at times of cross-Strait crises.

14 Bob Ross' remarks at the workshop “East Asian Peace, Explanations and Sustainability”, organized by Institute of World Economics and Politics, CASS and International Peace Institute Oslo (PRIO) in Beijing 25 May 2009.

15 Shelley Rigger, *Taiwan's Rising Rationalism: Generations, Politics, and 'Taiwanese Nationalism'*, Policy Studies 26, Washington DC: East-West Center, 2006

16 Richard Bush and Alan Romberg, “Cross-Strait Moderation and the United States – A Response to Robert Sutter”,