

SWP



**11th Annual Conference on
“The Taiwan Issue in China-Europe Relations”**

Shanghai, China

September 14-16, 2014

A workshop jointly organised by the German Institute for International and Security Affairs / Stiftung Wissenschaft und Politik (SWP), Berlin and the Shanghai Institutes for International Studies (SIIS), Shanghai. With friendly support of the Europe China Research and Advice Network (ECRAN).

Discussion Paper

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**Calmly Overcoming Challenges and Persistently Promoting
Development: New Developments and Trends in Mainland's
Taiwan Policies**

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1. Building Family-like Relations and Realizing the Common Chinese Dream: Fundamental Principles of Xi Jinping's Taiwan Policies

The mainland has maintained very consistent policies towards Taiwan. Many policies, such as the rejection of secessionism and adherence to the one-China principle and to the development of peaceful cross-strait relations, have never changed. However, President Xi Jinping's Taiwan policies have some distinct characteristics.

1.1 Both sides of the strait are members of the Chinese family and this family bond is inseparable.

When President Xi met Lien Chan on February 18, 2014, he stressed the Chinese roots and ethos shared by the mainland and the island as well as their common history and culture, while appreciating Taiwan compatriots' strong awareness of their Chinese identity and firm adherence to Chinese culture. He also noted that nothing could break the family bond across the strait, which would only grow warmer and stronger. The deep emotion in these words has moved many people.

1.2 The mainland respects Taiwan compatriots' chosen social system and way of life.

This year marks the 120th anniversary of the First Sino-Japanese War, which ended with Japan's brutal occupation of Taiwan. President Xi has voiced his deep understanding of how the war has traumatized Taiwan compatriots, and believes the trauma can be healed with caring and love in the big Chinese family. He has also stressed in several speeches that the mainland will respect the social system and the way of life chosen by Taiwan compatriots, and is willing to give them priority to share the opportunities from its economic growth. No one can choose the history he wants, but everyone can grasp the present and build his future. As the cross-strait ties grow closer, some people in Taiwan worry that the mainland might control their local economy and interfere with their choices. To ease such worries, President Xi has pledged that the mainland will respect the choices of Taiwan compatriots.

1.3 The mainland pledges to negotiate with Taiwan on equal terms within the one-China framework, and to make reasonable arrangements for political differences between the two sides.

This policy has provided an extraordinary momentum to the development of cross-strait ties. Since Ma Ying-jeou took power in Taiwan, both sides of the strait have sought to start with economic affairs and easier issues before tackling political affairs and tougher issues. This pragmatic approach has borne remarkable fruit, most notably the signing of 19 economic agreements including the Economic Cooperation Framework Agreement (ECFA). However, the deepening of cross-strait cooperation requires both sides to tackle political problems: without solving these problems, it is hardly possible to make successful arrangements for what the island wants, such as more international engagement. Therefore, President Xi has called several times for cross-strait negotiations on equal terms and under the one-China principle, so that both sides could make sensible arrangements for political issues. When he met Siew Wan-chang on Bali Island on October 29 during the 2013 APEC summit, he noted that both sides of the strait eventually need to solve their political differences and could not shelve the task generation after generation. This raised some speculations on the island and among the international community that the mainland was putting forward another “timetable”. Such speculations have been proved wrong: the mainland has decided to launch unofficial political dialogues before the island is ready for official ones.

1.4 Compatriots across the strait need to join hands for the glorious campaign to rejuvenate the Chinese nation and realize the Chinese dream.

President Xi has expressed his willingness to attentively listen to opinions from all walks of life on the island, try his best to improve the livelihood of Taiwan compatriots, and bring them more benefits through peaceful cross-strait ties.

2. Facilitating the Institutionalization of Cross-Strait Relations

Institutionalizing cross-strait relations is the key to achieve steady, all-around development for the relations. President Xi’s administration has made significant breakthroughs in several fields since 2013.

2.1 The chiefs of cross-strait affairs from both sides have completed their first exchange of visits and built a mechanism for formal contact.

During the 2013 APEC summit on Bali Island, Zhang Zhijun, director of the State Council Taiwan Affairs Office (SCTAO), had an unofficial conversation with Wang Yu-chi, chief of the Mainland Affairs Council (MAC) of Taiwan. They addressed each other by official titles, which marked the start of formal contact

between them. The breakthrough was followed by two milestone visits in 2014: Mr. Wang visited the mainland in his official capacity in February, and Mr. Zhang paid a reciprocal visit to Taiwan in June. This is the first exchange of visits between the heads of SCTAO and MAC, government agencies devoted to cross-strait affairs. It is of historical importance, as the two agencies have established normal communication and a mechanism for regular contact. Of course, this mechanism will not replace the non-governmental roles of the Association for Relations Across the Taiwan Straits (ARATS) and the Straits Exchange Foundation (SEF) in negotiating and signing agreements on general affairs, or change other government agencies' arrangements for cross-strait communication. The latest polling results from the MAC show that 69% of the respondents in Taiwan approve regular contact between the two agencies and applaud Mr. Zhang's visit to Taiwan.

2.2 The mainland and Taiwan have built a non-governmental mechanism for discussing cross-strait political relations: the Cross-Strait Peace Forum.

There are still many challenges and obstacles to direct political dialogue and negotiations between the two sides, let alone to sign any political agreement. Therefore, starting with non-governmental dialogues would be a feasible approach. The first Cross-Strait Peace Forum, held in Shanghai from October 11 to 12, 2013, has been a successful step in this direction. It was jointly organized by seven think tanks from the mainland (headed by the National Society of Taiwan Studies) and seven think tanks from Taiwan (led by the 21st Century Foundation). The co-organizers from the island included two pro-Green think tanks: the Taiwan Brain Trust founded by Koo Kwang-ming and represented by Wu Rong-i, and the INPR Culture and Education Foundation. The attendees exchanged their opinions in a frank but friendly manner. Upon its conclusion, the forum published the Summary of Minutes for the First Cross-Strait Peace Forum (see Appendix), which includes ten points of consensus and seven issues for further investigation. The second forum is scheduled in 2014.

2.3 ARATS and SEF will soon open their offices on the other side of the strait.

This development is the natural outcome of the strengthening of social, economic and cultural ties between the mainland and Taiwan. To pave the way for it, ARATS and SEF have held several negotiations and reached consensus on four principles. The first principle is about the role of these offices: both sides agree that cross-strait relations are not "diplomatic relations", so the offices are not "consulates". Second, the offices are devoted to serving people in cross-strait affairs, and are supposed to solve various problems arising from cross-strait communication and cooperation. Third, since the mainland is much larger than

Taiwan, it is unnecessary to have ARATS and SEF open the same number of offices across the strait. As a pragmatic arrangement, ARATS will only open three offices in Taiwan, respectively covering the island's northern, central and southern parts, whereas the SEF may open more offices on the mainland. The last principle involves "humanitarian arrangements for cross-strait family visits", which sparked some debate but have been agreed upon in general. The offices are expected to open after Taiwan's municipal elections in late 2014.

3. Answering Anti-CSSTA Movement with Better Cross-Strait Communication and Mutual Trust

In early 2014, Taiwan was disrupted by a student movement against the Cross-Strait Service Trade Agreement (CSSTA). The movement lasted from March 18 to April 10 and cast a shadow over the development of peaceful cross-strait relations. The situation has been compounded by the machinations of the Democratic Progressive Party (DPP) and its Pan-Green Coalition, which prevented the island's legislature from passing the CSSTA despite its huge benefits to Taiwan: the coalition asked for the passing of an act monitoring all cross-strait agreements before the discussion the CSSTA, whereas the DPP caused a gridlock in the legislature over the discussion of the monitoring act. These disruptions have raised some worries on the island that the mainland might change its policies towards Taiwan and the development of peaceful relations might be interrupted.

To ease these worries, President Xi stressed four principles when he met Sung Chu-yue, chairman of the People First Party: the mainland will never change the policy of promoting peaceful cross-strait ties; will never abandon pragmatic measures for facilitating cross-strait communication, cooperation and mutual benefits; will never lessen its sincerity or enthusiasm for working with Taiwan compatriots towards common goals; and will never waver in its resolve against secessionist plots. These words have shown the sincerity and goodwill in the mainland's policies towards the island, and restored public confidence across the strait.

The mainland government well understands that there will be obstacles and setbacks to cross-strait relations, and that Taiwan compatriots still have some doubts, worries and disagreements about the relations. Therefore, it has been extending its cross-strait communication towards Taiwan's indigenous and grassroots people, as it strives to get a comprehensive understanding about the social reality of the island and the voices of ordinary people, so that it can answer such voices in its policies. The anti-CSSTA movement was the result of complex circumstances, but to some extent reflects the confusion, dissatisfaction and doubt among local youth. Thus, the mainland government has strengthened its communication with the island's youth, indigenous people, lower and middle

classes as well as small and medium-sized businesses, hoping to call them to the cause of developing peaceful cross-strait ties. When Mr. Zhang visited Taiwan in late June 2014, he not just met his counterpart Mr. Wang, but also spent most of his time meeting people from all walks of life in central and southern regions: visiting elders, indigenous people and religious groups, conversing with students and scholars, and listening to representatives from small and medium-sized enterprises. Thanks to such efforts, the mainland will improve its Taiwan policies with more patience and better attention to details and to people's real needs.

Appendix

Summary of Minutes for the First Cross-Strait Peace Forum

“Cross-strait peace and common development” are the values and beliefs shared by people of both the mainland and Taiwan as they pursue prosperity, democracy and a harmonious, civilized society. The two principles point to the only way for the mainland and the island to improve mutual understanding through communication and to dispel hostility with mutual trust. They are, and will remain, the cornerstone for facilitating negotiation on equal terms, strengthening institutionalized relations and improving people's livelihood on both sides of the strait.

Openness, exchange, reform and progress have been the common trends across the strait. In the 21st century, people on both sides share the same vision of replacing confrontation with negotiation and building win-win relations through cooperation. In early June 2008, the Association for Relations Across the Taiwan Straits (ARATS) and the Straits Exchange Foundation (SEF) reopened negotiation after declaring their adherence to the 1992 Consensus. Since then, they have made substantial achievements. The development of peaceful cross-strait relations is favored by mainstream public opinions on both sides of the strait, and is widely applauded by the international community. To achieve sustainable development for peaceful cross-strait relations, the key is to work out how to build a stable framework for the development and bring it to a new stage.

In the future, there will be many obstacles and challenges to overcome. Since the conditions are not ripe for official political dialog, the organizers of this Forum believe it is necessary to start with non-governmental discussion of relevant issues across the strait. Therefore, they have founded the Forum as a cross-strait platform for non-governmental discussion on political issues. It aims to help think tanks, scholars and other people from all walks of life on both sides of the strait to communicate, provide insightful ideas and jointly investigate pragmatic solutions.

Based on such understanding, the National Society of Taiwan Studies, the 21st Century Foundation and another 12 think tanks and academic institutes held the

First Cross-Strait Peace Forum in Shanghai from October 11 to 12, 2013. Its theme, “cross-strait peace and common development”, reflects the dreams shared by people across the strait, as well as the vision that all the organizers are devoted to. The 2013 forum was attended by more than 120 scholars from the mainland and Taiwan. They have made remarkable achievements after conducting in-depth discussions and frank exchanges of ideas on four cross-strait topics: political relations, international affairs, mutual trust in security issues and a framework for peaceful relations. We organizers sincerely appreciate their great contributions.

The 2013 forum has pooled the collective wisdom of many great minds, each brilliant in a different way. After referring to the attendees’ papers, speeches and reviews and reflecting upon the ideas from all sides, we would like to voice our opinions and suggestion as follows.

I) Our understanding on the discussed topics:

1) To build a stable framework for developing peaceful cross-strait relations, the mainland and Taiwan should continue their negotiation and take a progressive approach to establish mutual understanding or consensus on their political relations.

2) The mainland and Taiwan must clarify the nature and orientation of cross-strait relations, which are crucial to the foundation and future of the development of peaceful ties. When facing any unsolved political disagreements, the two sides should seek a framework that is both compliant with their own existing rules and acceptable to each other. This is a pragmatic way to solve political disagreements and to facilitate the development of peaceful relations.

3) Finding a way out of the political impasse will bring new momentum to the improvement of cross-strait relations. To do so, the two sides must negotiate on equal terms and make sensible arrangements for special circumstances. Both sides should take an active, pragmatic approach to handle cross-strait interactions between their government workers.

4) In international affairs, the mainland and Taiwan need less conflicts and more cooperation, which will safeguard and advance the collective interests of people across the strait. The two sides should negotiate on equal terms and in pragmatic manners, and take a progressive approach to establish a communication and coordination mechanism for international affairs. There should be sensible arrangements for individuals and non-governmental organizations from both sides of the strait to attend non-governmental international events together, so that they can achieve win-win outcomes through cooperation and mutual support.

5) Economic globalization and regional economic integration have accelerated. In response to the latest developments in this trend, such as the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP), the mainland and Taiwan should jointly investigate feasible approaches and mechanisms on the basis of economic cooperation and existing agreements, and

strengthen their coordination and collaboration in international economic affairs to safeguard and advance their common interests.

6) The mainland and Taiwan should seek cooperation in marine affairs, including marine life preservation and environmental protection, fishing and protection of the rights of fishermen, maritime transport safety, emergency rescue and humanitarian aid, joint exploitation of energy resources, development of tourism, marine science and research, maritime law enforcement and maritime security. To meet their common challenges and protect their common interests in marine issues, both sides should be far-sighted in their thinking so as to overcome their political disagreements and work out an approach for cooperation as soon as possible.

7) To improve the stability of cross-strait relations and ease worries over military security, both sides need to plan for communication in military fields. They could start with cooperation in disaster response and humanitarian rescue missions, and then move to other forms such as maritime security agreements and joint academic symposiums to promote their exchanges in military education, culture, technological research and medical science. This progressive approach would improve their mutual trust in military security and pave the way for building a mechanism for it.

8) To improve cross-strait relations and ensure cross-strait peace, people on both sides should take progressive steps and make joint efforts to institutionalize cross-strait peace. A meeting between the leaders of both sides will exert positive influence over cross-strait relations and make a great contribution to regional and world peace. With foresight, pragmatism and mutual respect, both sides should actively pave the way for the meeting, making sensible arrangements for it (such as its form and topics) and ensuring the arrangements are acceptable to both.

9) Chinese culture is an invaluable asset to people on both sides of the strait. It is also a foundation for ensuring cross-strait peace. The mainland and Taiwan should take active, substantial measures to promote the inheritance, innovation and development of Chinese culture, and encourage mutual understanding, mutual respect and common views on history.

10) Development of peaceful cross-strait relations is in the public interest of both sides. The institutionalization of cross-strait peace is intended to strengthen the foundation of social, economic and cultural exchanges, to improve people's livelihood across the strait, to help both sides prevent misjudgment and establish crisis-management channels, and to create favorable conditions for ending confrontation and cementing peace. Political dialog and negotiation across the strait will help the two sides end their confrontation and start discussing peace agreements that are acceptable to people on both sides. The mainland and Taiwan should also jointly strengthen their public-education campaigns to promote the concepts of cross-strait peace, investigate and discuss various approaches and

methods for cementing peace, and bolster the research for developing cross-strait peace. Each side should take its own initiative to further any cause that helps peaceful cross-strait relations, and prepare itself for institutionalizing cross-strait peace.

II) Some crucial problems still need pragmatic, in-depth research and discussion.

Due to different views on the history of cross-strait relations and some objective factors, attendees to the 2013 forum still take different stances or hold divergent opinions on some issues. The only way to overcome these differences is to deepen our research and discussion with sincerity and goodwill. Among the issues that have not been agreed upon, the following are worth our special attention and continued research:

1) How to improve laws and regulations governing cross-strait exchanges so as to expand communication and cooperation between the two sides;

2) In the face of lingering political confrontation, how to make sensible arrangements for cross-strait political relations, what specific arrangements to make, and how to implement them;

3) How to clarify the legal relationship between the one-China principle and the existing regulations of the two sides, and how to jointly investigate the approaches for overcoming disagreements and developing peaceful relations;

4) How to make up for the gap between Taiwan's need for expanding its international engagement and its current role in international politics; how to conduct negotiations on equal terms for international affairs; within the framework of international organizations such as the APEC, how to jointly drive the agenda for cross-strait cooperation and work out proposals for cooperation in suitable fields, so as to protect the common interests of both sides of the strait; and how to jointly devise guidelines for both sides to participate in non-governmental international events and to interact with each other on such occasions;

5) The political implications of formally ending cross-strait confrontation and how to achieve it;

6) The steps for building a mutual-trust mechanism for cross-strait security and military affairs, and the detailed implementations for the mechanism; the options for separate and joint measures for the two sides to improve their mutual trust in security and military affairs, and how to evaluate these measures;

7) Under the principles of protecting the common public interests across the strait, building a vision for the long-term development of the Chinese nation and respecting the stances of both sides, how to overcome the obstacles and forge an agreement for cross-strait peace.

We hope think tanks and other brilliant minds from all walks of life on both sides of the strait could contribute their wisdom to these issues, and continue their in-depth research and discussion to solve the problems.

III) Follow-up arrangements for the Forum

Under the principles of equality, pragmatism and mutual respect, the Cross-Strait Peace Forum provides an open platform for promoting the institutionalization of peaceful cross-strait relations. We organizers are scheduled to work out the details for establishing a standing body for the Forum. Any one from either side of the strait is welcome to provide valuable suggestions and join our cause.

Based on the initial achievements of the 2013 forum, we organizers plan to invite scholars from both sides of the strait to conduct joint research in several teams. The achievements of their research will be presented to the next forum for discussion.

The Second Cross-Strait Peace Forum is scheduled for 2014 in Taiwan.

Sponsors:

National Society of Taiwan Studies, 21st Century Foundation

Co-organizers:

Institute of Taiwan Studies (Chinese Academy of Social Sciences), School of Social Sciences (Sun Yat-sen University), Academy of Taiwan Studies (Peking University), Institute of Cross-Strait and Chinese Mainland Studies (School of Social Sciences, Chinese Culture University), Institute of Taiwan Studies (Tsinghua University), Institute of Cross-Strait Political and Economic Studies (School of International Affairs, Chengchi University), Shanghai Institute of Taiwan Studies, Institute of Chinese Mainland Studies (Tamkang University), Shanghai Institute for East Asia Studies, INPR Culture and Education Foundation, Institute of Taiwan Studies (Xiamen University), and Taiwan Brain Trust.

Shanghai, Oct. 12, 2013