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**Shifting from the Old Three No's to the New Three No's:
Ma Ying Jeou's Second Term Cross-Strait Policy**

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Shifting from the Old Three No's to the New Three No's: Ma Ying Jeou's Second Term Cross-Strait Policy

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I. Putting Taiwan-U.S. Relations over Cross-Strait Relations

1. Advancing Pro-U.S. Policy

Since his re-election in 2012, Ma Ying Jeou has been following a principle of “Pro-U.S., making friends with Japan, and maintaining peace with Beijing”. It is rather clear that Ma prioritizes Taiwan-U.S. relations over cross-Strait ties. He appointed Pu-tung King, known as his double and closest aide, as the TECRO (Taipei Economic and Cultural Representative Office in the U.S.) Representative, Jason C. Yuan, former TECRO Representative and King's predecessor, as Secretary-General of the National Security Council, and Wang Yu-Chi, King's disciple, as Minister of the Mainland Affairs Council. It can be seen from these appointments which relations are more important, Taiwan-U.S. relations or cross-Strait relations.

Ma Ying Jeou has been maintaining high-value arms purchases from the U.S., while improving the ties with Beijing and making peace and development as the mainstay of his cross-Strait policy agenda. The value of arms purchases reached 18.3 billion USD in Ma's first term, surpassing the total sum in Chen Shui-bian's two terms, making Taipei's relationship with the U.S. the best ever in its 60 years history. The U.S. in return approves and supports Ma's prioritizing the Taipei-Washington ties as the single most important external relations on Taiwan's foreign agenda. High government officials, Congressmen, and think tank experts from the U.S. visited Taiwan frequently during Ma's first term, and the two sides had kept intensive interactions. The designation of Taiwan into the Visa Waiver Program (VWP) by the U.S. helped Ma Ying Jeou win the presidential campaign against Tsai Ing-wen. U.S. Congress also endorsed Taiwan's observer status in the World Health Assembly through legislative procedures. Since 2009, Taiwan has been participating in the Assembly—WHO's annual conference. This has been regarded as a major achievement in Ma Ying Jeou's track record. On 14th March, 2013, the U.S. Congress' two committees on foreign relations proposed bills to support Taiwan's participating in the International Civil Aviation Organization (ICAO) as an observer and attending the ICAO assembly scheduled in this September. Congress also suggested that the U.S. government urge members of international organizations such as the World Meteorological Organization and the International Monetary Fund to take in Taiwan's membership.

2. Upholding the 1992 Consensus, Seeking Peace with Beijing, but Reserved about Peace Agreement and Political Dialogue

Upholding the 1992 Consensus and opposing Taiwan independence have been the foundation and guarantee for the peaceful development of cross-Strait relations since Ma Ying Jeou took office. Insistence on peaceful cross-Strait ties is beneficial not only to the people across the Strait, but also to the general peace in East Asia, and conforms to U.S. interests. Since the beginning of his second term Ma Ying Jeou, following the principle of “No unification, no independence, and no use of force”, has been trying to maintain the status quo, a keynote policy in his dealings with Beijing, so as to shift the focus towards internal affairs and issues concerning the Taiwan people’s livelihood. Steady progress in stabilized and consolidated cross-Strait relations would be sufficient for him. He averted the promise made during the presidential campaign of “signing a peace agreement with Beijing, carrying out political dialogue to build military trust”. He was criticized for the peace agreement issue by the Democratic Progressive Party (DPP) who regarded Ma’s peace proposal as an attempt to sign a unification agreement with Beijing in his second term. The cornered Ma had to clarify himself by adding a few restrictive preconditions such as “high public approving rates, real demand from the Taiwan people, supervision by legislature, and a referendum”, to the peace agreement, thus making it almost impossible to initiate a peace negotiation with Beijing. Ma has been trying to circumvent the issue of Taipei-Beijing political dialogue, dismissing the dialogue and engagement with Beijing and the signing of a peace agreement as not being the top priority, believing that many Taiwanese do not hope for the fast improvement of a Taipei-Beijing relationship. Ma Ying Jeou’s Beijing policy has shown signs of conservatism and regression in that he let slip away the opportunity of deepening cross-Strait ties by not making full use of the favorable momentum of a larger population identifying with the 1992 Consensus and greater support of peaceful development. Instead, Ma has fully exposed his hesitation and indecisiveness by averting such agendas as peace agreement and political dialogue. He is also constrained by a political landscape featuring an intense rivalry between the KMT and the DPP, and the strong U.S. interference.

For more than one year since his second term, Ma’s approval rates have been in decline, recently lingering below 20% due to the lack of good communication between the executive body, the legislative caucuses, and the media, and a series of controversial policies such as oil and electrical price hikes, the import of U.S. beef, securities transaction taxes, pensions for servicemen, civil servants, and teaching staff, referendum on the operation of a nuclear power plant. Having failed to honor his commitment of “economic recovery, lowering unemployment, and improving people’s livelihood”, Ma has to stay focused on internal affairs and the economic agenda, leaving little or no room for responding to Beijing’s peace

proposal as stated in the work report of the CPC's 18th National Congress, "We hope that the two sides will jointly explore cross-Straits political relations and make reasonable arrangements for them under the special condition that the country is yet to be reunified."

To make matters worse, Ma Ying Jeou's ballot advantage in the last presidential campaign shrunk to less than 800,000 ballots, a significant decline from 2,100,000 in his first campaign, and the DPP's representative seats has increased from 27 to 40 in the Legislative Yuan. The DPP also won the majority of the recent county/township-level elections. The rise of the Green Camp and the decline of the Blue Camp forced Ma Ying Jeou, who was constantly afraid of being criticized as a "traitor", to clarify by underscoring the "dignity" and "no unification" principles, thus confining his agenda and delaying progress in cross-Straits relations, the political ties in particular. Moreover, Ma was also suspected of undermining Taiwan's sovereignty by signing the *Cross-Strait Bilateral Investment Protection and Promotion Agreement* and the *Cross-Strait Service Trade Agreement*. The "first economy, then politics" agenda has in reality been turned into "economy only, but no politics".

3. U.S. Endorsement of the Old Three No's

The status quo of "no unification, no independence, and no use of force" conforms to the U.S. interests. After taking office in 2009, President Obama initiated his "rebalance" strategy, aiming at relocating U.S. strategic resources, maintaining its influence and status across the Asia-Pacific, the most economically dynamic region in the world. In its China policy, the U.S. intends to include China into its global governance regime (a recent version of this regime is the G2 system, in which under the U.S. primacy, China should first ask for the U.S. opinion before the two great powers make any collective decision) by incorporating China into multilateral institutions on the one hand, and limit and constrain its influence by enhancing the U.S. bilateral relations on China's periphery on the other hand. Taiwan thus serves as an important chess piece in America's grand strategy. The U.S. needs to maintain cross-Straits peace while standing resolutely in the way of cross-Straits political cooperation. Any politician aligning his agendas with this strategy will be endorsed by the U.S. Otherwise, he will be abandoned just like Chen Shui-bian, who crossed the U.S. redline by explicitly and one-sidedly declaring his intention of seeking Taiwan independence, and was dismissed by Washington as a "troublemaker". The peace-and-development cross-Straits policy adopted by Ma Ying Jeou has been supported by Washington which has expressed, openly, its pleasure at the stabilized cross-Straits ties, but privately, warned Ma not to move too fast and too close to Beijing.

The U.S. strategic interests have always been something that Ma Ying Jeou cannot afford to overlook. He ate his words of carrying out peace negotiations with Beijing in his second term due to the U.S. opposition. Ma also said that the right time had not come to negotiate with Beijing about the latter's proposal of building a cross-Strait military mutual trust mechanism. Besides, he ordered subordinate agencies in charge of external affairs, mainland affairs, defensive affairs, and the Coast Guard Administration to refuse Beijing's initiative of a cross-Strait joint program for safeguarding China's maritime and territorial sovereignty in disputes with the Philippines and Japan, once again submitting to the U.S. interests and intentions. Even on major issues concerning Taiwan's economic development and regional cooperation, though knowing that Taiwan is economically dependent on the mainland's vast market and the extensive cross-Strait economic cooperation and exchange, Ma tried to curry favor from Washington by openly declaring his plan of joining the U.S.-led TPP within ten years.

4. The Restricted Old Three No's

The rivalry between the Green Camp and the Blue Camp has become normality. Since the beginning of 2012, the Green Camp has been expanding its popularity in representative seats in the Legislative Yuan, in local elections, and in overall constituents, while the Blue Camp's advantage has been gradually diminishing. Of the six DPP-governed county/township-level localities, four occupy ranks in the top five localities where their citizens are most satisfied with the local governments, with over ten KMT-led localities lagging behind. Worse still, localities governed by KMT's junior elites Hau Lung-pin, Chu Liluan, and Jason Hu, ranked the second, third, and fourth from the last respectively. Failing to train local political elites and to expand its local sphere of influence, the KMT is losing its grassroots popularity. In the upcoming 2014 local elections, it is quite possible that the DPP-governed county/township-level localities increase from five to seven or even nine and the city-level localities expand to Taichung and the New Taipei on the basis of Kaohsiung and Tainan. The Green-Blue rivalry is undergoing a dramatic change in south Taiwan with not a single legislator from Tainan and only two from Kaohsiung. The KMT has lost south Taiwan outright, with no chance at all for a turnaround. All of this further constrained Ma Ying Jeou's China's policy, making him cling tighter to the "no unification" and "no use of force", while largely subduing the "no independence".

II. The New Three No's as Required by the Evolving Cross-Strait Relations

1. *A Positive Historical Position*

Staying in power for more than five years, Ma has gradually defined his cross-Strait policy clearer, turning the Old Three No's into the New Three No's, namely, "No promotion for two Chinas, no promotion for one China, one Taiwan, and no promotion for Taiwan independence". In his speech at the 20th anniversary celebration of the Koo-Wang talks (Chairman Koo Chen-fu of the Straits Exchange Foundation and Chairman Wang Daohan of the Association for Relations Across the Taiwan Straits), Ma said that people across the Strait are all Chinese nationals, descendants of the Yan Emperor and the Yellow Emperor, and share the same blood origins, history, and culture. This was a totally different note from his previous remarks which emphasized Taiwan's individualism. Ma repeatedly said of the ECFA (Economic Cooperation Framework Agreement) negotiation and the proposal of establishing representative agencies by Beijing and Taiwan in each other's land as belonging to the framework of "broad-sense political dialogue", showing his relaxed attitude towards cross-Strait political dialogue and his intention of occupying a positive historical position. Now in his second term, with a low approval rate, Ma Ying Jeou has nothing to lose to take a long-term view and build a sustainable, irreversible cross-Strait relationship of peace and development just like what he had promised to sign a peace agreement with Beijing during the 2008 presidential campaign which earned him high popular approval rates. The "broad-sense political dialogue" is what Ma has prepared for his "narrow-sense political dialogue" in order to jump over the firewall of "first economy, then politics". Ma needs to use the cross-Strait agenda to elevate his low approval rates.

Besides, Ma Ying Jeou and Xi Jinping have only an overlapping three years and two months in power, a period of time which would be a lifelong regret for Ma if he let it slip away unused. So Ma transformed the Old Three No's into the New Three No's. In its subsequent evolvement, the New Three No's were played out by Wu Po-hsiung, Honorary Chairman of the KMT, who recently visited Beijing and defined the cross-Strait relations under the "One China Framework", a similar definition echoing Lien Chan's "one China, different interpretations". The only difference of the two definitions is that the former was officially authorized by Ma Ying Jeou while the latter was not. The talks between Xi Jinping and Wu Po-hsiung can be regarded as the first round of cross-Strait political dialogue. Wu's authorized Beijing trip serves as a bridge to initiate political engagement and dialogue between the CPC and the KMT, and later between Beijing and Taiwan. Ma Ying Jeou's shift from the reluctance to push forward the cross-Strait relations

to the embrace of political dialogue within four months is the result of Ma's pragmatism. Chao Chun-Shan, Chairman of the board of trustees of the Foundation of Asia-Pacific Peace Studies commented that Ma Ying Jeou hopes to open up a new chapter in his remaining three years as president by addressing the issues that conform to the people's interests. These issues might be sensitive and challenging, but because they are in the interests of the Taiwan people, they become urgent and must be tackled. They cannot be dealt with after the economic matters have been settled. Ma Ying Jeou identifies with the "Taiwan and the mainland belong to one China" principle, and responds to Beijing's "One China Framework", which reassures Beijing and strengthens the foundation of a peaceful cross-Strait relationship.

2. Taking the Initiative in Cross-Strait Relations

Ma's New Three No's reflect his hope of occupying a positive historical position in cross-Strait relations and of taking the initiative in the peace negotiation with Beijing. Either within the KMT or the Blue Camp, he would not like Lien Chan to play the leading role on behalf of Taiwan in cross-Strait relations. Though it was Lien who made an icebreaking visit to Beijing and reached the Five-Points of Common Vision with President Hu Jintao in 2005, Ma Ying Jeou still wants an irreplaceable historical position.

Likewise, the Green Camp's recent interaction and dialogue with Beijing also pushed Ma to take action. Though DPP Chairman Su Tseng-chang insisted on Taiwan's independence, the youthful and capable generation within the DPP proposed a bill to carry out a "China Policy" debate. The party's China Affairs Committee was also established and has become operational. Beginning from 4th of July, the DPP Central Committee launched nine rounds of debates and discussions surrounding cross-Strait affairs. On 29th of June, Frank Hsieh co-sponsored the Red-Green Forum with the Institute of Taiwan Studies of the Chinese Academy of Social Sciences. William Lai, mayor of Tainan has planned to visit Hong Kong and the mainland. The DPP has been trying to play a bigger role in the cross-Strait affairs, not letting the KMT monopolize the dealings with Beijing. Members of the DPP and the Green Camp have increased their exchanges and dialogues with the mainland, posing a direct threat to Ma Ying Jeou's political advantage—his cross-Strait policy. Therefore Ma has no other choice but to make a breakthrough, however little or superficial the breakthrough might be, to make amendment to his Beijing policy agenda as a way of improving his approval rates and preventing the DPP's possible primacy in cross-Strait matters.

3. Preventing U.S. Abandoning Taiwan

Ma has been concerned about the repeated calls for “Abandon Taiwan” in U.S. Congress, think tanks, and among government officials. Obama’s pivot to Asia has strengthened U.S. ties with its Asian allies. But Taipei seems to be left in the cold. This “left-behind” feeling was even stronger when a Taiwanese fishing boat was shot by a Philippine vessel this May. Worse still, the Taiwan issue was left outside the agenda in the Obama-Xi Sunnylands summit. Pundits and academics in Taiwan felt that Taipei had been left at the most fragile link in the asymmetrical trio-relations among Washington, Beijing, and Taipei. The New Three No’s proposed to Xi Jinping by Wu Po-hsiung just reflected Taipei’s concern about being left out by Washington and Beijing, which might seriously undermine Taipei interests. Ma and the KMT tried to take some actions to attract attention from Washington to show that Taiwan and the cross-Strait relationship still holds a lot in U.S.-China relations.

III. Greater Efforts for Promoting Cross-Strait Political Dialogue

The transition from the Old Three No’s to the New Three No’s conforms to the changing international context, the evolving cross-Strait relations and the dynamics of Taiwan’s political landscape. The transition requires greater courage, unfailing determination, and good policy architecture on Ma Ying Jeou’s part. The uniqueness and complexity of cross-Strait relations are unprecedented in world history. The two sides need not only to bring the relationship back to the right track after a few derailing incidents since 1995, but also to institutionalize the series of outcomes yielded since May of 2008 when peace and development became the mainstream of cross-Strait relations. Ma Ying Jeou and his team need to deepen and consolidate the current consensus of peace and development, and further promote the cross-Strait relationship in a determined, courageous, pragmatic, open, and transparent way. Ma should let the Taiwan people fully understand the necessity of political dialogue between Taipei and Beijing, mobilize political elites, rally public support, and guide public opinion. Given the heightened political rivalry between the Green Camp and the Blue Camp, this will be an especially challenging task for Ma and his team in his remaining three years as president. Let’s wait and see what Ma will do to stand up against these challenges.