Tsai Ing-wen Takes Office: A New Era in Cross-Strait Relations

Alan D. Romberg

In her May 20 inaugural address Tsai Ing-wen laid out in stark terms the daunting economic and social challenges that Taiwan faces in the months and years ahead, as well as her determination to meet those challenges. Addressing cross-Strait relations, which will have a significant effect on her ability to realize domestic goals, Tsai took further steps, in her speech and through actions, to try to allay Mainland concerns about any “Taiwan independence” aspirations. But she still refrained from openly embracing the “1992 Consensus” or any other form of “one China,” and from disowning “Taiwan independence.” In response, Beijing gave her partial credit for her “incomplete test answer” but suspended some links and made clear that it is looking for a more definitive commitment to “one China” before existing institutional relationships can continue unhindered.

Balancing Principle and Pragmatism

As noted before, while Tsai Ing-wen has been seeking to allay PRC concerns about her intentions regarding “Taiwan independence,” she has also been quite open in saying that, for a democracy, “there is a need to balance both (Beijing’s attitude and Taiwan’s public will).”

Following the evolution in what Tsai has said (and refrained from saying) over the past year, culminating her January interview with Liberty Times, the question for Beijing and everyone else was whether her inaugural address would take her rhetoric further toward acceptance of the “1992 Consensus” and its “core connotation” that Taiwan and the Mainland belong to one and the same China.

In late February, Foreign Minister (and former Taiwan Affairs Office [TAO] head) Wang Yi made remarks in Washington that seemed to many people to offer Tsai a feasible way to move to “one China.” In response to a question, Wang followed standard talking points in saying that what Beijing cares about is not who holds power in Taiwan but how that person handles cross-Strait relations, including whether that person will commit to the common political foundation of those relations.

Wang did not refer to the “1992 Consensus” but focused on the fact that Taiwan’s “own constitution” (他們自己憲法) under which Tsai was elected provides that Taiwan and the Mainland belong to one and the same China. Wang said he expected that Tsai would, “in her own way” (以她自己的方式—not translated to the audience) accept that constitutional provision.
Wang’s remarks were seized on by Taiwan media to suggest that Beijing had “softened” its terms, both moving away from the 1992 Consensus as well as perhaps accepting the legitimacy of the ROC constitution. Neither, in fact, was true, although Wang’s formulation laid out a path Tsai could follow that would arguably not have her yielding to Beijing but rather basing her embrace of “one China” on “domestic” Taiwan considerations.

However, in light of the media frenzy in Taiwan, Beijing quickly “corrected” any misimpression that might have been created, observing that Wang’s “core message” was that both sides belong to one China. Reference to “their own constitution” was also noted as being of relevance within Taiwan, but not in cross-Strait relations.

Moreover, several days later Xi Jinping spoke to a Shanghai delegation attending the National People’s Congress (NPC). Although he essentially repeated points about the “1992 Consensus” that had been made many times before, in the context of perceived ambiguity following Wang’s statement, Xi clearly felt he needed to set out Beijing’s position in an unambiguous and authoritative way.

Pledging to “safeguard the country’s sovereignty and territorial integrity, and never allow the historical tragedy of national secession to happen again” (维护国家主权和领土完整, 绝不让国家分裂的历史悲剧重演), Xi observed that the “1992 Consensus” “clearly defines the nature of cross-Strait ties” (明确界定了两岸关系的性质) and asserted, “we will adhere to the ‘1992 Consensus’ political foundation” (我们将坚持“九二共识”政治基础). “Only by accepting the historical fact of the ‘1992 Consensus’ and recognizing its core implications can the two sides have a common political foundation and maintain good interactions” (承认“九二共识”的历史事实，认同其核心意涵，两岸双方就有了共同政治基础，就可以保持良性互动).

Xi reiterated his intention to “continue to advance the peaceful development of cross-Strait relations” (继续推进两岸关系和平发展), and some observers argued that this plus his statement that the Mainland “does not mind” internal party rotations in Taiwan showed Xi’s “flexible side.” At the same time, however, Xinhua reporting of Xi’s remarks included comments from various NPC deputies to the effect that the speech constituted a “stern warning” to Taiwan independence activists as well as a signal that the ultimate goal of the peaceful development of cross-Strait ties is to achieve peaceful reunification.

In comments highlighting Xi’s “important speech on Taiwan,” TAO Director Zhang Zhijun reiterated the PRC stance that failure to recognize the historical fact of the “1992 Consensus” and its core meaning would constitute a change in the status quo of peaceful development of relations. Others went further, directly suggesting that all official and semi-official exchanges such as SEF-ARATS talks as well as MAC-TAO links would be suspended.

PRC Premier Li Keqiang said that preferential policies for Taiwan businessmen operating on the Mainland would be maintained (and Mainland officials sought to enlist people in
that community as advocates for maintaining the “1992 Consensus”\(^{10}\), but somewhat
contradictorily he also stressed that Beijing would only push for greater trade with
Taiwan when the island’s new government recognized the “one China” principle.\(^{11}\)

In this same vein, ARATS Vice Chairman Sun Yafu indicated that, whatever happened,
“people-to-people” exchanges would continue to be encouraged. However, if Tsai did not
accept “one China” there would be no further progress on institutionalized arrangements
of cross-Strait economic cooperation. Thus, follow-on consultations on a commodities
trade agreement and even the continued functioning of the dispute-resolution mechanism
under ECFA would cease.\(^{12}\) Cross-Strait economic cooperation regarding Taiwan’s
participation in regional economic integration talks would inevitably also be affected.\(^{13}\)

Meanwhile, at a political level, senior Chinese officials made clear that the Mainland
would have no direct contact with the DPP unless the party changed the 1991 Taiwan
independence clause in the party charter.\(^{14}\)

Another important theme emerged in PRC commentary regarding possible “covert
independence” (暗独) via cultural and educational “desinicization.”\(^{15}\) This concern was
not new. However, while Mainland analysts believed Tsai was unlikely to move to a
formal declaration of independence, they continued to worry that her repeated assurances
regarding “consistent, predictable and sustainable” cross-Strait relations\(^{16}\) would be
undermined by a more insidious approach to separatism.

In any event, with May 20 fast approaching, the Mainland unloosed a further barrage of
warnings regarding the dire consequences if Tsai did not openly embrace the “1992
Consensus.” Among the most authoritative, a People’s Daily “Commentator” article said
that the cross-Strait status quo would be destroyed, leading to a collapse of mutual trust
and of systematized cross-Strait consultation mechanisms.\(^{17}\)

Moreover, although in the end, after much drama, Taiwan did send an observer to this
year’s annual World Health Assembly meeting, warnings were issued that without
recognition of the “1992 Consensus” Taiwan would be unable to continue to participate
in international organizations in the future.\(^{18}\)

**Tsai’s Inauguration Speech**

In her May 20 inaugural address,\(^{19}\) Tsai took a number of new steps to try to convince
Beijing (and others) that she would not pursue a major shift in Taiwan’s cross-Strait
policy but would, as she had long promised, seek to maintain the status quo of peace and
stability.

Tsai placed cross-Strait relations in a regional context, saying they had become an
“integral part” (重要一環) of building regional peace and collective security. Pledging to
be a “staunch guardian of peace” (和平的堅定維護者) and a “proactive communicator for
peace” (和平的積極溝通者), she spoke of establishing mechanisms for routine and
intensive communications to prevent misjudgment, establish mutual trust, and effectively
resolve disputes.
In a section on cross-Strait relations, she then sought to balance the considerations laid out by Beijing with essential democratic principles and the will of the people of Taiwan.

**Constitutional responsibility to safeguard ROC sovereignty and territory—including in the East and South China Seas**

Virtually echoing some of the constitutional language Wang Yi had used in Washington as well as Xi’s March 5 sovereignty theme, Tsai noted that she was elected under the ROC constitution and “thus” it is her responsibility to safeguard the sovereignty and territory of the ROC. Significantly, in the same sentence she proposed setting aside disputes in the East and South China Seas so as to enable joint development.

This handling of issues relating to maritime space was an obvious message of reassurance to Beijing. By addressing those questions in the context of safeguarding sovereignty and territory Tsai conveyed the message that she would not, as Beijing feared, abandon existing claims as a step toward establishing separate status.\(^{20}\)

**1992 results to be respected**

As expected, Tsai did not embrace the “1992 Consensus” or any other form of “one China.”\(^ {21}\) But she reiterated that the two institutions “representing each side across the Strait” (兩岸兩會, i.e., representing authorities, not just political parties as the DPP frequently asserted in the past) “arrived at various joint acknowledgements and understandings…in a spirit of mutual understanding and a political attitude of seeking common ground while setting aside differences.” As she had in her January 21 *Liberty Times* interview, Tsai said that she respected that “historical fact.”

Once again she referred to the “accumulated outcomes” of over 20 years of interactions and negotiations. Essentially repeating points made with *Liberty Times*, she called for continued forward movement on peace, stability, and the development of cross-Strait relations on the basis of those outcomes and “existing realities and political foundations.”

Regarding trade diversification through adoption of a “New Southbound Policy” designed in large part to end overreliance the Mainland market, Tsai had already sought to preempt controversy. “Everyone can be assured that I stand by my campaign pledge to maintain the status quo across the Taiwan Strait, because this is a precondition for Taiwan to conduct negotiations on free trade agreements with other countries.”\(^ {22}\) In succeeding weeks, she also sought to reassure a nervous Mainland-invested business community that the new policy did not conflict or compete with cross-Strait trade but, rather, complemented it.\(^ {23}\) The MAC even argued that it intended to expand Taiwan’s Mainland market, not replace it.\(^ {24}\)

All of this justification for a high-priority effort to reorder economic relations was clearly designed to provide reassurance that, despite greater attention to trade diversification, Tsai would continue to adhere to current cross-Strait arrangements and that her administration would not depart from the assumptions and foundations—the “existing realities”—on which those arrangements had been based.
Acting within the law

While again avoiding the “one China” political third rail, Tsai cited the legal basis of her approach to cross-Strait relations, saying she would conduct cross-Strait affairs in accordance with the ROC Constitution, the Act Governing Relations between the People of the Taiwan Area and the Mainland Area (兩岸人民關係條例), and other pertinent legislation.

It is relevant to note that the preamble to the 2000 constitutional amendment package says the amendments were “[to] meet the requisites of the nation prior to national unification” and that Article 11 mandates that “[rights] and obligations between the people of the Chinese mainland area and those of the free area…may be specified by law.”25 The Act Governing Relations implements that provision and follows the same approach. It applies to the situation “before national unification,” and the “Mainland area” is defined as “the territory of the Republic of China outside the Taiwan Area.”26 All of this is consistent with a “one China” approach.

Dispensing with historical baggage

Two other points in Tsai’s inaugural speech merit particular attention. First, she said: “The two governing parties across the Strait must set aside the baggage of history and engage in positive dialogue for the benefit of the people on both sides” (兩岸的兩個執政黨應該要放下歷史包袱，展開良性對話，造福兩岸人民). “Governing parties” as referred to here are the “governing political parties,” meaning the CCP and DPP.

This raises the intriguing question of what either side might have in mind as “historical baggage” that can be set aside. One example might be the DPP charter’s 1991 Taiwan independence plank, which has once again become a focus of some PRC commentary.27 Moreover, several DPP politicians have suggested introducing a new formulation into the party charter reflecting Tsai’s positions on maintaining the status quo. This either would displace or downgrade even further the Taiwan independence plank.28 Assuming the Mainland could act on something equally significant, one wonders if that DPP party plank isn’t a disposable piece of historical baggage in a reciprocal process aimed at reinforcing cross-Strait peace and stability.

Finally, Tsai repeated the four-point definition of “existing political foundations” she had included in the Liberty Times interview.29 For the most part it seemed to “condition” the points she had made elsewhere, defining them in a way the Mainland might not reject but certainly would find irritating. The most prominent was her characterization of agreements reached in 1992 as “joint acknowledgement of setting aside differences to seek common ground.” This formulation could be interpreted to mean that agreement on process was “the historical fact” that Tsai accepted, not that she accepted there were substantive agreements, as she seemed to recognize elsewhere in her speech.

Of great importance in the four-point definition, of course, was reference to democratic principles and the prevalent will of the people. After all, as other comments in her speech underscored, a critical goal was to preserve for the people of Taiwan the ability to make
their own decisions about their future, including future ties to the Mainland. This point is central to much of Tsai’s political agenda and stands in stark contrast to Beijing’s desire to pin down a commitment to “one China.”

Beijing’s Response

The Party and State Taiwan Affairs Offices not only issued a Chinese-language response to Tsai’s inaugural address but also “an English-language statement on cross-Straits relations” with essentially the same content.

Issued in the name of the “head” (English) or “responsible person” (Chinese) of the Taiwan Affairs Offices, the statement did not denounce Tsai’s remarks. However, adopting what many considered a condescending posture, it awarded Tsai “an incomplete test answer” for her failure to explicitly recognize the “1992 Consensus” and its core meaning or to make any concrete proposal (具体办法) for ensuring the peaceful and stable growth of cross-Strait relations. It charged Tsai with being unacceptably ambiguous about the “fundamental issue,” that is, the “nature” of cross-Strait relations.

The statement conjured up a binary choice for Taiwan: on the one hand, upholding the common political foundation that embodies the “one China principle” or, on the other, pursuing a separatist agenda of “Taiwan independence” framed as “two Chinas” or “one country on each side.” This structure, of course, leaves unaddressed the vast space between these “alternatives,” a space that Tsai and most people in Taiwan occupy.

The statement made clear that SEF-ARATS and MAC-TAO contacts were at risk and that “only affirmation of the political foundation that embodies the one China principle can ensure continued and institutionalized exchanges between the two sides of the Strait” (只有确认体现一个中国原则的政治基础，两岸制度化交往才能 得以延续). In fact, those channels have been frozen since May 20, though it appears that some routine lower-level links, likely between other government agencies, remain open to manage day-to-day issues.

Additionally, the Cross-Strait Economic Cooperation Committee created under ECFA to handle disputes, has not met for over a year and has now likely also been suspended. The disruptions appear also to extend to exchanges between municipal and county officials, apparently to avoid giving the “wrong impression” that any official exchanges are possible without the “1992 Consensus.”

It is unclear if or when Beijing might disrupt the “diplomatic truce” in effect since 2008, in essence, a tacit agreement not to steal each other’s diplomatic allies. Establishment of relations between the PRC and Taiwan’s former diplomatic partner Gambia in March was a shot across Taiwan’s bow. But so far (as of mid-June) no current Taiwan diplomatic partners have switched to Beijing. That said, the TAO spokesman stressed that the “one China principle” also must be safeguarded with regard to Taiwan’s external exchanges, including not only diplomatic relations but also participation in regional economic cooperation. As if to underscore that point, Beijing announced that Taiwan’s membership bid for the Asian Infrastructure Investment Bank (AIIB) would have to go...
through the PRC finance ministry, effectively putting it into a “domestic” Chinese category.\textsuperscript{39} The Ma administration quickly rejected this as inconsistent with Taiwan’s “equality and dignity”\textsuperscript{40} and dropped its AIIB application; the Tsai administration has not yet announced its intentions.

While some Mainland scholars were highly critical of Tsai’s inaugural speech,\textsuperscript{41} others saw it as stabilizing cross-Strait relations\textsuperscript{42} or even showing “goodwill.”\textsuperscript{43} All were unanimous, however, in saying that Tsai needed to go further, to affirm in some way that cross-Strait relations were not state-to-state relations.

**Listen To Her Words, Watch Her Actions**

The TAO response to Tsai’s inaugural speech, as discussed above, laid out the sharp choice between upholding the common political foundation and pursuing Taiwan independence. It then cautioned, “The Taiwan authorities must use concrete actions to give clear answers to these major questions” (在这些重大问题上，台湾当局更须以实际行动作出明确回答).

In his press briefing five days later, the TAO spokesman reiterated the importance of “practical action” in order, “without any equivocation,” to clearly affirm Tsai’s stance on cross-Strait ties.\textsuperscript{44} This same emphasis on “action” was evident in ARATS head Chen Deming’s mid-June statement that the actions of the new Taiwan government were what were more important than its words.\textsuperscript{45}

On the one hand, this approach may be designed to help chart a path forward in a circumstance where it is evident that Tsai will not recite the “one China” mantra. In fact, Tsai has indicated she wants the Mainland to watch what she does (or doesn’t do). Her quashing of a movement to remove Sun Yat-sen’s picture from public buildings, her paying tribute to Sun at the Martyrs Shrine after her inauguration, the DPP’s change of the title of the draft Cross-Strait Agreements Oversight Act to refer to “cross-Strait relations” rather than “Taiwan” and “China”—all done in the face of considerable criticism from independence advocates—are among the actions she presumably hopes the Mainland will take note of.

On the other hand, focusing on actions could also be challenging for Tsai. For example, in stating his view on the importance of action, Chen Deming expressed concern that the LY and the education and culture ministries were “moving in a different direction” from the “1992 Consensus.” Among other things, one presumes he had in mind the LY action to stop high school text changes.

**A Testing Period**

The most hopeful interpretation of the present situation is that a process has begun which could eventually lead to a stable relationship. For that process to succeed, Tsai will need to rein in enthusiasts in both the executive and legislative branches who may be inclined to see the January election results as giving Tsai, and the DPP, a mandate to press an
ideological agenda.\textsuperscript{46} And Beijing will have to pull back from its most rigid requirements, allowing “interpretation” of Tsai’s words and actions to fill the gap.

So far, while various links have been suspended, there has been no “announcement” that this is the case. Moreover, Tsai’s new minister of health attended the annual WHA meeting in Geneva in late May, in spite of being invited belatedly via a letter that controversially referred to the 1971 UNGA and WHA resolutions expelling the Republic of China and recognizing the PRC as the representative of all of China. However, indirectly making the point that Taiwan’s future attendance was not guaranteed, a TAO spokesman said that this was a “special arrangement under the one China principle” (在一个中国原则下做出的 特殊安排),\textsuperscript{47} and ARATS head Chen Deming said future participation in international organizations would not be possible without recognition of the “1992 Consensus.”\textsuperscript{48}

Regarding one specific area that has received much attention, for months rumors have circulated in Taiwan suggesting that Beijing would, or actually had, cut tourism to the island. Although many of the rumors seemed unfounded, it now appears that group tours have been curtailed—perhaps by over 30 percent in May compared with 2015, even though individual Mainland tourist arrivals actually rose by 12 percent, producing a net drop of 15 percent for the month.\textsuperscript{49}

Looking Ahead

A general consensus seems to exist both in Taiwan and on the Mainland that any process to stabilize relations—or decide that is not possible—will take about six months. But while the view in Taipei seems to be hopeful that all will be well by the end of that period, one senses a rather more downbeat expectation on the Mainland. There, some people believe that if Tsai does not openly embrace some form of “one China,” not just in actions but also in words, cross-Strait relations will take a decided turn for the worse.

One hopes the more optimistic view prevails, but we will have to wait and see.

Notes
1 The source of this quote was improperly attributed in endnote 23 of \textit{China Leadership Monitor}, no. 49. It should be Lu Hsin-hui and Lilian Wu, “DPP’s Tsai promises ‘no provocation, no surprise’ China policy,” Central News Agency (CNA), December 22, 2015, \url{http://focustaiwan.tw/news/aip/201512220036.aspx}.


Wang Xiuzhong. “China Review News [CRN] [reports] important interview: Sun Yafu discusses difficult cross-Strait issues” (中評重磅專訪： 孫亞夫論兩岸難題), May 17, 2016, http://hk.crntt.com/doc/19_0_104233000_1_0517002224.html. The interview was with Xinhua.


18 Lan Hsiao-wei and Chen Chun-shuo, “New government determined to attend WHA, ARATS Chair Chen Deming: Without the 1992 Consensus Taiwan will not be able to continue to participate in international activities” (新政府決定出席WHA海協會長陳德銘: 無九二共識 台國際參與無以為繼), Commercial Times, May 9, 2016, http://www.chinatimes.com/newspapers/20160509000086-260203.


23 Tsai Yu-han, Tsai Hao-hsiang, and Cheng Jen-nan, “President Tsai meets with Taiwanese businesspeople, the New Southbound Policy and cross-Strait economics and trade complement one another” (蔡總統會台商 新南向和兩岸經貿相輔相成), China Times, June 8, 2016, http://www.chinatimes.com/realtimenews/20160608006921-260401.


27 Sun Yafu referred to it, for example, in his Xinhua interview shortly before Tsai’s inauguration. (See endnote 13.)

28 Some reports indicate such language would “replace” the 1991 Taiwan independence plank. (George Liao, “Ruling DPP mulls adopting new party constitution,” Taiwan News Online, June 16, 2016, http://www.taiwannews.com.tw/etn/news_content.php?id=2938564.) Others believe the plank would remain in the charter but new language would be added. (Private conversations.)

29 “By existing political foundations, I refer to a number of key elements. The first element is the fact of the 1992 talks between the two institutions representing each side across the Strait (SEF & ARATS), when there was joint acknowledgement of setting aside differences to seek common ground. This is a historical fact. The second element is the existing Republic of China constitutional order. The third element pertains to the outcomes of over twenty years of negotiations and interactions across the Strait. And the fourth relates to the democratic principle and prevalent will of the people of Taiwan.” (Romberg, “The ‘1992 Consensus’,” p. 9.)


32 At one point SEF sought to portray a situation of normalcy in communications with ARATS. (“Cross-Strait liaison mechanism operating normally: SEF,” CNA, May 27,
However, ARATS quickly refuted that claim, observing that ARATS had received more than 60 faxes from SEF since May 20 but had neither replied to any of them nor answered any phone calls from SEF or initiated calls to SEF. (“ARATS heavyweight: Cross-Strait communication channels suspended after 5/20,” *United Daily News* (translated by KMT News Network), May 31, 2016, [http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=17802](http://www1.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=17802).


TAO May 25 briefing transcript is at [http://www.gwytb.gov.cn/xwfbh/201605/t20160525_11466675.htm](http://www.gwytb.gov.cn/xwfbh/201605/t20160525_11466675.htm)[.]

Recall that in her *Liberty Times* interview Tsai affirmed her administration would “transcend partisan politics” (秉持超越黨派的立場) and “be mindful of the public interest” (以人民利益為依歸). (Romberg, “The ‘1992 Consensus’,” pp 8–10.)

TAO press briefing transcript, May 25, 2016 (see endnote 44).
