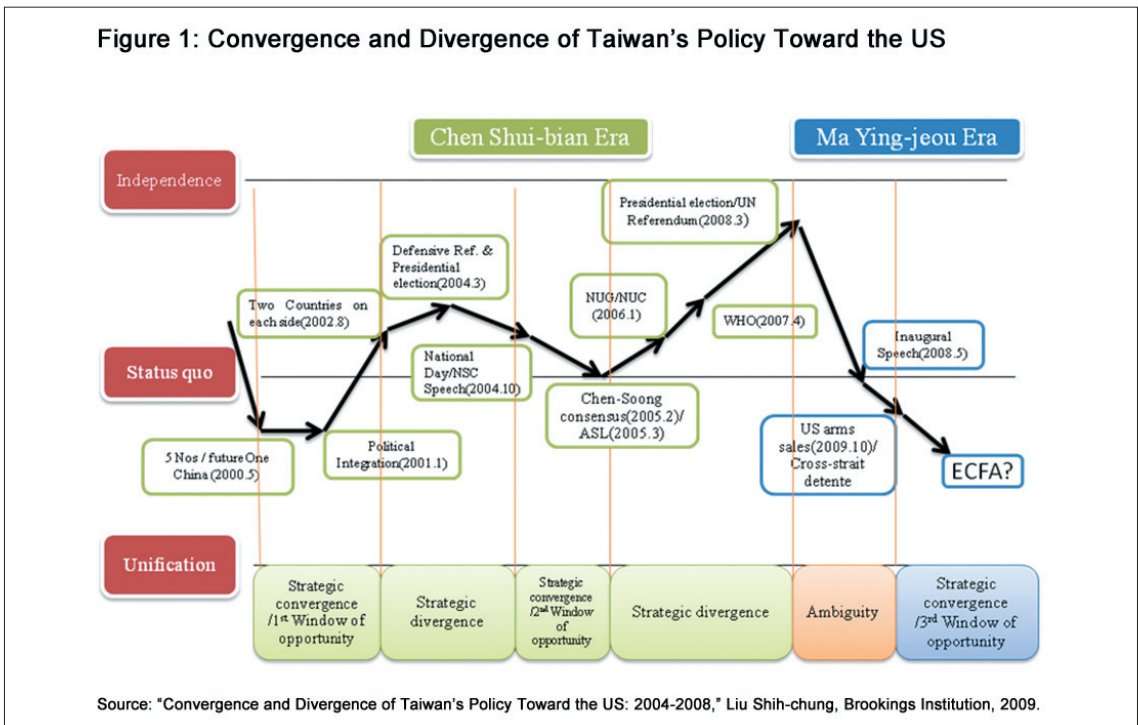


# Cross-strait Policy Under Ma: Its Impact on Taiwanese Politics and Asia-Pacific Strategy

| *Shih-chung Liu*

## Eight Lost Years? Or Lost for Two Years?

We can get a clearer picture of the cross-strait policy that President Ma Ying-jeou has been pursuing since taking office two years ago if we contrast it to the policy that the Democratic Progressive Party (DPP) government followed from 2000 until its fall from power in 2008 (see Figure 1).



Major events or policy decision that caused trend swings toward independence, status quo or unification show the following main features:

- (1) Opening or closing of windows of opportunity for cross-strait relations;
- (2) Strategic convergence and divergence of Taiwan's policy toward the United States with regard to cross-strait relations;
- (3) Whether the national leaders can strike a balance between domestic politics and international expectations and were able to safeguard Taiwan's national interest, while meeting international expectations;

More importantly these trend swings sparked the current severe debate between Taiwan's ruling and opposition parties over how Taiwan should normalize relations with China. A televised debate between the chairmen of the ruling Chinese National Party (KMT) and the major opposition DPP on the planned Economic Cooperation Framework Agreement in late April highlighted clear differences of opinion.

The Chen Shui-bian era and the Ma Ying-jeou era show a number of similarities and differences. Several political analysts have pointed out that Chen's decision-making overemphasized domestic politics and elections, which caused him to disregard international strategic changes at a certain stage, in particular how the international community, and first of all the United States, dealt with a rising China. But while Chen greatly cemented the notion of "Taiwan consciousness" on the domestic front, substantial cross-strait economic and functional exchanges nonetheless continued. Taiwan's reliance on trade with China even reached 40 percent, exceeding Japan and South Korea, so that the KMT camp's allegations of a "closed door" policy adopted by the DPP are completely unfounded. Most of the negotiations on direct cross-strait charter flights and tourism were already conducted under the DPP government, the only thing missing was China giving its final nod for inking the agreements.

Judging from this, Ma's accusations that the DPP government "lost eight years" in cross-strait relations is biased. But immediately after taking office Ma reversed Chen's approach, placing cross-strait policy on top of Taiwan's overall diplomatic policy and international trade policy. He resorted to a rapid China-centric course that played down Taiwan sovereignty or selectively broached "the sovereignty of the Republic of China," lacked a hedging policy toward China and was characterized by untransparent decision-making behind closed doors. After taking office he revived the so-called "1992 consensus," advocated that Taiwan and China observe a policy of mutual non-denial, call a diplomatic truce and define cross-strait relations as "region to region" relations under the "one-China Constitution of the Republic of China." On the premise of maintaining the status quo, Ma pledged a "Three Nos" policy of "no independence, no unification, no use of force." It cannot be denied that cross-strait tension has eased and that dialogue has resumed. So far 12 agreements have been signed following

negotiations by Taiwan's Straits Exchange Foundation (SEF) and China's Association for Relations Across the Taiwan Strait (ARATS). Negotiations for an Economic Cooperation Framework Agreement, known as ECFA, are also under way with Ma declaring that the pact will be signed in June. These developments fulfill the international community's hope for continued peaceful dialogue across the Taiwan Strait.

However, although cross-strait relations followed a zigzag course in the Chen era, the Chen administration never crossed the red line and was never able to do so, as its hands were bound due to two political realities - it was a minority government and faced international pressure. Ma's cross-strait policy follows what seems to be a linear course, yet it is hard to say how quickly he might lead Taiwan toward a "one China" framework defined by Beijing as Taiwan being a part of the People's Republic of China (PRC) and how undemocratic or untransparent his means might be. And this is what is behind the DPP's current accusations against Ma, namely that he caused Taiwan to get "lost for two years" with regard to its course on cross-strait relations.

Ma actually could and should have used the 58 percent popular votes that he garnered from the last presidential election, the KMT's control of the administration and its parliamentary majority to forge consensus in Taiwan on cross-strait policy. Unfortunately he did neither have the intention nor the ability to do so. Instead he invariably fast-tracked his China-centric policy. Let's take ECFA as an example. If it wasn't for continued pressure from the opposition parties and civic groups during the past year, if the KMT hadn't suffered setbacks in several local elections over the past six months and Ma's approval ratings hadn't continued to languish between 23 percent and 27 percent, we would still wait for him to explain his policy to the public and accept a debate with the opposition party. Even if the Ma government has recently pro forma opened dialogue with the public, it actually still adopts a top-down approach, packaging public support for ECFA with a full-blown propaganda campaign.

## Beijing's "One-China Framework"

Beijing leaders are fully aware that Ma is eager to build a track record of cross-strait achievements as basis for his reelection. Based on the six points that Chinese President Hu Jintao proposed on Dec. 31, 2008, Beijing used the terms "one-China principle" and "reunification" to set the tone for cooperation with the Ma government to promote the following objectives:

Ending political confrontation between the two sides, signing a comprehensive

economic cooperation agreement, establishing military confidence-building mechanisms (CBMs) and even allowing Taiwan to participate in events by international organizations, as long as such activities do not create "two Chinas or one China, one Taiwan." As a result Taiwan gained observer status in the World Health Assembly pending Beijing's conditional approval which virtually amounts to an annual review system.

Under his "China first" policy Ma deliberately played down Taiwan sovereignty, a term he used to repeat like a mantra during his election campaign. And by remaining mum on China's military expansion, the violation of human rights in Tibet, the suppression of press freedom, and Beijing's international propaganda campaign which claims that "Taiwan is a part of China's sovereignty and territorial integrity," he reinforced the impression in international public opinion that the two sides of the Taiwan Strait are marching down the road to unification. Due to his passive attitude, Ma will increasingly get ensnared in the trap of Beijing's "one-China framework" which revolves around PRC.

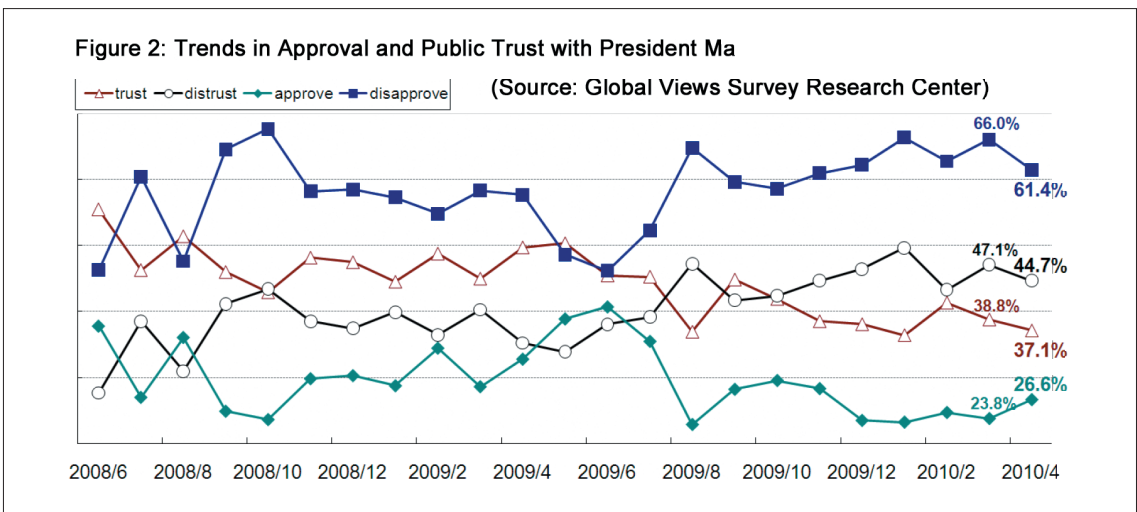
## **Ma's Inept Rule and DPP's Checks and Balances**

China and Taiwan both stress that cross-strait negotiations will follow the principles of "economics first, politics later," and "easy things first, hard issues later." But even though Ma has also declared that he will not negotiate a peace treaty during his term in office and that political terms such as "unification" or "one country, two systems" will not appear in ECFA, he has committed a number of mistakes over the past two years of his rule that raised doubts among the public that he will be able to defend Taiwan's sovereignty and national interests.

He was, for instance, unable to keep his "633" election pledge, putting the blame entirely on the worsening international environment and even stating once that his plan would only be implemented by 2016. The Ma government also performed poorly when dealing with the disaster wreaked by typhoon Morakot in August 2009 and when subsequently relaxing a ban on U.S. beef imports despite public protests, which caused his approval ratings to plunge. An investigation of all senior military officers who had been promoted during the Chen era on allegations of having bribed themselves into their high-ranking positions failed to yield any results, but sowed panic among the troops. On the other hand Ma allows several dozen retired high-ranking military officers and former Premier Liu Chao-shiuan, who had barely left office, to visit China. The Taiwanese people were even more disappointed when the Ma government

condoned that police brutally cracked down on demonstrators who protested against the visit of ARATS Chairman Chen Yunlin.

Surveys by the politically rather neutral Global Views magazine show that Ma's approval ratings (green line at the bottom) have hovered below 30 percent since August 2009, while public trust in him stands below 40 percent.



These survey results highlight two issues: First comes the question whether a president with such low approval ratings and levels of public trust can afford to neglect the public will or just go through the motions of listening to the people while persistently promoting an ECFA policy that massively lacks social consensus and is politically highly sensitive. Second, political observers have begun to seriously discuss whether the DPP might be able to regain government power earlier than expected already in 2012. Based on the televised debate between Ma and DPP Chairwoman Tsai Ing-wen on April 26 and the follow-up maneuverings from the two parties, the main differences between the two political camps are as follows:

(1) They have different perceptions with regard to speed and scope of economic opening across the Taiwan Strait. The KMT believes that the realization of ASEAN plus One will happen imminently in 2010 and that ASEAN plus Three could become reality in 2012 or 2015, so that Taiwan would be marginalized if it does not sign ECFA. But Ma has also been skirting the question how Taiwan's industry is to be protected against losses in the long term nor has he been able to explain why it is so urgent to set June as deadline for signing the agreement. The DPP advocates cross-strait trade liberalization, but wants to get prepared in a gradual, cautious manner while broadening

domestic consensus at the same time.

(2) Despite KMT's "China-only" approach, the DPP argues that ECFA is only a partial means for cross-strait trade normalization, it's not the only formula. It still remains to be seen whether China is ready to allow Taiwan to ink free trade agreements (FTA) with other major countries such as the United States or Japan once ECFA has been signed.

(3) While the KMT emphasizes that ECFA is merely an economic issue, the DPP demands that its subsequent political fallout should be carefully assessed, in particular how to avoid falling into the trap of Beijing's "one China" framework.

(4) Ma steps out into the world via China, while the DPP follows the rest of the world on its march to China.

## **A New Strategic Balance for the Asia-Pacific Region**

The hasty economic integration between Taiwan and China and the initial ambiguity of Washington's Asia policy since the inauguration of President Barack Obama has triggered concern among the Asian countries that China will become the sole regional power. Even Singapore's elder statesman Lee Kuan Yew appealed to Washington last year to take a more aggressive part in building a new East Asian architecture. "China is not ready or willing to assume equal responsibility for managing the international system ... In the end, whatever the challenges, US core interest requires that it remains the superior power on the Pacific. To give up this position would diminish America's role throughout the world," Lee said during a visit to the United States. The ASEAN countries also have conflicting feelings about China. On the one hand they want to expand trade with China, but on the other hand they worry that China will take a dominant role in the East Asian economic order. Even Japan and South Korea are deeply worried by a fast-tracking of cross-strait economic relations. Faced with a volatile strategic situation in East Asia, only Taiwan's Ma government continues a China-centric policy. That's what makes people worry most about the Ma government. **BT**

*Shih-chung Liu is a senior research fellow at the Taipei-based Taiwan Brain Trust.*