

**10th Symposium on  
“China-Europe Relations and the Cross-Strait Relations”**

Shanghai, China

July 28-31, 2013

*A workshop jointly organised by German Institute for International and Security Affairs / Stiftung Wissenschaft und Politik (SWP), Berlin and Shanghai Institutes for International Studies (SIIS), Shanghai, with the friendly support of the Robert Bosch Foundation, Stuttgart.*

Discussion Paper

Do not cite or quote without author's permission

**New Geopolitical Realities in East Asia & Old Westphalian Realities  
vis-à-vis Taiwan's International Space**

Saša Istenič

Assistant Professor and President of the Taiwan Research Center

Department of Asian and African Studies

University of Ljubljana, Slovenia

**SWP**

Ludwigkirchplatz 3-4  
10719 Berlin  
Phone +49 30 880 07-0  
Fax +49 30 880 07-100  
[www.swp-berlin.org](http://www.swp-berlin.org)

## New Geopolitical Realities in East Asia & Old Westphalian Realities vis-à-vis Taiwan's International Space

*Saša Istenič*

Over the last year and a half, new leaderships have emerged throughout the East Asian region. Not to a great surprise, the tense pre-election atmosphere gave rise to nationalistic sentiments and unresolved territorial disputes between the countries in the region have resurfaced. Escalation of tension in the South China and East China Seas has reinforced the hedging strategies of regional countries, whereas the United States' strategic pivot toward Asia, which was widely interpreted as being aimed at balancing China, confirmed the changing security realities in the region. The Taiwan Strait issue is closely related to regional security. As the balance of power in the Taiwan Strait and between China and the United States is changing, Taiwanese people are increasingly anxious. The recent territorial disputes have not only highlighted the persevering Westphalian national security framework in the region, but have also illuminated the dangers behind Taiwan's weak sovereign position. Anomalous situation in international law and politics arising from the unique status of Taiwan gravely complicates Taiwan's foreign policy. Even though Taiwan has gained a positive status within the international community, Taipei's diplomacy has fallen short from solving the crux of the problem – the island's sovereignty. The question on how to continue to uphold the present status quo in which Taiwan enjoys autonomy and *de facto* independence is increasingly salient within Taiwanese political circles.

The approach adopted by the current Taiwan government led by President Ma Ying-jeou (馬英九) had a strong impact on Taiwan's foreign policy over the last half decade. Taiwan's foreign policy has been accommodated with the cross-Strait policy and tensions with Chinese authorities have significantly lowered. However, have the new diplomatic strategies of rapprochement with China enhanced Taiwan's international profile and helped Taiwan in the global arena or does the growing cross-Strait structural imbalance, reflected in widening discrepancy in economic and military strength, push Taiwan into deeper international marginalization? The answers are not clear-cut. The governing administration maintains its policies have proven to be successful. The opposition parties maintain that the government is conducting a foreign policy of short-term benefits and is consequently making Taiwan vulnerable in the long-term. While we can examine Taiwan's short-term diplomatic achievements and setbacks that relate to Beijing's willingness in complying with Taiwan's desire for greater international participation, the long-term implications are more difficult to assess.

## Broadening Scope of Taiwan's International Participation?

To begin with the most substantive manifestation of Taiwan's sovereignty – Taiwan's diplomatic recognition; so far, the diplomatic truce policy (外交休兵) has upheld the number of Taiwan's 23 diplomatic allies. Although rightly credited for its self-restraint on luring Taipei's allies, Beijing is certainly well aware that should it win away any further Taiwanese ally and hurt Taiwanese people's dignity it would in turn seriously diminish their inspirations for unification and consequently antagonize its own principal long-term objective.<sup>1</sup> Chinese authorities also seem to have quietly acquiesced to the diplomatic benefits granted to Taiwan by the majority of countries which do not maintain official ties with it. Taiwanese passport holders enjoy a much better visa treatment from that given to Chinese citizen. Since 2008, the number of countries that have granted Taiwanese passport holders visa-free and landing visa treatment has increased from 54 to 133. An increasing number of signed working holiday agreements has also attested Taiwan's national image. These diplomatic benefits are undoubtedly a tangible achievement for the Taiwanese government. On the other hand, Taipei had but to acquiesce to Beijing's newly issued microchip passports which now include pictures of two Taiwan's scenic spots in addition to printed maps which claim the entirety of Taiwan as well as the disputed maritime areas.

Without any obstructions, Taiwan has opened new representative offices in Germany, India and Japan, and further advanced substantial relations with Taiwan's non-diplomatic allies, particularly in economic terms. New Zealand just became Taiwan's first partner with which it does not maintain diplomatic relations to sign the bilateral quasi-free trade agreement (FTA).<sup>2</sup> The accord with Singapore is expected to be signed in the following months, whereas consultations on similar FTAs, including the major trade partners such as the US and EU, have recently gained more attention. Arguably, it was the successfully launched framework of the cross-Strait Economic Cooperation Framework Agreement (ECFA, 兩岸經濟合作架構協議) that facilitated Taiwan's talks on economic cooperation agreements with other countries, whereas the agreements with New Zealand and Singapore might pave the way to the wider ASEAN market. In terms of regional integration, Taiwan is seeking to join the proposed multilateral FTAs for the Asia-Pacific region, namely the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP). All these agreements would significantly assist Taiwan in its struggle to keep a grip in the regional economic

---

<sup>1</sup> For instance, the WikiLeaks released in May 2011 revealed that China had rejected Panama's request to switch its diplomatic recognition from Taipei to Beijing in order not to undermine China's improved relations with Taiwan. Honduras has recently also sparked concerns but ties have remained normal.

<sup>2</sup> In the agreement Taiwan is officially called "the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu," which is the same name it used to enter the WTO.

integration. While many have warned that these aspirations could as well just be a wishful thinking as the fundamental policy divergences between Beijing and Taipei haven't changed, the recently inked pact with New Zealand might have proven otherwise. In any case, securing a deal still remains a gesture of Beijing's goodwill, which is applied on a case-by-case basis.

In relation to participation in inter-governmental organizations (IGOs), Taiwan has slightly expanded its visibility; it currently enjoys full membership in 33 IGOs. The Ma administration intentionally gave up bidding for formal United Nations (UN) membership and instead focuses on meaningful participation in UN specialised agencies and mechanisms. However, whereas Beijing acceded to Taipei's desire for attending the Asia-Pacific Economic Cooperation (APEC) summit together with its related meetings, and the World Health Organization's (WHO) highest decision-making body World Health Assembly (WHA) meetings as an observer, it has been reluctant to accommodate Taipei's desire to participate in other UN agencies, particularly the International Civil Aviation Organization (ICAO) and the UN Framework Convention on Climate Change (UNFCCC) – the two membership bids to which Taipei over the last few years devoted most of its efforts. Taiwanese expectations to gain the observer status at this year's ICAO Assembly are very high and it remains to be seen if pragmatic concession to refer to Taiwan officially as “Chinese Taipei” will be enough for Beijing's approval. Due to its perceived sovereignty connotations, name designation for Taiwan in international organizations remains one of the most sensitive issues between Beijing and Taipei. Beijing insists that Taiwan's official designations in international organizations need to be masked behind names like “Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu”, “Chinese Taipei” or other even more downgrading names like “Taiwan, China” which may easily mislead the international community to regard Taiwan as part of the PRC. In spite of Taiwan's compromise to be called “Chinese Taipei” in the WHO and all of its subsidiary bodies, a leaked internal memo from the WHO in 2010 revealed that its members were ordered to address Taiwan as “Taiwan Province of China.”<sup>3</sup> In fact, Taiwanese are constantly alert about their country's designation in the documents published by the WHO, which occasionally still address Taiwan as China's province.<sup>4</sup> As Taiwan's observer status in the WHA is subject to the WHO Secretariat's annual renewal and thus susceptible to Beijing's interference, Taiwan's participation in the annual assembly in the future years cannot be taken for granted. In addition to IGOs, Taiwan's numerous international non-

---

<sup>3</sup> “Shiwei mijie puguang; Wo lie Zhongguo yi sheng” (WHO secret documents exposed; Taiwan classified as China's province), *Liberty Times* (May 09, 2013).

<sup>4</sup> Sun Wei-lun, “H7N9 yi ru, Taiwan bei WHO hua wei Zhongguo yi sheng” (As H7N9 arrives, WHO draws Taiwan as China's province), *NOWnews* (April 30, 2013); Tseng Ying-yu and Elizabeth Hsu, “Taiwan's protest on WHO designation has been answered: official,” *The Central News Agency* (April 30, 2013).

governmental organizations (INGOs) also continue to have difficulties because of the conflict over the name Taiwanese organizations aspire to use when they partake activities abroad. Cases that frequently draw attention are disputes related to classifications of Taiwanese delegations and Taiwanese movies at the international film festivals. For instance, at Tokyo's 2010 festival, the Chinese representatives insisted Taiwan's delegation should be called either "Taiwan, China" or "Chinese Taipei" and be treated as a part of the Chinese delegation. The following year in Venice, the Taiwanese movie *Seediq Bale* was listed as having been shot in "Taiwan, China." Although in recent years participation restrictions and naming controversies seem to have decreased, they have, however neither disappeared nor stopped under the diplomatic truce policy.<sup>5</sup>

Taiwanese official delegations to foreign countries continue to be regarded as advocates of Taiwan's sovereignty, especially when Beijing perceives that Taiwanese delegates were given equal treatment with other foreign envoys. Recently, Chinese official responses to such occasions seem to have intensified. For instance, in March this year, three events caught the media attention. First, China lodged strong protests to Japan, when Tokyo invited Taiwan's representatives to attend anniversary commemoration of Japan's devastating Fukushima earthquake on an equal level with other diplomatic envoy and personnel. China boycotted the ceremony even though Taiwan's representatives were addressed as guests from the Taipei Economic and Cultural Representative Office in Japan (台北駐日經濟文化代表處).<sup>6</sup> Second heated event occurred when President Ma attended the inauguration of Pope Francis in the Vatican, the only European state to recognize the ROC government on Taiwan. Beijing, upset with Taipei's decision, not only opted not to attend the inauguration but even requested the Vatican to switch ties to the PRC, which is not in line with the diplomatic truce to which it tacitly agreed in 2008.<sup>7</sup> Third, due to Beijing's protest to Indonesian authorities regarding the Taiwanese delegation's planned participation at the annual Jakarta International Defence Dialogue (JIDD), the Indonesian government had but to hastily withdraw their invitation.<sup>8</sup> Another recent incident occurred in June, when the government of Maldives denounced an already signed sister-city agreement between Greater Kaohsiung and the Maldivian capital Male. The Taiwanese government has so far downplayed the

---

<sup>5</sup> For a more thorough review see, Wei-chin Lee, "Diplomatic Impetus and Altruistic Impulse: NGOs and the Expansion of Taiwan's International Space," *Taiwan-U.S. Quarterly Analysis* 10 (July 2012).

<sup>6</sup> "Waijiaobu: Fandui Rifang ba Taifang renyuan yu waijiao shituan anpai yiqi" (Foreign Ministry: We oppose Japanese side to arrange the personnel from Taiwan together with diplomatic delegations), *Chinanews* (March 3, 2013), <http://www.chinanews.com/gn/2013/03-11/4633546.shtml>

<sup>7</sup> "Ma joins world leaders at pope's inauguration," *Taipei Times* (March 20, 2013): 1.

<sup>8</sup> Hsiu-chuan Shih, "Taiwan gets barred from Jakarta defense summit," *Taipei Times* (March 22, 2013): 1.

speculations on whether this unprecedented act was the result of Chinese pressure.<sup>9</sup> In any case, all those recent incidents have raised concerns among Taiwanese politicians, speculating whether they are reflecting a more assertive cross-Strait policy upon China's leadership transition.<sup>10</sup>

Most successful in surpassing Beijing's restrictions seem to be Taiwanese Buddhist groups, namely Fo Guang Shan's affiliate Buddha's Light International Association (國際佛光會) and Buddhist Compassion Relief Tzu Chi Foundation (慈濟基金會), which were accorded special consultative status in the UN's Economic and Social Council in 2003 and 2010, respectively. The support and encouragement received by the Chinese central government enabled the swift expansion of the Buddhist organizations' activities and increased their visibility throughout China. However, we must seek to understand the rationale behind the Chinese government's tolerance of these associations. In addition to various political, social and economic benefits their presence in China brings, Beijing also believes that by supporting them, these Buddhist associations' adherents in Taiwan will gradually be more willing to favour unification with China. In other words, they are openly welcomed by the Chinese authorities as they are being perceived as facilitators of their goal of national unification and not vice-versa.<sup>11</sup>

## Taiwan's Growing Regional Security Profile

The recent escalation of tensions in South China and East China Seas has catapulted Taiwan onto the international stage as Taiwan captured the attention of the media world-wide. First, the East China Sea Peace Initiative proposed by President Ma end of last year, which calls all parties concerned to shelve disputes peacefully, received a broad international acclaim. The global media started to portray the dispute not merely as the one between China and Japan but the one involving three parties. In spite of Beijing's requests, Taipei has refused to side with China in confronting Japan and advocated joint development of resources in the East China Sea. The peace initiative which envisions Taiwan as an equal partner in a trilateral framework now forms the basis for Taiwanese foreign policy. Needless to say, it is optimistic to expect that China, with sovereignty claims both over Taiwan and Diaoyu/Diaoyutai/Senkaku islands, will support such multilateral

---

<sup>9</sup> Elaine Hou, "Maldives urged to respect city's wishes for exchanges with Taiwan," *The Central News Agency*, (June 13, 2013), <http://focustaiwan.tw/news/aall/201306130024.aspx>

<sup>10</sup> Hsiu-chuan Shih, "China increasing pressure: lawmakers," *Taipei Times* (March 26, 2013): 3.

<sup>11</sup> See André Laliberté, "Buddhist Revival under State Watch," *Journal of Current Chinese Affairs* 2 (2011): 107-134; and "Taiwan's 'Buddhism for the human realm' at a crossroad," paper presented at the 10<sup>th</sup> Annual Conference of the European Association for Taiwan Studies EATS (Lyon, May 2-4, 2013).

arrangement to approach to a dialogue. That is why Beijing has given no formal response regarding the initiative. However, it has openly expressed its dissatisfaction upon the signed fishery agreement between Taiwan and Japan in mid-April, which shelved their bilateral dispute over fishing in waters surrounding the contested islands and brought Tokyo closer to Taipei. Although upset about the development and expressing “extreme” concern, Beijing has abstained from any further actions. Its posture nevertheless, has implicitly affirmed the role of Taiwan as a sovereign actor in regional politics. The international community has extensively praised the fishery agreement as a model for cooperation aimed at promoting the regional peace. In this context, Taiwan was regarded not only as a responsible and pragmatic actor but also as the one separate from China. Consequently, Taiwan’s *de facto* sovereign status has been confirmed on the international stage.

Taiwanese government’s position and crisis management capability in the aftermath of the May 9<sup>th</sup> shooting attack on the Taiwan fishing boat by a Philippine government vessel has similarly gained a broad international coverage. However, the dispute also highlighted the complex diplomatic triangle that ties the Philippines, Taiwan and China within the context of the “one China” policy. Using the “one China” policy as its justification, Manila firmly refused to directly apologize to the ROC government. Whereas for Taipei, the incident unveiled the real constraints and risks that Taiwan’s unsettled sovereignty issue entails, for Beijing it offered a realistic display of the present strength of Taiwanese nationalism and of the unity of Taiwanese people when safeguarding their national interests. Taiwan’s enduring international isolation has certainly added fuel to the frustration and anger of the Taiwanese people over the incident. Therefore, Taiwan’s inclusion in the regional diplomatic architecture and expansion of its international space should not be regarded as detrimental to Beijing’s own policy agenda.

### The Quest for the Right Approach

One of the key questions puzzling Taiwanese authorities is how to win China’s acquiescence to Taiwan’s enhanced presence in international institutions. Is it realistic to expect that in this current cross-Strait integration process based on the “one China” premise, the Chinese government will be conducive not only to sustaining but to even reinforcing Taiwan’s *de facto* sovereignty by granting it more international space? It appears that the ruling Kuomintang (KMT, 國民黨) administration does believe so. As there is no compromise on the sovereignty issue, the cross-Strait cooperation is utilized by avoiding the confrontation on this matter. The current framework for cooperation is based on the “1992 Consensus” (九二共識) and formula of “mutual non-recognition of sovereignty”

(互不承認主權) and “mutual non-denial of authority to govern” (互不否認職權). However, although consultations have made a great progress due to the commitment to the undivided whole of China, Beijing has been very firm on its own definition of “one China” (一中) and has refrained from giving any official reference to the “respective interpretations” (各表) part of the Consensus. Beijing’s version of “one China” continues to be the only tolerable basis for Taiwan’s participation in the international legal order. Nonetheless, although being reluctant to engage in substantial political dialogue with Beijing prior an equal status of sovereignty for Taiwan is officially confirmed, the KMT-led government has already advanced political consultations involving sensitive diplomatic issues on establishment of representative offices for the Straits Exchange Foundation (SEF, 海峽交流基金會) in China and for the Association for Relations Across the Taiwan Straits (ARATS, 海峽兩岸關係協會) in Taiwan. This has made the Taiwanese largest opposition party – the Democratic Progressive Party (DPP, 民主進步黨) – very apprehensive, fearing that the vague unsigned compromises, on which the progress is being made, will put Taiwan on an irreversible course toward “one China” under Beijing’s terms. The ruling administration on the contrary appears to believe that such framework will continue to guarantee the present status quo with Taiwan’s *de facto* sovereignty. It remains to be seen how the changing security environment and balance of power across the Taiwan Strait will affect the political status quo strategy.

While the DPP in general supports the cross-Strait integration and establishment of the reciprocal semi-official offices, it warns about the risk of downgrading Taiwan’s status should the interaction be based on the “one China” framework. Accordingly, the draft bill to allow the representative offices failed to pass the initial approval by the Legislative Yuan.<sup>12</sup> The opposition lawmakers have also strongly protested the government’s latest signing of the cross-Strait service pact, which lacked transparency and circumvented the legislature’s review.<sup>13</sup> The DPP is well aware that should it fail to win the 2016 presidential elections, the cross-Strait integration will proceed at an even faster pace. Therefore it has stepped up its efforts toward adjusting the party’s cross-Strait policy, as observed in its newly institutionalized China Affairs Committee (CAC, 中國事務委員會) and increased academic and unofficial exchanges.<sup>14</sup> However, there is yet no internal consensus on its policy. The DPP remains seriously divided between those with more hawkish and those with more moderate positions regarding the future engagement with China. The party’s leader Su Tseng-chang

---

<sup>12</sup> Loa Iok-sin, “Legislators stall cross-strait office draft,” *Taipei Times* (June 21, 2013): 1.

<sup>13</sup> Shih Hsiu-chuan, “Lawmakers protest service trade agreement,” *Taipei Times* (June 22, 2013): 1.

<sup>14</sup> “Minjindang Zhongguo Shiwuhui shouci kaihui” (The DPP’s China Affairs Committee holds first meeting), *The Central News Agency* (May 9, 2013); Chris Wang, “DPP members to attend Chinese forums,” *Taipei Times* (June 17, 2013): 3.

(蘇貞昌) stands firmly behind the DPP's 1999 Resolution on Taiwan's Future (台灣前途決議文), which defines Taiwan as a *de facto* independent and sovereign nation with its official title the Republic of China. The DPP's more moderate politician, former premier Hsieh Chang-ting (謝長廷), continues to advocate constitutional consensus, introduced under the slogan "constitutions with different interpretations" (憲法各表). He believes that such approach could not only ease tensions between the DPP and the authorities in Beijing, but would also form a cross-party consensus which would put Taiwan in a better position to engage with China. Former DPP chairman Hsu Hsin-liang (許信良) is also calling for a more moderate China policy based on the European Council model termed as a "bold one China principle" (大膽一中). He believes the EU model could serve as a potential solution for cross-Strait relations. On the other hand, the heavyweight politicians like Chen Tang-shan (陳唐山) and Chai Trong-rong (蔡同榮) joined in forming the Anti-One China Principle Union (反一中顧主權連線). They call for the enactment of a new constitution that would normalize Taiwan's sovereignty status and uphold its democracy, so that Taiwan could not be subjected to the perceived silent annexation. Ostensibly, the DPP's potential internal consensus regarding its position on China, especially the one that will be reconciled with the deepening cross-Strait integration, is one of the most anticipated party's resolutions.

## Conclusion

Under the persisting norms of the Westphalian state sovereignty, Taiwan's survival in the international system depends on preserving the ambiguity of its official status. In the mean time however, the people of Taiwan are less and less ambiguous about their identity, increasingly portraying their homeland and people as a nation distinct from the one across the Strait. According to the public opinion surveys, the majority of Taiwanese people increasingly regard themselves as "Taiwanese" and strongly support the maintenance of status quo regarding the country's future in spite of the considerably enhanced social and economic cross-Strait integration.<sup>15</sup> Taiwanese national identity is being increasingly consolidated and it is highly unlikely that the trend can be reversed in the near future. The growing Taiwanese nationalist sentiments mean that Chinese authorities will have to face up Taiwan's requests on its international participation, if they do not want to steer Taiwan away from their ultimate goal of unification. Taiwanese are increasingly frustrated as Beijing continues to be the arbiter of the scope of Taiwan's international participation. By enabling Taiwan to play an appropriate

---

<sup>15</sup> As observed in the regularly conducted surveys on national identity and preference for unification by the Election Study Center at National Chengchi University, available at: <http://esc.nccu.edu.tw/>

role in the global community, Taiwanese would more likely foster trust for political dialogue and support deeper integration with China. Since a profound change in how Taiwanese define their national identity is unrealistic, political solution on terms presently acceptable to Beijing is also improbable. The leaders should move beyond the Westphalian model and find an alternative way to conceptualize sovereignty across the Taiwan Strait in order to achieve political reconciliation and a win-win outcome in the international diplomacy.