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Discussion Paper  
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**Reflections on the long-term implications of  
Ma Ying-jeou's policy of "Don't rock the boat"**

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## *Introduction*

As Ma Ying-jeou approaches the end of his first term as President of Taiwan, he is credited with not rocking the boat in the Taiwan Straits. While his predecessor Chen Shui-bian was condemned in Beijing as a trouble-maker and looked upon in Washington and several East Asian capitals as unpredictable at best and a threat to stability at worst Ma has gone out of his way to avoid creating rough seas in the Taiwan Strait. China's President Hu Jintao, in turn, is credited for his Taiwan "policy of greater patience"<sup>1</sup> which aims at deterring Taiwan's independence rather than insisting in the short term on reunification. Beijing has responded to Ma's overtures by refraining from harsh criticism of Ma and emphasizing the positive developments in cross-Strait relations. In Washington and across Europe and Asia, heads of state have praised Ma's approach.

As a result of Ma's rapprochement policy, Taiwan has to a large extent fallen below the international radar screen since the 7<sup>th</sup> Annual Roundtable on China-EU Relations and the Taiwan Question in June 2010. On the one hand, this is an indication of the improved relations between the mainland and Taiwan. On the other hand, a decline in international attention toward the Taiwan Strait creates new challenges for resolving the fundamental contradiction regarding Taiwan's political future, that is Beijing's insistence on reunification as the ultimate (though not short-term) solution and the majority view in Taiwan for the *status quo* to continue indefinitely. If the mainland's economic, political and military power continues to rise, Taiwan's struggle to resist marginalization in the international community will become even more profound than it is today. A debate on the relevance of Taiwan is already under way in Washington. Among European policy makers the Taiwan question has all but receded into oblivion. If the present trajectory continues, the next generations of European political leaders could conceivably – in a similar vein to the ignorance of the US Secretary of State regarding Korea in 1945 – come to a meeting to discuss a crisis involving Taiwan and request that someone kindly explain where Taiwan is.<sup>2</sup>

Ironically, while Ma deserves credit for decreasing tensions across the Strait, it is pertinent to reflect on whether his policies can be expected in the long term to promote circumstances in which the explosive issues of sovereignty and Taiwan's security can be peacefully resolved. This paper will explore the evolving

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1 Alan D. Romberg, "Recent Developments in Cross-Strait Relations and Their Security Implications: PRC Perspectives", in Cliff, R., Saunders, P., & Harold, S., (eds) *New Opportunities and Challenges for Taiwan's Security*, RAND 2011.

2 US Secretary of State Edward Stettinius Jr. is reported to have posed this question and requested a map as he arrived at a White House meeting in August 1945 to discuss plans at the end of the Second World War. See Bruce Cumings, *Korea's place in the sun. A Modern History*, W.W: Norton & Co, 1998, p. 187; Doug Bandow, "The Role and Responsibilities of the United States in the Korean War, Critical Foreign Decisions by the Truman and Eisenhower Administrations", *International Journal of Korea Studies*, Fall 2010, p.72.

challenges of the decline of interest by the international community toward the Taiwan Strait issue against the backdrop of the Chinese government's actions during the past 12 months. Three sets of actions and their influence on cross-Strait relations are examined: Beijing's domestic policies; Beijing's actions in its near vicinity; and evolving trends in Beijing's geopolitical thinking, in particular its relations with the United States.

### *Domestic repression*

President Ma Ying-jeou has fulfilled his campaign promise of making cordial relations with Beijing the cornerstone of his administration's policy, while simultaneously adhering to the "three no's" he pledged to uphold upon taking office in May 2008: no independence, no reunification, no use of force. Over the past three years Taiwan has established extensive economic and people-to-people ties with the mainland. As a result cross-Strait relations have experienced their most stable era ever. The Economic Cooperative Framework Agreement (ECFA), direct commercial flights between Taiwan and China, tourism in both directions, and Taiwan's role as observer at the World Health Assembly, are all results of a deepening rapprochement or current lack of tension across the Strait.

Ma's rationale from the outset has been that economic integration will have positive, transformative effects on the cross-Strait relationship; in particular, increased contacts and exchanges can help to build trust and understanding. In an oft-cited 2008 interview with the *New York Times* Ma said: "Only by more contact, more understanding, more exchange [can] we reduce the historical hostilities across the Taiwan Strait."<sup>3</sup> However, in the most recent of opinion polls commissioned regularly by Taiwan's Mainland Affairs Council, a mere 7.1 percent of respondents say that they support the *status quo* for now and unification later (10 to 16 percent favored this option in three surveys conducted in 2002).<sup>4</sup> Over 87 percent of respondents presently support the *status quo*.<sup>5</sup> Support for immediate unification is minimal (1.1%). Deepening economic integration has not reversed a growing trend in the percentage of Taiwan's citizens who identify themselves as "Taiwanese" (as opposed to identifying as either "Chinese" or "both Chinese and Taiwanese").

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3 "An Interview with President Ma Ying-jeou," *New York Times*, 19 June 2008.

4 Results of surveys conducted by National Chengchi University for the last ten years are available on the website of the Mainland Affairs Council of the Republic of China: <http://www.mac.gov.tw/public/Attachment/1318592415.gif>.

5 According to the 24-27 December 2010 survey by the Mainland Affairs Council, 34.2% of respondents wanted to maintain the *status quo* for now and decide on reunification or independence later, 28.4% wanted to maintain the *status quo* indefinitely, 17.6% wanted to maintain the *status quo* for now and wanted independence later, and 7.1% wanted to maintain the *status quo* now and wanted reunification later. Available at: <http://www.mac.gov.tw/ct.asp?xItem=93358&ctNode=6921&mp=3>.

Another underlying assumption among those who foresee positive consequences of cross-Strait rapprochement is that as the mainland pursues political reform and as the pluralization of mainland society progresses, Taiwanese voters will view some form of unification with the mainland more favorably. However, over the past 12 months China has not shown any signs of transforming in this direction. On the contrary, over the past year Taiwanese have witnessed China's outrage at the Nobel Committee's decision to award the Nobel Peace Prize to Liu Xiaobo, Beijing's attempts to pressure governments around the world to boycott the Nobel award ceremony, and the detainment of, among others, lawyers, bloggers and artists for voicing their views. If one looks back ten years, little if any progress has been made in China to decrease arbitrary justice and eliminate or control corruption – two facets of Chinese society which makes reunification less than appealing to Taiwanese.

The leaders of China's Communist Party (CCP) suffer from existential anxiety. They see themselves facing “unrelenting political and ideological pressure from the West.”<sup>6</sup> According to Wang Jisi, “a unique feature of Chinese leaders' understanding of their country's history is their persistent sensitivity to domestic disorder caused by foreign threats.”<sup>7</sup> In December 2010 Dai Bingguo specified that one of China's core interests includes [safeguarding] “China's form of government and political system and stability, namely the leadership of the Communist Party of China, the socialist system and socialism with Chinese characteristics”.<sup>8</sup> The CCP leadership's sense of insecurity is likely to continue, as Chinese society becomes more multi-faceted and the demands on the leadership from numerous interest groups within China become more omnidirectional. Thus, Chinese authorities will continue to detain free thinkers. It is also unlikely that the CCP leadership will allow a genuine separation of the Party and the juridical system, which is necessary to address both corruption and arbitrary justice. Repression coupled with the lack of a rule of law can hardly be expected to win the hearts and minds of the Taiwanese people.

### *China's relations with its neighbors plummet*

Alongside the current and ongoing crackdown on freedom of expression by the Chinese authorities, “China's international behavior has become increasingly

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6 Yuan Peng's comments in Nina Hachigian and Yuan Peng, “The US-China Expectations Gap: An Exchange, *Survival*, 21 July 2011.

7 Wang Jisi, “China's Search for a Grand Strategy”, *Foreign Affairs*, vol. 90, issue 2, March/April 2011.

8 Dai Bingguo, “We Must Stick to the Path of Peaceful Development”, Ministry of Foreign Affairs of the People's Republic of China, 6 Dec 2010, available at: <http://songkhla.chineseconsulate.org/eng/xwdt/t777848.htm>.

assertive”, to again quote Wang Jisi.<sup>9</sup> This undoubtedly also has repercussions for Taiwanese strategic planners. China's relations with both Japan and South Korea plummeted during 2010. First, Beijing refused to condemn North Korea after an international investigation concluded that on 26 March a North Korean torpedo struck the South Korean corvette Cheonan, killing 46 sailors. Then, in November, Beijing again refrained from criticizing Pyongyang after North Korea shelled Yeonpyeong Island, killing two South Koreans civilians and injuring several others.

In September, in between the two crises on the Korean Peninsula, China reacted harshly after Japanese authorities detained a Chinese fishing boat captain who rammed a Japanese coast guard vessel in the waters around the disputed Diaoyu/Senkaku Islands. During the subsequent diplomatic feud between China and Japan, all official bilateral meetings were cancelled. China reduced and threatened to halt exports of rare metals that are crucial to Japanese industry. Tourist trips organized by official Chinese tourist agencies were cancelled. China called off the visit of 1000 Japanese children to the Shanghai Expo. China's Premier Wen Jiabao warned Tokyo of serious consequences using severe language. After China detained four Japanese businessmen on suspicion of spying Japan backed down and released the fishing boat captain.<sup>10</sup>

The escalation of the crisis between Beijing and Tokyo in September 2010 following a rather minor fishing boat incident demonstrates the fragility of stable relations in East Asia. Relations spiraled downward uncontrollably in a matter of days. One reason for this was that initially, in both Japan and China, decisions were made by government institutions not normally directly involved in foreign policy decision making processes, for example senior officials of the Coast Guard and Fishing Administrations. The decision to arrest the fishing boat captain was made by Japan's Coast Guard minister Seiji Maehara. This decision created circumstances that official and high-level foreign policy actors on both sides consequently were forced to react to.<sup>11</sup>

From China's viewpoint, much more than a fishing boat captain's behavior was at stake: Acceptance of charges on the basis of Japanese law against a Chinese with regard to actions in waters over which China perceives it has indisputable sovereignty would imply China accepting Japanese jurisdiction over the contested

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9 Wang Jisi, “China's Search for a Grand Strategy”, *Foreign Affairs*, vol. 90, issue 2, March/April 2011.

10 See Yves Tiberghien, “The Puzzling 2010 Diaoyu Crisis: Centrifugal Domestic Politics, Shifting Balance of Power and Weak Regional Institutionalization”, *Harvard Asia Quarterly*, 24 Dec 2010, available at: <http://asiaquarterly.com/2010/12/24/the-puzzling-2010-diaoyu-crisis-centrifugal-domestic-politics-shifting-balance-of-power-and-weak-regional-institutionalization/>.

11 Ibid. Also, author's research interviews with two foreign policy officials in Beijing May 2011. See also Linda Jakobson and Dean Knox, *New Foreign Policy Actors in China*, SIPRI Policy Paper 26/2010.

islands and surrounding water. The fishing boat crisis serves as a reminder of the risk of minor incidents escalating into dangerous stand-offs. Even an accidental collision between, for example, Taiwanese and Chinese military aircraft or navy vessels (especially if it led to the loss of life) could strain cross-Strait tensions to the extreme. The fact that a fishing boat incident could trigger such dramatic actions underlines the importance and urgency of institutionalizing more substantial mechanisms in the region, also across the Taiwan Strait, to deal with crisis management.<sup>12</sup>

The risk of new maritime incidents off the Diaoyu/Senkaku islands is strong. Following the September 2010 fishing boat episode China decided to send armed vessels under the jurisdiction of the Fishing Administration to the Diaoyu area to protect its fishermen. Already in November 2010 China's fastest armed Fishery Administration vessel, China Yuzheng 310, made its maiden voyage from Guangzhou to the Diaoyu area.<sup>13</sup> Japan, in turn, announced it would double its military presence in the Okinawa region from 2000 to 4000 soldiers, including the positioning of 100 soldiers on the far-flung island of Ishigaki by 2014.

In addition to the crisis related directly to South Korea and Japan, in 2010 and the first half of 2011 Chinese civilian and naval vessels were party to several small-scale maritime incidents in the South China Sea and East China Sea. Though it is difficult to determine exact details when two sides provide vastly different accounts of an incident at sea, these maritime encounters involved vessels from China, on the one hand, and Japan, the Philippines, Vietnam and the United States, respectively, on the other hand, and have certainly raised concerns of China's intentions in neighboring countries and the United States.

China's more assertive international behavior has accentuated awareness in policy circles across the Asia-Pacific of the dilemma of choosing sides in the event of a crisis. China is the largest trading partner of Taiwan, South Korea, Japan, most South East Asian nations and Australia. In Washington as well as in most Asia-Pacific capitals, strategic planners are now examining the question of how to manage economic dependency on China while at the same time preparing for a possible security threat from China. Taiwan is of course the most vulnerable.

Previously, whenever an incident or dispute arose over the Diaoyu/Senkaku islands, political leaders in Taipei were vocal in emphasizing Taiwanese sovereignty over the area. During the September 2010 fishing boat incident Taiwanese political leaders were restrained in their statements, leading to speculation by some observers that Taiwan's warming ties with China have led to

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12 Rory Medcalf and Raoul Heinrichs (with Justin Jones) explore maritime confidence building measures in *Crisis and Confidence. Major Powers and Maritime Security in Indo-Pacific, Asia*, Lowy Institute for International Policy, June 2011. Available at <http://www.lowyinstitute.org/Publication.asp?pid=1618>.

13 "Stronger Fleet for Fishery Administration," *China Daily*, November 17, 2010.

a new, more conciliatory tone on the issue.<sup>14</sup> After an international investigation concluded North Korean guilt in the sinking of the South Korean vessel Cheonan, Taiwan's Foreign Minister Timothy Yang caused consternation by stating that contrary to the tension between Seoul and Pyongyang, Ma has successfully defused the cross-Strait conflict by means of peaceful engagement, unveiling a new page in relations between Taipei and Beijing.<sup>15</sup> Consequently, and presumably as a result of the criticism for the Cheonan-related remarks, six months later Yang “strongly condemned” North Korea's firing of shells into South Korea's waters, saying the incident was “obviously provoking acts.” The Taipei government called on North Korea to stop such provocative behavior.<sup>16</sup>

### *An evolving approach to foreign policy and the United States in particular*

Taiwan's unresolved political status is intertwined with China's foreign policy, despite the CCP's insistence that issues across the Taiwan Strait are domestic matters. Hu Jintao has specified that China's diplomacy must safeguard sovereignty, and the CCP views Taiwan as a sovereign part of China. Hence, the evolving nature of foreign policy decision making in China impacts cross-Strait relations.

The pressure on China's top foreign policy leaders is enormous because they must take into account the demands and motives of an increasing number of foreign policy actors. These actors operate within the official foreign policy decision making establishment (CCP, government, PLA) as well as on the margins of the establishment (for ex. resource companies, local officials, research institutions, netizens). As China's global reach has expanded, authority in decision-making has become fractured. On any given foreign policy issue, several agencies are responsible for a decision. Several more agencies try and influence the decision.<sup>17</sup>

A significant trend among the growing number of China's foreign policy actors is the call for China to be less submissive in its foreign policy and more vigorously defend China's interests when others, especially the United States, seek China's cooperation in addressing global problems. Defending China's interests means that Beijing's leaders should strive to set conditions for China's engagement or extract

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14 See e.g. Paul Motzur, “Taiwan bowing out of island dispute?” Wall Street Journal ChinaRealTimeReport, 14 Oct 2010, available at: <http://blogs.wsj.com/chinarealtime/2010/10/14/taiwan-bowing-out-of-island-dispute/>.

15 “Taiwan calls for peaceful resolution of Korean tension”, *The China Post*, 26 May 2010, available at: <http://www.chinapost.com.tw/taiwan/foreign-affairs/2010/05/26/258046/Taiwan-calls.htm>.

16 “N Korean shell kills two, triggers world outrage”, *Taipei Times*, 24 November 2010, available at: <http://www.taipetimes.com/News/front/print/2010/11/24/2003489287>.

17 Linda Jakobson and Dean Knox, *New Foreign Policy Actors in China*, SIPRI Policy Paper 26/2010.

concessions such as the promise not to sell arms to Taiwan. The reasoning behind this stance is that if China is expected to respect the national interests of the United States, for example by making concerted efforts to persuade North Korea to dismantle its nuclear program, then the United States should respect China's national interests and not supply Taiwan with weapons.<sup>18</sup> This *quid for pro* stance is perhaps *the* defining challenge for Washington and countries in the Indo-Pacific region as they craft their policies toward China. Although Dai Bingguo and a handful of moderate voices within Chinese foreign policy circles have sought to downplay concerns about the direction of China's foreign policy,<sup>19</sup> the dynamic behind this *quid for pro* approach is likely to intensify. Yuan Peng has articulated this dynamic in the context of China-US relations: "Cooperation must be on the basis of respect for each country's core interests and special historical circumstances, and for the broader global reality. Many Chinese are puzzled by US actions. The United States has been asking China to keep buying its debt and to help in Afghanistan and Pakistan, while at the same time continuing to violate China's core interests on issues such as arms sales to Taiwan and meeting with the Dalai Lama."

Another view gaining support is that because of the imperative to focus on domestic modernization Chinese have for the past three decades been forced to accept a humble approach in addressing sovereignty issues related to disputed waters and territories. Now, according to this argument, it is high time that China forcefully defends its interests on several territorial disputes.<sup>20</sup>

In Chinese debates about the direction of China's foreign policy, and interwoven with the demands of reciprocity and staunch defense of territorial rights, a central question is how to deal with American military presence in the region. China is dependent on US-controlled sea lines of communication because of its dependency on imported resources. This dependency evokes genuine fears in Beijing. Moreover, the PLA Navy is incensed by the United States intelligence gathering operations in China's near maritime vicinity, for example those being carried out 70 sea miles from Hainan Island in the name of freedom of navigation. Dialogues and consultations to discuss the question of acceptable behavior in Exclusive Economic Zones and "maritime commons" are urgently needed. Finding a way to get the involved parties to the same table to exchange views on these issues is in itself a challenge. Here is space for the European Union to assume a meaningful role in East Asia while at the same time contributing to the

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18 Ibid.

19 Dai Bingguo, "We Must Stick to the Path of Peaceful Development", Ministry of Foreign Affairs of the People's Republic of China, 6 Dec 2010, available at: <http://songkhla.chineseconsulate.org/eng/xwtd/t777848.htm>; and e.g. Wang Jisi, "China's Search for a Grand Strategy", *Foreign Affairs*, vol. 90, issue 2, March/April 2011.

20 This view was aired by a Chinese participant in May 2011 at the conference "China's Foreign Policy: Who Makes It and How Is It Made?", ASAN Institute, Seoul.



stability and security of global shipping routes. The European Union could conceivably be an acceptable facilitator to all parties.

In Washington, American analysts both inside and outside government grapple with the implications of the emerging new trends in China's foreign policy thinking. The Taiwan question is resurfacing, as was evident at the United States Congressional hearing “Why Taiwan Matters” on 16 June 2011. The last full congressional hearing on Taiwan was held in 2004. In her opening remarks Ileana Ros-Lehtinen, Chair of the US House Foreign Affairs Committee, warned of a “new spirit of appeasement in the air” and the risk of recognizing the reality of a rising China by cutting US ties to Taiwan.<sup>21</sup>

Two comments in 2011 by Secretary of Defense Robert Gates stirred the American debate on how best to manage the China relationship while at the same time fulfilling commitments toward Taiwan. In January 2011 in answer to a question about US arms sales to Taiwan Gates said: “...under both President Bush and President Obama we have been certainly cognizant of Chinese sensitivities”. He then went on to say that, over time, “if the relationship between the China and Taiwan continued to improve and the security environment for Taiwan changed, then perhaps that would create the conditions for re-examining all of this. But that would be an evolutionary and a long-term process.”<sup>22</sup> Five months later Gates caused further speculation that a change in US policy is indeed being contemplated en route to a meeting with his Chinese counterpart. When asked about the possible sale of F-16 C/D fighters to Taiwan, Gates answered: “...we have tried to thread the needle pretty carefully in terms of Taiwan’s defensive capabilities, but at the same time being aware of China’s sensitivities.”<sup>23</sup>

Alongside discussions about whether to sell Taiwan F-16 fighters, on the one hand, and the possible need to re-examine the Taiwan Relations Act, on the other hand, a debated issue in Washington is whether a modification in the US commitment to selling arms to Taiwan would genuinely have a positive effect on the China-US relationship. Would China, for example, be willing in turn to refrain from protecting North Korea?

### *Concluding thoughts*

Ma's rapprochement policy has led to what Jean-Pierre Cabestan characterized at the 7<sup>th</sup> Roundtable on China-EU Relations and the Taiwan Question as “silent and creeping normalization” of the relations between the Beijing and the Taipei. Also

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21 Opening Statement of Ileana Ros-Lehtinen, “Why Taiwan Matters”, Testimony before the House Committee on Foreign Affairs, 16 June 2011.

22 Media roundtable with Secretary Gates from Beijing, China, United States Department of Defence, 11 January 2011, available at: <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4751>.

23 “F-16s subject to PRC sensitivities: Gates” *Taipei Times*, 4 June 2011, available at: <http://www.taipetimes.com/News/front/archives/2011/06/04/2003504919/1>

this author surmised in June 2010 that the first thin layers of the foundation for mutual political trust across the Strait have been laid. An indication of this is the fact that the positive momentum in cross-Straits relations had been basically unaffected by rising tensions between Beijing and Washington. This holds true for the past twelve months as well. If Ma's prophecy of increased people-to-people interaction leading to an end of hostilities is accurate, building mutual political trust is vital – though at present it seems destined to take several decades, perhaps a century.

Other observers view recent developments differently. For example, in Robert Sutter's view, China has accumulated growing economic, political and military leverage over Taiwan, which is increasingly forcing Taiwan to follow a path leading to an accommodation of, and eventual reunification with China. Prevailing circumstances, in which key features are China's rise, declining US support for Taiwan, and weak Taiwanese initiatives to bolster its defense, compel Taiwan to follow a path that leads to a resolution with China. In a study published in May 2011, Sutter writes that many in Taiwan and abroad favor the *status quo* because they erroneously perceive it as allowing the Taiwan administration to enjoy independence of action.<sup>24</sup> He does, however, acknowledge that unforeseen events – a governance crisis on the mainland or war on the Korean Peninsula – could strengthen Taiwan's independence of action. With that in mind, Sutter writes, delaying or drawing out the process of reunification should serve the present wishes of the Taiwanese people.

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24 Robert Sutter, *Taiwan' Future: Narrowing Straits*, National Bureau of Asia Research, NBR Analysis, May 2011.