The First 100 Days: Crossing the River While Feeling the Stones

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As Tsai Ing-wen strives to jumpstart her priority domestic programs, she is finding that governance is hard. Not only are the economic and social challenges she faces inherently daunting, so is keeping her own troops in line, not to mention coping with the opposition, once again demonstrating the truth of Mario Cuomo’s dictum about campaigning in poetry but governing in prose. This reality forms an important part of the background explaining why cross-Strait relations appear to be marking time. Still, with much chatter about “channels of communication,” one senses that the two sides are in fact “feeling the stones as they seek to cross the river” to arrive at a stable and peaceful modus vivendi. So far, however, it is hard to discern any signs of a breakthrough.

Maintaining Control

Whether an act of nature such as the flooding that crippled Taiwan’s main airport, a decision by an arbitral tribunal 6,000 miles away that challenged the scope of national territory in the South China Sea and aroused nationalist passions, or workers’ issues that sharply divided business and labor, Taiwan’s new president, Tsai Ing-wen, has found after only three months in office that governance is hard. It isn’t as if she didn’t already know that. After all, Tsai had been in senior positions under two past presidents, and served as the leader for some time of her often fractious political party. But as any national leader will attest, it’s different when the responsibilities of running a government are squarely on your shoulders and you are “the decider.”

All of that said, it was evident that Tsai was looking forward to that role and the opportunity to shape policies to meet the priorities she had identified as best serving Taiwan’s interests.

Given the ill repute in which Taiwan’s judicial system has long been held in many quarters, instituting judicial reform was one such priority. But even there Tsai almost immediately ran into a buzz saw, having to hastily withdraw two key judicial nominees and then, after announcing she would head a new judicial reform committee, facing criticism from some judges for allegedly impinging on judicial independence and acting in a “hot-headed and naïve” way.¹

Under the cumulative weight of these challenges, Tsai’s satisfaction and trust ratings fell noticeably during her first three months in office.² This was not entirely surprising. Enthusiasm for virtually any new leader is bound to ebb as reality kicks in and different
interests assert themselves. In Tsai’s case, however, at least some observers believe this natural political tendency has been compounded by what they see as her penchant for excessive micromanagement of the Executive Yuan (EY, the prime minister’s office) and her mishandling of relations with the DPP caucus in the Legislative Yuan (LY).³

Business criticism has been particularly harsh, especially regarding labor issues,⁴ complicating Tsai’s relations with a constituency critical to success in achieving her number one goal, reinvigorating the economy.

This observer is not in a position to render a judgment about these matters. But one might recall that controlling policy and facilitating communication between different “branches” of the DPP were important factors in Tsai’s decision to retain her party chairmanship after becoming president.⁵ And one might see justification for that decision when recalling the pressure Premier Lin Chuan immediately received from the DPP’s LY caucus to withdraw his proposal for coping with an impending electricity shortage by restarting a repaired nuclear reactor.⁶ On that occasion among others, Tsai employed her dual position to try to foster better coordination.⁷

Whether the problems lie with the policy, a lack of executive-legislative communication, or Tsai’s governance style, the president is aware that her administration will need to turn things around.⁸ She told DPP members that, no matter if problems encountered since May have been due to long-term structural factors or unanticipated emergencies, the people care only about how the DPP government responds. She urged all DPP politicians to recall the ideals that motivated them to enter politics in the first place, and to work to overcome challenges in order to meet public expectations.⁹

Implications for Cross-Strait Relations

Limiting Tsai’s Freedom of Action

However one wants to apportion responsibility for the handling of these issues and the public’s negative reaction, the reality is that Tsai’s reserve of trust is now notably reduced compared with May, not only limiting her ability to persuade people to be patient as she strives to implement her domestic program but also constraining her ability to gain backing for any further accommodation toward Beijing.

In our last essay, we noted Tsai’s inclusion of an intriguing passage in her inaugural address regarding setting aside “the baggage of history,” and suggested it might point toward a way of dealing with the “one China” issue.¹⁰ A particular focus of attention in this regard has been possible replacement of the 1991 “Taiwan independence plank” in the party charter and two later DPP resolutions (the 1999 Kaohsiung resolution on Taiwan’s future and the 2007 “normal country” resolution) with a new charter provision embracing Tsai’s focus on maintaining the status quo. As in 2014, a proposal along those lines was submitted to the DPP’s July national congress.

But even if Tsai were tempted by that approach, given its controversial nature, her ability to move in that direction would be conditioned not only by her will to do so (which many
question) but also by her reserve of political capital. And as we have seen, at least for now the controversies with which she has had to cope have taken a significant toll on that reserve.

When the proposal was introduced, as she did in 2014, Tsai referred it to the Central Executive Committee (CEC) which, in turn referred it to the party’s China Affairs Department and Policy Committee,\(^1\) where it now sits.

The significance of this handling is unclear. Some people see it as a way of avoiding any serious consideration. Others, however, have suggested it is a way for Tsai to preserve her options for reconsideration at a more propitious time.\(^2\)

**A PRC Deadline?**

Given Tsai’s current political difficulties, it is not unreasonable to assume that the PRC will forego rushing to take further steps beyond the current cutoff in official communication. Although the “one China” requirement for restoration of the suspended ties and avoidance of further punitive steps has not changed, it is hard to see what Beijing might think it could gain from greater pressure at this point.

In a late-July *Washington Post* interview Tsai was asked about what some saw as an impending deadline to accept the “1992 Consensus.” She responded that it was unlikely Xi Jinping would establish a deadline for the Taiwan government to do something that went against the democratic will of the people and that therefore had only a small chance of success.\(^3\)

This response received substantial press attention both in Taiwan and on the Mainland, with many interpreting it as a definitive rejection of the “1992 Consensus.” However, Tsai’s answer was not framed that way, and in any case a well-informed senior Mainland academic commented that he had “never heard any talk of a deadline.”\(^4\)

A low-key approach to Tsai was also evident in Beijing’s reaction to her having signed a guest book at the Panama Canal in late June as “President of Taiwan (ROC).” Although in his speech several days later on the 95th anniversary of the Communist Party Xi Jinping again expressed his resolute determination to uphold the “1992 Consensus” and oppose “Taiwan independence,”\(^5\) he did not directly address the signing issue. Nor, when asked about it, did the TAO spokesman.\(^6\)

**The “One China” Requirement Applies across the Board: The Case of ICAO**

Still, as noted, accepting “one China” has remained the essential first step to addressing any cross-Strait issues. Hence, it has not been possible to arrange the cross-Strait consultations regarding Taiwan’s participation in the September 27–October 7, 2016, ICAO triennial assembly meeting in Montreal\(^7\) that the Mainland insists upon as a precondition for considering Taiwan’s application.

The irony of this is that, contrary to the DPP’s previous position, the Tsai administration wants to consult with Beijing on ICAO. In its press release, the Mainland Affairs Council
Romberg, China Leadership Monitor, no. 51

cited the importance of cross-Strait consultation and expressed hope that Taiwan could participate in the ICAO Assembly “based on mutual goodwill from both sides of the Strait.”

The Civil Aviation Administration (CAA), which will represent Taiwan in Montreal if Taipei’s application is approved, also issued a press release that explained in an accommodating mode that the CAA had applied to ICAO to participate “under an appropriate name” (以適當名義) and was willing to “abide by the related regulations of ICAO” (遵循ICAO相關規章). The CAA also called for cross-Strait talks because “this is a matter that can be resolved through consultation” (這事要通過協商解決).

Still, the idea of consulting with Beijing on Taiwan’s ICAO application has been controversial. Many in the DPP are opposed, and a former DPP vice foreign minister, though agreeing that cross-Strait consultations were necessary, nonetheless argued that allowing MAC to play the lead role rather than the foreign ministry risked turning an international question into a cross-Strait matter, a position he characterized as “too weak and self-belittling” (太軟弱, 也是自我矮化).

Taiwan officials responded to these criticisms by explaining that they were seeking consultations with the Mainland in this case not just because Beijing could wield an effective veto as a major ICAO member, but because China currently plays a leading institutional role in ICAO since the Secretary-General is a Chinese national. However, the officials also said that consulting with the Mainland and forging a cross-Strait consensus “will not become the general rule” (不會成為通案做法) in other cases where Taiwan seeks to increase its international role.

Finishing the Test Paper

As we noted in our last essay, the Mainland responded to Tsai’s inauguration speech by giving her an “incomplete” test grade, following up with a series of statements about the unchanging need to openly accept the “one China” principle.

Accordingly, when Taiwan sought in late June to discuss with Beijing the extradition from various countries to the Mainland of a large number of Taiwan telecommunications fraud suspects, TAO spokesmen said such consultations were not possible as long as Taipei refused to recognize the “1992 Consensus.” Indeed, it was in the context of discussing the extradition issue in June that the TAO officially confirmed for the first time that SEF-ARATS and TAO-MAC links had been suspended.

The most recent high-level statement on the question of cross-Strait consultations was made by TAO head Zhang Zhijun to a Taiwan business delegation visiting the Mainland in mid-August. On the one hand, Zhang reassured the delegation that Beijing would not unilaterally suspend the 23 cross-Strait agreements already signed, including the Services Trade Agreement currently languishing unratified in the LY. Further, he affirmed that the Mainland remained willing to share the fruits of PRC development with the people of Taiwan.
On the other hand, he said that further consultations or negotiations under the 2010 Economic Cooperation Framework Agreement (ECFA) could not proceed without accepting the “foundation” provided by the “1992 Consensus.” Otherwise, Zhang said, China was uncertain whether it was negotiating with “a foreign country.” Asked whether, in light of President Tsai’s refusal to endorse the “1992 Consensus,” there were any other paths to resuming official cross-Strait communication, Zhang said there were not; without recognition of the “1992 Consensus” and its core “one China” connotation, there was no way to resume official exchanges.

Moreover, the head of ARATS suggested that without affirmation of the “one China” political foundation routine high-level visits by SEF and ARATS officials to the other side would end this year, even visits to farmers or local economic enterprises unrelated to official meetings.

The Mainland has also begun to “adjust” its participation in municipal fora. For example, after much dickering it was finally agreed to hold the annual Taipei-Shanghai Forum in Taipei in late August. The agenda centered around the theme “vibrant cities” and included health care, youth exchanges, “smart cities,” culture, and transportation.

But although this municipal exchange has been led by the two mayors since its creation in 2010, the senior Shanghai representative this time was neither the mayor nor any of his eight deputies. Rather, it was the head of the Shanghai Communist Party Committee United Front department. Although as a member of the Standing Committee of the Shanghai Municipal CPC Committee he was reasonably senior, many people viewed him as of considerably lower rank than the Taipei mayor. Moreover, observers felt that the very nature of his united front post signaled an important shift in the character of the event, diminishing its city-to-city importance and elevating its status as a venue for united front work.

Nonetheless, in their desire to see any level of “official” cross-Strait engagement go forward, both the DPP and president’s office welcomed this arrangement on the grounds that more exchanges would help enhance mutual understanding.

To bring about the forum, Taipei Mayor Ko Wen-je repeated his 2015 statement expressing his “understanding and respect” for the PRC’s adherence to the “1992 Consensus,” his view that the two sides were “one family,” and his willingness to cooperate on the basis of the “existing political foundation” (既有政治基础). Ko claimed that he persuaded the PRC to proceed with the forum this year by explaining that political transitions are the norm in Taiwan, so there was no need to change cross-Strait exchanges because of them. “They thought that it made sense,” Ko said, “and agreed to carry on with the forum.”

Ko also claimed that the connotation of united front work is different on the Mainland, where it is considered “fairly normal,” whereas in Taiwan it is “stigmatized.” Moreover, he said that Shanghai officials had told him that, in the absence of their mayor, who was in the United States, the reason they didn’t pick a deputy mayor to lead the
delegation was because sending a “higher-ranking official” showed their “respect” for Taipei.\footnote{34}

For his part, the TAO spokesman gave a somewhat different explanation. He restated yet again that only by adhering to the “1992 Consensus” with its political foundation of the “one China” principle can cross-Strait relations and peaceful development be upheld. “As long as there is a proper understanding of the nature of cross-Strait relations and cross-Strait municipal exchanges, we will hold a positive and open-minded attitude toward cross-Strait municipal exchanges.” (只要对两岸关系及两岸城市交流的性质有正确认知, 我们对两岸城市交流持积极, 开放的态度)\footnote{35}

Consistent with this, the Shanghai visitor told the Taiwan press that other counties and municipalities, including those where the DPP was in power, could also have exchanges as long as there was a clear understanding and consensus on a fixed political foundation.\footnote{36}

While Ko (who is not a DPP member) evidently met that standard, Kaohsiung’s DPP Mayor Chen Chu apparently did not. Although Chen has previously had several exchanges with the Mainland, as of late August none of the five Mainland harbor cities (Shanghai, Shenzhen, Tianjin, Fuzhou, and Xiamen) had yet responded to invitations she issued over a month earlier to attend the Global Harbor Cities Forum in Kaohsiung in early September.\footnote{37} This seems to affirm not only Beijing’s insistence on a clear “one China” understanding but also, as Sun Yafu recently indicated, “separate” handling for DPP-run cities.\footnote{38}

Channels?

Some people speculate that despite the apparent stalemate there may actually be some movement beneath the surface. Conjecture about a secret channel has existed for some time, from well before the January 16 election, and despite Beijing’s denials Tsai Ing-wen keeps referring cryptically to “diverse” communication channels. In her July interview with the Washington Post, for example, Tsai made several comments on the subject.\footnote{39}

Asked about channels, Tsai said “we have always had diverse channels of communication across the Strait” (雙方的交流其實非常多元而且頻繁), including not just official ones but also people-to-people contacts. Pressed on whether, as president, she is in touch with her Mainland counterparts, Tsai responded that “many government agencies have mechanisms for a certain level of communication and mutual exchange of ideas with their Mainland counterparts” (很多政府機關跟他們在中國大陸的對口, 也都有一定程度相互通訊息與交換意見的機制). Switching to English she said, “I’m saying different levels of government have different ways of communicating with their counterparts in China.”\footnote{40} But then she closed off the subject: “At this stage I cannot go into too much detail” (我不能在這個階段進入太多細節).

Asked whether she felt she was succeeding in closing the gap of cross-Strait misunderstanding, Tsai said “At this point we are very careful in managing relations with
Mainland China. In addition to not adopting a provocative attitude and guarding against unforeseen things happening, we also hope that through exchange of information we can build up mutual trust” (這段時間以來，我們都非常謹慎處理與中國大陸的關係，我們除了不採取挑釁的態度，防止意外的發生之外，也希望透過資訊的交流能夠建立起雙方的互信)。Left hanging was the question of what means were employed for such an exchange of information.

That same day a TAO spokesman rejected Tsai’s remarks: “Only by affirming the political foundation that embodies the one China principle can systematized cross-Strait interaction continue.”

Soon thereafter an authoritative PRC official dealing with Taiwan also refuted the idea that there are private channels of communication, reiterating the “one China” requirement for holding consultations.

Nonetheless, Tsai stirred the pot yet again when meeting with reporters in late August. She said, “While the official mechanism of communication has not been restored, unofficial communication channels with the Mainland remain available.”

When some people suggested moving to Track II dialogue, Premier Lin Chuan said he would not rule that out presuming there were dignity and reciprocity. However, Track II was quickly rejected by the Mainland if such dialogue were sponsored by the government.

**Beijing’s Conundrum: Pressuring Tsai While Winning Hearts and Minds**

As we have discussed before, the Mainland seems to think that if it pressures Tsai at the same time it continues to offer opportunities to the private sector, especially courting young people, it can effect a change in Taiwan’s political climate and lead Tsai to alter her policy.

We may already be witnessing a relatively focused example of such pressure in the form of a declining number of Mainland tourists traveling to Taiwan. (While individual Mainland tourists between Tsai’s inauguration in late May and mid-August actually increased by almost 5 percent, those traveling in groups declined by close to 40 percent, bringing the overall total down by 20 percent.)

Despite efforts at diversification, Taipei obviously attaches great importance to cross-Strait economic ties (including tourism) for Taiwan’s well-being. Of political relevance, so does the business community. Therefore, while the Tsai administration has rolled out an extensive new program of activities to be pursued with South and Southeast Asia under the “New Southbound Policy,” they have been careful to characterize that policy as a supplement to cross-Strait relations, not a replacement. Moreover, when issuing new guidelines on that policy, the president’s office went so far as to suggest there could be cross-Strait discussions on dealing with the region since Taiwan and the Mainland could bring different advantages to the table when forming economic partnerships with the related countries.
That being said, doubts exist on both sides. In her *Washington Post* interview, Tsai raised questions about whether the Taiwan and Mainland economies will continue to be complementary, or whether they were increasingly becoming competitors. Implicit in her comment was a question about whether the Mainland would remain an attractive export market and destination for Taiwan investment. And on the Mainland side, TAO head Zhang Zhijun expressed suspicions that the New Southbound Policy reflected political considerations rather than economic ones.\(^{51}\)

*Waiting for Clarity*

All of this uncertainty reflects the fact that formal cross-Strait relations may be stalemated, but paradoxically, beneath the surface they may be in a state of intense flux. Some people have suggested that Tsai’s October 10 National Day speech will bring some clarity to the situation. Perhaps. But perhaps equally likely we may need to wait somewhat longer than that to have a clearer picture of where things are heading.

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**Notes**


2. In one poll, trust in Tsai dropped from 59.3 percent to 49.2 percent since inauguration, while satisfaction with her, which had held steady at 50–56 percent, dropped to 45.5 percent during the first half of August. Her mistrust and dissatisfaction ratings deteriorated even more, rising from 20 percent to 32.5 percent and 16.3 percent to 39.8 percent, respectively. (“Survey of trends in Taiwan public opinion, assessment of the first quarter of the new government” (台灣民心動態調查、新政府首季總評), Taiwan Indicators Survey Research (TISR), August 15, 2016, [http://www.tisr.com.tw/wp-content/uploads/2016/08/TISR_TMBS_201608_1.pdf](http://www.tisr.com.tw/wp-content/uploads/2016/08/TISR_TMBS_201608_1.pdf).) Another poll produced higher ratings, but one DPP legislator said Tsai’s numbers still showed the government has been too slow to carry out its pledges and needs to step up the pace and scope of reforms. (Wendy Lee, “First 100 days—More than half approve President Tsai: poll,” *Taiwan News Online*, August 22, 2016, [http://www.taiwannews.com.tw/etn/news_content.php?id=2969377](http://www.taiwannews.com.tw/etn/news_content.php?id=2969377).)


16 “Foreign Ministry Spokesman Hong Lei’s Press Conference,” Ministry of Foreign Affairs, June 28, 2016, http://www.fmprc.gov.cn/eng/xwfw_665399/s2510_665401/t1375902.shtml. (Chinese language transcript is at http://www.fmprc.gov.cn/web/fybt_673021/t1375871.shtml). Not all reactions were so reserved. One prominent academic wrote an op-ed piece arguing that Mainland public opinion toward Taiwan had changed drastically in recent years. Citing what he called “pro-independence rampancy” on Taiwan, he said a recent poll suggested that 85 percent of respondents favored recovering Taiwan by force, ideally within five years. (Jin Canrong, “Approach of reunification hinges on island’s attitude,” Global Times, June 28, 2016, http://www.globaltimes.cn/content/991197.shtml.) Moreover, another senior Taiwan expert opined that Tsai’s calling herself the “President of Taiwan (ROC)“ utterly exposed her independence mindset” and her pursuit of de jure independence. (“Zhou Zhihuai: Tsai Ing-wen could not hide her ‘Taiwan independence’ design during her first
‘state visit,’” (周志怀：蔡英文“出访”首秀，“台独”心机遮不住), Global Times (Chinese), July 6, 2016, http://opinion.huanqiu.com/1152/2016-07/9128173.html.)


20 Romberg, “Tsai Ing-wen Takes Office,” p. 6. (See endnote 10.)

21 “Mainland spokesman says cross-Strait communication mechanisms in suspension,” Xinhua, June 25, 2016, http://news.xinhuanet.com/english/2016-06/26/c_135466191.htm. As ARATS head Chen Deming later confirmed, while the Mainland does not fax or phone SEF, it does receive and read SEF’s faxes. (“ARATS speaking of Taiwan-Mainland communication mechanisms, Chen Deming: The fax machine is on” [海協會談台, 中溝通機制 陳德銘: 傳真機開著], Liberty Times, August 1, 2016, http://news.ltn.com.tw/news/politics/breakingnews/1781626.) Hence, when a tragic bus accident in Taiwan killed two dozen PRC tourists in July, it was possible to notify the Mainland and work out the necessary arrangements. On the other hand, the TAO stressed that this did not mean cross-Strait consultations had resumed. (“TAO: Cross-Strait consultations not resumed despite contacts over bus tragedy,” KMT News Network (from Taipei papers), July 21, 2016, http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=18023.)


Lin Jen-fang, “On holding the twin cities forum, President’s Office: the two sides of the Strait having more exchanges is a good thing” (雙城論壇將登場 總統府: 兩岸多交流是好事), NOWnews, August 16, 2016, http://www.nownews.com/n/2016/08/12/2155272.


Except where otherwise indicated, English quotes are from Lally Weymouth, “Taiwanese President Tsai Ing-wen: Beijing must respect our democratic will,” Washington Post, July 21, 2016, https://www.washingtonpost.com/opinions/2016/07/21/44b0a1a4-4e25-11e6-a422-83ab49ed5e6a_story.html?utm_term=.32d61064d11e, and the Chinese quotes are from “The President accepts an interview with the American Washington Post” (see endnote 13).

In English in the presidential office transcript.


Lee Hsin-ru, “Mainland refutes Tsai Ing-wen’s remark that there are channels of communication between the two sides of the Strait” (國台辦發言人就蔡英文先生的“兩岸有溝通管道”說法回應), China Times, August 2, 2016, http://www.chinatimes.com/newspapers/20160802000789-260301.
Zhao Bo, “TAO: The people of the two sides support combating telecom fraud, the Taiwan side must make efforts to restore cross-Strait communication mechanisms” (國台辦：两岸民众支持依法打击电信诈骗 台方应为恢复两岸联系沟通机制作出切实努力), Xinhuanet, August 8, 2016, http://www.gwytb.gov.cn/wyly/201608/t20160808_11531895.htm.

“Taiwan President says unofficial communication channels remain with China,” Reuters, August 20, 2016, http://www.reuters.com/article/us-taiwan-china-idUSKCN10V0AP?il=0. This statement was apparently in response to a question. In her prepared remarks, Tsai reemphasized the importance of maintaining the status quo and reiterated her goal of creating a consistent, predictable, and sustainable cross-Strait relationship on the basis of the existing constitutional system. (“President chats with the media over tea on the occasion of celebrating Journalists’ Day with reporters,” (慶祝記者節總統與媒體茶敘), Office of the President, Republic of China (Taiwan), August 20, 2016, http://www.president.gov.tw/Default.aspx?tabid=131&itemid=37889&rmid=514.)


Hsieh Chia-chen and Y.F. Low, “Guidelines for ‘New Southbound Policy’ adopted,” (see endnote 49)