



If Not Now, When? Will China Seize the Opportunity to Improve Cross-Strait Relations? by Bonnie S. Glaser

Of the combinations of outcomes of the Taiwan election – a DPP or KMT victory, the passage or defeat of one or both of the referenda – the March 22 result in which Ma Ying-jeou won by a substantial margin and both referenda failed was the result that Beijing hoped for. The new situation presents a historic and strategic opportunity for China to transform cross-Strait relations. The United States hopes that Beijing will respond positively to the new situation and without delay.

In his congratulatory message to the people of Taiwan, President Bush stated: “It falls to Taiwan and Beijing to build the essential foundations for peace and stability by pursuing dialogue through all available means and refraining from unilateral steps that would alter the cross-Strait situation. I believe the election provides a fresh opportunity for both sides to reach out and engage one another in peacefully resolving their differences.” It should be clear from these remarks as well as from the comments in Bush’s subsequent phone call with President Hu Jintao that the U.S. is firmly in favor of improved cross-Strait relations. I believe that this robust support will extend beyond the Bush presidency.

Ma and the KMT are eager to move forward first on the economic agenda. This includes regular weekend charter flights beginning July 1 and daily scheduled flights by the end of the year, permitting more Chinese tourists to visit Taiwan, relaxing China-bound investment caps on Taiwan businesses, reaching agreement on avoiding double taxation, making arrangements for convertibility of currency, and establishing improved financial services for businessmen.

U.S. involvement in the implementation of these initiatives is unnecessary. The primary U.S. interest is that Beijing move with alacrity so as to boost domestic support in Taiwan for Ma’s change in policy away from emphasis on Taiwan’s separate independent identity toward the establishment of a new *modus vivendi* with the mainland. If China moves too slowly, this may deprive Ma and the KMT of the backing they need to sustain a policy approach that has not yet won the support of the 42 percent of Taiwanese voters who cast their votes for the DPP. With the view widely held in both the U.S. and Taiwan that Taiwan’s economic success will depend in large part on expanding economic ties with the mainland, Beijing must take steps that promote mutually beneficial outcomes and avoid increasing Taiwan’s vulnerability to mainland pressure.

On one aspect, however, the U.S. has a strong interest, and that is permitting foreign (i.e., American) airlines to participate in the direct flights once they have moved beyond the charter flight stage and are occurring on a scheduled daily basis. The U.S. does not seek to define cross-Strait flights as

international flights, but rather seeks opportunities for U.S. airlines to expand their routes and increase profits.

Pursuit of greater international space for Taiwan follows the implementation of economic items on Ma’s agenda. Achieving progress in this area is essential. U.S. opposition to the DPP-initiated referendum to join the United Nations under the name Taiwan should not be misconstrued as indicating reduced U.S. support for meaningful participation by Taiwan in the international community.

An early opportunity to provide Taiwan with greater international space will emerge May 19 at the World Health Assembly meeting, a day prior to Ma’s inauguration. It is unfortunate that Chen Shui-bian has opted to apply again this year, as last year, for both membership and observership using the name “Taiwan.” This has most likely let Beijing off the hook this year, although if China wanted to seize the opportunity to make a goodwill gesture, it could work out an arrangement for action by the WHA to grant observer status to Taiwan under the name “Chinese Taipei” on the second or third day of the session, once Ma is sworn into the presidency and has declared his unambiguous support for “one China, respective interpretations.”

Chinese officials say that the WHA meeting is simply too soon and no progress can be made this year. Perhaps. But it is a missed opportunity for China to demonstrate creativity and flexibility. Based on conversations I have had in recent weeks with Chinese officials, I worry that China’s fear that the DPP could return to power in four or eight years may dictate Beijing’s approach to the international space issue and result in a decision to offer Taiwan only limited participation in international organizations in ways that can be easily reversed. Such a decision would undoubtedly disappoint the United States, not to mention the Taiwan people.

Competition between the mainland and Taiwan for diplomatic allies should end immediately. If a country that is allied with Taiwan changes its diplomatic allegiance to Beijing prior to Ma’s inauguration or shortly thereafter, this would slow the momentum on Taiwan in favor of engaging the mainland. A truce should be tacitly adhered to for several months or longer. Chinese officials contend that Beijing is hard-pressed to reject the request by countries allied with Taiwan to establish diplomatic relations with China. If there are such cases, China should have prior consultations with Taipei and work with Taiwan to ensure a smooth transition so that Taiwan can maintain unofficial representative offices in those countries and protect its economic and other interests.

Military/security issues in PRC-Taiwan relations are not likely to be dealt with immediately, but it is clear that Ma and the KMT want to engage on this set of concerns and make concrete progress in the first term. Prior to the opening of authorized talks on ending cross-Strait hostility, China can

take steps to signal goodwill. Dismantlement of a brigade of short-range ballistic missiles deployed along China's southeastern coast would be a symbolic gesture that the U.S. and Taiwan would welcome. Declaring a freeze on missile deployments would enable Ma and the KMT to avoid criticism that they are engaging the mainland while China continues to increase the threat to Taiwan's security. Indeed, Ma has said that he will not agree to launch talks on a peace accord while the missiles aimed at Taiwan remain in place. Just a few days ago, Ma told a delegation that I led to Taipei, "Once we decide to negotiate a peace agreement it will be embarrassing if more than 1,000 missiles are targeting us."

The establishment of regular direct air links should be seized upon to establish contacts between the law enforcement agencies and, if possible, the militaries of Taiwan and the mainland. Representatives from each side could be embedded in the existing delegations in charge of negotiations and in the future be included in SEF-ARATS discussions. Air corridors could be agreed upon for civilian and military aircraft that would minimize the possibility of an accidental collision. Opportunities exist for coordination and preparation for emergency response, including joint humanitarian rescue capacity and the establishment of communication links. In the near term, such measures will ensure that the air links are conducted safely; over the longer run they will aid in promoting patterns of cooperation that will create the foundation for future military confidence-building measures.

The positive transformation of the cross-Strait relationship will take a great deal of time and is not inevitable. For a long time to come, China will insist on maintaining a credible deterrent against Taiwan independence. Taiwan will also want to maintain capabilities to defend the island against attack and the U.S. will remain legally obligated to provide defensive capabilities, including weapons, to Taiwan, under the Taiwan Relations Act. It is in that context that China should evaluate and respond to continued U.S. arms sales to Taiwan and ongoing U.S.-Taiwan security cooperation. The U.S. does not seek through weapons sales and security cooperation with Taiwan to undermine the improvement in cross-Strait relations. On the contrary, the U.S. believes that it must take steps to bolster Taipei's confidence to engage in negotiations with the mainland.

China should set aside its suspicions that the U.S. opposes and will seek to prevent the reunification of Taiwan and the mainland. For one thing, reunification is not on the agenda. Ma Ying-jeou has said that he will not engage in talks with Beijing about reunification while he is president. The more relevant question is how the U.S. will view and respond to the developments in cross-Strait relations that are under discussion, including the signing of a peace accord. The most important impact of eased cross-Strait tensions is the reduced chance of the outbreak of a war in the Taiwan Strait that would likely involve the United States. This is undeniably positive for U.S. interests. The establishment of a more sustainable status quo that can abide until the time is ripe for a permanent settlement of mainland-Taiwan differences is beneficial for the U.S., Taiwan, and China, as well as for the other nations in the Asia-Pacific region. And finally, if Taiwan can become a less contentious issue between Beijing

and Washington, this will also benefit U.S. interests by enhancing Sino-U.S. trust and increasing opportunities to cooperate on other issues.

I don't dismiss the possibility that some people in the U.S. may be nervous about closer mainland-Taiwan relations and that these concerns could influence U.S. policy in the future. To ensure that those fears do not guide U.S. policy, China should avoid seeking to extract unreasonable concessions from Taipei that would undercut support for Ma Ying-jeou and increase suspicion in the United States that Beijing seeks to reduce U.S. influence in the Asia-Pacific.

The March 22 Taiwan election presents an historic opportunity to transform the U.S.-China-Taiwan triangular relationship and create win-win-win dynamics, but realizing this opportunity will require wise and far-sighted leadership on all three sides. The U.S. expects China to move relatively quickly to put cross-Strait relations on a more constructive track by taking steps in the economic realm, followed by measures in the diplomatic and security spheres. In China, a bold strategic decision will have to be made by Hu Jintao, lest bureaucratic inertia, customary caution, and constant vigilance against U.S. intentions to curb China's rise prevent pro-active steps from being taken. This is an opportunity that should not be missed.

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