Taiwan & China: The Honeymoon That Never Got As Far as Finland

By Baohui Zhang

The strains that arose in Beijing’s relationship with Taipei in 2009 have been largely overcome, and Taiwan has avoided being sucked into China’s orbit as Finland was into Russia’s prior to World War II, argues Baohui Zhang, Director of the Centre for Asian Pacific Studies at Lingnan University, Hong Kong.

ON JUNE 29, 2010, CHINA and Taiwan signed a landmark trade agreement that represented a milestone in cross-strait relations. The Economic Co-operation Framework Agreement is an important part of President Ma Ying-jeou’s strategy to build a cooperative relationship with Beijing. However, this cannot hide the profound political differences between the two sides that grew up in the second half of 2009, when Beijing and Taipei saw their relationship severely strained over the future political agenda for cross-strait relations.

For a few tense months in 2009, in a series of conferences and discussions on both sides of the strait, academics and officials sparred over how far negotiations would go. In the end, Beijing seemed to understand it could push Taiwan only so far toward a process of unification that is deeply resisted by Taiwanese across the political spectrum.

FROM HONEymoon TO CONTENTION

Cross-strait relations in the first year of Ma’s administration could have been characterized as a honeymoon period. Ma’s new approaches toward Mainland China led to fundamental changes in relations. His government pursued an accommodation strategy with the aim of allaying Beijing’s concerns over Taiwan’s quest for independence.

Toward this end, he repeatedly assured Beijing that ‘Taipei accepts the one-China principle and is willing to cultivate bilateral economic, cultural, and people-to-people exchanges. His strategy also avoided any policies by Taiwan that might alienate the mainland.

After he assumed the presidency in May 2008, this new approach led to a rapid and profound reduction in tensions in the Taiwan Strait, and many aspects of bilateral cooperation reached new heights. In fact, it is safe to say in 2011 that the strait is no longer a flash point for military conflict that could potentially drag China and the United States into a war.

However, cross-strait relations began to experience significant strains in the second year of Ma’s administration. Two factors contributed to this shift. The first was Beijing’s new goals for the further development of cross-strait relations. More specifically, in the second half of 2009, Beijing initiated a vigorous campaign to engage Taiwan in political negotiations. The second factor was declining public satisfaction with the Ma government and a series of domestic political setbacks, which saw the president’s popularity drop to a low of 23.8 percent in July 2010 before recovering. About 45.4 percent of those polled in February 2011 said they trusted him, against 40.1 percent who said they didn’t trust him.

This analysis argues that although the issue of political negotiations caused some temporary setbacks, there are signs that today the relationship between Beijing and Taipei has rebounded after Beijing made pragmatic adjustments at the end of 2009. This damping of Beijing’s expectations will be conducive to maintaining bilateral cooperation in the coming years. Moreover, while Beijing has become more prudent in its political goals, Ma’s mainland strategy has stayed on course. His setbacks in Taiwan have largely been caused by domestic factors, not his mainland policies. Indeed, surveys suggest the public has maintained consistent support for them.

Nevertheless, the strained relationship between China and Taiwan in 2009 exposed the profound political differences over the future direction of cross-strait relations. While Beijing prefers closer political ties, Taipei wants to protect its political autonomy. This political tug-of-war between Beijing and Taipei casts doubt on the view that Taiwan has undergone a process of ‘Finlandization,’ a term arising from Finland’s decision not to challenge the far more powerful Soviet Union during the Cold War.

American observers and Ma’s political opposition at home argue that Taiwan has been “drifting into Beijing’s sphere of influence.” They believe that Ma’s various accommodating measures have effectively reduced Taiwan’s political autonomy. The reality is that Ma successfully foiled Beijing’s push for political negotiations that would have laid the foundation for unification. He has proved capable of drawing the line between improving cross-strait relations and maintaining political autonomy. The Finlandization perspective has underestimated Ma’s resolve and political skill in defending Taiwan’s core interests, while he simultaneously promotes dialogues with Beijing.

BEIJING’S 2009 GOALS

During the first year of the new cross-strait relationship, Beijing seemed rather content with de facto divided rule across the Taiwan Strait. Indeed, Chinese decision-makers appeared to be happy to see a fundamental reduction of tension and an expansion of dialogue and cooperation. The Chinese leadership broadly endorsed Ma’s strategy of focusing first on bilateral economic issues while delaying far more contentious political discussions.

However, in mid-2009, Beijing began to shift toward a more aggressive strategy that embodied new political goals. Some mainland experts on Taiwan began to suggest the need for a peace accord to govern future cross-strait relations. According to media reports, this new momentum was first reflected in a series of semi-official conferences in the summer of 2009.
At these gatherings, mainland experts elaborated on the necessity and urgency of a peace accord. In general, they argued that after a year of breakthrough developments, conditions were ripe for negotiations over political issues—which mainly referred to the signing of a peace accord to govern the future relationship. According to these experts, while the current stage of cross-strait relations pursued “peaceful development,” the next stage would inevitably focus on “peaceful unification.”

For example, Guo Zhenyuan, a research fellow at the China Institute of International Relations, suggested at a conference in Hangzhou that peaceful cross-strait relations were merely a transitional stage toward peaceful reunification. A peace accord could solidify and safeguard these peaceful relations. Without it, he argued, unresolved political issues could seriously constrain the further development of the relationship.

In November of that year, a major conference took place in Taipei involving high-level mainland officials and scholars such as Zheng Bijian, the former vice president of the CCP Central Party School, and Yu Keli, director of the Institute of Taiwan Studies of the Chinese Academy of Social Sciences (CASS). At the conference, mainland scholar Xie Yu, director of research at the Institute of Taiwan Studies, argued that a peace accord would embody the “one China” principle and, on that basis, lay the groundwork for resolving major issues between the two sides. Further, a peace accord would create conditions for eventual peaceful unification.

Beijing’s push for political negotiations and a peace accord represented an escalation of its cross-strait goals. It is important to understand Beijing’s motives. One was the concern that without the resolution of important political issues, which included Taiwan’s acceptance of the one-China principle, cross-strait relations could not move forward. Indeed, some Chinese experts used the term “bottleneck” to characterize the situation. While acknowledging the amazing progress made since 2008, they believed that moving relations to the next level would be difficult without the proper political framework to govern that relationship. A peace accord that confirmed the one-China principle offered such a political framework.

Another motive was Beijing’s concern about a possible future reversal of cross-strait relations. A peace accord, it was felt, could minimize those uncertainties. As noted by Li Jiaquan, a senior research fellow at the Institute of Taiwan Studies of CASS, a peace accord could “regulate the future and prevent unexpected negativities.”

Essentially, this indicated Beijing’s lingering fear that the Democratic Progressive Party (DPP) could return to power in future elections. Some mainland scholars believe that a legally binding peace accord could return to power in future elections. Some mainland scholars believe that a legally binding
peace accord would be a way to constrain the mainland policies of a future DPP government. Therefore, Beijing’s push for political negotiations could be seen as a defensive act to hedge against future uncertainties.

The third explanation for Beijing’s new agenda is that it was an unavoidable consequence of Ma’s mainland strategy, which sought to use accommodation to ease tensions with the mainland and thus improve Taiwan’s external security. However, accommodative measures such as Ma’s support for the one-China principle, his eagerness to extend governmental agency in charge of cross-strait relations from Taiwan’s domestic politics. Therefore, Beijing may have interpreted his eagerness to please the mainland as a sign of weakness. Therefore, Beijing may have believed that it could pressure Ma to participate in political negotiations.

TAWAIN’S RESPONSE TO BEIJING’S PUSH

Obviously, Beijing’s political agenda made Taiwan uneasy. At the conference in Taipei in November 2009, Chen Ming-tong, a former chairman of the China Times Negotiations), chuan, “Ma Slow on Unification,” 8

11 This survey conducted between Sept. 24 and 26, 2009, is available at www.moe.gov.tw.
13 See Cai Shin-yuan, there is no timetable for cross-strait political negotiations, China Times, Oct. 6, 2009.
15 This survey conducted between Sept. 24 and 26, 2009, is available at www.moe.gov.tw.
18 For Chen’s view, see “Qian lu wei cheng ji tong zaocheng ji du” (Prosperity for the City and Development of the District), China Times, Oct. 6, 2009.
20 For the achievement of a domestic consensus. This political reality inevitably constrains the Ma administration’s mainland policies. This is why Ma has repeatedly insisted that any progress in the area of political negotiations must come after the achievement of a domestic consensus.
Although the controversy over political negotiations in the summer and fall of 2009 put strains on cross-strait relations, the dispute also turned the relationship in a more pragmatic direction. Specifically, it helped to redefine Beijing’s expectations, and as a result, the mainland has backed away from its push for a peace accord.

That Ma is interested in maintaining the status quo, which means de facto Taiwan independence. Ma’s increasing domestic vulnerability has also constrained his mainland policy. The Dalai Lama’s visit is just one example of how a weakened Ma could strain cross-strait relations.

This essay, however, maintains that the strains of 2009 have not had a systematic, long-term impact on cross-strait relations. Although the controversy over political negotiations did some damage to cross-strait relations, it also created the conditions for a more stable relationship in the future. The political contest between Beijing and Taipei was helpful in scaling back the expectations of the former, and it helped clarify the political balance of power between the two sides. Beijing’s push for negotiations over a peace accord could have been indicative of its underestimation of Taipei’s political will, but Ma’s resolve and perseverance in resisting the push demonstrated to Beijing that it could not unilaterally determine the agenda for cross-strait relations.

This clarification of the political balance of power will allow cross-strait relations to continue on a more pragmatic course. Indeed, Beijing retracted its push for political negotiations. On Nov. 11, 2009, Yang Yi, the spokesperson of the Taiwan Affairs Office of the State Council, stated at a news briefing that any suggestions of a mainland timetable for a peace agreement were “purely speculations.” 13 Then in late November, Zhang Nianchi, director of the Shanghai Institute of East Asian Studies, published a high-profile article in monthly current affairs magazine Zhongguo pinglun in which he cautioned against a premature push for political negotiations. He specifically suggested that a period of “peaceful development” in cross-strait relations represents a long and unavoidable transitional stage toward peaceful unification. He advised that cross-strait relations must respect the reality and focus on non-controversial issues. He argued that political divisions could be resolved only after the two sides have established sufficient mutual trust. Taiwanese analyses suggest that Zhang’s article indicated a shift in Beijing’s position back to a more pragmatic direction.

This moderation in Beijing’s stance was best demonstrated by an event on Dec. 31, 2009, commemorating the first anniversary of Hu Jintao’s important speech on Taiwan. Jia Qinglin, chairman of the People’s Political Consultative Conference, mentioned the need for preliminary work before any negotiations over political and security issues, and he emphasized the importance of focusing on economic issues first and adopting a gradualist approach toward cross-strait relations. Wang Yi, director of the Taiwan Affairs Office, also argued that the most effective way to resolve complicated issues is to “build mutual confidence, set aside differences, and create a win-win situation.”

Therefore, although the controversy over political negotiations in the summer and fall of 2009 put strains on cross-strait relations, the dispute also turned the relationship in a more pragmatic direction. Specifically, it helped to redefine Beijing’s expectations, and as a result, the mainland has backed away from its push for a peace accord. This pragmatic turn by Beijing suggests that it is unlikely to rekindle the issue anytime soon. Second, the domestic weakening of the Ma government has not generated systematic constraints on his mainland policies. Most Taiwanese analyses have argued that Ma’s declining popular support was largely caused by domestic factors such as perceived incompetence, not by his mainland policies. Indeed, public opinion surveys indicate that the majority of the public still supports his engagement with the mainland. For example, after Chen Yunlin, chairman of the Association for Relations Across the Taiwan Strait (ARATS), paid his second visit to Taiwan in late December 2009, a survey found that 68 percent of the public believed institutionalized negotiations with the mainland were conducive to maintaining peaceful relations. Further, 65 percent approved of continued cross-strait dialogues and exchanges.

Due to the public’s continuing support for Ma’s mainland policy, his government has pledged to strike a balance between improving cross-strait relations and is unlikely to raise the issue again before Taiwan’s 2012 presidential election. Baohui Zhang is Director of the Centre for Asian Pacific Studies at Lingnan University, Hong Kong.