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Discussion Paper

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**Taiwan's External Relations after Ma Ying-jeou Took Office:
Developments and Policy Recommendations**

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I. Taiwan's External relations: developments in the last two years

Taiwan's external relations have been moving forward since Ma Ying-jeou took office in May 2008.

(I) In multilateral international organizations and fields

1. Lien Chan attended the APEC leaders' informal meeting twice as Taiwan's representative. In November 2008, Lien Chan, the highest level politician since its beginning in 1993, attended APEC leaders' informal meeting in Lima, the capital city of Peru, thus fairly marking "a breakthrough". And in November 2009, he was again invited to the same kind of informal meeting in Singapore.

2. Yeh Ching-chuan attended the WHO annual Congress as the representative from Taiwan. Upon invitation of the Director-General of the WHO Dr Margaret Chan, Taiwan's "minister of health" Yeh Ching-chuan, headed a delegation attending the annual WHO Congress on May 18, 2009 in Geneva in the name of Chinese Taipei and with an observer's status. It was the first time that Taiwan had attended such a congress in the last 38 years.

3. Taiwan has become a member of AITIC (Agency for International Trade Information and Cooperation). AITIC is an intergovernmental organization, whose headquarter is located in Geneva. Its objective is to assist the less-advantaged economies to effectively participate in the World Trade Organization (WTO). In early 2009, Taiwan joined in and began its activities in the organization under the name of "Chinese Taipei".

4. Taiwan has joined in Government Procurement Agreement (GPA). The World Trade Organization (WTO) Government Procurement Committee adopted Taiwan's accession to the GPA on December 9, 2008 as "the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu". Currently, the GPA committee has 40 members, including the United States, Europe, Japan, ROK, Singapore, and its business value amounts to over 5.55 million. Taiwan's accession as the 41st member has been "the most important progress" since its entry into the WTO in 2002.

5. Taiwan has become a member of "International Association of Prosecutors" (IAP). Taiwan gained the entry into IAP, a special consulting body of the United Nations, as a corporate member and under the title of "Chinese Taipei" at the end of 2009, and therefore could share the resources and judiciary mutual-assistance platform of IAP. The IAP is the only world wide organisation of prosecutors



having been established in Vienna in 1995, and is also a special consulting body to the UN Economic and Social Council.

6. The World Games 2009 were held in Kaohsiung. 4,800 athletes from 102 countries and regions participated in the 8th World Games held in Kaohsiung from July 16 to July 26, 2009. It was the first time that Taiwan had held comprehensive international games, and the second time that the World Games had been held in Asia.

7. The 21st Summer Deaflympics were held in Taipei from September 5 through September 15, 2009. It was the first time that the Summer Deaflympics had been held in Asia, and the first time that Taiwan had held the Olympic Games. 2,670 athletes from 80 countries and regions participated in the competition.

(II) Ma Ying-jeou has smoothly visited Central and South America five times, respectively in mid-August of 2008, late May and early June of 2009, late June and early July of 2009, late January of 2010, and March of 2010, and has transferred via the United States ten times.

(III) The Taiwan authority has been able to maintain “its diplomatic relations with 23 states”. The two sides across the Straits stopped undermining each other in diplomatic fields. Ma Ying-jeou’s team has proposed “equitable and transparent” aid policy as a substitute for the traditional “monetary aid diplomacy”. Ma stresses that external cooperation should follow the principles of “reasonable in objectives, legal in procedures, and effective in implementation”.

(IV) Taiwan’s relations with the United States, Japan and European countries have been substantially developed.

1. Taiwan has achieved new developments in its relations with the United States. One former U.S. government officials said in April 2009, a moment marking the thirtieth anniversary of Taiwan Relations Act, that the current trilateral relations among the U.S., China’s mainland and Taiwan are the best in the last 60 years. A number of U.S. House Representatives expressed appreciation in May, one year after Ma Ying-jeou took office, for “his achievements in enhancing Taiwan-U.S. mutual trust and facilitating cross-Straits dialogue and exchange”. And Ma Ying-jeou himself also described in January 2010 Taiwan’s ties with the U.S. as “heading in the right direction, stable in mutual trust and interactions are frequent”. The latest developments in Taiwan-U.S. relations include:

Firstly, Taiwan and the U.S. began to have mutual trust. While meeting with Ma Ying-jeou on March 18, 2009, AIT Chairman Raymond Burghardt described Taiwan-U.S. ties as warm.

Secondly, the new AIT office building is under construction. June 22, 2009 witnessed the founding ceremony of AIT office building at its new site Neihu.



Since it is the first time the U.S. has been constructing such a permanent building in “a country without diplomatic relations”, such events signify that Taiwan-U.S. ties have stepped on a steady path after low ebb, as Su Chi argued.

Thirdly, the possibility of a Taiwan-U.S. “extradition treaty” is rising. Ma Ying-jeou called for signing “extradition treaty” with the U.S. on May 27, 2009, and the U.S. officials from the Department of State responded immediately on May 28 that the U.S. understood that Taiwan wants to negotiate “an extradition treaty” with U.S. and that the issue was under consideration.

Fourthly, Taiwan-U.S. military relations have had new developments. (1) In middle August of 2009, US troops went to rescue Typhoon Morakot victims in the name of “humanitarian relief”. It was the first time that American troops had entered into Taiwan island since China and the U.S. established diplomatic relations in 1979, and therefore, Ma Ying-jeou called the development as the sign and symbol of the resumption of the trust between Taiwan and the U.S. On December 14, 2009, Taiwan’s military secretly invited the U.S. military officials and soldiers to Taiwan, and honoured 600 awards to them for what they had done in the floods. It was the first time in the 30 years since the two had severed diplomatic relations. (2) It was via American military bases that Taiwan’s aerotransport was able to arrive in Haiti for earthquake rescue, and “it was the first time in the 30 years since the two severed diplomatic relations that Taiwan’s air force planes had entered into the U.S.” (3) Taiwan-U.S. military relations have been substantially elevated including professional training from the U.S. side for Taiwan’s military personnel, joint military training between the two sides and middle and high level exchange of visits. On June 4, 2009, while leaving his post as Director of the Taipei office of the AIT, Stephen M. Young admitted publicly that the two sides had established very good communication mechanisms, and had formed very good patterns of communication and cooperation especially in highly sensitive fields. (4) On October 3, 2008, George Bush’s administration declared an arms sales worth \$64.63 hundred million to Taiwan, the largest such a deal since the sale of F-16 in 1992, and also the first such a deal after Ma Ying-jeou took office. On January 30, 2010, the Obama administration announced the new deal of \$65 hundred million.

2. Taiwan has achieved new developments in its relations with Japan. Ma Ying-jeou has adopted many measures to improve its relations with Japan, and Taiwan-Japan relations have achieved what had not been available in the last 10 years. For instance, Taiwan and Japan have established an association mechanism between the coast guards of the two sides, and levels of dialogues have been promoted - a major breakthrough in the last 35 years. The Japanese side allows residents from Taiwan to fill in “Taiwan” in the residents’ card as nationality.



Firstly, Ma Ying-jeou's "anti-Japan" image has been improved. Average Japanese think that Ma Ying-jeou is "pro-America" and "pro-China" while anti-Japan. Since Ma Ying-jeou has constantly released signals of goodwill, and has invested efforts facilitating Taiwan-Japan exchanges, Japan's industry and commercial circles have gradually changed their originally held impressions about Ma.

Secondly, Taiwan set up a new office in Sapporo on December 1, 2009, the first one after Ma took office, and the sixth such office in Japan after Tokyo, Yokohama, Osaka, Fukuoka and Naha.

Thirdly, Taiwan signed a "working holiday visa agreement" with Japan in June 2009. According to the agreement, up to 2000 youths aged 18-30 can spend a working holiday on the other side per year with visa exemption. Ma Ying-jeou called the agreement "epochal".

Fourthly, Taiwan and Japan signed an aviation pact on December 11, 2009 to allow Songshan and Haneda flights, which would be effective in October 2010.

Fifthly, Taiwan and Japan began to mutually recognize driver's licenses on October 1, 2008. And Taiwan has become the fourth region that Japan has granted such preference.

Sixthly, the 16th Taiwan-Japan Fisheries Talks on February 26, 2009 decided to establish an emergency notification mechanism for handling fishery disputes.

3. Taiwan has begun mutual exemption of visa with the UK and Ireland.

II. The reasons for Taiwan's progress in external relations

(I) The prospect of a peaceful development of cross-Straits relations

After May 2008, KMT and Ma Ying-jeou's team recognized "the 1992 consensus", and the tensions across the Straits have been greatly reduced. And the prospect of a peaceful development of cross-Straits relations thus has prepared conditions and an atmosphere for dialogue addressing Taiwan's expansion of external relations.

(II) Hu Jintao's six points' proposition and its implementation

In a speech to commemorate the 30th anniversary of the mainland's "Message to Compatriots in Taiwan" on December 31, 2008, General Secretary of Central Committee Hu Jintao clearly said that the vision for Taiwan's economic and cultural exchanges with foreign countries could be further consulted according to necessity, and the mainland was willing to discuss with Taiwan proper and reasonable arrangements for Taiwan's participation in international organizations,



as long as this does not create a scenario of “two Chinas” or “one China, one Taiwan”.

Therefore, only on the basis of peaceful development of cross-Straits relations and the principle of one-China, and under the condition that secessionist activities are contained, can the problem of Taiwan people’s participation in international activities be properly and reasonably solved.

(III) Ma Ying-jeou’s “flexible diplomacy”

Ma Ying-jeou emphasizes stable cross-Straits relations as a priority, and seeks to change the scenario that the two sides compete in international community, thus improving cross-Straits relations. On August 3, 2008, Ma Ying-jeou claimed that cross-Straits relations have an important role in “its overall diplomacy”, that is to say, “flexible diplomacy” is grounded on the basis of “diplomatic truce”. Ma also hopes that achievements and experiences in cross-Straits relations can be extended to and applied in “diplomatic” areas so that they can think about issues from new angles and starting points. Ma Ying-jeou said that “diplomacy” should not be viewed just for the sake of “diplomacy”, but through the lens of cross-Straits interactions, and the key point of “flexible diplomacy” lies in mutual trust and consensus between the two sides across the Straits. Ma means that “flexible diplomacy” by essence is consistent with “pragmatic diplomacy”, and both have pragmatism as the principle. Su Chi also pointed out that only on the basis of the “1992 consensus” can Taiwan’s “diplomacy” be really flexible.

III. The development of Taiwan’s external relations and the peaceful development of cross-Straits relations

The two issues - peaceful development of Cross-Straits relations and Taiwan’s external relations - are mutually facilitating.

(I) Peaceful development of cross-Straits relations has facilitated Taiwan’s external policy.

(Shortly before Chen Yunlin took office as Chairman of ARATS, he noted that the solutions to the problems like “reconciliation and diplomatic truce” can only be available in the scenario of peaceful development of cross-Straits relations.) Peaceful development of cross-Straits relations since May of 2008 has been the background and has provided conditions for Taiwan’s policy adjustment. It is peaceful development of cross-Straits relations that has created conditions for the possible ending of “internal competition”; it is because Ma Ying-jeou has recognized “1992 consensus” that peaceful development of cross-Straits relations



has been available; it is because Ma Ying-jeou has defined its mainland policy as top priority that “diplomatic truce” has become possible, and even reality.

Su Chi used to publicly describe the DPP’s “diplomacy” in the previous 8 years as “scorched earth diplomacy” while showing the red light all along to the mainland. However, Ma Ying-jeou’s authority has been carefully changing the red, yellow and green lights so as to keep a dynamic balance between its mainland policy and “flexible diplomacy”. By these measures, Ma intends to form a new structure, where Taiwan can have more security, dignity and manoeuvrability. Taiwan has to consider its difficult situation as a smaller player facing three bigger ones (the U.S., Chinese mainland and Japan).

Since the DPP’s “scorched earth diplomacy” had caused fires everywhere, Washington called it “butting the head against a brick wall”. However, Ma Ying-jeou’s proactive policy in cross-Straits relations has soon turned out to be effective in expanding “diplomatic space”, and its international image has been improved. All this indicates that only when cross-Straits relations improve can Taiwan’s “diplomatic problems” be gradually solved, and whether Ma Ying-jeou’s “diplomatic truce” will be effective and lasting will also depend on the sustainability of the peaceful development of cross-Straits relations. Oscar Arias Sanchez, President of Costa Rica, even openly said on February 1, 2010 that Ricardo Martinelli, President of Panama had hoped to follow Costa Rica’s model to break off with Taiwan and establish with Chinese mainland diplomatic relations. But Chinese mainland showed little interest while asking Panama to be patient.

(II) Ma Ying-jeou’s “flexible diplomacy” has served to promote peace between the two sides across the Straits.

Firstly, “flexible diplomacy” has facilitated the construction of the status of the peaceful development of cross-Straits relations. “Flexible diplomacy” has replaced confrontation and conflict with peace and cooperation in the minds of the two sides, hence, the two are not investing efforts in suspecting each other’s intention, but in confidence building. Ma admitted before media that he believes that some certain country “with diplomatic relations with Taiwan” has proposed to establish diplomatic relations with the mainland but has been declined with courtesy. It indicates that the mainland has been responding to his “diplomatic truce” with concrete and goodwill actions. He also admitted that the Mainland’s goodwill is relevant for Taiwan’s participation in the WHO Congress.

Secondly, Taiwan’s progress in external relations and the ending of “internal competition” in international community have further consolidated the peaceful development of cross-Straits relations. Generally, “flexible diplomacy” and “cross-Straits reconciliation” are two sides of one coin. Both intend to push “zero-sum” fighting between the two to peaceful coexistence and mutual understanding. Just as what Ma said, his “diplomatic truce” serves not only to



keep “its diplomatic relations” with some countries but also serves the future cross-Straits relations. Taiwan’s external relations and the peaceful development of cross-Straits relations have been interacting both as cause and consequence. Shortly after Ma was invited to participate in the WHO Congress, he emphasized that harmonious cross-Straits relations with goodwill and Taiwan’s presence in international community are complementing each other.

(III) Several problems for attention

Firstly, the two sides each have their own expectations on the peaceful development of cross-Straits relations and on the construction of political confidence, but if one side expects more than what the other side can satisfy, the gap might have negative effects on the two processes.

Secondly, some of Ma’s actions have negative effects on cross-Straits relations in the long term. For instance, Taiwan authority’s persistence in arms sales greatly harms peace and stability; Ma Ying-jeou’s policies toward the U.S. and Japan are not serving the purposes of cross-Straits stability. Politically, Ma’s authority is too much “pro-U.S.”, and is also too “friendly with Japan”.

IV. Policy recommendations

1. The international community should support the sustainability of the peaceful development of cross-Straits relations. The peace and stability in the cross-Straits region, as a result of the peaceful development of cross-Straits relations, are in line with the common interests of the international community, economically, politically and strategically.

2. The expansion of Taiwan’s external relations should not undermine the basis of the peaceful development of cross-Straits relations. “One-China” principle and the “1992 consensus” are the basis of the peaceful development of cross-Straits relations, and pre-conditions of Taiwan’s external relations. Therefore, European countries should also keep to the “one-China” principle while developing people-to-people, economic and cultural relations with the Taiwan region so as to avoid the outcome of “two-Chinas” or “one China, one Taiwan” reality. Such scenario will undermine Taiwan’s external relations.

3. The expansion of Taiwan’s international participation should follow the principle of “moving gradually from easy to hard issues”. In the initial stage, such expansion should take living, economic, hygiene and health topics as major areas.

4. We should oppose secessionism while expanding Taiwan’s international participation in international activities. Any form of secessionist actions will



undermine the prospect of the peaceful development of cross-Straits relations, and will not serve for furthering Taiwan's participation in international organizations.