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Discussion Paper

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**The DPP's Cross-Strait Policy under Tsai Ying-wen
and the 2012 elections in Taiwan**

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After winning the party primaries on April 27, 2011, Tsai Ying-wen will represent the DPP at the January 14, 2012 presidential elections. She will also lead the party's campaign for the legislative elections to be held the same day. As party chair since 2008, Tsai has presided over a reorientation of the DPP's platform towards social, environmental and good governance issues. In the same time, Tsai has deemphasised identity politics and the DPP's state-building ambitions. As a result, the DPP has overcome the legitimacy crisis that resulted, during the second mandate of Chen Shui-bian, of its poor performance in handling relations with Beijing and Washington, corruption scandals and divisive identity politics.

Under Tsai's leadership, the DPP has avoided the re-emergence of a dominant-party system in Taiwan. Instead, a two-party system is consolidating on the island, with new power changes a real possibility for the future. The DPP has always attracted between 40 and 50% of the popular vote during the past decade, compared with an average 30 to 40% during the previous decade. It has also scored several electoral victories since 2008. The party has swept six seats at the Legislative Yuan during by-elections. Even more significantly, with 49.87% of the votes, the DPP's performance during the December 2010 municipal elections was one of its historical best. At the time of writing, the margin between Tsai Ying-wen and Ma Ying-jeou for the 2012 presidential contest was paper-thin¹. The DPP is also expected to improve its number of legislative seats, although the KMT's network of local factions and the first-past-the-post electoral system (applied to 73 seats out of a total of 113) should prevent the DPP from sweeping a legislative majority.

The DPP's rebirth has happened without significant change of its platform on cross-strait relations. This paper argues that Tsai has reverted to the most moderate version of the DPP's cross-strait policy, an approach elaborated by Chen Shui-bian during the 2000 presidential campaign. The main adjustment Tsai Ying-wen has introduced is to drag the DPP towards a "centre-left" approach of cross-strait economic integration, emphasising its social costs and the need for redistributive policies. But like in 2000, the apparent degree of convergence between the KMT and the DPP on cross-strait relations is striking, because electoral considerations also tend to drag the KMT towards the centre, with less emphasis on the negotiation of a peace agreement and more on the sovereignty of the ROC. Most Taiwanese observers seem unconvinced that a DPP victory in 2012 would provoke a crisis or change cross-strait relations in a major way.

This paper analyses the DPP's cross-strait policy under Tsai Ying-wen to assess the resistance of the current "peaceful development" between the two sides of the Taiwan Strait to a new transfer of power in 2012. The recent redefinition of Taiwan policy by Jia Qinglin as "seeking progress through stability" (穩中求進,

¹ « Ma enjoys narrow margin over Tsai: polls », *China Post*, May 14, 2011. « DPP poll shows Tsai with slight edge », *Taipei Times*, June 13, 2011.

wenzhong qiujin) carries a clear message to the DPP: a stable cross-strait relationship would be out of reach for a DPP administration unless it agrees to a major concession². But whether a DPP recognition of the 1992 consensus would be considered in Beijing a “progress” significant enough to maintain a “stable” cross-strait relationship is still a matter of debate, as discussed in this paper. The paper also examines the possibility for alternative formulas to establish a dialogue between Beijing and the DPP.

1. Factionalism, election strategising and ideology: assessing the DPP’s flexibility on cross-strait relations

The DPP has not been totally inflexible on cross-strait relations. Since its foundation in 1986, factional politics and electoral strategising have determined the DPP’s Mainland policy. While the former factor has dragged the DPP towards a radical state-building agenda, the latter has often led to the elaboration of more moderate positions. Julian Kuo, a former DPP lawmaker, sees the party’s policy platform as the expression of a balance of power between a radical pro-independence group emphasising national identity and a pragmatic pro-democracy group emphasising self-determination and the defence of the ROC institutions³.

The impact of factional politics on the party’s cross-strait stance is best illustrated by the inclusion of the Taiwan Independence Clause (TIC) into the Party’s Charter in 1991. Despite a wide consensus within the DPP on Taiwan’s national identity, many party members and sympathisers opposed the formal adoption of a state-building project. For the New Tide faction, who supported the inclusion of the TIC into the party charter, the DPP ought to propose a strategic outlook for the future of Taiwan that would guide the party’s action in opposition and in power. The Formosa faction was more moderate and saw no benefits in having the party tied to a pro-independence ideology that would undermine its strategic flexibility, especially during electoral campaigns. The return on the island of Taiwanese political exiles and the subsequent formation in 1990 within the DPP of the Taiwan independence alliance was decisive, because it transformed the balance of power within the DPP. As a result, the 5th Central Committee of the DPP, elected in 1991, was dominated by pro-independence factions. The Formosa faction was compelled to negotiate, and agreed to back the TIC in exchange for the party chairmanship: Hsu Hsin-liang, a moderate politician, was elected in 1992⁴.

² 中評網社評---賈慶林為兩岸指出方向也劃紅線, <http://www.cdnews.com.tw>, 2011-06-13

³ Kuo Cheng-liang, *Minjindang zhuanxing zhi tong*, Taipei, 1998, pp. 59-63

⁴ Cheng Tun-jen, Hsu Yong-ming, “Issue Structure, DPP’s Factionalism and Party Realignment”, in Tien Hung-mao (ed), *Taiwan’s Electoral Politics and Democratic Transition*, Armonk, ME Sharpe, 1996, pp. 139-140.

Again, during Chen Shui-bian's second mandate, a major shift in the DPP's Mainland policy resulted from the balance of power within the Party. Chen Shui-bian tried to overcome its legitimacy crisis by relying on pro-independence radicals to reassert a strong leadership over the DPP. During this period of time (2006-2008), the DPP adopted an assertive stance on Taiwan's independence and national identity and worked to limit the development of cross-strait interactions.

Election strategising determined several cross-strait policy shifts in the history of the DPP. The Party's stance on independence and cross-strait relations was adjusted towards a moderate centre for election purposes several times in the history of the DPP. The adoption in 1999 of the *Resolution on Taiwan's Future* (台灣前途決議文, *Taiwan qiantu jueyiwen*) is undoubtedly the best case of electorally motivated policy reorientation, as it marked the neutralisation of the DPP's state-building project in preparation of the 2000 presidential elections. Between its foundation in 1986 and 1996, the DPP had not actively engaged in the elaboration of a cross-strait policy that included military security and geopolitical considerations. The party platform addressed cross-strait relations only to the extent that they related to the DPP's real priorities, democratisation and Taiwan independence. Moreover, the DPP lacked the expertise and the experience to draw up a sophisticated cross-strait policy document. But the 1995-1996 crisis in the Taiwan Strait convinced the DPP that it would stay forever in opposition unless it was able to elaborate a convincing formula for peaceful coexistence with China. From this perspective, the 1999 Resolution was a milestone in the DPP's conquest of the executive power in Taiwan. Through the 1999 resolution, the DPP put together a set of principles and policies that aimed to reconcile four contradictory goals: the state-building project, electoral ambitions, maintaining a stable and peaceful cross-strait relationship and benefit from cross-strait economic exchanges.

The adoption of the Resolution marked the transformation of the DPP into a party defending the status quo - albeit its version of the status quo, that "the ROC is Taiwan", which differs from the KMT's that "the ROC is in Taiwan". For the first time in its history, the DPP recognised the legitimacy of the Republic of China's constitution and pledged to govern within the constitutional boundaries of the ROC. There is no doubt that this major policy shift contributed to the election of Chen Shui-bian in 2000, among other factors. At that time, it is worth recalling that the electoral victory had the effect of prolonging the policy debate. If downplaying Taiwan independence had bolstered the DPP's electoral performance, wouldn't it make sense to scratch the Taiwan Independence Clause? This was for example the position of DPP lawmaker Chen Chao-nan in 2000⁵. The apparent contradiction between the Resolution on Taiwan's Future and the TIC

⁵ "DPP Lawmaker revives drive to abolish Taiwan Independence Clause", *Kyodo News*, June 19, 2000.

was formally resolved in 2001, with the adoption of a declaration stating that no document prevailed over the other.

With the striking exception of the 2004 presidential elections, the DPP has always lost when its campaign emphasised nation building and independence over other policy issues. At the 1992 legislative elections, just after the adoption of the TIC, the DPP scored only 23.94%, one of the worst scores in its history. During the 1996 presidential elections, Peng Ming-min, a pro-independence elder, scored less than 22% after a campaign focused on declaring independence. From this perspective, the result of the 2004 presidential elections would almost seem a historical anomaly. Despite a pro-independence agenda calling for the adoption of a new constitution through a referendum and a strong emphasis on identity politics, Chen Shui-bian was re-elected against the KMT. For the first time in the history of the DPP, it crossed the 50% threshold, and it did so by appealing to its base constituency rather than the median voter⁶.

The DPP's cross-strait policies have also been shaped by ideology, or in other words, the party's stance on Taiwan's identity and legal status. Ideology is the less flexible component of the DPP's approach to cross-strait relations. Although different versions of Taiwan's nationalism coexist within the DPP, there has been a remarkable continuity in the DPP's post-colonial approach of the KMT's domination of Taiwanese institutions and media. In reality, there is an ideological bottom line to the DPP's approach of cross-strait relations. Its stance on the existence of a Taiwanese nation that needs to be preserved and protected prevails over economic and strategic considerations. At the policy level, this stance can translate into assertive nation-building policies such as desinisation or into defensive policies designed to protect Taiwan's political system and social structure from cross-strait integration.

Because of this relative policy flexibility, some DPP politicians have argued that the DPP was a catch-all party. According to this view, the DPP would be ideologically cold and would formulate policies to attract different interest groups in a market-based approach of democratic politics. Along this line of thought, the DPP's head of international relations department Hsiao Bikim has argued that the adoption of the Resolution on Taiwan's Future demonstrated the DPP's "absolute ideological flexibility"⁷. Similarly, Shelley Rigger and Kuo Cheng-liang argued that the 1999 Resolution marked a fundamental transformation of the party's platform, its adaptation to a hostile strategic environment, and its ambition to

⁶ Cal Clark, "The Paradox of the National Identity Issue in Chen Shui-bian's 2004 Presidential Campaign: Base Constituencies vs the Moderate Middle", *Issues and Studies*, vol 41, n° 1, mars 2005, pp. 87-112.

⁷ Quoted in Andreas Martin Fulda, « The politics of factionalism in Taiwan's Democratic Progressive Party », *Internationales Asien Forum*, vol. 33, no. 3-4, 2002, pp. 323-350.

attract voters beyond its core constituencies⁸. On the other end, Chu Yun-han argued that the 1999 move towards the centre was only a “cosmetic adjustment” that didn’t solve the challenge of managing the cross-strait relationship peacefully⁹.

2. The DPP’s Cross-Strait policy under Tsai Ying-wen: tactical ambiguity or unfinished structural change?

Like her predecessor’s, Tsai’s Mainland policy is shaped by factional politics, ideology and electoral considerations. During the DPP presidential primaries, former MAC chairman Joseph Wu declared that Tsai Ying-wen’s stance on cross-strait policy should remain ambiguous, because if it was “made too explicit, its many problems would be exposed, and people would attack it as infeasible”¹⁰. Rather than ambiguous, the main characteristic of Tsai’s program for cross-strait relations is that it is low-key to the point that it fades away behind other policies turned by the DPP into salient election issues, such as nuclear energy, environment issues and social welfare. In addition, the second characteristic of the DPP’s cross-strait program is its indecisive shift towards a centre-left approach of cross-strait economic integration. To some extent, Tsai’s Mainland policy is still in the making. Cross-strait relations are the only policy not yet included in the Party’s ten-year development plan for Taiwan (十年政綱, *shinian zhenggang*), even though Tsai had announced in early 2010 a new set of cross-strait policies. This delay shows the delicate double balancing act that the DPP is facing between nationalism and strategic imperatives on the one hand, and on the other hand, between consolidating the support of its core constituencies and attracting moderate voters.

In terms of factional politics, Tsai Ying-wen has a free-hand to adopt a moderate agenda because the radical pro-independence factions are unprecedentedly weak. Factionalism has decreased since it was banned by a party resolution in July 2006¹¹. But albeit now less institutionalised and less visible, factions still operate under the radar screen as loose networks based on interests, policy preferences and patron-client relationships. They have reorganised around party heavyweights, especially Su Tzeng-chang and Hsieh Chang-ting. The New Tide faction, historically the best organised, has not disappeared but it has given up its early 1990s emphasis on Taiwan’s independence. The 2010 election for the

⁸ Shelley Rigger, *From Opposition to Power, Taiwan’s Democratic Progressive Party*, Lynne Rienner, 2001, pp. 120-136.

⁹ Chu Yun-Han, « Democratic Consolidation in the Post-KMT Era: the Challenge of Governance », in Mutiah Alagappa (ed), *Taiwan’s Presidential Politics*, ME Sharpe, 2001, pp. 88-114.

¹⁰ 吳釗燮「具體逼問」蔡英文, 聯合報, 2011/5/10.

¹¹ « DPP votes to do away with factions », *Taipei Times*, July 24, 2006.

central executive committee (CEC) and the central standing committee (CSC) have confirmed the strong decline of Chen Shui-bian's close allies (扁系, *bianxi*) and the pro-independence factions (especially what had come to be known as 公媽派, *gongmapai*)¹². For example, Lü Hsiu-lian has failed to secure a seat at the 10-members CSC and is now only a member of the CEC. The main winners of intra-party politics are Hsieh Chang-ting, Su Tzeng-chang and the New Tide faction, with three members at the CSC¹³. The new arrangement reflects and consolidates a consensus around the moderate “defensive” version of the DPP's platform, centred on the protection of Taiwan's identity and political model. Hsieh, who now appears as the most senior DPP figure defending dialogue with China under the “One-China constitution” (憲法一中, *xianfa yizhong*) has a strong influence within the Party. But his capacity to shape the DPP's cross-strait policy is limited given that he has not participated to the presidential primaries.

Electoral considerations also play out in the sense of moderation on cross-strait issues. Tsai Ying-wen has given several signs that she would seek dialogue and cooperation with Beijing if she were elected. Most strikingly, she declared in late 2010 that the DPP would “continue the cross-strait policies implemented by the former government if it regained power in 2012”¹⁴. She converges with the Ma administration at least on two issues. First, her idea that Taiwan has a regional and international responsibility to build a stable and peaceful cross-strait relationship reminds observers of Su Chi's concept of Taiwan as a “responsible regional stakeholder” that was put forward during Ma Ying-jeou's 2008 presidential campaign¹⁵. Even though Tsai has yet to provide a practical description of the policies a DPP government would implement to maintain stability in the Taiwan Strait, and even if Tsai's statement should not be interpreted as a commitment to submit all her cross-strait policies to the goal of maintaining stability, this is a clear break from the brinkmanship of the Chen Shui-bian administration. The second area of convergence with Ma Ying-jeou can be found in the DPP's apparent decision to hedge on the future status of Taiwan. During the primary, Tsai mentioned that she would seek to “preserve the right of the next generation” to choose what kind of cross-strait relationship they desired for the future of Taiwan (把選擇權留給下一代, *ba xuanzequan liu gei xia yi dai*)¹⁶. This could be interpreted as managing cross-strait relations with one main strategic goal: keeping all the options on the table for a future resolution of the Taiwan issue. This move

¹² 聯合報：民進黨派系鬥爭中掩映的景色，www.chinareviewnews.com, 2010-07-30

¹³ 扁系慘敗！呂秀蓮落選中常委 <http://www.chinareviewnews.com>, 2010-07-19

¹⁴ Liu Shih-chung, “DPP Must Seek Unity at Congress”, *Taipei Times*, January 18, 2011.

¹⁵ « DPP Chair Dr. Tsai Ing-wen's remarks at the opening of the New Frontier Foundation think tank”, February 23, 2011, on the DPP's official English blog. <http://dpptaiwan.blogspot.com/2011/02/dpp-chair-tsai-ing-wens-remarks-at.html>, accessed on June 5, 2011.

¹⁶ 蔡：兩岸關係留給下一代決定蘇：當選不排除邀胡錦濤觀禮，中國時報，2011-04-01

towards the centre has been encapsulated by the following formula: “pursuing peace but preserving differences” and “advancing harmonious relations and seeking common ground.” (和而不同、和而求同, *he er bu tong, he er qiu tong*).

To some extent, this move towards the centre is nothing more than a return to Chen Shui-bian’s stance on cross-strait relations during the 2000 presidential campaign. Indeed, according to the DPP’s spokesman, the DPP’s cross-strait stance is “enshrined” in the 1999 Resolution on Taiwan’s Future and hence there is no need for a policy change¹⁷. Like Chen Shui-bian in 2000, Tsai Ying-wen supports cross-strait economic integration and a defensive approach of Taiwan’s status and identity, centred on the protection of the ROC institutions and the democratic system. The comparison also extends to the tactical aspects of cross-strait policy in the campaign. Like Chen in 1999/2000, Tsai manages to blur the fundamental conceptual gap between the DPP and the KMT on cross-strait relations.

However, there is still a long way before a bipartisan consensus emerges on cross-strait relations in Taiwan. The DPP’s stance on ECFA illustrates both the shift towards increased convergence with the KMT’s Mainland policy and its limits. On ECFA, the DPP’s language was initially directed at the opacity of cross-strait negotiations and the lack of legislative oversight of the trade pact. But the DPP has abandoned its call for a referendum on ECFA ratification. Tsai’s official line is much more cautious and ambiguous. She only mentions “reconsidering” (重審, *chongshen*) ECFA in case of electoral victory, without details on the specifics. In fact, Tsai Ying-wen has evolved from using opposition to ECFA as a form of “*zaoshi*” (造勢, creating a favourable electoral dynamic) to using ECFA as a tool to internationalise cross-strait relations. Indeed, her main argument is now technical. She defines ECFA as an “economic issue” and promises to refer the pact to the WTO if she is elected¹⁸. She also argues that ECFA should be rebalanced by trade negotiations with Taiwan’s international partners, a goal that the Ma administration has yet to achieve, but again she does not provide a practical formula. Under Chen Shui-bian, the DPP’s balancing strategy had failed against Beijing’s opposition.

Besides balancing and internationalisation, the DPP’s view on ECFA is shaped by a new emphasis on social issues and Taiwan’s egalitarian economic model. Hsiao Bikim has declared after a meeting with the AIT chairman that “what we care about is the impact of the ECFA on unemployment, income disparity and the [economy]. While these are matters the US isn’t focusing on, they are the realities Taiwan must face”¹⁹. Tung Chen-yuan, a former MAC vice-chairman during the Chen administration, has argued that the considerable redistribution of wealth

¹⁷ 回應九二共識 蔡英文：先談有沒有, 聯合報, 2010.12.28.

¹⁸ “Tsai promises to reassess ECFA if elected President”, *Taipei Times*, April 6, 2011.

¹⁹ “AIT Chairman holds talks with DPP Chairperson Tsai”, *Taipei Times*, January 26, 2011.

occurring in Taiwan as the result of ECFA was Ma Ying-jeou's worst vulnerability. He also noted that Taiwan was divided over ECFA along a socio-economic cleavage, not a political cleavage²⁰. According to the DPP's internal evaluation, Taiwan's economy would lose 120000 jobs as a result of ECFA

This evolution towards what would be a centre-left agenda in most Western European democracies is motivated by electoral strategy. Can it also be interpreted as a nascent trend towards the depoliticisation of the issue of Taiwan independence? First, this new emphasis on socio-economic issues runs counter the liberal and pro-business political culture of the DPP. The DPP is an active member of Liberal International, a world federation of liberal and democratic parties. The mainstream view within the DPP is that integration into global economic networks and free trade are in the best interest of Taiwan. Hence the DPP should not be expected to slough off and re-emerge as a centre-left social-democrat party. But in the future, the DPP may increasingly try to elaborate policies or language aimed at capturing those who have nothing to gain from cross-strait economic integration, or those who have already lost something from this process.

Tsai Ying-wen's support for an energy policy that would turn Taiwan into a "nuclear-free homeland" by 2025 also draws from the experience of Western European centre-left political parties. Former DPP lawmaker Winston Dang has for example argued that Taiwan should learn from the Danish model of energy efficiency²¹. Nuclear energy was the main topic of Tsai's visit to Germany in June 2011, when Chen Shui-bian would have seized the opportunity to emphasise his stance on cross-strait issues. In the aftermath of Fukushima, nuclear energy has become a salient issue in Taiwan's electoral contest, with strong polarisation. The DPP legislative caucus has pushed legislation for a referendum on nuclear energy, a sign that the party would do its utmost to re-politicise the issue. In 2001, the KMT legislative caucus had launched a recall campaign against Chen Shui-bian when he attempted to halt the construction of Taiwan's fourth nuclear plant. Chen was forced to back off from a key electoral campaign pledge and the DPP was unable to deliver to its anti-nuclear constituencies.

It seems quite implausible that this tendency towards political moderation will cut Tsai Ying-wen from the DPP's pro-independence constituencies. The announcement that Ellen Huang (黃越綏) would run as an independent candidate for the 2012 elections on a state-building platform could threaten Tsai Ying-wen's presidential ambitions. Huang has declared that her goal was to "bring together the pro-independence forces to fulfill [her] main election motif of self-determination and building a new country through a public referendum". She has also argue that her candidacy aimed at persuading the DPP to adopt a more pro-independence

²⁰ 童振源，ECFA的爭議與成效，ECFA簽署週年兩岸關係學術研討會，2011年6月11-12日

²¹ "Embracing a non-nuclear future", *Taipei Times*, April 4, 2011.

platform²², a sign that she will probably drop it at some it. However, it is very unlikely that a pro-independence candidacy undermines Tsai Ying-wen's chance to get elected in 2012 or exerts a considerable influence on the DPP's electoral platform. Ellen Huang will need to collect 257000 endorsements and even if her candidacy is valid, she would lack financial and political resources to run a high-profile campaign. Hence Huang's candidacy rather increases Tsai's space to avoid pro-independence language and focus on cooperative cross-strait politics. In the end, Huang's followers will vote for the DPP.

Clearly, even without resorting to pro-independence rhetoric, the DPP attracts pro-independence voters because of its party image and its nationalistic credentials. A lack of emphasis on nationalism should not prevent the DPP from taking advantage of two trends: while Taiwan's national identity is still on the rise, support for unification stagnates at historical lows. Tsai Ying-wen may need to issue a statement to consolidate her credentials as a pro-independence leader. After all, in 2000, even during his moderate presidential campaign, Chen Shui-bian took steps to reassure pro-independence organizations that he shared their ideal. But Tsai might well benefit from ambiguity and from her past. Indeed, her elaboration of the "Two-state theory" during the Lee Teng-hui administration gives her solid credentials to represent the pro-independence movement and the radical factions of the DPP.

3. The resistance of "cross-strait peaceful development" to a DPP victory in 2012

The "peaceful development" of cross-strait relations is based on several principles and circumstances that on first analysis make it unsustainable under a DPP administration.

First, "peaceful development" is based on the 1992 consensus, that the DPP does not recognise. As stated by Tsai Ying-wen in early 2011, the DPP's position on cross-strait dialogue is that it should occur without political preconditions²³. Within the DPP, opposition to the 1992 consensus is strong. When she was asked by Ma Ying-jeou to clarify her position on the 1992 consensus, Tsai Ying-wen retorted that she couldn't recognize something that did not exist, and invoked Lee Teng-hui and then SEF chairman, Koo Chen-fu²⁴. It is certainly a key objective of Beijing to persuade the DPP to recognise the 1992 consensus. Several media have

²² "Ellen Huang opens campaign office", *Taipei Times*, June 12, 2011.

²³ "DPP Chair Dr. Tsai Ing-wen's remarks at the opening of the New Frontier Foundation think tank", February 23, 2011, on the DPP's official English blog. <http://dpptaiwan.blogspot.com/2011/02/dpp-chair-tsai-ing-wens-remarks-at.html>, accessed on June 5, 2011.

²⁴ 回應九二共識 蔡英文：先談有沒有, 聯合報, 2010.12.28.

reported that Sun Yafu, deputy director of the TAO, has raised the issue with AIT Chairman Raymond Burghardt in May 2011. Accordingly, Sun Yafu would have asked the US to persuade Tsai to recognise the 1992 consensus²⁵. In power, the DPP has collaborated with the US to draft several statements, such as Chen Shui-bian's inaugural address and the wording of the questions of the 2004 referendum on military policy. If it wins, the DPP will need to reassure the US to avoid a strained US-Taiwan relationship. Recognising the 1992 consensus could be used as strategic reassurance. However, this could prove a divisive move for the DPP, especially without clear guarantees from Beijing on the "rewards". On the whole, the US factor could prove an incentive strong enough to overcome the DPP's resistances. Otherwise, the DPP will need to elaborate alternative formulas to circumvent the One-China principle. Hsieh Chang-ting's "Constitutional One-China" has not been seriously explored for years while Joseph Wu's "Macau model" can't achieve much in terms of further institutionalisation of cross-strait relations. In the run-up to the 2012 presidential elections, more dialogue is expected to take place between the DPP and Chinese Taiwan policy experts to agree upon a formula that would permit to avoid a crisis if the DPP wins, and to ensure a certain level of continuity to the "peaceful development" of cross-strait relations.

Second, "peaceful development" is based on the political trust built between the KMT and the CCP over the past decade through intense communication and socialising. In stark contrast, the DPP lacks communication channels with China. The party's hierarchy seems extremely sensitive to the risk of division that could arise from cross-strait communication. During the past few years, the DPP has relied on academics and experts to engage in cross-strait second-track exchanges. After Tsai Ying-wen authorised Kaohsiung mayor Chen Chu's visit to Beijing in 2009, the party CSC issued regulations to limit interactions with the CCP: «no debate on policies, no signature of any agreement, avoid being trapped in political manipulation, no encouragement to visit China» (不辯論、不訂注意事項、不陷入政治操作、沒有鼓勵赴中交流, *bu bianlun, bu ding zhuyi shixiang, bu xianru zhengzhi caozuo, mei you fuli fuzhong jiaoliu*)²⁶ Moreover, it expelled Xu Rongshu (former lawmaker) and Fan Zhenzhong (former chairman of the agriculture council) from the party after their unauthorised visit to the other side of the Strait. So far, the DPP's communication with China is only taking place through informal second-track channels. This is clearly insufficient to build even some basic political trust.

Third, "peaceful development" is based on the perception in Beijing that peaceful development promotes cross-strait unification. Jia Qinglin's recent

²⁵ "China asks US to nudge DPP on 1992 consensus", *Want China Times*, May 28, 2011.

²⁶ Quoted in an interview with CASS Senior Research Fellow Wang Jianmin, in 民進黨兩岸經貿政策主張走向觀察, *中國評論新聞*, May 30, 2011.

statement on Taiwan policy should be seen in this light. The keyword is “progress through stability” (穩中求進, *wenzhong qiujin*). Jia Qinglin has also mentioned «four imperatives»: progress, stability, unity, and a mutually beneficial relationship (四個“一定要”, 即一定要前進, 一定要穩定, 一定要團結, 一定要共贏, *yiding yao qianjin, yiding yao wending, yiding yao tuanjie, yiding yao gongying*)²⁷. In case of a DPP victory, Beijing would only stick to the same Taiwan policy based on increasing the intensity and the degree of institutionalisation of cross-strait exchanges if a political narrative is elaborated to justify the perception that a DPP victory promotes cross-strait unification in the long term. This seems a very unlikely scenario, even in case of recognition of the 1992 consensus by the DPP.

4. Concluding remarks: the virtues of strategic patience

Beijing has a range of option to undermine the legitimacy of a DPP administration, especially if this administration lacks a legislative majority. Beijing can simply choose passivity and revert to its 2000 Taiwan policy of “listening to what the Taiwan leadership says and observing its deeds” (聽其言, 觀其行, *ting qi yan, guan qi xing*). Beijing can announce the interruption of the now institutionalised SEF-ARATS talks and the ongoing negotiations between the two sides. Beijing could also carry on engaging with the KMT through the cross-strait forum, and work with Taiwan’s Legislative Yuan. Obviously, Beijing could also play a more coercive card. Coercive options range from sweeping away Taiwan’s diplomatic allies to increasing military pressure, and scrapping the cross-strait agreements negotiated with the Ma administration.

To some extent, the shape of cross-strait relations under a DPP administration would depend on the DPP’s decision to recognise the 1992 consensus. If the DPP recognised the 1992 consensus, Beijing could assume that despite a short-term pitfall, the “peaceful development” of cross-strait relations aims at a structural change of Taiwan’s politics. In the long-term, peaceful development is designed to undermine the resistance against a political unification by “distributing benefits” (讓利, *rangli*) and win the hearts of the Taiwanese population. But there is no reason to believe that a DPP victory in 2012 would not lead to a readjustment of Beijing’s policy towards Taiwan. The key to such a reassessment would be the political interpretation of “progress through stability” (穩中求進, *wenzhong qiujin*). Could the recognition by the DPP of the 1992 consensus amount to sufficient progress in the eyes of Chinese leadership? Are other formulas acceptable for Beijing to avoid a crisis? The transformation of the DPP’s stance on cross-strait relations and Taiwan independence is a long-term strategic goal for

27 評網社評---賈慶林為兩岸指出方向也劃紅線 <http://www.cdnews.com.tw>, 2011-06-13

Beijing. I would argue that if recognition of the 1992 consensus could prevent the rise of tensions in the Taiwan Strait, China will not engage in talks with a DPP administration unless it formally scraps the Taiwan independence clause from its party charter. Also, the most realistic scenario in case of a DPP victory in 2012 is that undermining its legitimacy will become Beijing's number one tactical goal for cross-strait relations during the next four years.

In any case, the DPP's revival clearly limits the KMT's ability to negotiate a political agreement with the CCP in case of re-election of Ma Ying-jeou. Contrary to 2008, it seems unlikely that Ma would be re-elected on a platform emphasising a cross-strait political agreement. And without a democratic mandate to negotiate an "agreement to cease the state of hostility between the two sides of the Strait" or a peace accord, Ma will want to focus on managing the cross-strait economic relationship and on CBMs. Therefore, the key to the sustainability of the "peaceful development of cross-strait relations" seems to be Beijing's strategic patience.