

Taiwan Elections Head to the Finish: Concerns, Cautions, and Challenges

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Two major political developments in recent weeks have played an important role in Taiwan's presidential election: Tsai Ing-wen's visit to Washington and the problems she encountered convincing American officials she has a workable formula to manage cross-Strait relations, and Ma Ying-jeou's sudden promotion of the idea of "facing" the issue of a cross-Strait peace accord sometime in the next 10 years, which created a tempest in the campaign teapot. Although Washington strove to temper any impression that it was "taking sides" in the election, the concerns about management of cross-Strait relations remained. And while the peace accord discussion largely faded, one would have to say that no one was covered with glory by the time it played itself out. Those issues are discussed at length in this essay.

The United States went ahead with the much anticipated arms sales announcement for a very sizable package—\$5.852 billion, primarily F-16A/B upgrades with associated equipment and training—and while the PRC protested loudly, it took minimal actions in response, doubtless reflecting the "dog that didn't bark"—that is, the absence of F-16C/D sales.

Instead, Beijing began to focus more publicly on the Taiwan political scene, speaking out more and more explicitly about the consequences of an administration in Taipei that did not accept some version of "one China" and oppose Taiwan independence. While Tsai Ing-wen strove mightily to demonstrate she was no radical, and would work to maintain peace and stability, the fact that she would not—could not—embrace either the "1992 Consensus" or any version of "one China" sparked a new level of open statements from the Mainland designed to dispel the notion that pragmatism was going to be enough to keep cross-Strait relations on an even keel. While there were still limits to how bluntly the PRC position was phrased in order to avoid triggering charges of blatant involvement in the election, concern over the actual outcome began to outweigh concerns about the Mainland's image on Taiwan, and Beijing was increasingly direct in pointing out that there was no way around the "one China" issue.

These were not the only issues on people's minds, and we should take note of the fact that, as projections for Taiwan's economy through the remainder of 2011 and into 2012 have slid due to global economic conditions,¹ the government moved to adopt a package of economic

stimulus and fiscal measures to help business weather worsening global economic conditions.² As discussed in the last *CLM* essay,³ the DPP has continued to focus on the inadequacies of the Ma administration's programs to deal with the hardship and the social inequities and the sense of deprivation many people feel at an individual level as a result of worsening economic conditions.

State Of The Campaign

Even though she has focused much of her campaign on domestic issues, DPP chair and presidential candidate Tsai Ing-wen caused something of a stir when, shortly before the October 10 "Double 10" National Day 100th anniversary, she stated that "Taiwan is the ROC, the ROC is Taiwan, and the ROC government is the government of Taiwan." Although this was described by one local paper as "one of the most important developments on the National Day,"⁴ and while it more or less put to bed her previous position that the ROC government was an illegitimate "government in exile"—after all, despite objections from some of the more rabid Taiwan independence advocates in the pan-Green camp,⁵ a candidate for president could hardly maintain that she sought to head an illegitimate government—in fact it did not represent acceptance of a "one China" position. Quite the opposite, as Tsai made clear in a variety of ways, including when she differentiated herself from both the KMT and Beijing by dismissively noting that "what *they* are both speaking of is the 'one China' principle."⁶

Moreover, although she attended a flag-raising ceremony in Tainan on National Day, claiming she did not join the celebration in Taipei because of a tight campaign schedule, others judged that this choice of venue had political implications, reflecting the fact that she did not recognize key aspects of the ROC constitution or accept that the ROC had existed for 100 years.⁷ While one cannot read her mind, media photographs showing that Tsai attended the Tainan flag raising ceremony in blue jeans and with a scowl on her face suggested, at the very least, that this was for her more of an obligation than a celebration.

Stories about dissension within both camps continued to boil up from time to time. On the DPP side, the Tsai campaign has continued to be described as "chaotic" with significant tensions among various DPP factions.⁸ And there were similar reports about dissension within the KMT.⁹ In the latter connection, one step by the KMT seemed to put an end to a long-running problem regarding the role of Legislative Yuan (LY) Speaker Wang Jin-pyng. The KMT Central Standing Committee agreed on a new party rule that made an exception to the normal ban on anyone occupying an "at large" LY seat more than two times in a row. The highly focused exception was for anyone who had made special contributions to the party, met the needs of the party, and served as legislative speaker.¹⁰

The KMT release of its entire list of "at large" candidates was less smooth. On the one hand, in the words of one media outlet, it "startled" people because such a heavy proportion of candidates were scholars and social activists, rather than old-time "pols." In

her first reaction, while claiming that the DPP list has “always included these people” and the KMT was laggardly in this respect, nonetheless, even Tsai Ing-wen said “we want to give a certain level of approval” (我們也給它一定程度的肯定).¹¹

That said, many observers felt that the KMT list put the opposition at a disadvantage,¹² and within 48 hours the DPP had adopted a different tack, arguing that “at first glance [the list] appears refreshing, but as you scroll down the list, your heart sinks.”¹³ And on the KMT side, while Ma touted the list as a demonstration of the KMT’s intent to introduce reforms within the party, one of the points made by the DPP (“The 34-member list seemed to be part of Ma and his top aide, King Pu-tsung’s, plan to squeeze out party members whose views differ from theirs”) may have been shared by some in the KMT establishment. It was reported that the “at large” candidate list created substantial tension within KMT ranks,¹⁴ and that some veteran politicians passed over the by the party would run as independents.¹⁵

Charges that the DPP vice presidential candidate, Su Jia-chyuan, had illegally constructed a large house on what was supposed to be farmland, and that he and his relatives had engaged in other illegal activity, dogged the DPP campaign for a considerable period of time in late September and early October. Su denied any wrongdoing, but he eventually donated his house and land to the local government in hopes of ending the controversy.¹⁶ Whether it did is debatable,¹⁷ but what is clear is that, just as Su took this step, Ma’s peace accord discussion (see below) pushed the issue off the front pages.

Meanwhile, PFP Chairman James Soong persisted in his effort to run for president, eventually submitting petitions with over 445,000 valid signatures, which while well short of the 1 million signatures he once said he would need to proceed with his candidacy, was still far in excess of the 257,695 needed to earn him a place on the ballot.¹⁸ Although no one thinks Soong can win—and many observers cling to the belief that he is really seeking to establish a viable position in the LY—Soong himself has insisted he is not in it for a deal, and would stick with the campaign to the end.

The impact of a Soong line on the ballot is the subject of considerable speculation. Initially, as we have discussed before,¹⁹ the prospect of a three-way split with two “Blue” candidates seemed to work substantially in Tsai Ing-wen’s favor. Over time, however, although political observers presented a wide variety of projections regarding how many votes Soong would garner,²⁰ most polls seemed to suggest that the PFP head would draw about equally from Ma and Tsai, so that his candidacy would be a “wash.” Nonetheless, and despite claims from Soong’s camp that he would not allow his candidacy to benefit the DPP,²¹ concerns persisted within Ma’s team that Soong’s running could cost them the race.²² They determined not to campaign against him, in part to keep their focus on the main opponent but in part in the hope that, in the end, Soong would withdraw.

And, indeed, Soong came under pressure from various quarters to quit the race. Not only did pan-Blue stalwarts attack him for creating the risk of a DPP victory, but Soong supporters charged that Beijing—believed to oppose Soong’s candidacy as doing possible

harm to Ma's chances—entered the fray by leaning on Taiwan business interests with important ties to the Mainland to cut off financial support for Soong.²³ Whether this was factually based or an effort by Soong to play the role of “victim” was not clear, but the DPP picked up the charge and added to it, stating that in a variety of ways Beijing was interfering in the election to try to assure a Ma victory.^{24,25}

Tsai Visits Washington—Leaves Concerns

Throughout the late summer and early fall, as she continued to deny the existence and validity of the “1992 Consensus,” Tsai Ing-wen tried very hard to take the cross-Strait issue off the presidential election front burner—and to the extent that she could not do that, to make it about President Ma Ying-jeou's alleged overreliance on the Mainland at the expense of Taiwan's freedom of movement now and freedom of choice later. In part, the goal seemed to be to keep the focus off of questions over Tsai's ability to manage cross-Strait relations, an issue that came up with special force after a U.S. trip in mid-September revealed American concerns about precisely that point.

To the extent that she and the DPP had to address it, their position was, first, that as president Tsai would emphasize stability over everything else,²⁶ and, second, to hint that there might be more flexibility in her cross-Strait policy after she won the election.²⁷

In fact, Tsai's approach to cross-Strait relations assumed a central role in how her mid-September visit to the United States played out.

On September 13, the same day that Ma was warning in Taipei that without a peaceful environment based on the “1992 Consensus,” prosperity would not be possible, Tsai Ing-wen was speaking in Washington, stating that the next election “will ultimately be determined by social and economic issues” such as housing, social services, energy, and industrial adjustment.²⁸ As she said later, the DPP would win by convincing people that it is more competent and mature than the KMT and by presenting policy choices that are “more progressive and responsive to the real needs of the people” and by being “the positive force that transcends the divisiveness of the past, and unites the people of Taiwan.”²⁹

As to how she would handle cross-Strait issues, when speaking in Washington, Tsai summed up her approach as follows:

To achieve our goal of maintaining a peaceful and stable environment across the Taiwan Strait, the DPP's approach toward China will be stable and balanced. As a responsible political party, our policy must be in line with the mainstream consensus in our society as well as international expectations, and therefore we will refrain from extreme or radical approaches. The current stalemate across the Strait is a product of the evolution of history, but the future of relations does not have to be a zero-sum situation, and we are willing to take a strategic approach that benefits the people of both sides.

We would seek to achieve a strategic understanding that is based on reality, where the two sides across the Strait can interact in a stable and peaceful manner. We acknowledge that Beijing insists on the “one China principle” as its fundamental position toward Taiwan. However, Beijing must also understand the reality that the Taiwanese people, having gone through the historical processes of freeing themselves from foreign rule and seeking democratization, are opposed to a one-party system and committed to upholding the independence of their sovereignty. The distinct positions, however, should not prevent the two sides from reaching a mutually beneficial arrangement where we can also pursue common interests, mainly, common interests in peace and development. We believe that reaching a strategic understanding of our existing differences, and agreeing to engage based on a desire to achieve common interests and mutual benefits, is the most realistic way forward. This is what I mean by “peaceful but recognizing differences, peaceful and seeking commonalities.”

Reiterating earlier statements that she recognized that “ECFA is already signed into reality,” she said that, when in government, “we will conduct regular examinations of its impact on our economy, and if and when revisions are necessary we would follow democratic procedures for handling trade agreements and international obligations.” As she put it,

The intensity of economic ties is a reality, and China has already become Taiwan’s largest investment destination and trading partner. Economic relations have evolved to an extent where continuing interaction cannot be stopped by either side, regardless of who is in government. Turning a blind eye to this reality is just as impractical as the threat to discontinue ties with changing political circumstances.

In a very real sense, having once threatened to upend ECFA, she was now not only promising not to do so, but warning Beijing not to do so, either.

As to policy changes that might flow from a change from a KMT to a DPP administration, Tsai said, “We hope that the international community, including China, will develop an understanding, if not appreciation, of how our democracy functions.”

Still facing doubts about how she would handle cross-Strait relations, on the eve of the first televised presidential debate in early December, Tsai told a press conference that if elected she would immediately set up a broad-based task force for cross-Strait dialogue. The task force would, she said, pave the way for “official negotiations” after she took office in May. As she put it, fostering mutual understanding and communication is the beginning of establishing mutual trust: “The DPP administration has no reason to not sit down with the other side of the Taiwan Strait for a talk.”³⁰ Although one can understand the logic of her position, as we discuss below it is extremely unlikely that Beijing will hold a reciprocal view.

As far as the United States was concerned, Tsai said on a number of occasions that she would seek closer ties with the United States if elected,³¹ and two weeks after returning to Taiwan reported that “in the United States we worked to reinforce our partnership and had a number of conversations on regional security and cross-Strait relations.”³² In her major public speech in Washington, Tsai told her AEI audience:

There are times when our interests will merge, and there are also times when we will have different priorities. However, as partners in a strategic relationship, we believe it is important to understand and communicate those priorities, ensuring a degree of strategic confidence that the broader agenda of a common interest for peace and stability is not jeopardized.

But it was precisely on the issue of strategic confidence that her visit to Washington stumbled. After she had met with a deputy secretary of state and a series of other senior American officials,³³ the *Financial Times* reported the following:

A senior US official said Ms Tsai, the Democratic Progressive party leader who is visiting Washington, had sparked concerns about stability in the Taiwan Strait, which is “critically important” to the US. “She left us with distinct doubts about whether she is both willing and able to continue the stability in cross-Strait relations the region has enjoyed in recent years,” the official told the *Financial Times* after Ms Tsai met with administration officials. The US official said that while she understood the need “to avoid gratuitous provocations” of China, it was “far from clear . . . that she and her advisers fully appreciate the depth of [Chinese] mistrust of her motives and DPP aspirations”.³⁴

Unsurprisingly, this statement produced a firestorm of accusations from the DPP camp. Hsiao Bi-khim, head of the International Department and spokesperson for Tsai, said the comments were “not consistent with what American officials have told us in our meetings.”³⁵ Moreover, she said, the official’s reported comments “subvert every assurance we were given over the past few days that the United States government would remain neutral regarding Taiwan’s election.”³⁶

For its part, the Obama administration publicly renounced any intention to intervene in the election. The State Department spokesman said:

[W]e strongly support Taiwan’s democracy and the will of the Taiwanese people to choose their leaders in the upcoming election. Our only interest is in a free, fair, and open presidential elections [sic]. We don’t take any sides.³⁷

And this was followed up two weeks later by the Assistant Secretary of State for East Asian and Pacific Affairs, Kurt Campbell, in testimony before the House Foreign Affairs Committee. “We do not pick candidates, we do not take sides,” Campbell assured the

committee, adding that the United States would not interfere “in any way” with Taiwan’s presidential election and would cooperate closely with whoever wins in a free and fair election.³⁸ To “prove” the point, the American Institute in Taiwan (AIT), the U.S. unofficial representative office in Taiwan, sent five representatives to the DPP’s 25th anniversary reception, led by the director of AIT’s office.³⁹

All that said, and despite assertions by some State Department officials that “the ‘official’ mentioned in this [FT] article is totally unknown to us and certainly does not speak for the Obama administration,”⁴⁰ it is evident that the background statement to the *Financial Times* (though not necessarily its exact wording) was both authorized and coordinated, and that, while the later disclaimers of interference reflected genuine commitment to non-interference in the election, the administration was determined that a clear message be conveyed to all concerned that Tsai had not dispelled concerns about the risks her position on cross-Strait policy carried for future stability. It doubtless was also designed to deprive her of the opportunity to claim that the United States “understood” (and, implicitly, accepted) her position, although in fact it did not entirely prevent such claims.⁴¹

Indeed, although Campbell sought to distance himself from the FT background statement,⁴² echoes of it could be found at the end of his HFAC prepared testimony:

The year 2012 promises to be a challenging year. With democratic elections in Taiwan and a leadership transition in Beijing, there will inevitably be a period of uncertainty. In my view, Taiwan’s leaders have taken on a tremendous challenge—balancing relations with China and the United States in a way that benefits all parties. *The current approach to cross-Strait relations that promotes stability and gradual reconciliation is what the people on Taiwan have come to expect from their elected leaders. Their expectations are mirrored in the international community, which hopes to see continued peace and prosperity across the region.* We have always supported improved cross-Strait ties and will continue to do so as long as they meet the criteria that we have established over the past 30 years. Our long-standing, principled, and consistent policy toward Taiwan, matched by pragmatic and cautious management of the cross-Strait relationship, will help ensure that stability and peace are maintained across the Taiwan Strait.⁴³

Perhaps the backgrounding of FT came as a shock, especially if, as Tsai’s aides asserted, there was “no trace” of such sentiments expressed in their meetings.⁴⁴ But the basic U.S. skepticism it represented should not have surprised the Tsai camp. At least one DPP analyst had cautioned Tsai before her trip that she faced a challenge in convincing Americans about her cross-Strait policy, because the United States cares about peace and stability in the Taiwan Strait and could seek reassurance from her during her visit.⁴⁵ And in the wake of the visit, having urged the DPP not to underestimate the ability of the U.S. government to influence the election,⁴⁶ the same observer warned: “Although winning the

election is the objective, persuading the international community that the DPP has matured into a responsible stakeholder is the most important task that Tsai now faces.”⁴⁷

In any event, despite Tsai’s promise that she would move Taiwan closer to the United States and “right the imbalances” of the Ma Ying-jeou era,⁴⁸ to have that now complicated by veiled but unmistakable expressions of American doubts about Tsai’s ability to manage cross-Strait relations appropriately, can only compound the DPP candidate’s problem in presenting the image of quiet competence she has been working so hard to create.

“Facing Up To the Issue of a Peace Accord”

Ma Ying-jeou also has spent much time addressing domestic issues, where international economic woes threatened once again to dampen Taiwan’s impressive economic recovery throughout 2010 and into the first half of 2011. But even as he promoted policies that he said would address social inequities, educational shortcomings, and economic transformation, Ma sought to underscore what he sees as the vital importance of robust cross-Strait relations to Taiwan’s future well-being—in economic as well as security terms.

He warned that ignoring the pivotal role that the “1992 Consensus” and its “one China” premise have played in the impressive strides Taiwan has made over the past three years could spell disaster. While cross-Strait *political* relations were “still distant,” he said, there would be substantial disruption of overall cross-Strait relations if these premises were abandoned. “Without a peaceful environment, prosperity would not be possible, nor would there be fruits of bilateral cooperation, as they are all linked together.”⁴⁹

Striking this theme in his National Day address, Ma argued that “cross-Strait peace is an essential condition for Taiwan’s prosperity and development.”⁵⁰ Envisioning that “the two sides will be able—based on a clear-eyed appreciation and acceptance of reality—to seek common ground while respecting differences, assist and cooperate with each other, and build a peaceful relationship within an institutionalized framework,” Ma laid a foundation for his peace accord position a week before he sprang it on the Taiwan political scene.⁵¹

Then, on October 17, in the context of discussing a larger proposal about the way to create a “Golden Decade,” Ma dropped his political bombshell, at least temporarily altering the complexion of the entire campaign and stemming what seemed to be growing momentum in his direction. He laid out his administration’s strategies for consolidating “cross-Strait peace” and a “friendly international environment.” He said that, still operating under the principles of moving “step-by-step,” that is, “first the urgent then the less urgent, first the easy then the difficult, first the economic then the political,” he believed that in the coming 10 years Taiwan would need to cautiously consider whether to conclude a “cross-Strait peace accord.” He reiterated long-standing preconditions for dealing with the Mainland: first, securing a high level of support from domestic opinion;

second, determining the nation really needs it; third, proceeding under conditions of legislative supervision.⁵² Moreover, Ma reiterated that he had operated under the ROC constitution during his three years in office, defending Taiwan's sovereignty, promoting the status quo of "no unification, no independence, no use of force," and promoting the well-being of the people as well as adhering to the very important principles of "mutual non-recognition of sovereignty, mutual non-denial of the power to govern." Looking ahead he said:

During the coming 10 years, we naturally will continue to "consolidate the sovereignty of the Republic of China," "enhance Taiwan's strength," "lead to benign cross-strait development," and "construct long-term peace and stability across the Taiwan Strait," and make [all of] this the main axis for conducting cross-strait relations.⁵³

Paralleling Tsai's description of the DPP's "10-year platform," Ma asserted that all the policies he had suggested under the "Golden Decade" were not for the sake of the upcoming election, but for the happiness of the next generation. In this context, he said, having mulled over the issues connected to a peace accord for the past year, and more recently having reviewed them intensively in a series of interagency meetings, he was now presenting a well-considered position.

Indeed, looking back over time, it is clear that Ma had promoted the idea of a peace accord during the last presidential campaign and all the way through his first year in office. It was only in April 2009 that he bowed to what many of his advisors thought was the inevitable, which was that cross-strait political dialogue, including with respect to a peace accord, would have to be put off at least until 2012.⁵⁴ So his belief that such an accord could consolidate long-term peace and stability without in any way addressing issues such as unification or independence, was long-standing.

In fact, and somewhat ironically, in light of subsequent events, the issue arose a few weeks before Ma publicly raised it in mid-October in the form of a Wikileaks and the DPP reaction to it. The leaked AIT cable from June 2009 reported a conversation between Vice President Vincent Siew and then-AIT director Stephen Young. It cited Siew as saying Ma would seek to engage in political talks with Beijing in his second term, and that this "may include" a peace treaty, the formal end to hostilities and development of bilateral confidence-building measures (CBMs).⁵⁵ When the leaked cable attracted public attention, the Presidential Office denied its contents, but a DPP spokesman asserted that a "growing body of evidence" showed that Ma did indeed intend to address these issues and that this was both "naïve" and "unnecessary."⁵⁶

On the other hand, as we suggested in our last essay in *CLM*,⁵⁷ there had been much musing within the Ma administration in recent months about the need for a peace accord, with questions posed about what the content and purpose of such an accord would or should be in light of the fact that circumstances had progressed to the point that both sides were largely committed to a peaceful relationship. While much of this discussion seemed to point away from the need for such an accord, Ma's campaign chairman had

raised the issue in a more positive light in mid-September during a visit to Washington. Then, reflecting only “personal views,” he said that “both sides of the Taiwan Strait will not rule out the possibility of signing a peace agreement in the future as long as it is conducive to Taiwan and doesn’t undermine the sovereignty of the Republic of China and the dignity of Taiwan.”⁵⁸

This is now described by insiders as having been a “trial balloon” that actually seemed not to have gone anywhere and that close-in advisers therefore felt had been dropped. In trying to explain why Ma nonetheless raised the point in his October 17 statement, people familiar with Ma’s thinking suggest, at the end of the day, the president personally felt it would be inconsistent of him to completely drop the subject of a possible peace accord this time around after having made a big issue of it four years ago. Indeed, this version is consistent with “back story” press reports on the internal deliberations, which recounted that, despite opposition from a majority of his aides, and perhaps without consulting all of them, Ma insisted that, to be consistent with his earlier advocacy, it would be strange not to include the point about a peace accord now. In any case, he is quoted as saying, “sooner or later we [Taiwan] need to face it.”⁵⁹ And, indeed, though many other theories existed about why he put the peace accord issue on the table,⁶⁰ Ma continued to argue that he floated the idea because his government cares more about the lives of the people than ballots:

The government cares about peace, as peace will bring prosperity to Taiwan. The main concern is about the lives of the people and their money, and not just votes for me in the presidential election.⁶¹

The DPP immediately attacked Ma’s peace accord remarks as setting a timetable for unification. The DPP spokesman charged that Ma’s proposal to promote the signing of a peace accord within the “Golden Decade” was the equivalent of beginning political consultations and hence entering the third stage of the National Unification Guidelines—the stage of discussing unification, entering the process of unification, and establishing a timetable (等於已經進入國統綱領的第三階段「協商統一階段」，進入統一的進程，確立了時間表)—and that doing this under the “1992 Consensus” and “one China” was tantamount to changing the status quo. The spokesman characterized this handling without empowerment from the people as the act of “an arbitrary oligarch” (寡頭獨斷).⁶²

That day, Tsai personally made a few comments, saying that this very dangerous approach based on the “one China” principle would divide the people and polarize society. She said she would reserve a formal response, however, until two days later. But Ma reacted immediately without waiting to hear her more formal complaints.⁶³

First and foremost, Ma rejected the notion that signing a peace accord would represent negotiating unification. Moreover, he stressed, his point was not necessarily to sign a peace accord, but to “consider” whether, if basic conditions could be met, it would not be beneficial to institutionalize the peaceful atmosphere that has been created over the past three years. Among those basic conditions, he stressed his mantra of “no unification,

no independence, no use of force” and the need to maintain the status quo under the Republic of China constitution.⁶⁴

When she did speak on the 19th, Tsai did so in the role of party chair representing the party standing central committee rather than as a candidate, saying that a peace accord was too serious a matter to be handled as an election issue. She accused Ma of engaging in an irresponsible and impetuous move, launching a reckless and dangerous political ploy that risked the nation’s future in order to achieve a small election gain. Drawing a distinction between a genuine state of peace across the Strait, desired by all, and an unreliable piece of paper labeled a “peace agreement,” Tsai charged that by rashly proposing to go to the negotiating table without a public mandate or a national consensus, especially with a dictatorial partner that had shown its untrustworthiness in the 1951 peace agreement with Tibet, Ma had created four dangers for the people of Taiwan:

- Sacrificing Taiwan’s sovereignty by, intentionally or not, agreeing to the PRC position that cross-Strait peace was a “domestic” matter based on the PRC’s view of “one China” in accordance with the “Anti-Secession Law.”
- Changing the cross-Strait status quo by not first clearly establishing the precondition that neither side is subordinate to the other, thus destroying the basis of the international community for maintaining the status quo and regional stability, and providing grounds for the PRC to object to any country selling arms to Taiwan.
- Endangering democratic values by rashly proceeding without obtaining democratic empowerment and a “Taiwan consensus” and thus manipulating the matter on his own and turning it into an election issue, creating domestic controversy and turmoil.
- Destroying Taiwan’s strategic depth by rashly and impetuously setting an explicit 10-year timetable for engaging in political dialogue, taking away Taiwan’s ability to use time to counter the Mainland.⁶⁵

Tsai called for any peace accord to be based on three “principles”:

- Insist on sovereignty, meaning not to accept “one China” as the political precondition of any cross-Strait accord.
- Insist on democracy, meaning that the 23 million people of Taiwan have the right to determine Taiwan’s future, and that any political consultation or result that touches on or changes Taiwan’s status quo must, as a precondition, go through a referendum.
- Insist on peace, meaning that China’s dismantling all military threats against Taiwan and abandoning the intention to use military force was the only basis for genuinely promoting lasting peace in the Taiwan Strait.

Although the Ma administration responded that Tsai had misinterpreted and distorted the nature of the president’s argument, the issue dominated media and other political discourse, and Ma was forced to hold a press conference the next day in an effort to clarify his intentions and quell the political firestorm.⁶⁶

He rejected Tsai’s objections and the raising of “four dangers” as “specious accusations” (不實指控) that sowed confusion among the public by raising the specter of

hazards whose chances of ever materializing were “completely impossible.” Stressing that a peace accord had nothing to do with unification, he reiterated the points about protecting the ROC’s sovereignty and independence and ensuring Taiwan’s safety and prosperity, arguing that the point of signing a peace accord was not to change Taiwan’s situation, but rather to consolidate the “status quo” of “no unification, no independence, and no use of force.”

Moreover, he stressed, what he had laid on the table was the notion that Taiwan would need to “face” the issue of a peace accord within a decade, not that it would have to sign one either then or at any other time. But he emphasized that the fundamental objective in putting forward the idea of entering into a cross-strait peace agreement once the three preconditions were met “is to consolidate a lasting cross-strait peace. This point is very clear.”

Ma ridiculed Tsai’s comparison of the kind of peace accord he was talking about with the 1951 “Agreement of the Central People’s Government and the Local Government of Tibet on Measures for the Peaceful Liberation of Tibet,” saying that the attempt to compare them and to equate Tibet’s situation with that of Taiwan was not only “completely absurd” (不倫不類) but “pure gibberish” (不知所云). He observed that the Tibet agreement, by its own terms, was between two unequal levels of government and explicitly aimed at the “liberation” of Tibet, neither of which applied to Taiwan’s situation. To make such a comparison, he said, was to denigrate the stature of the nation and disregard that the ROC is a sovereign state.

Striking a theme that he and his supporters would continue to emphasize over succeeding days, Ma noted that at the time Tsai was chair of the Mainland Affairs Council in the Chen Shui-bian administration, President Chen had spoken of the need for a “peace and stability framework for cross-strait interaction.” Hence, he said, opposing his idea eight years later represented a flip-flop and an exercise in sophistry. (Tsai refuted that argument, saying that what the DPP has always called for is a peaceful framework based on bilateral negotiations between sovereign entities, whereas Ma’s initiative would proceed under a “one China” framework, which would leave Taiwan without bargaining chips.⁶⁷)

In sum, he said, “people with ulterior motives continually twist the truth.”

Nonetheless, despite Ma’s strenuous rebuttals, his assurances were, as a government-sponsored publication later put it editorially, “drowned out by Tsai’s criticism, forcing [him] to go further and announce that a referendum would be held before the government proceeded with a peace agreement.”⁶⁸

By all indications, the decision to introduce the referendum requirement was reached quickly: The president did not mention it earlier in the day⁶⁹ to a group of visiting Americans with whom he was discussing the peace proposal idea, and the chairwoman of the cabinet-level Mainland Affairs Council told the Legislative Yuan the same day that a referendum was not necessary if most people supported the idea.⁷⁰ Indeed, later reports

indicated that, in stark contrast to lengthy consideration given to raising the need to consider a peace accord sometime in the next decade, the decision to introduce the requirement for a referendum was “nimble” (靈活) taken by Ma within a five-hour period in the course of intensive consultations among a senior group—including campaign chairman King Pu-tsung, who reportedly played a crucial role by phone from Japan.⁷¹

At 10 p.m. on the 19th, about two hours after the decision was made, Ma sent his spokesman out to brief the press. Underscoring that there was no timetable for entering into cross-Strait peace accord talks, the spokesman told the press that Ma had said a referendum would be required if the government decided to push for a peace accord in the future—and that if such a referendum failed, the government would not proceed on the matter. He distinguished this from the case of ECFA, which he said was an economic issue, hence not comparable to a peace accord in terms either of importance or impact. A presidential office “source” added that Ma had several times said publicly that Taiwan’s future had to be determined by Taiwan’s 23 million people under the ROC constitution, noting merely that “this time President Ma spoke more directly.”⁷²

When he addressed a press conference early the following day, Ma reiterated the three preconditions that would have to be met before going forward: necessity for the nation, public support, and legislative oversight. He added,

The news release we issued yesterday expressly states that before seeking a cross-strait peace agreement, we would first put the matter up for a plebiscite⁷³, and if the plebiscite didn’t pass, then we wouldn’t seek a cross-strait peace agreement. If any one of the three preconditions we set out were not met, we would not sign an agreement. Our position is thus both resolute and careful.

The DPP was quick to jump on what it called a “hasty retreat” from the original “campaign rhetoric” regarding a peace accord proposal. Arguing that Ma “backed away” from his peace proposal idea when he encountered flak, the opposition reasoned that he couldn’t be trusted to follow through on a referendum if Beijing objected.⁷⁴ They attacked his “vacillating” (閃爍模糊) attitude toward a referendum, charging the president as suddenly saying he wanted a referendum, but that when China applied pressure, he would draw back again.⁷⁵

Broadening the charge, the DPP began to hammer on the theme that the president’s “recklessness and inconsistency” raised great concerns about his ability to handle *any* major cross-Strait talks.⁷⁶ In this vein, Tsai characterized Ma’s “hazardous and hasty” cross-Strait policies—advocating initiation of cross-Strait negotiations at the cost of Taiwan’s security—as being more frightening even than “incompetent leadership.”⁷⁷

In order to ensure that no cross-Strait political dealings could proceed without support from a referendum—a long-standing DPP position—the party then proposed amending the Referendum Act to require a referendum both before any political negotiations with Beijing and afterward to approve the results.⁷⁸ In so doing, it called on

people to believe that Ma's call for a referendum was "clearly a campaign strategy,"⁷⁹ but that its own move to urgently amend the Referendum Law was aimed at setting up a system for the future and had "nothing to do with the election."⁸⁰

In turn, the Ma administration rejected the DPP call for the two parties to sit down to discuss the amendment proposal, noting that this was "unnecessary" as consideration of a possible peace accord was not a matter that required urgent attention. Pressing for a Referendum Law amendment was what constituted an election gambit, Ma's spokesman retorted.⁸¹ (The DPP Caucus in the LY tabled a proposal to amend the law, but it was predictably defeated in committee by the KMT majority.⁸²)

Seeking to bring the controversy to a definitive close, Ma summarized his position in what he termed the "10 assurances."⁸³ Once more Ma continued to tout the benefits of a possible peace accord in institutionalizing exchanges and bringing long-term peace and prosperity, but he also cautioned that meeting the requirements of the "10 assurances" would not be easy, and that "a referendum would be necessary to confirm public opinion."⁸⁴ Predictably the DPP attacked the idea. On one hand, it pointed to the "notable" fact that the requirement for a referendum was not explicitly contained within the "10 assurances."⁸⁵ And on another, Tsai charged that this lengthy list of assurances did not ease people's concern that Ma's proposal for a peace accord would give rise to the "four dangers" she had raised, asking rhetorically: "If he is so confident about his peace pact initiative, why does he have to come up with 10 assurances?"⁸⁶

Although one might have thought that the Ma administration basically sought to leave well enough alone on this question, Taipei's representative to the APEC leaders meeting in Hawaii in early November, Lien Chan, gave it yet one more spin by raising with Hu Jintao the desirability of "starting to exchange views on the issue of peace" (和平問題開始交換意見).⁸⁷ The DPP jumped on reports of the exchange, charging that it put the lie (謊言) to Ma's pledge that the "10 guarantees" would need to be in place before proceeding on a peace accord, and accusing Lien of already starting to negotiate a peace accord behind closed doors.⁸⁸

The administration countered that this was not so, that Ma's various conditions were very clear.⁸⁹ Lien Chan, in a second press appearance in Hawaii, vehemently denied that he had raised a "peace accord," per se, asserting that he had touched only the general issue of "peace and development"⁹⁰ since this was an important issue covered in his April 29, 2005, joint statement with Hu Jintao.⁹¹ The presidential office fully endorsed this, with Ma essentially blessing Lien's approach as totally consistent with his own, including both with respect to necessary preconditions for starting peace talks and regarding an extended timeframe for beginning to discuss a peace accord.⁹²

If Ma's raising the peace accord issue at this late stage of the election—not only promoting a predictably divisive issue but also distracting public attention from some substantial woes in the DPP camp—was mystifying to many people, adding the requirement of a referendum seemed, at least in hindsight, to be a logical step to stem the political hemorrhaging. That is, it was always obvious that some process was going to be required within Taiwan to ensure strong public support that could carry agreement to a

peace accord across a change in political party in power. A referendum, per se, is problematic because it is so difficult to pass one. And by the time any of these issues actually confronts people, Ma will likely be long gone from office and the incumbent president will have to make a decision on how to proceed.⁹³ But given the DPP's success in arousing suspicions about Ma's motives and intentions, firm insistence on a referendum protected him from the various charges.

Some in the DPP have suggested that the United States was unhappy with Ma's actions.⁹⁴ And it may well be true that Americans were less than thrilled at being surprised by the initial proposal as well as the add-on of a referendum requirement. But, if so, this primarily had to do with bewilderment at what was perceived to be an inept political step at such a late stage in the campaign. On the other hand, it is hard to discern any substantive concern with a peace accord on the U.S. side, not only because Washington has long supported steps to reduce cross-Strait tensions, but also because the proposal was so heavily caveated from the beginning that it is difficult to see how it could have caused the kind of damage that was suggested by Ma's opponents.

Two televised presidential debates were scheduled, for December 3 and 17, and a vice presidential debate for December 10.⁹⁵ The basic focus, of course, was expected to be on domestic policy and the fundamentals of cross-Strait relations, including the question of "one China" and the ROC constitution. And, in fact, neither presidential debate produced surprises of any consequence or had any impact on the campaign.⁹⁶

So far, the fallout from the peace accord issue seems to have worked against Ma. Polls following his presentation of his ideas about the need to "face" the issue within 10 years appeared to show that while a plurality supported signing a peace accord under proper conditions, Ma's having raised the idea led to a drop in his lead from 6–7 points down to 4–5 points.⁹⁷ Shortly before this essay was submitted to editors, however, a number of polls once again appeared to show some renewed momentum for Ma, some of the air had clearly gone out of the balloon, and an election loomed that was still likely to be close, certainly closer than in 2008.

PRC Positioning

As we have pointed out many times in recent months, Beijing's hope for Ma Ying-jeou's reelection is hardly a secret. This is not because Beijing is enamored of Ma's approach to cross-Strait relations; it is not. It finds him demanding, unyielding on key points, and presiding over a situation in Taiwan in which sentiment is, if anything, moving away from a "Chinese identity" and support for eventual unification. Instead, they see sentiment moving toward a growing embrace of "Taiwan identity" and not only satisfaction with the "status quo" but outright rejection of unification.⁹⁸

It is well known that the "one China" position embraced by Ma is quite different from Beijing's, and potentially quite problematic for the Mainland. But both positions accept that Taiwan and the Mainland are part of "one China" ("the Republic of China," in Ma's version), and both reject Taiwan independence. For the PRC, acceptance of these

two key points has become part of the “status quo” and an essential element underlying the economic and social progress made in cross-Strait relations in the past three years as well as a necessary foundation stone for the continuation of that process into the future.⁹⁹

Beijing understands that Tsai’s—and the DPP’s—rejection of the “1992 Consensus” and its “one China” premise do not necessarily equate to a push for *de jure* independence, a cause to which they believe former president Chen Shui-bian eventually became dedicated.¹⁰⁰ Still, they seem convinced that Tsai’s own inclinations, as well as forces within the DPP, will lead her to take steps to consolidate Taiwan’s “separate status.”

Moreover, when, as she tends to do, Tsai defines these positions as including the proposition that Beijing “must accept” the Taiwan people’s commitment to their own sovereignty and that China “must face” the fact that Taiwan is a democracy and they have to treat Taiwan as a democracy,¹⁰¹ and when this involves her rejection of any “one China” approach, unsurprisingly she is not getting a positive reaction from the Mainland.

Especially with PRC President Hu Jintao’s more flexible approach grounded firmly in a “one China” premise,¹⁰² Beijing has (quite purposely) left itself no room for a compromise on this point, even if it does not insist on agreement on definitions.

While senior Chinese officials have at times indicated that if the DPP rejects the “1992 Consensus” because it was created by the “KMT,” Beijing is open to negotiating a “new consensus” as long as it embraces the same “one China” principle. Nonetheless, as late as mid-November TAO Director Wang Yi was speaking publicly in rather uncompromising terms about the “1992 Consensus” itself. He said that the 1992 Consensus is a “cross-Strait consensus, not a party-to-party consensus,” and the foundation of the consultations between the two associations [SEF and ARATS] is the 1992 Consensus; “this is uncontestable.”¹⁰³ Indeed, Wang issued what was seen by most observers as an even more direct warning several days later that denial of the “1992 Consensus” would not be tolerated (不容否认), and calling on both sides to take “concrete actions” (实际行动) to maintain peaceful cross-Strait relations.¹⁰⁴ According to “a Mainland source familiar with Taiwan affairs,” Wang’s strong statement was designed to tell voters in Taiwan that “the heavy responsibility is in [their] hands” to maintain peaceful development of cross-Strait relations.¹⁰⁵

Many PRC observers have suggested that due to these factors, the election of Tsai would be seen as a failure of Hu’s approach, with fundamental implications for future PRC policy toward Taiwan. Tsai has tried to allay that concern with the following reasoning:

There are many factors that influence the outcome of an election, and measuring the outcome of Taiwan’s elections as an indicator of the success or failure of a single policy, on the part of China, runs into the danger of miscalculation.¹⁰⁶

Beijing appears to have taken the position that after eight years of DPP rule in Taiwan, and having carefully followed Tsai's statements and her approach to leading the party, it understands where she is heading. Despite the argument of some DPP supporters—reminiscent of former New York governor Mario Cuomo's famous dictum about how politicians campaign in poetry but govern in prose—that people should reserve judgment about how she would actually handle cross-Strait relations until she is elected, Beijing has time and again rejected any need to consider the kind of “listen to his words and watch his actions” approach it adopted after Chen Shui-bian's election. One prominent Taiwan expert summed up Beijing's position by observing that Tsai's “conceptual Taiwan independence” (理念性台獨) was more duplicitous and having a more pernicious effect on the peaceful development of cross-Strait relations than Chen's “instrumental Taiwan independence” (工具性台獨).¹⁰⁷

For example, Beijing's response to the DPP “10-year platform”¹⁰⁸ plank on cross-Strait relations was dismissive. As TAO Director Wang Yi put it:

The business of pursuing peaceful development of cross-Strait relations is like a large building jointly constructed by both sides of the Strait. The 1992 Consensus and opposition to Taiwan independence are the foundations of the building. On the basis of the 1992 Consensus and the opposition to Taiwan independence, both sides of the Strait have inked many important agreements, including ECFA, through the Straits Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Strait (ARATS). Each agreement signed is like a new story added to the building. The more stories and the more functions the building has, the more benefits cross-Strait compatriots can get. If someone calls for the foundations of the building to be demolished, but says that we can continue to add new stories to the building, this is definitely unrealistic and irresponsible.¹⁰⁹

When in mid-October Tsai uttered her statement that “the ROC is Taiwan, Taiwan is the ROC,” Beijing rejected it as advocacy of “Taiwan independence” and equated it to a declaration of “state-to-state” relations.¹¹⁰

As we pointed out in our last essay,¹¹¹ Beijing has stepped up its efforts to make plain to Taiwan voters the likely consequences of a DPP victory, while still trying to avoid charges of blatant interference in the election. Regardless of the arguments for maintaining momentum in cross-Strait relations, Mainland policymakers seem to have concluded that various links will be suspended unless Tsai somehow is able to perform an act of political legerdemain of historic proportions—once elected finding a formula for embracing “one China” that she is able to argue persuasively is not abandonment of her, and the DPP's, most fundamental tenet yet still meets Beijing's requirements. As one informed Mainland observer put it, Tsai is seeking to separate economics from politics, and that is not possible for Beijing.¹¹² Whereas in our last essay we speculated that resort to the “Macau model” of inter-industry agreements with heavy participation by officials “in mufti” to substitute for SEF-ARATS agreements might work, and even though the

two sides have proceeded to take steps to allow the reciprocal establishment of industry association offices by early 2012,¹¹³ later conversations in Beijing cast cold water on resort to the “Macau model.”¹¹⁴

In the wake of Tsai’s December 2 press conference announcement that she would set up a cross-Strait dialogue task force if elected, PRC officials once again reiterated that, however they are packaged, and whether there is a “Taiwan consensus” or not, cross-Strait consultations would have to be based on the “1992 Consensus.”¹¹⁵

Vice President (and heir-apparent) Xi Jinping issued what is perhaps the bluntest warning to date when he said in mid-December: “If the 1992 Consensus is denied, negotiations across the Strait cannot continue and all the agreements made in the past cannot be fulfilled. Cross-Strait relations will return to the volatile situation of the past.”¹¹⁶

Even now we see that an investment protection agreement has continued to be elusive, especially with regard to issues that are seen by one side or the other as relating to sovereignty.¹¹⁷ Moreover, even if these substantive differences can eventually be resolved, PRC officials have continued to speak in increasingly blunt terms about the implications of abandoning the “1992 Consensus” and its “one China” foundation for proceeding with the investment guarantee or other agreements. In late October, TAO Director Wang Yi told SEF head Chiang Pin-kung that “recognizing and maintaining this principle is the necessary condition for talks. Otherwise, the talks between the two sides will stop.”¹¹⁸

So, despite Tsai’s continued assertions not only that she would avoid antagonizing the Mainland,¹¹⁹ but that she would be “proactive in seeking dialogue and stabilizing the relationship immediately following the election, throughout the transition period,”¹²⁰ the “Nixon to China” notion that the DPP would find it easier than the Ma administration to come to terms acceptable to Beijing seems far-fetched. And, as we have said before, it is clear that in the event of a DPP victory further negotiations on key follow-on agreements to ECFA would come to a halt.¹²¹

As to the peace accord issue, some PRC media commentators as well as officials speaking in private have disparaged Ma for creating an unnecessary complication by introducing it into the campaign. Not only do they see this as having hurt his re-election chances, but some have criticized him for mishandling the issue to the point that he had to add the requirement for a referendum, which may have eliminated whatever possibility there was for a peace accord. Some commentators have even suggested that, by endorsing a referendum, Ma’s proposal now actually moves away from eventual unification and toward “peaceful separation” (和平分裂).¹²²

Nonetheless, others, including some people known to be closely attuned to official attitudes, have taken a more relaxed approach toward his peace accord remarks. One scholar suggested that since Ma’s statements were connected to the election campaign, one need not pay too much attention to the conditions he laid out (i.e., a referendum); it is

enough that he did not exclude political and security issues from cross-Strait exchanges.¹²³

In official briefings, Beijing has taken a similarly low-key position. Noting that, as we have discussed in earlier *CLM* essays, the PRC has long said that bringing an end to the state of hostilities and agreeing to a peace accord met the interests of the entire Chinese nation, and that it was an inevitable prospect in the future, the TAO spokesman nonetheless indicated that increasing mutual trust could only come gradually and that creating the necessary conditions was a step-by-step process that could only move ahead when conditions were ripe. Ducking on the question of a referendum, he reiterated that Beijing continues to adhere to the long-standing, and more gradual, procedure of “economics first, politics later” as the practicable pattern.¹²⁴

United States

Both candidates obviously attach great importance to strong relations with Washington, and both have pledged to improve ties. But just as each not only argues that his/her side has the better approach to successfully managing cross-Strait relations in the interest of the people of Taiwan, each seeks to demonstrate, at least implicitly, that the “other” candidate has failed to win Washington’s confidence.

As foreshadowed in the last issue of *CLM*, the U.S. administration notified Congress on September 21 that it contemplated possible sale to Taiwan of \$5.852 billion worth of military supplies and services. The bulk (\$5.3 billion) was in connection with retrofitting 145 F-16 A/Bs in Taiwan’s inventory along with associated equipment, parts, training and logistical support.¹²⁵ The remainder was for pilot training (\$500 million)¹²⁶ and procurement or repair of aircraft spare parts.¹²⁷ In order to prevent a significant weakening of the active force, Taipei made known it would conduct the upgrade on a gradual basis, overhauling some 24 A/Bs a year, thus extending the process through 2023.¹²⁸

The announcement came in the context of presentation to the Congress of a Defense Department study on Taiwan’s air defense needs, which reportedly raised questions about the utility of new F-16s in the face of a concerted PRC missile attack on Taiwan’s airfields.¹²⁹

Still, in anticipation of the announcement, U.S. officials asserted that the upgrade would provide “essentially the same quality” as new F-16 C/Ds at a far cheaper price. They also made clear that failure to address the C/D issue did not rule out providing them in the future: “We are obviously prepared to consider further sales in the future.”¹³⁰

And while Obama administration officials touted the announcement as a demonstration of the U.S. commitment to Taiwan,¹³¹ this did not prevent Taipei, while expressing its gratitude for the announced approvals, from reiterating its hope for a favorable decision on C/Ds in the future.¹³² Nor did it quell complaints from American pro-arms sales business interests¹³³ and members of Congress.¹³⁴ (In the event, the

Senate defeated a proposal to force the sale after the September 21 announcement,¹³⁵ but that did not stop other efforts to force the administration to make the sale as well as to upgrade relations with Taiwan in a variety of ways.¹³⁶)

Neither did it prevent the opposition DPP, which had already criticized the Ma administration's "lack of dedication to a strong defense,"¹³⁷ from carping that efforts of the government in Taipei to describe the A/B upgrades as an "achievement" were "regretful and contradictory."¹³⁸

At the same time, of course, U.S. assertions (including in high-level talks with Beijing) that the sales were helpful to cross-Strait peace and stability¹³⁹ did not stop the PRC from complaining loudly about the prospective sales and their extremely harmful effect on both U.S.-PRC and cross-Strait relations:

In disregard of China's strong opposition and ignoring the improvement and peaceful development of cross-Straits relations, the US side once again took the wrong decision of making large-scale arms sales to Taiwan. This has gravely violated the principles of the three Sino-US joint communiqués, particularly the August 17 Communiqué, grossly interfered in China's internal affairs and seriously undermined China's security, its endeavor to achieve peaceful reunification and China-US relations. It runs counter to the serious commitment made by the US side itself. China is firmly opposed to this decision.

The Chinese side urges the US side to fully recognize that US arms sales to Taiwan is [sic] a highly sensitive and harmful issue. The Chinese side urges the US side to take China's solemn position very seriously, correct the mistake of selling weapons to Taiwan, immediately revoke the above-mentioned wrong decision, stop arms sales to Taiwan and US-Taiwan military contacts, and take real actions to uphold the larger interest of China-US relations and peace and stability in the Taiwan Straits.¹⁴⁰

Beijing said that the sale would damage Sino-American military ties, impacting joint military exercises and high-level military visits,¹⁴¹ and it does appear that a couple of planned joint exercises on humanitarian relief and counterterrorism as well as the visit of the PACOM commander and the U.S. Army Band were postponed. Overall, however, given that "official" PRC media had threatened dire consequences if the C/Ds were sold,¹⁴² Beijing seems to have kept in mind that, in fact, they were not included in the package. Moreover, evidence of a more considered view from Beijing is that the scheduled defense consultative talks went ahead in early December, with the principal PRC delegate saying: "The fact that the consultations took place as scheduled shows that both countries are sincere about maintaining military exchanges."¹⁴³

Still, it was a bit disturbing that Secretary of Defense Leon Panetta seemed not to be aware of what was done and then—likely in a way that was unhelpful for those in Beijing seeking to maintain a low-key response—commended the PRC for handling the issue in a

“professional and diplomatic way.”¹⁴⁴ Indeed, apparently displeased by this “praise” for a limited response, but constrained in how one could react due to higher-level policy decisions, a Chinese defense ministry spokesman struck back by saying, “I think the way the United States handles some issues in Sino-U.S. ties is neither professional nor diplomatic.”¹⁴⁵

As has become standard practice in discussing arms sales, Beijing also directed some of its criticism—albeit more nuanced—at Taipei: “We hope that the Taiwan side can get a clear picture of the current situation and not step up confrontation across the Strait or make any moves that might harm the stability of the region and affect peaceful development across the Strait.”¹⁴⁶

While senior American officials—including President Obama in his meeting with Hu Jintao in mid-November—stuck for the most part to the mantra about welcoming progress in cross-Strait relations and basing American policy on the three U.S.-PRC joint communiqués,¹⁴⁷ an unusual phrase in Secretary of State Hillary Clinton’s major speech in Hawaii about Taiwan being “an important security and economic partner” did catch some attention.¹⁴⁸

In what seemed to be part of a thought-through pattern of “high-level” visits by U.S. officials to Taiwan, the U.S. assistant secretary of commerce (and simultaneously director general of the U.S. and Foreign Commercial Service) visited in mid-September, the highest-level American official to set foot on the island in over five years.¹⁴⁹ His visit was part of a broader Asian tour to promote President Obama’s National Export Initiative, and he spent much time, including during a call on President Ma Ying-jeou, praising the richness of U.S.-Taiwan trade relations.¹⁵⁰

While the visit was obviously warmly welcomed in Taipei, the U.S. official stressed to his Taiwan interlocutors the continuing importance of satisfactorily resolving the long-festered beef issue. Expressing a desire by Washington to move forward with TIFA talks, he nonetheless cautioned them: “The one challenge we’ve had is the beef issue and it continues to be because nothing is more important to businesses than predictability. And the second thing which is incredibly important to businesses is sticking with what’s been agreed to.”¹⁵¹

Two weeks later another senior U.S. official showed up, this time the Department of Housing and Urban Development’s assistant secretary for Public and Indian Housing, who was there to attend an international conference on social housing in Taiwan.¹⁵² She called on the premier.

In the same time frame, a U.S. trade delegation arrived to hold talks on bilateral and regional issues and cooperation under the APEC framework. Although the delegation, led by a U.S. deputy assistant trade representative, held “constructive and wide-ranging discussions,” the beef issue was again cited as holding up TIFA talks. The U.S. side expressed concern about “Taiwan’s continuing failure to act on the basis of science,”

while the Taiwan side emphasized that resumption of TIFA talks depended on there being a “mutual decision.”¹⁵³

The ante was then upped with the visit of the administrator of the U.S. Agency for International Development in early December to “highlight the friendship between the people of the United States and Taiwan and the role played by the United States in Taiwan’s rapid development” and single out three areas in which the United States and Taiwan could work together in the future: humanitarian assistance, food security, and health.¹⁵⁴ The administrator also paid a call on President Ma on the eve of the first presidential debate in Taipei,¹⁵⁵ which some on the opposition side felt constituted a deliberate American election boost for Ma.¹⁵⁶

And finally, Deputy Secretary of Energy Daniel Poneman also visited Taipei in mid-December, the highest-ranking U.S. government official to visit Taiwan in over a decade. He sought to promote greater public- and private-sector cooperation between Taiwan and the United States in a number of fields, including scientific research, nuclear energy, and renewable energy technologies.¹⁵⁷

So, even though a Cabinet-level visit was not envisioned, Washington was making a concerted attempt to demonstrate that, despite the lingering beef issue, the relationship was in good shape.

Notes

¹ At the end of October, the government reduced the 2011 projection to 4.56 percent, down from 4.81 percent in mid-summer and 5.06 percent in May (with 2012 GDP growth projected at 4.38 percent; Lin Hui-chun and Kendra Lin, “Taiwan’s annual economic growth rate cut to 4.56%,” CNA, October 31, 2011) and in November it lowered it again to 4.51 percent (and the 2012 projection to 4.19 percent; Philip Liu, “DGBAS revises downward economic growth forecast,” *Taiwan Economic News*, November 25, 2011, http://www.cens.com/cens/html/en/news/news_inner_38492.html). Others made similar adjustments. (James Lee, “Taiwan’s economic growth forecast lowered,” CNA, November 8, 2011; Lin Hui-chun and Frances Huang, “Think tank cuts Taiwan 2012 economic growth to 4.07 percent,” CNA, December 6, 2011.) On the other hand, the Taiwan Institute of Economic Research (TIER) saw some hopeful signs of growing momentum with the economy returning to a more normal track in the second half of 2012, with the technology sector leading the rebound. (Amy Su, “Economy likely to bounce back after Q1: TIER,” *Taipei Times*, November 9, 2011.)

² In early December, the Council for Economic Planning and Development (CEPD) unveiled a program with several “strategies.” Among these were boosting domestic consumption, creating job opportunities, maintaining financial market order, promoting investment, and assisting small and medium enterprises. (Meg Chang, “CEPD unveils economic stimulus package,” *Taiwan Today*, December 2, 2011, <http://www.taiwantoday.tw/ct.asp?xItem=181704&ctNode=445>.)

³ Alan D. Romberg, “The 2012 Taiwan Election: Off and Running,” *China Leadership Monitor*, no. 35, 2011 (hereafter abbreviated *CLM* 35).

⁴ Sofia Wu, “Gift on Double Ten National Day,” CNA (Editorial extract from *Apple Daily*), October 20, 2011.

⁵ Chris Wang, “Hornet’s nest continues to buzz after Tsai’s comments,” *Taipei Times*, October 12, 2011; “Koo Kwang-ming publicly lectures Tsai Ing-wen,” *United Daily News* (translated by KMT News Network), October 14, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10264>.

⁶ “他們講的都是一個中國原則” (President Ma, DPP’s Tsai mark ROC centenary), Formosa Television News (hereafter abbreviated FTVN), October 20, 2011, <http://englishnews.ftv.com.tw/read.aspx?sno=C46EB9CA075133C7C0AEED055AAD96BE>; emphasis added.

⁷ “Tsai insists on three principles for peace agreement,” KMT News Network, November 1, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10355>.

⁸ Wang Li-i, “選舉機器內戰 小英選情吃緊” (Civil war in the election machine, Tsai Ing-wen’s election situation tense), *Wealth Magazine*, (天下杂志) issue 382, September 29–October 12, 2011, pp. 54–55, <http://www.wealth.com.tw/index2.aspx?f=501&id=1921>. This article was translated by Open Source Center (hereafter OSC), CPP20110930312004.

⁹ Mo Yan-chih, “2012 Elections: KMT’s candidates slam lack of support,” *Taipei Times*, November 10, 2011. On the flip side of this issue, there were also reports that KMT candidates in southern Taiwan were seeking to keep their distance from Ma, who they viewed as lacking popularity in the region. (“KMT candidates in southern Taiwan low-key on supporting Ma,” *Want China Times*, November 23, 2011, <http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20111123000065&cid=1501>.)

¹⁰ Mo Yan-chih, “KMT revises rules to help Wang Jin-pyng’s re-election,” *Taipei Times*, October 20, 2011.

¹¹ “KMT startles with its nominees for legislators at-large,” FTVN, November 16, 2011, <http://englishnews.ftv.com.tw/read.aspx?sno=310EC9DA0F789D55944124D52F44EA18>.

¹² “KMT outshines DPP with nominations for at-large seats: poll,” *China Post*, November 20, 2011.

¹³ Chris Wang, “2012 Elections: DPP pans KMT’s list of legislator-at-large nominees,” *Taipei Times*, November 18, 2011.

¹⁴ Grace Soong, “Legislator-at-large list exposes KMT rift,” *China Post*, November 18, 2011. The meeting of the party’s central standing committee to formally approve the list was also reportedly boycotted by many members who did not want to directly oppose Ma but who disapproved of the list. (Peng Hsien-chun, Wang Yu-chung, and Mo Yan-chih, “2012 Elections: KMT Central Committee shows ‘silent’ disapproval,” *Taipei Times*, November 21, 2011.)

¹⁵ “KMT faces divisions on road to keeping absolute majority at Taiwan Legislative Yuan, DPP confident of victory,” *Taiwan News*, November 26, 2011.

¹⁶ Sophia Yeh, Justin Su, and Deborah Kuo, “DPP vice presidential candidate forsakes luxury farmhouse,” CNA, October 18, 2011.

¹⁷ Lin Shu-yun, Lee Shu-hua and Elizabeth Hsu, “Su’s decision to donate farmhouse raises new legal issue,” CNA, October 18, 2011.

¹⁸ Angela Tsai and S.C. Chang, “PPF election ticket meets public endorsement requirement,” CNA, November 15, 2011.

¹⁹ Romberg, *CLM* 35, p. 18.

²⁰ Interviews with political observers on October 31 produced estimates ranging from 380,000 to 1.5 million votes for Soong. (“Politicians, analysts comment on Soong’s election impact,” FTVN, November 1, 2011, <http://englishnews.ftv.com.tw/read.aspx?sno=8BFD02E70708ADAC7CEF8EFBB8107230>.)

²¹ Yang Szu-juei and Deborah Kuo, “Soong will not let DPP benefit from his candidacy: party member,” CNA, October 14, 2011.

²² There were many views about how accurately polling reflected Soong’s likely vote total at the end of the day. One public report that the KMT thought Soong could get 5 percent of the vote (Ho Hao-yi, “Blue camp estimates Soong to gain 5% votes,” *Shih-pao Chou-kan* [China Times Weekly], No. 1759, November 4–10, translated in summary by OSC, CPP20111109099002) seemed to reflect the private assessment of informed opinion in the Blue camp as well. (Private conversations)

Ironically, there were also indications that the DPP was unsure it would benefit from Soong’s candidacy, as well. (“DPP unsure if Soong will help or hurt its campaign,” *WantChinaTimes*, November 25, 2011.)

²³ Yang Ju-chuang, “Beijing cuts off James Soong’s money supply,” *Next*, (壹週刊), no. 545, November 3, 2011 (translated in summary by OSC, CPP20111106099002). Original report at <http://tw.nextnextmedia.com/index.cfm?Fuseaction=Article&IssueID=545&ArtID=33788111>.

²⁴ “陳其邁：中國以五套劇本明助、暗助國民黨” (Chen Ch’i-mai [DPP spokesman]: China uses five scenarios to openly or secretly help the KMT), DPP, November 13, 2011, http://www.dpp.org.tw/news_content.php?sn=5659.

This was reported despite the fact that Soong described the Mainland as having surpassed “friend” status to become a relative (“PFP Chairman James Soong describes China as ‘more than a friend’ for Taiwan,” *Taiwan News*, November 26, 2011), and he openly advocated eventual unification with the Mainland. (Zep Hu and Lilian Wu, “Presidential candidate Soong supports unification with China,” CNA, November 26, 2011.)

²⁵ Demonstrating that paranoia is not the preserve of any one camp, when an issue arose over whether Soong’s vice presidential candidate had succeeded in renouncing his American citizenship in time to be placed on the ballot—and the issue was resolved very expeditiously with a U.S. determination that he had succeeded within less than two months rather than the much more extended process often involved—a commentator in Macau saw an American plot at play. The commentator suggested that the State Department’s expeditious handling of the matter reflected an intention to allow James Soong to rock the election boat by contributing to Tsai’s victory and hence disrupting cross-Strait reconciliation. (Fu Quan, “美國正以無形之手介入台灣「總統」大選?” [Is America using a surreptitious method to intervene in Taiwan’s “presidential” election?], *Xinhua Aobao*, November 25, 2011, translated in summary by OSC, CPP20111125569002. Original Chinese-language article available at <http://www.waou.com.mo/detail.asp?id=56810>.)

²⁶ “選戰/羅致政：蔡英文如當選將穩定壓倒一切” (Lo Chih-cheng says if Tsai Ing-wen wins presidential election stability has priority over everything else), *Chung-yang Jih-pao*, September 1, 2011, http://www.cdnews.com.tw/cdnews_site/docDetail.jsp?coluid=107&docid=101647643.

²⁷ It is interesting to speculate on what flexibility she might show. Presumably she could—and likely would—say she has no intention of changing the status quo. She might go so far as to say that she has no intention of making any legal or even declaratory changes regarding Taiwan’s status. She could declare allegiance to the ROC constitution. But it seems highly unlikely that even if she did this, she could go further and explicitly embrace the constitution’s—or any form of—“one China” that covers both Taiwan and the Mainland. That would be a total reversal of every statement she has made on the subject.

²⁸ “Tsai Ing-wen’s remarks at the American Enterprise Institute,” DPP, September 13, 2011, <http://dpptaiwan.blogspot.com/2011/09/tsai-ing-wens-remarks-at-american.html> (hereafter “Tsai at AEI”).

²⁹ “DPP 25th anniversary reception for foreign diplomats and representatives,” Tsai Ing-wen’s remarks, September 28, 2011, <http://dpptaiwan.blogspot.com/2011/09/dpp-25th-anniversary-reception-for.html> (hereafter “Tsai at DPP 25th anniversary reception”).

³⁰ Sophia Yeh and Lilian Wu, “Tsai to set up task force for talks with China if elected,” CNA, December 2, 2011.

³¹ Alex Jiang, “DPP candidate vows closer ties with U.S. if elected,” CNA, September 11, 2011.

³² “Tsai at DPP 25th anniversary reception.”

³³ Not all aspects of Tsai’s trip paralleled Ma’s trip in March 2006, when he was mayor of Taipei and a strong contender for the KMT presidential nomination for 2008, but there was a conscious effort by the DPP to make it as close as possible. This was especially so with respect to the level of officials she met—Ma met with Deputy Secretary of State Robert Zoellick and Assistant Secretary of State Christopher Hill, a deputy National Security Council advisor and senior NSC staff member (Lawrence Chung, “US breakthrough for Ma Ying-jeou,” *South China Morning Post*, March 24, 2006)—as well as her speeches at AEI and Harvard. The differences were also notable, however. Ma met with Zoellick, who held a policy position in the State Department, for an extended conversation, whereas Tsai met with the deputy secretary for Management and Resources, and then for a very short meeting, in important part because Tsai and her group arrived late for the meeting. The officials she met with at the NSC were also not as senior as those with whom Ma met.

³⁴ Anna Fifield, Robin Kwong, and Kathrin Hille, “US concerned about Taiwan candidate,” *Financial Times*, September 15, 2011, <http://www.ft.com/intl/cms/s/0/f926fd14-df93-11e0-845a-00144feabdc0.html#axzz1Y84rkxYI>.

³⁵ Ibid.

³⁶ Peter Enav, “Ma’s party seizes on US official’s Taiwan comments,” AP, September 16, 2011, http://www.boston.com/news/world/asia/articles/2011/09/16/mas_party_seizes_on_us_officials_taiwan_comments/.

³⁷ Deputy Spokesman, Daily Press Briefing, Department of State, September 15, 2011, <http://www.state.gov/r/pa/prs/dpb/2011/09/172508.htm#TAIWAN>.

- ³⁸ “Why Taiwan Matters, Part II,” House Foreign Affairs Committee, October 4, 2011, webcast at <http://link.brightcove.com/services/player/bcpid800924616001?bckey=AQ~,AAAukParhE~,qbf0tVPJc tU2U-gQr9yJ1PzfkAS6Wvc&bctid=1194709777001>. (Hereafter “HFAC, ‘Why Taiwan Matters’”.)
- ³⁹ James Lee, “DPP celebrates 25th anniversary with diplomatic guests,” CNA, September 28, 2011.
- ⁴⁰ William Lowther, “‘FT’ sources said to be from White House,” *Taipei Times*, September 19, 2011.
- ⁴¹ Chris Wang, “Tsai’s trip to the US a success, forum told,” *Taipei Times*, September 23, 2011. Also, in a sympathetic article two weeks after this series of events, a Taipei paper wrote “US officials were impressed by Tsai’s eloquence.” (Li Yen-mou, “Tsai Ing-wen impresses Americans,” *Hsin Hsin Wen*, (Journalist), No. 1282, 29 September–04 October, 2011, translated in summary by Open Source Center, CPP20111005099002.) Tsai’s running mate Su Jia-chyuan asserted that Tsai was an “outstanding woman” in whose “global perspective and powers of negotiation” the United States had expressed confidence. (Enru Lin, “Tsai warns against ‘hazardous’ cross-strait policies,” *China Post*, October 24, 2011.) And in perhaps the most “official” claim, the DPP monthly newsletter carried an account of Tsai’s trip asserting that Tsai “was able to show her capability in handling stability across the Taiwan Strait during the meetings with US officials.” (“Chair Tsai Ing-wen leads DPP delegation to the US,” *Democracy and Progress*, September 2011, <http://www.scribd.com/doc/67230404/DPP-Newsletter-Sept2011>.)
- ⁴² “I would simply say . . . that was an unsourced, blind quote in a newspaper.” (HFAC, “Why Taiwan Matters.”)
- ⁴³ Kurt M. Campbell, “Testimony before House Foreign Affairs Committee,” October 4, 2011, <http://www.state.gov/p/eap/rls/rm/2011/10/174980.htm>; emphasis added.
- ⁴⁴ William Lowther, “‘FT’ source said to be from White House,” *Taipei Times*, September 19, 2011.
- ⁴⁵ Chris Wang, “Strategic ambiguity beneficial: forum,” *Taipei Times*, September 1, 2011.
- ⁴⁶ He Ming-guo, “US biased against Tsai Ing-wen: DPP thinktank,” *WantChinaTimes*, September 24, 2011, <http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20110924000010&cid=1101>.
- ⁴⁷ Liu Shih-chung, “Projecting a more moderate DPP,” *Taipei Times*, October 7, 2011.
- ⁴⁸ “DPP candidate Tsai Ing-wen tells American Chamber of Commerce Taiwan should move closer to US,” *Taiwan News Online*, November 22, 2011, http://www.taiwannews.com.tw/etn/news_content.php?id=1765816.
- ⁴⁹ James Lee, “Taiwan-China political relations still distant: President,” CNA, September 13, 2011.
- ⁵⁰ “A century of struggle, a democratic Taiwan—Ma Ying-jeou’s national day address,” Office of the President, Republic of China (Taiwan), October 10, 2011, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=25514&rmid=2355>.
- ⁵¹ Ibid.
- ⁵² “我們推動兩岸關係一向有個重要原則—「循序漸進」，即「先急後緩、先易後難、先經後政」，經過3年多的運作，我們現在也在思考，未來10年中，應該對兩岸在循序漸進的情況下，審慎斟酌未來是否洽簽「兩岸和平協議」，此一作法的前提是：第一、國內民意高度支持；第二、國家確實有需要；第三必須在國會監督情況下，才會踏出這一步。” (Office of the President, “總統主持「黃金十年」系列第五場記者會,” [President holds fifth in series of press conferences on the “Golden Decade”], October 17, 2011, <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=25592&rmid=514>.)
- ⁵³ “繼續「鞏固中華民國主權」、「壯大臺灣實力」、「引領兩岸關係良性發展」及「建構臺海長期和平穩定」，做為兩岸關係的施政主軸。” (Ibid.)
- ⁵⁴ Alan D. Romberg, “A Confederacy of Skeptics,” *China Leadership Monitor*, no. 29, August 2009, endnote 48.
- ⁵⁵ “Ma will seek political talks with Mainland if re-elected: AIT cable,” *China Post* (carrying Agence France-Presse report), September 25, 2011.
- ⁵⁶ Chris Wang, “Peace accord with China ‘naïve’: DPP,” *Taipei Times*, September 27, 2011.
- ⁵⁷ Romberg, *CLM* 35, p. 20.
- ⁵⁸ “Cross-Strait peace deal plausible: Ma aide,” *China Post*, September 13, 2011.
- ⁵⁹ Chen Luo-wei, “幕僚激辯 馬定調「早晚都要面對」” (Amid heated debate among aides, Ma decides ‘sooner or later the issue must be faced), *United Daily News*, October 18, 2011, <http://udn.com/NEWS/NATIONAL/NATS1/6658599.shtml>.
- ⁶⁰ Among the many theories put forward, some said it was to steal the initiative from Tsai; some said it was to rope in the Deep Blue who might tend to support James Soong; some said Ma was trying to lay the groundwork for proceeding on a peace accord in his second term if he were re-elected.

- ⁶¹ Kelven Huang and Lilian Wu, "President says he cares more about people's lives than ballots," CNA, November 18, 2011.
- ⁶² "和平協議納入黃金十年, 陳其邁: 馬總統設定統一時間表" (Introducing a peace accord into the Golden Decade, Chen Chi-mai: President Ma has established a timetable for unification), DPP, October 17, 2011, http://www.dpp.org.tw/news_content.php?sn=5509.
- ⁶³ Wen Kui-hsiang, Lu Hsin-hui, Claudia Liu, Sophia Yeh, and S.C. Chang, "Cross-Strait peace pact idea dangerous, contentious: DPP," CNA, October 18, 2011.
- ⁶⁴ Lee Shu-hua and Lilian Wu, "President says cross-Strait peace pact unrelated to unification," CNA, October 18, 2011.
- ⁶⁵ "蔡英文回應馬總統「兩岸和平協議」聲明稿" (Text of the statement of Tsai Ing-wen's response to President Ma's 'cross-Strait peace accord' announcement), DPP, October 19, 2011, http://www.dpp.org.tw/news_content.php?sn=5520.
- ⁶⁶ The following discussion comes from "President Ma holds press conference on 'cross-Strait peace agreement,'" Office of the President, October 20, 2011, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=25714&rmid=2355>. Original Chinese-language transcript of the press conference is at <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=25626&rmid=514>.
- ⁶⁷ Chris Wang and Shih Hsiu-chuan, "Tsai slams Ma's 'simplistic' proposal," *Taipei Times*, October 21, 2011.
- ⁶⁸ "Time to embrace pragmatism," *Taiwan Today*, October 29, 2011, <http://www.taiwantoday.tw/ct.asp?xitem=179013&CtNode=425>.
- ⁶⁹ "President Ma meets delegation from National Committee on American Foreign Policy," Office of the President, Republic of China (Taiwan), October 19, 2011, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=25670&rmid=2355>.
- ⁷⁰ Chris Wang and Shih Hsiu-chuan, "Tsai slams Ma's 'simplistic' proposal," *Taipei Times*, October 21, 2011.
- ⁷¹ Li Ming-hsien, "僅五小時敲定公投 就是要破綠營神主牌" (It took only five hours to make a decision about the referendum, precisely in order to trump the Green), *China Times*, October 21, 2011, <http://news.chinatimes.com/focus/50109823/112011102100090.html>.
- ⁷² "Presidential Palace Spokesman: Cross-Strait peace agreement must pass plebiscite," KMT News Network (from Taipei papers), October 20, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10293>.
- ⁷³ The terms "plebiscite" and "referendum" are used interchangeably in these discussions, but the meaning is that they have to be approved by a public vote under the terms of the Referendum Law (公民投票法), the text of which is available at <http://www.glin.gov/view.action?glinID=91517>.
- ⁷⁴ Sophia Yeh, Chen Shu-fen, and Sofia Wu, "President's peace deal referendum mere campaign rhetoric: DPP," CNA, October 20, 2011.
- ⁷⁵ "府拒兩岸政治協議須公投, 梁文傑: 馬受中國壓力立場搖擺" (Government resists requirement for a referendum for cross-Strait political agreements, Liang Wen-chieh [DPP spokesman]: When Ma receives pressure from China his position wavers), DPP, October 22, 2011, http://www.dpp.org.tw/news_content.php?sn=5533.
- With regard to any future PRC complaint, Ma had already made clear that PRC opposition to a referendum would suggest the absence of mutual trust: "Then we should halt the pursuit of a peace pact." (Sofia Wu, "Well-conceived idea or off-the-cuff rhetoric?" CNA (Talk of the Day), October 21, 2011.) He added: "If the Mainland refuses to accept our principles, then we will put the peace agreement on hold . . . We don't have to sign the agreement within the next decade, and there's no timetable for such a pact." (Mo Yan-chih, "Ma promises referendum before Chinese peace pact," *Taipei Times*, October 21, 2011.)
- ⁷⁶ Chris Wang and Shih Hsiu-chuan, "Tsai slams Ma's 'simplistic' proposal," *Taipei Times*, October 21, 2011.
- ⁷⁷ Enru Lin, "Tsai warns against 'hazardous' cross-Strait policies," *China Post*, October 24, 2011.
- ⁷⁸ Ho Meng-kui and Lilian Wu, "Referendum proposal has nothing to do with election: DPP," CNA, October 24, 2011.
- ⁷⁹ Chris Wang and Shih Hsiu-chuan, "Tsai slams Ma's 'simplistic' proposal," *Taipei Times*, October 21, 2011.

⁸⁰ Ho Meng-kui and Lilian Wu, “Referendum proposal has nothing to do with election: DPP,” CNA, October 24, 2011.

⁸¹ Sophia Yeh and Deborah Kuo, “President’s peace pact forcing voters to make decision: DPP,” CNA, October 23, 2011.

⁸² Chris Wang, “DPP’s proposed Referendum Act change blocked,” *Taipei Times*, October 26, 2011.

⁸³ These were:

One framework—under the ROC constitution, preserve the status quo in the Taiwan Strait of “no unification, no independence, no use of force” and, on the foundation of the “1992 Consensus,” promote cross-Strait exchanges;

Two preconditions—only on a basis of preconditions of domestic popular will reaching a high degree of consensus, and in cross-Strait relations accumulating sufficient mutual trust, having the possibility of pushing forward negotiating and concluding a peace accord;

Three principles—consider moving ahead only on the basis of national need, popular support and legislative oversight, these “three principles” being unable to change, both before and after negotiations so as to allow public understanding of the government’s conduct, which must be as transparent as possible;

Four guarantees—ensuring the complete and independent sovereignty of the Republic of China, ensuring Taiwan’s security and prosperity, ensuring ethnic harmony and cross-Strait peace, and ensuring environmental stability and social justice. “總統針對「兩岸和平協議」議題提出「十大保證」”(The president puts forward ‘10 assurances’ regarding a ‘cross-Strait peace accord.’), Office of the President, Republic of China (Taiwan), October 24, 2011,

<http://www.president.gov.tw/Default.aspx?tabid=131&itemid=25675&rmid=514>.

⁸⁴ Rachel Chan, “Ma pushes ahead with cross-Strait peace pact,” *Taiwan Today*, October 25, 2011, <http://www.taiwantoday.tw/ct.asp?xItem=178701&ctNode=445>.

⁸⁵ Chris Wang, “Don’t discount peace talk: forum,” *Taipei Times*, October 26, 2011.

⁸⁶ Chiu Chun-chin, Sunrise Huang, Wen Kui-hsiang, Lu Hsin-hui, Ho Meng-kui, and S.C. Chang, “DPP unconvinced by Ma’s ‘10 assurances’ on peace pact idea,” CNA, October 25, 2011.

⁸⁷ “連胡會 談和平協議九二共識”(Lien Hu meeting, discuss peace accord and 1992 Consensus), CNA (domestic), November 12, 2011, <http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201111120022&pType1=PD&pType0=aALL&pTypeSel=&pPNo=3>.

⁸⁸ Lin Shu-hui, “DPP lashes out at Lien-Hu APEC talks,” *Taipei Times*, November 13, 2011. (The text of the DPP spokesman’s statement is at http://www.dpp.org.tw/news_content.php?sn=5654.)

⁸⁹ Li Shu-hua, “和平協議議題 府籲綠營勿扭曲”(Regarding a peace accord, government says Green camp should not engage in distortion), CNA (domestic), November 13, 2011, <http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201111130068&pType0=aALL>.

⁹⁰ Lin Shu-yuan and Bear Lee, “Lien denies proposing peace pact to Hu Jintao,” CNA, November 13, 2011. An account filed from Honolulu by a correspondent of the official Central News Agency cast some doubt on Lien’s denial. The correspondent reported that he had pushed Lien on what he had said to Hu, and Lien’s response left room for interpretation. that is, Lien left open the possibility that while he had not necessarily mentioned a peace accord by name, in context it was possible that such an accord is what he had actually been referring to. “中央社記者在中外記者會中詢問連戰，所謂「和平問題開始交換意見」是否指的是兩岸簽署和平協議？連戰回應表示，2005年達成的5項願景中，兩岸簽署和平協議是5項願景之一，所以也希望就這個問題兩岸能夠開始交換意見。”(Lin Shu-yuan, “Lien and Hu meet, talk about peace accord and 1992 Consensus,” CNA [domestic], November 12, 2011,

<http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201111120022&pType1=PD&pType0=aALL&pTypeSel=&pPNo=3>.)

⁹¹ According to the joint statement, the agreed task (one of five) was:

Promote an end to the state of hostilities, and reach a peace accord: Promote a formal ending to the cross-Strait state of hostilities, reach a peace accord, and build a framework for the peaceful and steady development of cross-Strait ties, including the establishment of a military mutual trust mechanism, to avoid cross-Strait military conflict. (“Text of KMT-Beijing agreement,” Xinhua text as carried by BBC News, April 29, 2005, <http://news.bbc.co.uk/go/pr/fr/-/2/hi/asia-pacific/4498791.stm>. A Chinese-language version is at <http://blog.sina.com.tw/ning/article.php?pbid=1788&entryid=11520>.)

⁹² “總統接見「臺北市電腦商業同業公會」及「臺灣科學工業園區同業公會」理監事代表”(President receives representatives from the boards of directors of the “Taipei City computer industry association” and the

“Taiwan science park industry association”), Office of the President, November 14, 2011, <http://www.president.gov.tw/Default.aspx?tabid=131&itemid=25841&rmid=514>.

Although Lien said that concluding a peace accord was a long-term goal, there was some confusion over whether he said that beginning discussion regarding each side’s ideas about peace should take place in “the near future,” as one Taiwan government report had it. (“GIO Report on Lien Chan’s meeting with Hu Jintao at APEC,” Government Information Office, November 14, 2011, <http://www.gio.gov.tw/ct.asp?xItem=101494&ctNode=2462&mp=807>, accessed on November 14 but since removed from the GIO website.) The version that is now officially accepted is that Lien called for such a discussion “at an appropriate time in the future” (未來適當時間), which Ma specified in his November 14 meeting with computer and science industry association representatives to mean when all of the necessary prerequisites had been met.

⁹³ Some suspicion has been voiced that by raising the issue of a peace accord before the election, Ma plans to characterize his victory as a “referendum” on the idea if he wins. That idea is not altogether impossible in some future scenario, where a candidate explicitly says that a vote for her/him would be a vote for negotiating a peace accord. But clearly that is not the situation now, and, in this writer’s view, charges to the contrary have no merit. In any case, Ma has said that he thought it highly unlikely it would be possible to move forward on the whole idea during the next four years. (Mo Yan-chih, “2012 Elections: Ma defends peace agreement,” *Taipei Times*, October 29, 2011.)

⁹⁴ Su Yung-yao, “劉世忠：和平協議公投說 馬讓美意外” (Liu Shih-chung: In speaking of a referendum on a peace accord, Ma surprises the United States), *Liberty Times*, November 2, 2011, <http://www.libertytimes.com.tw/2011/new/nov/2/today-p8.htm>.

⁹⁵ Amy Huang and Nell Shen, “Three presidential TV debates set for December,” CNA, November 21, 2011.

⁹⁶ Ma sounded one rather odd note in the December 3 debate, by adding an unprecedented third element to his usual mantra of “Taiwan is our homeland, the Republic of China is our country”: “Taiwan is also our country” (台灣也是我們的國家). Why he did that is a mystery; his post-debate explanation that the ROC is also known as Taiwan many places in the world (just as the Netherlands is known as Holland) was not persuasive. Given that his attitude toward Taiwan independence certainly has not changed, it is not at all clear what political calculation lay behind that rhetorical flourish, which he seems to have rather quickly set aside.

⁹⁷ Lilian Wu, “‘Peace deal’ impact on opinion polls,” CNA (Talk of the Day), October 25, 2011.

⁹⁸ Discussed in Romberg, *CLM* 35.

⁹⁹ That said, Beijing continues to be reticent on issues of Taiwan’s “international space.” Still, some small advances were made, though not really because of PRC help.

In late October, Taiwan and New Zealand let it be known that they would begin a feasibility assessment for a bilateral FTA-like economic cooperation agreement, which, it was hoped, would facilitate Taiwan’s entry into the Trans-Pacific Partnership. (Philip Liu, “Taiwan and New Zealand start studying feasibility of signing ECA,” *Taiwan Economic News*, October 26, 2011, http://cens.com/cens/html/en/news/news_inner_38187.html.)

In addition, Taipei once more solicited international support for its participation in UN specialized agencies (Emmanuelle Tzeng and Lilian Wu, “Taiwan soliciting allies to speak for U.N. agency presence,” CNA, September 8, 2011) even as it continued to voice complaints with how the WHO referred to Taiwan in communications with others. (Nancy Liu, “MOFA continues to protest to WHO over name issue,” CNA, September 20, 2011.

On the NGO front, Taiwan won a victory when, over PRC objections—even apparently threats to pull out and withhold dues—a renowned Taiwan neurosurgeon not only became the first Asian elected to head the World Federation of Neurosurgical Societies, but by winning he also successfully fended off an effort by the Mainland to identify his home organization not as the Taiwan Neurological Society but something else, with “China” in the name. (“Taiwanese to lead world neurological organization,” *Taipei Times* [with CNA], September 28, 2011. See also “Amid Chinese opposition, Taiwanese elected to head neurosurgeon group,” FTVN, September 26, 2011, <http://englishnews.ftvn.com.tw/read.aspx?sno=4113560030DD837962A86916B47543AB>.)

¹⁰⁰ It may be worth noting here that when Chen was first elected, Beijing saw him as an opportunist, not an ideologue “like Lee Teng-hui.” But over time they came to see him committed to domestic and external

steps designed to change not just the political but even the legal basis of Taiwan's separate status from the Mainland, and hence to enter into the category of "ideologue."

¹⁰¹ Paul Mozur, Jenny W. Hsu, and Aries Poot, "Taiwan's Tsai stresses slower track for China ties," *Wall Street Journal*, September 2, 2011.

¹⁰² Romberg, "Cross-Strait Relations: First the Easy, Now the Hard," *China Leadership Monitor*, no. 28, 2009, discusses in some detail Hu's December 31, 2008, "six-point" speech. It was this approach—together with "zero tolerance" for Taiwan independence—that allowed Hu to argue that his policy was squarely aligned with that of his predecessors, even if he seemed to be adopting more flexible means to implement it.

¹⁰³ 九二共識是「兩岸的共識，非政黨間共識」，兩會協商的基礎就是九二共識，「這不能被挑戰的」。(Lin Shu-yuan, "Lien-Hu meeting will take place on the 11th," CNA [domestic] November 9, 2011, <http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201111100026&pType1=EF&pType0=aALL&pTypeSel=&pPNo=2>.)

¹⁰⁴ "王毅强调：'九二共识'不容否认 两岸关系不容倒退" (Wang Yi emphasizes: "1992 Consensus" will not tolerate denial, cross-Strait relations will not tolerate retreat), China Taiwan News Online (中国台湾网), November 17, 2011, http://www.chinataiwan.org/xwzx/la/201111/t20111117_2157562.htm.

A number of Taiwan media picked up on the strength of Wang Yi's remarks, variously observing that his reference to "concrete action" was a call for Taiwan people to vote "the right way" in the January elections (He Ming-kuo, "王毅的話說給誰聽?" [At whom are Wang Yi's words directed?], *China Times Wang Pao*, November 18, 2011, <http://news.chinatimes.com/focus/50109996/11201111800140.html>) and commenting that Beijing was willing to speak out more and more directly out of growing frustration that voters in Taiwan seemed to be misleading themselves into believing that there would be no significant negative fallout in cross-Strait relations if the DPP returned to power. (Chen Tong-hsu, "如何畫紅線 北京傷腦筋" [Observer: A knotty issue for Beijing, how to draw the red line], *United Daily News*, November 18, 2011, <http://udn.com/NEWS/MAINLAND/MA11/6725773.shtml>.)

¹⁰⁵ "Mainland's Taiwan Affairs director: 1992 Consensus indispensable," KMT News Network (from Taipei papers), November 18, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10454>.

The head of ARATS made a similar point a few days later, when he said not only that further negotiations would be hampered if an administration in Taipei refused to recognize the "1992 Consensus," but that agreements already signed between SEF and ARATS might not be smoothly implemented and cross-Strait relations would "certainly come to a standstill or backpedal" if the "1992 Consensus" were denied. ("Chen Yun-lin: 1992 Consensus the precondition for cross-Strait negotiations," KMT News Network [from Taipei papers]), November 21, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10464>.

¹⁰⁶ "Tsai at Foreign Correspondents Club of Japan."

Ironically, while highly critical of the DPP's orientation and ability to govern, a noted PRC scholar has nonetheless made a similar argument:

"贏輸與兩岸關係雖有關係，但不可將贏看成兩岸關係的成功勝利，輸則是兩岸關係的失敗" (Although . . . victories and losses have something to do with cross-Strait relations, we must not see the victories as a success or victory of the cross-Strait relations and losses as a failure of the cross-Strait relations), Zhang Nianchi, "My humble opinion on some important issues on current cross-Strait relations," *China Review* (China Review), October 1, 2011, No. 166, pp. 4–6, translated by OSC, CPP20111003787012. Original article, "章念馳：當前兩岸關係重要問題芻議," available at <http://www.chinareviewnews.com/doc/1018/5/5/4/101855498.html?coluid=7&kindid=0&docid=101855498>.

¹⁰⁷ Lin Tse-hung, "大陸學者 轟民進黨一廂情願" (Mainland scholars attack DPP's wishful thinking), *United Daily News, Economic Daily*, November 27, 2011, <http://udn.com/NEWS/MAINLAND/MA11/6743992.shtml>.

¹⁰⁸ Romberg, *CLM* 35, p. 10.

¹⁰⁹ "Mainland reaffirms opposition to DPP Tsai's 'Platform for the Next Decade,'" KMT News Network (from Taipei papers), September 1, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10070>.

¹¹⁰ “国台办新闻发布会辑录” (Record of the State Council Taiwan Affairs Office Press Conference), October 12, 2011, http://www.gwytb.gov.cn/xwfbh/201110/t20111012_2103623.htm.

¹¹¹ Romberg, *CLM* 35, pp. 18ff.

¹¹² Private conversation.

¹¹³ Chou Hui-ying and Sofia Wu, “Taiwan, China aim to set up reciprocal trade offices next quarter,” CNA, November 1, 2011.

¹¹⁴ Private conversations with officials.

¹¹⁵ K’ang Shih-ren, “陸：兩岸協商基礎 九二共識” (Mainland: Basis of cross-Strait consultation is the 1992 Consensus), CNA (domestic), December 3, 2011, <http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201112030245&pType1=PM&pType0=aALL&pTypeSel=&pPNo=3>.

¹¹⁶ Minnie Chan, “Xi warns Taiwan on ‘1992 Consensus’,” *South China Morning Post*, December 17, 2011.

¹¹⁷ A seventh SEF-ARATS meeting was held after much delay in late October, but the controversial investment protection pact once again proved too difficult, and only a nuclear safety cooperation agreement was signed. (Chen Hung-chin, Kang Shih-jen, Tsai Su-jung, and Jamie Wang, “Taiwan, China sign nuclear safety cooperation pact,” CNA, October 20, 2011.) The delegations issued an extensive statement claiming they had “reached many points of consensus and are in basic agreement about the content of the pact.” However, they acknowledged, “due to the breadth and the highly specialized nature of the Agreement, as well as differences between the administrative systems on the two sides, further communication and coordination are still needed both internally on each side and mutually between the two sides.” They said they would “continue and accelerate” what they termed “final stage negotiations” so an agreement could be signed at the next round of SEF-ARATS talks. (“Joint Opinion of the SEF and the ARATS on Advancing Negotiations on the Cross-Strait Investment Protection Agreement,” Mainland Affairs Council, November 17, 2011, <http://www.mac.gov.tw/ct.asp?xItem=99116&ctNode=6256&mp=3>. A full Chinese-language version published by ARATS on the day the “Joint Opinion” was issued [October 20] is available at http://www.arats.com.cn/xieyi/201110/t20111020_2114665.htm.)

While the exact differences were left vague, issues at stake during the latter days of the unsuccessful negotiation were said to include protection of personal safety of Taiwan investors in the Mainland, an arbitration mechanism for resolving disputes, and “national treatment” of investments. (Lin Shu-yuan and Sofia Wu, “Three core issues stall investment pact talks with China: minister,” CNA, September 29, 2011.) While progress appears to have been made at the last minute on important aspects of the personal safety issue, the overall gap between the two sides was obviously significant.

¹¹⁸ Ben Blanchard, “China warns Taiwan opposition trade deals at risk,” Reuters, October 20, 2011.

¹¹⁹ “Text of DPP Chair 11-16 interview article with Bloomberg,” DPP, November 18, 2011, <http://dpptaiwan.blogspot.com/2011/11/dpp-chair-tsai-ing-wens-interview-with.html>.

¹²⁰ Jeffrey Wu, “DPP will seek dialogue with China if elected: Tsai,” CNA, November 22, 2011.

¹²¹ Li Yafei, deputy chairman and secretary-general of ARATS made this position about as explicit as he could in meeting with Taiwan correspondents resident in Beijing in mid-December. At the same time he held out the prospect of enhanced economic cooperation and increased tourism, regional cooperation, and international space, and so forth, Li said that if the “1992 Consensus” were undermined, SEF-ARATS meetings would definitely be broken off. He also foreshadowed that on December 16, ARATS’ 20th anniversary, senior officials would make major statements on cross-Strait relations. (“ARATS’s Li Yafei: Cross-Strait dialogues and consultations to be suspended without 1992 Consensus as prerequisite,” KMT News Network [from Taipei papers], December 13, 2011, <http://www.kmt.org.tw/english/page.aspx?type=article&mnum=112&anum=10581>.)

¹²² “Perspective: Is Ma’s style of cross-Strait peace accord turning sour?” “觀察：馬式兩岸和平協議正在變味?” *China Review News*, October 20, 2011,

http://www.chinareviewnews.com/doc/1018/7/5/101875534_2.html?coluid=7&kindid=0&docid=101875534&mdate=1020141259. The issue of “peaceful independence” goes back several years, one of the early references in public media being a 2004 Xinhua “signed article” entitled “‘Taiwan independence’ has no peace, separation has no stability,” (署名文章：“台獨”沒有和平 分裂沒有穩定), May 19, 2004, http://news.xinhuanet.com/taiwan/2004-05/19/content_1478468.htm. We have pointed to the more “benignly” worded “peaceful separation” issue at times over the past two years. (Romberg, “Cross-Strait

Relations: Weathering the Storm,” *China Leadership Monitor*, no. 30, November 2009; “Cross-Strait Relations: Setting the Stage for 2012, *China Leadership Monitor*, no. 34, June 2010.)

¹²³ Liu Yong-hsiang, “解讀和平協議 美學者：公投讓北京不安” (Deciphering the peace accord, American scholar: Referendum makes Beijing uneasy), *United Daily News*, October 26, 2011, <http://www.udn.com/2011/10/26/NEWS/NATIONAL/NATS1/6675932.shtml>. The reference is to Tao Wenzhao (陶文釗), a senior scholar in the Institute of American Studies in the Chinese Academy of Social Sciences.

¹²⁴ “国台办新闻发布会辑录” (Record of the State Council Taiwan Affairs Office Press Conference), October 26, 2011, http://www.gwytb.gov.cn/xwfbh/201110/t20111026_2122103.htm.

¹²⁵ “Taipei Economic and Cultural Representative Office in the United States—Retrofit of F-16A/B Aircraft,” Defense Security Cooperation Agency, September 21, 2011, http://www.dsca.mil/PressReleases/36-b/2011/TECRO_11-39.pdf.

¹²⁶ “Taipei Economic and Cultural Representative Office in the United States—Pilot Training Program,” Defense Security Cooperation Agency, September 21, 2011, http://www.dsca.mil/PressReleases/36-b/2011/TECRO_11-19.pdf.

¹²⁷ “Taipei Economic and Cultural Representative Office in the United States—Foreign Military Sales Order II (FMSO II),” Defense Security Cooperation Agency, September 21, 2011, http://www.dsca.mil/PressReleases/36-b/2011/TECRO_11-34.pdf.

¹²⁸ Elaine Hou, “Fighter upgrade process will not weaken Taiwan’s air defense: MND,” CNA, September 28, 2011.

¹²⁹ Bill Gertz, “Arms sale to Taiwan may fray China ties,” *Washington Times*, September 19, 2011. See also, William Lowther, “Pentagon report backs US refusal to sell F-16 jets,” *Taipei Times*, October 2, 2011.

¹³⁰ “Background briefing on F-16s for Taiwan,” Department of State, September 19, 2011, <http://www.state.gov/r/pa/prs/ps/2011/09/172741.htm>.

In congressional testimony two weeks later, Acting Assistant Secretary of Defense Peter Lavoy stated that the retrofitted A/Bs will have radar and weapons engagement capabilities “comparable to any fourth-generation fighter available to the United States Air Force and available to our...allies.” In response to a question about whether the engines would be as powerful as new aircraft, Lavoy said, “we do have an analysis for a new engine in that aircraft, so it will be fully comparable to the F-16Cs and Ds.” (HFAC, “Why Taiwan Matters”.)

¹³¹ Tony Liao and Y.F. Low, “Arms sale demonstrates U.S. commitment to Taiwan: U.S. official,” CNA, September 21, 2011.

¹³² Lee Shu-hua and Elaine Hou, “F-16 retrofit helps maintain Taiwan’s security: president” CNA, September 22, 2011.

In the context of the anticipated announcement, the Ministry of National Defense in Taipei let it be known, that among the efforts to produce more advanced weapons systems domestically, MND was studying the feasibility of building submarines domestically, albeit procuring necessary technology from abroad. (Hsu Shao-hsuan, “軍方研究 自製潛艦” [Military studying self-production of submarines], *United Daily News*, September 19, 2011, <http://udn.com/NEWS/NATIONAL/NAT1/6598375.shtml> (accessed September 19, 2011, currently available via a *China Review News* report at <http://www.chinareviewnews.com/doc/1018/4/0/6/101840687.html?coluid=4&kindid=19&docid=101840687&mdate=0919153348>).

Consistent with President Ma Ying-jeou’s pledge that Taiwan would continue to beef up its defense capabilities over the next 10 years, “to safeguard the sovereignty of the Republic of China and maintain security in the Taiwan Strait” (“A Century of Struggle, a Democratic Taiwan,” Ma Ying-jeou’s National Day Address, Office of the President, Republic of China (Taiwan), October 10, 2011, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=25514&rmid=2355>), and perhaps as part of an effort to demonstrate that Taipei was not totally dependent on foreign suppliers, Taipei also let it be known that unmanned aerial vehicles (UAVs), under development for several years and deployed on an experimental basis in April 2011, would be commissioned early in 2012 as part of the plan to build up asymmetric, innovative defense capabilities. (Sofia Wu, “Taiwan-developed UAVs to be commissioned,” CNA, October 3, 2011.)

In this same period, two airborne early warning aircraft were shipped to the United States for upgrades under the terms of an arms sales agreement announced by President George W. Bush in October 2008.

(Chen Pei-huang and Deborah Kuo, “Two early warning aircraft depart for U.S. for upgrading,” CNA, November 8, 2011.)

No doubt of greater interest to some observers, Taiwan’s official news agency reported that, with U.S. help, Taiwan would complete a long-range early warning radar project in late 2012 (Elaine Hou, “Taiwan to complete long-range surveillance radar program next year” CNA, November 10, 2011), and that Taiwan and the United States would share the intelligence gathered. (Chen P’ei-huang, “長程預警雷達 101年完工” [Long-distance early warning radar to be completed in 2012], CNA [domestic], November 7, 2011, <http://www2.cna.com.tw/ShowNews/Detail.aspx?pNewsID=201111060190&pType1=PD&pType0=aALL&pTypeSel=&pPNo=2>.)

¹³³ “SPECIAL COMMENTARY: The Obama Administration Notifies Taiwan’s F-16 A/B Upgrade Program to Congress. Where Are The F-16 C/Ds?” U.S.-Taiwan Business Council, September 21, 2011, http://www.us-taiwan.org/reports/2011_september21_taiwan_congressional_notifications.pdf.

Lockheed, manufacturer of the F-16, also rebutted the Pentagon report, asking: “If new F-16s are so irrelevant, why is China so vigorously opposed to their sale to Taiwan?” (Jim Wolf, “Exclusive: Lockheed lobbies anew for new Taiwan F-16s,” Reuters, September 29, 2011, <http://www.reuters.com/article/2011/09/29/us-china-usa-lockheed-idUSTRE78S0EV20110929>.)

¹³⁴ “Sen. Hutchison supports Cornyn amendment on F16s for Taiwan,” Office of Senator Kay Bailey Hutchison, September 22, 2011, http://hutchison.senate.gov/?id=794&p=press_release. Cornyn and others had pressed hard to force through legislation requiring the sale of C/Ds, but failed. (Josh Rogin, “Cornyn tries to force Taiwan F-16 sales,” *Foreign Policy—The Cable*, September 12, 2011.)

¹³⁵ Jimmy Chuang, “US Senate vetoes sale of F-16C/Ds to Taiwan,” *Want China Times*, September 24, 2011, <http://www.wantchinatimes.com/news-print-ent.aspx?cid=1101&MainCatID=11&id=20110924000087>.

¹³⁶ On November 17, the House Foreign Affairs Committee passed two bills calling on the administration to sell F-16 C/Ds to Taiwan and in other ways to strengthen both security and other ties with the island. (Rachel Chan, “US house committee urges sale of F-16s to Taiwan,” *Taiwan Today*, November 28, 2011, <http://www.taiwantoday.tw/ct.asp?xItem=180746&ctNode=445>.) And a day later, Senator Cornyn, who had held up Deputy Secretary of State William Burns’ nomination over the issue (Romberg, *CLM* 35, p. 25), sent a letter to the White House threatening to put a hold on the nomination of Mark Lippert as assistant secretary of Defense for Asian and Pacific Security Affairs. (William Lowther, “US senator moves F-16C/D jet issue back to the forefront,” *Taipei Times*, November 20, 2011.)

¹³⁷ Tsai at AEI.

¹³⁸ Shih Hsiu-chuan and Chris Wang, “Government thanks US for agreeing to arms sale,” *Taipei Times*, September 23, 2011.

¹³⁹ Tony Liao and Y.F. Low, “U.S. arms sales to Taiwan helpful to cross-Strait peace: Clinton,” CNA, September 26, 2011.

¹⁴⁰ “Speech by H.E. Yang Jiechi, Minister of Foreign Affairs of the People’s Republic of China at the luncheon hosted by the National Committee on US-China Relations and the US-China Business Council,” Ministry of Foreign Affairs, September 22, 2011, <http://www.fmprc.gov.cn/eng/wjw/wjwz/2461/t861437.htm>.

¹⁴¹ “China says US-Taiwan arms deal to impact exchanges,” Agence France-Presse, September 28, 2011, http://www.channelnewsasia.com/stories/afp_asiapacific/view/1156065/1/html.

¹⁴² “China firmly opposes US sales of F-16s to Taiwan,” *Global Times* (translated and disseminated by *People’s Daily*), September 9, 2011, <http://english.people.com.cn/90780/7593103.html>.

¹⁴³ “China, U.S. Hold Defense Consultations on Controlling Risks,” Xinhua, December 7, 2011.

That said, given the efforts by the Obama administration to talk up the capabilities of the retrofitted A/Bs, Mainland experts began to complain that they had been fooled into believing that the retrofit was much less significant than it really was, and hence trapped into a more moderate response than was really merited. (Private conversations)

¹⁴⁴ In late October, a month after the sale announcement, Panetta said: “I’ve heard nothing that indicates that they’re taking any steps in reaction to [the arms sales decision]. As a matter of fact, I guess I would commend them for the way they have handled the news of that sale to Taiwan.” (“Media Availability with Secretary Panetta in Bali, Indonesia,” Department of Defense, October 23, 2011, <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4909>.)

Panetta raised a stir when he went on to say the U.S. had given Beijing a “heads-up” about what was going to happen. This was (erroneously) interpreted by the Taiwan media as suggesting that Washington had consulted with the Mainland about the decision, an assertion that Assistant Secretary of State Kurt Campbell and Acting Assistant Secretary of Defense Peter Lavoy categorically denied in congressional hearings in early October. (HFAC, “Why Taiwan Matters.”) What apparently happened is that Beijing was told of the impending public announcement long after the decision had been made but shortly before it was publicly released. (Tony Liao and Y.F. Low, “U.S. does not consult China on arms sales to Taiwan: officials,” CNA, October 26, 2011.)

¹⁴⁵ “Chinese defense ministry urges US to stop arms sale to Taiwan,” Xinhua, October 26, 2011, http://news.xinhuanet.com/english2010/china/2011-10/26/c_122202066.htm.

¹⁴⁶ “Chinese mainland: U.S. arms sales to Taiwan harm cross-Strait ties,” Xinhua, September 22, 2011, reporting on TAO comments in reaction to the announcement and posted on the State Council Taiwan Affairs Office website (http://www.gwytb.gov.cn/en/Headline/201109/t20110922_2081789.htm). The original TAO statement “国台办发言人就美售台武器发表谈话” is posted at http://www.gwytb.gov.cn/wyly/201109/t20110922_2080503.htm. This line was repeated at the regular TAO press briefing six days later (http://www.gwytb.gov.cn/xwfbh/201109/t20110928_2089853.htm) and again at the TAO press briefing in mid-October (http://www.gwytb.gov.cn/xwfbh/201110/t20111012_2103623.htm).

¹⁴⁷ “Chinese, U.S. presidents pledge to advance cooperative partnership,” Xinhua, November 13, 2011, http://news.xinhuanet.com/english2010/china/2011-11/13/c_131243706.htm. Some observers questioned why Obama did not mention the Taiwan Relations Act, but the U.S. never mentions the TRA in direct conversation with PRC officials as it is known to be toxic to them.

¹⁴⁸ Lawrence Chung, “Clinton pinning U.S. hopes on Taiwan,” *South China Morning Post*, November 15, 2011, <http://topics.scmp.com/news/china-news-watch/article/Clinton-pinning-US-hopes-on-Taiwan>.

¹⁴⁹ James Lee, “U.S. Assistant Secretary of Commerce Suresh Kumar to visit Taiwan,” CNA, September 9, 2011.

¹⁵⁰ “President Ma meets US Assistant Secretary of Commerce Suresh Kumar,” Office of the President, September 14, 2011, <http://english.president.gov.tw/Default.aspx?tabid=491&rmid=2355&itemid=25321>; Shih Hsiu-chuan and Mo Yan-chih, “Visiting US official promotes strong, growing trade ties,” *Taipei Times*, September 15, 2011.

¹⁵¹ Nancy Liu, “Beef issue pivotal to resumption of TIFA talks: U.S. official,” CNA, September 15, 2011.

¹⁵² Chiachen Hsieh and Jeannie Chen, “U.S. official arrives in Taiwan for six-day visit,” CNA, September 30, 2011,

¹⁵³ Shih Hsiu-chuan, “US trade delegation holds talks,” *Taipei Times*, October 1, 2011.

¹⁵⁴ Shih Hsiu-chuan, “US wants Taiwan to join in aid cooperation,” *Taipei Times*, December 3, 2011.

¹⁵⁵ “USAID Administrator Shah travels to South Korea and Taiwan,” USAID, November 28, 2011.

¹⁵⁶ Private conversations.

¹⁵⁷ Nancy Liu, “Highest-ranking U.S. official to visit Taiwan in a decade,” CNA, December 7, 2011.