

# ASIA PACIFIC BULLETIN

**EVENT REPORT** 

### Prospects for Taiwan-PRC Peace Under New Leaders

November 15, 2007 Congressional Study Group on Asian Security

#### WITH:

- Ambassador Raymond
  Burghardt, Director of East West Seminars at the East West Center and current
  Chairman, American
  Institute in Taiwan (AIT)
- Dr. Richard C. Bush, Senior Fellow and Director of the Center for Northeast Asian Policy Studies at the Brookings Institution and former Chairman of AIT

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On November 15, 2007, the East-West Center held a Congressional Study Group on Asian Security entitled "Prospects for Taiwan-PRC Peace Under New Leaders." Ambassador Raymond Burghardt, Director of East-West Seminars at the East-West Center and current Chairman of the American Institute in Taiwan (AIT), and Dr. Richard C. Bush, Senior Fellow and Director of the Center for Northeast Asian Policy Studies at the Brookings Institution and former Chairman of AIT, addressed an audience of congressional staff and policy experts to discuss their expectations for cross-Strait and U.S.-Taiwan relations in the six months before a new Taiwan President is inaugurated. In particular, they considered what Taiwan-PRC relations would look like under a President Frank Hsieh or Ma Ying-jeou in Taipei and what the implications would be for U.S. policy in the region.

#### THE TAIWAN ELECTIONS: DOMESTIC IMPLICATIONS

- Political Proving Ground As Taiwan has weakened—diplomatically, militarily, and economically—over the past 7-8 years, the two upcoming elections on January 12 (legislative) and March 22 (presidential) present a valuable opportunity for renewed political coherence and national strengthening. Taiwan seems to have lost some of its political clout in the face of an increasingly powerful China, but the relatively pragmatic approaches of both presidential candidates open up some optimism for less tense and more constructive cross-Strait relations.
- Picking the Right Colors Much like the U.S.'s bipartisan color scheme of "reds" and "blues," Taiwan's elections will pit "blues," or those more inclined to accommodate China, against "greens," or those more skeptical of China. While popular political sentiment indicates that "blues" currently have the upper hand, how extreme shades of these colors mix will determine the degree of political polarization after the elections. Mobilizing a dark green base, as Chen Shui-bian has done in the past, may exacerbate political tensions, while a "move to the middle" that marshals the support of "light-colored" moderates would likely be more conducive to progress.
- Chen's Last Hurrah Chen Shui-bian's entire career has been a chronicle of beating odds and surprising skeptics. The startling assassination attempt on his life during the last election cycle—which some believe was staged—testified to the unpredictable nature of his road to leadership. Chen may wish to leave one final stamp on his



political tenure before relinquishing his post—his recent referendum proposal for UN membership, which infuriated the Chinese, may have been one such stab—but there is little telling what surprises such a "swan song" might further deliver.

## BILATERAL CONSIDERATIONS: THE TAIWAN ELECTIONS AND CROSS-STRAIT RELATIONS

- Optimism Moving Forward The presidential candidates from both main political parties (DPP and KMT) appear more interested in promoting cross-Strait relations than in pursuing potentially radical policies that could exacerbate them. A KMT victory would occasion a return to the '92 consensus ("one China, different interpretations") as a basis for subsequent political discussions, while a DPP win placing Frank Hsieh at the helm would be less favorable to Beijing but probably more hospitable to the mainland than the current Chen administration. Given the high probability of a closely balanced legislature, moreover, bending the constitution in favor of de jure independence may be extremely difficult, if not altogether impossible, for the new Taiwanese leadership.
- **Coloration in Moderation** Just as the KMT is trying to compete without being tarred as a deep blue "mainland party," so does the DPP platform seem to be sidestepping the dark green end of the political spectrum. While debate abounds as to how moderate DPP presidential candidate Frank Hsieh really is, his past reveals a temperament that is instinctively pragmatic with regard to the PRC. As mayor of Kaohsiung, for example, Hsieh took an unconventional step in attempting to foster relations with Xiamen to promote trade, an act that was quickly cast aside by President Chen. Hsieh's current leadership within the DPP—he is presently the party chair—seems to have tinted the party a lighter shade of green, though the ultimate "coloration" of the DPP caucus will depend on the outcomes of the legislative yuan elections on January 12.
- China's Hopes and Fears Hu Jintao's efforts to promote economic development in China lend themselves to conflict avoidance with Taiwan, and mainland Chinese desperately want Taiwan's newest leader to confirm their belief that the last two secession-minded Taiwanese presidents, Lee Teng-

hui and Chen Shui-bian, were historical aberrations. Current Chinese leadership has recently suspended negotiations with Taiwan on increasing cross-Strait flights and promoting Taiwan tourism to avoid giving any success to Chen in his last months in office. China's greatest fear with regard to Taiwan is a political administration that shuts the door on its long-standing goal of eventual reunification.

## FRAGILE TRIANGLE: ROC LEADERSHIP AND SINO-U.S.-TAIWAN RELATIONS

- ♦ Washington's Security Interests The U.S. has always had an interest in maintaining peaceful cross-Strait relations, and managing the upcoming political transition in Taiwan is a high-stakes game in Washington. The Bush administration's primary grievance with Chen Shui-bian has been his refusal to comprehend fully the ramifications of Taiwan actions for U.S. interests. The U.S. security commitment under the Taiwan Relations Act will be no less important if cross-Strait security relations improve following the 2008 elections.
- ◆ Calibrating the Triangle China itself has called for negotiations "on an equal basis" with Taiwan, and policymakers in Washington should tactfully remind Beijing to honor its stated commitment. Sino-U.S. relations will be sensitive so long as Beijing continues its pursuit of a more robust defense sector. By that same token, as U.S.-China bilateral activity expands across all fronts, Taiwan will feel pressure from both ends of the triangle. Ensuring that such dynamics do not tip the delicate trilateral balance will be critical for all parties moving forward.

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