The Role of the United States in Cross-Strait Dialogues

Edward I-hsin Chen, Ph.D.
Director
Graduate Institute of American Studies (GIAS)
Tamkang University &
Senior Fellow
International Affairs Program
Cross-Strait Interflow Prospect Foundation (CSIPF)

Paper draft prepared for the second Workshop on International Negotiation and Conflict Resolution
International Conference Hall, General Building of Colleges, National Chengchi University, Taipei City, Rep. of China, October 25-26, 2004
The Role of the United States in Cross-Strait Dialogues

Paper prepared for the 2nd International Conference
on International Negotiation & Conflict Resolution

Conference’s Main Theme: The Role of Third Party in International Governmental Negotiations

Sponsored by Department of Diplomacy, National Chengchi University

By Prof. Edward I-hsin Chen

Graduate Institute of American Studies (GIAS) Senior Fellow & Director, International Affairs Program
Tamkang University Cross-Strait Interflow Prospect Foundation (CSIPF)

Abstract: In a speech on October 10, 2004, President Chen Shui-bian suggested both sides of the Taiwan Strait could use a 1992 meeting in Hong Kong as the basis to return to the negotiation table for a new round of cross-strait talks. Nonetheless, substantial cross-strait dialogues require not only good atmosphere but also good will on both sides. Given the cross-strait tensions and the lack of mutual trust, will his proposal be accepted by China? And this is the main purpose of this article. Since U.S. Vice President Richard Cheney paid a visit to China in Mid-April 2004, it is believed that Chinese and American leaders have reached a consensus on how to avoid a cross-strait war. Among the measures taken by the two countries, the first is that the U.S. and China will rebuild their mutual trust damaged by U.S. insufficient efforts to curb referendum voting during Taiwan’s presidential election. Given the condition that the United States is able to send strong warnings against Taiwan’s provocative policy, Beijing will maintain her current policy of influencing Taipei through Washington. Second, Washington will have to show Beijing that it can prevent Taiwan from going independent. They will develop a cooperative mechanism to effectively stop Taiwan from changing the status quo of the Taiwan Strait. Third, they will cooperate to create a favorable contextual environment promoting cross-strait dialogues. In their opinion, both Washington and Beijing should play a certain kind of role to press ahead for pushing Taiwan to sit down for talks. Perhaps the lack of mutual trust between the Pan-Green and Pan-Blue camps in Taiwan, between Taiwan and China, between Taipei and Washington, and between Beijing and Washington may not necessarily be an insurmountable barrier for President Chen to overcome and resume the cross-strait dialogues. However, the problem with him is his credibility. To be sure, the U.S. and China have carefully listened to what he had said and also carefully observed what he had behaved for the past four years. What was wrong with him was that his behaviors could not match his words. From now on, one of the solutions is that he should do more and say less. But at least, it requires him to be more honest and more humble than ever before he mends relations with the opponents at home, the rivals across the Taiwan Strait, and the friends in Washington. Therefore, the main theme of this article is that no matter how successfully the U.S. has played
role in cross-strait dialogues, President Chen should start to re-establish his creditability both at home and abroad. Doubtless to say, it takes time.

**Key Phrases:** Theory on Special State-to-State Relationship, Theory on One country on Either Side, 1992 Consensus, 1992 Hong Kong Meeting Basis (or 1992 Basis), the resumption of cross-strait dialogues, U.S.-PRC cooperative mechanism of sending warnings to Taiwan, U.S.-PRC cooperative mechanism of putting political pressure on Taiwan, U.S.-PRC cooperative mechanism of creating a favorable contextual environment for cross-strait dialogues

**Introduction**

In a speech on October 10, 2004, President Chen Shui-bian suggested both sides of the Taiwan Strait could use a 1992 meeting in Hong Kong as the basis to return to the negotiation table for a new round of cross-strait talks. It was the first time that Chen formally suggested a 1992 meeting in Hong Kong between Chinese and Taiwanese officials could form the basis for the two sides to meet. He proposed both sides use the basis of a 1992 meeting in Hong Kong, to seek possible formats that are "not necessarily perfect but acceptable," as a step toward resuming the long-stalled negotiations. In an about face, Chen said the two sides should resume dialogue based on a 1992 informal understanding on the interpretation of Beijing's cherished "one China" principle, raising the prospect of breaking a five-year deadlock. In addition, the president said both sides of the Taiwan Strait should seriously consider arms control and take concrete actions to reduce tensions and military threats across the Taiwan Strait. "We should review the armament policies of both sides and seek to establish a code of conduct across the Taiwan Strait as the tangible guarantee of permanent peace in the Taiwan Strait," he said.¹ In 2000, he once said that both sides of the Taiwan Strait could go back to the so-called “1992 Consensus,” but he soon retreated from that position as a result of strong opposition in his own camp. Now under the strong international pressures and political pressures from the U.S., he seemed to initiate the “1992 Hong Kong Meeting Basis” or “1992 Basis” to promote the resumption of cross-strait dialogues. However, substantial cross-strait dialogues require not only good atmosphere but also enduring good will on both sides. Given the cross-strait tensions and the lack of mutual trust, will his proposal be accepted by China?

In an article I wrote in 2003, I found that the U.S. has been so good at playing the multi-dimensional roles that it always benefits most from its interactions with both sides of Taiwan Strait. For example, while the U.S. has played the role of an economic

---

balancer, it has also played the role of a trade promoter. While it has played the role of a military balancer, it has also played the role of an arms broker. While it has played the role of a political balancer, it has also played the role of a political interpreter. All these can be seen as the U.S. desire for a balanced cross-strait relationship, in which Taiwan maintains a necessary defense, but does not provoke the mainland, in which Taiwan maintains a certain political confidence in running her own government, but does not challenge the cross-strait status quo, and in which Taiwan develops strong economic connections with China, but does not become excessively dependent on a single market.²

More importantly, in spite of the fact that there are fundamental contradictions between Beijing and Washington and that Washington often pursues its own national interests at the cost of Taipei, both China and Taiwan often claim that their relationship with the United States has never been so good. The United States is so skilled in playing the dual role and even the multi-dimensional roles that it benefits most from its interactions with both sides of Taiwan Strait. Toward the end of my article, I simply predict that while the U.S. should take playing the role of peacemaker between Taipei and Beijing into serious consideration after the 2004 presidential election is over.

In last article discussing the U.S. role in cross-strait relations, this author didn’t elaborate why Washington should play the mediation role in cross-strait dialogues at that time. But it was by no means a groundless guess. If it is a guess, it must be an educated guess, as I perceived the lack of mutual distrust between the pan-blue and pan-green camps in Taiwan, between Taipei and Beijing, between Taiwan and the United States, and between China and America.³ Therefore, I believe that it is unavoidable for the U.S. playing the mediation role in cross-strait dialogues if the cross-strait peace is to be maintained.

No Obvious Role Playing in Cross-Strait Dialogues (1982-1991)

On July 14, 1982, weeks before the August 17 communiqué signed by the United States and People’s Republic of China, the Reagan administration, through appropriate channels, made the so-called “six guarantees” to the Republic of China that the U.S. side: (1) has not agreed to set a date for ending arms sales to the Republic of China; (2) has not agreed to hold prior consultations with the Chinese

communists on arms sales to the Republic of China; (3) will not play any mediation role between Taipei and Peiping (Beijing); (4) has not agreed to revise the Taiwan Relations Act; (5) has not altered its position regarding sovereignty over Taiwan; and (6) will not exert pressure on the Republic of China to enter negotiations with the Chinese Communists.4

These guarantees were indispensable for Taiwan because of the following reasons. First, Taipei feared that Washington would agree to terminate arms sales to Taiwan when it was determined to sign the August 17 Communiqué with Beijing next month. Second, Taipei was uneasy that the U.S. would discuss with China on the content of arms sales from then on. Third, Taipei worried about the next step of the U.S. after signing the communiqué with China. If Washington could agree to Beijing that its arms sales to Taiwan would not exceed, either in qualitative or in quantitative terms, the level of those supplied to the island country since 1978, how could Taipei expect that there would be no more political deals between the U.S. and China?5

In appearance, only the third and sixth guarantees are directly related to the U.S. role in cross-strait dialogues. Nevertheless, as a matter of fact, all of them are more or less related to the U.S. mediation role in cross-strait talks. In the absence of military strength supported by the U.S. first two guarantees, Taipei would not have sufficient confidence in conducting across-strait dialogues with Beijing. Without sufficient capability of defending herself, it would be quite easy for Taiwan to surrender her sovereignty to Beijing under China’s military pressures. The Taiwan Relations Act, as the pillar of U.S. political and security commitments to Taiwan, would be an indispensable guarantee for the people of Taiwan. As for the fifth guarantee, it implies that once the U.S. decided to alter its position regarding sovereignty over Taiwan, it would betray what it had previously committed to Taiwan.

Anyway, the U.S. honored its six guarantees during the period from 1982 to 1992. During this period, it neither played any mediation role between Taipei and Beijing nor exerted pressure on Taiwan to enter negotiations with China. Nevertheless, George P. Shultz, Secretary of State, made a surprising remark when he paid a visit in 1987.6 He said that the U.S. would support an evolutionary process of solving the Taiwan Problem as long as the pace of such a development was decided by the people of both sides of Taiwan Strait in a way that there were no any external interfering forces. He also pointed out that the U.S. would welcome any development that could help lessen the cross-strait tensions, including indirect trade and increasingly frequent

---

civilian exchanges activities. The implication of his message would be that Washington would like to see cross-strait talks.

Based on Shultz’s policy line, Gaston Sigur, assistant secretary in charge of Asian-Pacific affairs, elaborated that Taiwan’s future should be decided by the Chinese in both sides of Taiwan Strait, emphasizing that what the U.S. cared most was it could be solved peacefully. He further pointed out that one of U.S. political goals would be to create a favorable environment so that they could solve the Taiwan Problem incrementally and peacefully. Apparently, the U.S. was not only more than willing to promote cross-strait exchanges on an incremental basis but also interested in creating the contextual surroundings in favor of cross-strait dialogues and peaceful solution of Taiwan Problem.

There were several reasons behind the transformation of U.S. policy from not playing a mediation role in cross-strait talks to being engaged in creating a favorable environment for cross-strait dialogues and peaceful solution of Taiwan Problem. First, the late 1980s was a period in which there was a prevailing trend of détentes or rapprochements on a global basis, and between the West and the East in particular. The pleasant experience in the process of negotiating with the Soviet Union in the late 1980s might have led to U.S. adoption of a more assertive and positive attitude toward cross-strait détente.

Second, the U.S. increasingly benefited from its interests in Asia. As Shultz pointed out, the change in the Asian-Pacific region was of fundamental importance. “The American security umbrella, plus our willingness to keep our own large and expanding market open—from which we have benefited enormously—and our encouragement of open economic and political systems have enabled the highly diverse people of the Asian Pacific to develop and proper to an unprecedented degree,” he added. The peaceful solution of Taiwan problem would contribute to the prosperity and stability in the Asia-Pacific region. As a result, to create a favorable environment for cross-strait dialogues would be in the interests of the U.S.

Third, it is worthy of noting that although the U.S. did not play any mediation role in cross-strait dialogues nor exert pressure on Taiwan to enter negotiations with China, Taipei and Beijing did conduct an important negotiation after a Boeing 747 cargo jet from Taiwan’s China Airlines (CAL) landed in the southern Chinese city of Canton on may 3, 1986. The political significance of negotiations between the CAL

---

9 Ibid., p. 1132.
and China’s state-run Civil Aviation Administration of China (CAAC) lies in the
delicate manner in which the handover problem of the CAL cargo plane and its
crewmen was handled. Both parties tend to deal with the problem in the process of
negotiations with dedication, treating the negotiations as a kind of business. While
this dedication might have led Beijing to discount Taipei’s “three nos policy” with
some important political implications for the future, it might also have led Washington
to think of the unthinkable.

In such business-style negotiations, both sides benefited from the learning
process of their first face-to-face contact. Beijing began to understand that Taipei
could be more flexible than ever expected if necessary and that some sort of sincerity
could persuade Taipei to sit down for negotiations. After talks, on the other hand,
Taipei might have had more confidence in adopting a policy of greater flexibility in
dealing with Beijing. Taipei also learned that she might make some gains in the
process of negotiations as long as she could make good use of her bargaining chips.
Hence, there seemed to be less reason for being afraid of talking with China.
Obviously, the quite pleasant experience in the process of cross-strait negotiating
between the CAL and CAAC made Washington believe that there could be more and
more cross-strait dialogues as long as a favorable environment was created.

Fourth, Taiwan’s increasingly brave policy toward China might have led
Washington to believe that Taipei’s new mainland policy would encourage cross-strait
exchanges on an incremental basis. In 1987, it was increasingly clear that Taipei
would adopt a new mainland policy, including indirect trade with China, the
permission of the Taiwanese visitors to China, and mail exchanges between the people
in Taiwan and China through non-governmental organizations such as the Red-Cross
Organization or the like.


During the period from 1992 to 1998, the U.S. emitted mixed signals to Taiwan
in a way that Taipei was uncertain what the U.S. real intentions were. For example,
President George Bush approved to provide Taiwan with sophisticated weapon
systems such as 150 F-16 jet fighters and 4 E-2T AWAC planes in September 1992.
The good will of the senior Bush administration helped Taiwan to strengthen her
confidence in dealing with China, thereby in turn contributing to the formation of the
so-called “1992 Consensus” in late December that year. Actually, the Consensus of
1992 was a gentleman agreement rather than a written documentation. According to
the 1992 Consensus, both sides of Taiwan Strait agreed with the concept of “one

---

11 King-yuh Chang, Reference Materials of Mainland China's Works, Vol. 1 (Taipei: Council of
Mainland Affairs, 1988), pp. 7-12.
China,” but each could interpret China in her own terms.12

President Bill Clinton further provided Taipei with a diplomatic boost by making some adjustments in its policy toward Taiwan. The Clinton administration upgraded U.S. substantial relations with Taiwan, ranging from refining the name of Taiwan’s representative office, to allowing the officials from Taipei to deal with their counterparts in the offices with the exception of State Department, and to lending its assistance to Taiwan to let her voice heard in the international organizations. Moreover, he even agreed to grant better status to Taiwan’s high-level leaders in their transit visits in the stopovers of the United States. However, the good will of the Clinton administration made former President Lee Teng-hui want more from the U.S.—paying a visit to Cornell University and delivering a speech there as a alumnus—so that they could make diplomatic breakthroughs to show off his compatriots and make sure his nomination as presidential candidate could be guaranteed.13

Nevertheless, President Lee’s successful visit in the U.S. immediately resulted in a series of repercussions for Taiwan. The negative consequences included Beijing’s dissatisfaction with Lee’s pro-independence stance, China’s criticism and military threat against Taiwan, and People Liberation Army’s missile drills targeting on Taiwan. In order to compensate for what China lost (probably only Beijing leader’s face) and demonstrate its dissatisfaction with President Lee’s decision of mobilizing all political resources to achieve his own goal of visiting America, President Clinton decided to improve relations with China. His measures to mend the Sino-U.S relationship included developing a strategic dialogue with China starting in late 1996, announcing the U.S. 3 Nos policy—not supporting Taiwan Independence, not supporting “One China, One Taiwan” or “Two China,” not supporting Taiwan’s participation in the international organizations in Shanghai in 1998, and declaring the U.S. and China moving in the direction of strategic partnership in 1998.14

The messages of the U.S. government under the senior Bush and Clinton administrations brought forth different impacts on Taiwan. To be sure, the good will of the senior Bush administration contributed to the reestablishment of Taiwan’s confidence in conducting cross-strait dialogues with China and the formation of “1992 Consensus” in late December 1992. With the 1992 Consensus in mind, the first-round of Koo-Wang talks were held in Singapore in late April 1993. And there were a series of cross-strait talks afterwards.15 But the mixed messages of the Clinton

15 Su, op.cit., pp. 71-122; and Edward I-hsin Chen, “A Study of President Lee Teng-hui’s Use of
administration made Taipei unsure about U.S. real intentions. Of course, it goes without saying that former President Lee Teng-hui is the mixture of a pro-Independence ideologue and a pragmatic politician. While the pro-Taiwan message of the Clinton administration in his first term encouraged him to pursue a brave policy by paying a visit to America, the pro-China message only helped him to easily find a pretext for not proceeding with the scheduled Koo-Wang talks. In the wake of President Lee’s proposal of the Theory of Special State-to-State Relationship, Beijing decided to postpone indefinitely the important second-round Koo-Wang talks.

In a sense, while some of the credits of cross-strait dialogues should go to the senior Bush administration, the second-term Clinton administration improved its relations with China at the cost of the scheduled Koo-Wang talks and subsequent cross-strait talks.

**U.S. Mediation Role in Cross-Strait Dialogues (2000~2004)**

President Chen Shui-bian was very cautious in terms of taking positions from March 18, 2000 to March 31, 2001. During this period, he was forced to swallow what the US demanded him to accept, that is, “5 Nos” or “4 Nos and One have not.” Surprising to most of the people, he even proposed the re-start of meetings of the National Unification Commission (NUC) and the so-called “Cross-Strait Consensus of 1992.” Unfortunately, Ms. Tsai In-Wen, then Chairperson of Council of Mainland Affairs (CMA) held back these two proposals because she was in charge of writing the report for the “ROC Sovereignty Team” to conduct a secret mission of “de-Sinicization” under the leadership of former President Lee Teng-Hui. On July 9, 1999 Lee proposed the theory of special state-to-state relationship, resulting in a new round of Taiwan Strait crisis.

April of 2001 was a turning point for President Chen as a result of a series of events, including the air-collision incident on April 1, 2001, President George W. Bush’s remark that he would do whatever to defend Taiwan, and Mr. Bush’s approval of unprecedented amount of arms sales to Taiwan. Perceiving the contextual changes as an opportunity of promoting pro-Independence sentiment at home, President Chen decided to adopt a more provocative policy toward China as a campaign instrument from then on. Naturally, the report of which Ms. Tsai in charge has thus become the guidelines for President Chen’s cross-Strait and domestic policies moving in the direction of de-linking Taiwan from China. Since April 2001, President Chen has

---


16 According to the executive summary of the report submitted by the ROC Sovereignty Team, together with President Chen’s own ideas, the concrete measures include: (1) Not mentioning the National Unification Guidelines as few as possible; (2) Not mentioning the wordings of unification and reunification as few as possible; (3) Stopping the operations of National Unification Commission; (4)
established his own 2\textsuperscript{nd} diplomatic track between Washington and Taipei to play his own diplomatic games. With arms procurement as his bargain chips, he successfully silenced the U.S. opposition to his theory on “one Country on each side” in August 2002, paid a visit to the United States in November 2003, and pressed ahead for referenda voting in March 2004.

After President Chen was re-elected on March 20, 2004, there were reasons for Washington to worry about the future directions of Taipei’s new government. First of all, the United States worried about the post-election situation as Taipei’s new government would inevitably face the problem of creditability.\textsuperscript{17} As a result of mutual distrust between the Pan-Blue forces and the Pan-Green forces, between Taiwan and China, between Taiwan and the United State, and between China and the United States, the ruling government was in deep trouble. Given such a situation, Taipei’s new government could do little during the next four years.

Second, the cross-strait controversy over sovereignty will be even worse than ever before, particularly after the new government will propose the new constitution in 2006 and a new nation in 2008. During the presidential campaign, President Chen vowed to promulgate a new constitution—which might codify Taiwan's full-fledged sovereign status—in that fateful year. If there is no room for all concerned parties to make mutual concessions, then a fourth Taiwan Strait crisis will inevitably break out.\textsuperscript{18} President Chen seemed to be determined to hasten the birth of a new constitution for Taiwan in the year of 2006, and in 2008, to enact this new Constitution. According to him, it was only a timetable for Taiwan’s constitutional reform, not a timetable for independence or any attempt to change the status quo of Taiwan. However, such moves have made both Washington and Beijing uneasy or even nervous about the possible political crises in 2006 and in 2008.

While, in the eyes of Beijing leaders, a change of territories, national name and national flag may not yet be equivalent to Taiwan independence, it is at least part of the so-called “creeping independence.”

Third, although President Chen reiterated that he would not go independent, there are reasons for the United States to doubt his creditability. When asked by a

\textsuperscript{17} Edward I-hsin Chen, “Cross-Strait Relationship Beyond 520,” a paper prepared for the International Conference on “Taiwan at the Cross Road? Analyzing the Presidential Election,” sponsored by Carnegie Endowment for International peace (CEFIP) and Cross-Strait Interflow Prospect Foundation (CSIPF) in Washington, D.C. on April 6, 2004

BBC correspondent whether he would rule out any moves toward independence during his second term, his answer was quite typical in the DPP style and could read as follows: “Taiwan is an independent sovereign country. Under the current constitution its name is the Republic of China. In the 1999 resolution regarding Taiwan’s future passed by the DPP, it is stated very clearly that any change to the status quo of Taiwan must be decided by the people of Taiwan through referenda.”

Here, there are three things calling for our attention. The first two refer to Taiwan’s name and the last one status quo. One of them is that he changed the definition of Taiwan by saying that it is “an independent sovereign country” instead of “a sovereign independent country.” The second one is that he implied Taiwan’s name, now the Republic of China, is subject to change if there is a new constitution. The third one is that he suggested that he or his party would from time to time push the envelope to press for a change of Taiwan’s Status quo by making good use of referenda voting. Therefore, the United States believed that he would continue trying to put some even more politically sensitive issues to direct referenda of the people to decide in the future.

Fourth, mutual suspicions have made both sides of the Taiwan Strait reluctant to show their good will and get good responses in return. Taiwan leaders constantly change their tune, particularly when elections are in the of fing, whereas nationalism has always been the primary consideration among Chinese leaders.

Fifth, the lack of mutual trust between Taipei and Beijing has made any U.S. attempt to help resume cross-strait talks extremely difficult. In spite of U.S. repeated urge, encouragement and even political pressure, either Taipei or Beijing is reluctant to take the initiative in resuming cross-strait dialogue.

In addition to these five concerns, the Bush administration also has four high expectations of what Taipei’s new government can offer. First, it hopes that President Chen will be able to understand that “five noes,” as a gentleman agreement reached by Washington and Taipei before May 20, 2000, should never be violated in any case. Second, it hopes that he will be a pragmatic politician capable of adjusting his policies timely to avoid a major conflict with China. Third, it also hopes that he will leave Taiwanese sovereignty out of constitutional reform-plans. Fourth, it hopes that,
as a responsible leader of a democracy, he will understand the major trends of the international community so as not to provoke China, thereby keeping the United States from getting involved in the cross-strait conflict.²⁵

Clearly knowing that worries would come true and expectations will be in vain if no action is taken, the Bush administration has decided to do something. In mid-April, Vice President Dick Cheney paid a visit to China, meeting Chinese President Hu Jintao, Chinese Premier Wen Jiabao, and Chairman of Chinese Central Military Commission Jiang Zemin.²⁶ It is believed that Chinese and American leaders have at least reached a consensus on how to avoid a cross-strait war.²⁷ First, the U.S. and China would rebuild their mutual trust damaged by U.S. insufficient efforts to curb referendum voting during Taiwan’s presidential election. Given the condition that the United States would send strong warnings against Taiwan’s provocative policy, Beijing would maintain her current policy of influencing Taipei through Washington. Second, Washington would have to show Beijing that it could prevent Taiwan from going independent. They would develop a cooperative mechanism to effectively stop Taiwan from changing the status quo of the Taiwan Strait. Third, they would cooperate to create a favorable contextual environment promoting cross-strait dialogues. In their opinion, both Washington and Beijing should play some kind of role to press ahead for pushing Taiwan to sit down for talks.²⁸

**U.S. Role in Cross-Strait dialogues by Means of Warnings after March 2004**

Since Beijing’s maintenance of her current policy of influencing Taipei through Washington would depend upon whether the U.S. could successfully send strong warnings against Taiwan’s provocative policy toward China, Washington have made good use of its think tanks and official institutions to warn Taiwan not to go too far. Cheney’s remarks were soon reflected in the opinions of many U.S. scholars and experts in Washington, D. C. For example, in a meeting with Council on Foreign Relations (COFR) in New York on April 5, 2004, Elizabeth Economy, Director, Asia Studies, C.V. Starr Senior Fellow got China chaired the session, together with Jerome A. Cohen, Senior Fellow, Asia Studies, Adam Segal, Maurice R. Greenberg, Senior Fellow in China Studies, and John L. Holden, and President of National Committee

---

²⁵ Kelly, op.cit.
²⁷ “Remarks by the Vice President at Fudan University followed by Student Body Q & A,” Fudan University, Shanghai, China, Office of the Vice President, April 15, 2004, <http://www.whitehouse.gov/news/release/2004/0420040415-1.html>.
on United States-China Relations, all said that they were uncomfortable with the escalation of cross-strait tensions. Ms. Economy reminded us that Beijing had long perceived cross-strait unification as something that could be a prolonged process, but the Taiwan Independence movement would be an immediate and dangerous threat. Therefore, she asked us: “How do we move forward?” Cohen pointed out that sometimes we humans fought wars for wrong reasons, and the consequences were very serious. Therefore, we should fight wars for right reasons. Before 911 tragedies, China had been the target of the U.S. Beijing would be defeated once there was turmoil in China. Since the 911 tragedies, China has no longer been the U.S. target. Instead, China has become the most important partner of the United States in its global war against terrorism, axis of evil, WMD proliferation, and regional conflicts. The U.S. has deeply been concerned over the political and economic development in Taiwan. Therefore, Taiwan should not take huge risk, thereby avoiding self-destruction. Segal said that if going independent became only a matter of time in Taiwan, China would not tolerate such a development. His Chinese friends from Beijing have warned him that the People’s Liberation Army is taking the use of force against Taiwan into serious consideration. Holden said that his big concern was whether Taiwan’s independence movement would be successful in the island country. There exists no mutual trust between China and Taiwan. Given such a tense cross-strait relationship, President Chen is leading the country to an uncertain direction. Beijing’s hard-line leaders are very much frustrated by Taipei and Washington, while Washington is being fully occupied by a variety of global issues. In his opinion, the way Taiwan is doing has forced the U.S. and China to face the reality and it is certainly not a wise move.29

The U.S. experts and scholars also warned that Taiwan would not go too far and push the U.S. to the corner. In a meeting with National Defense University (NDU) on April 7, 2004, Dr. Phillip C. Saunders, Senior Research Professor, Institute for National Strategic Studies, Captain Renate Y. Louie, USN, Professor of National Security Strategy, National War College and National Defense University, Dr. Bernard D. Cole, Professor of International History, national War College, Dr. Cynthia A. Watson, professor of Strategy, National War College, and Rust M. Deming, Ambassador, Distinguished Visiting Fellow, Institute for national Strategic Studies, all agreed that Washington should make it clear to Taipei: “Don’t push us to the corner and force us to take side.” Ambassador Deming added: “You should never think of the idea of pushing the U.S. to the corner.” Dr. Cole further warned that Beijing might

29 Remarks taken during a CSIPF delegation’s meeting with scholars and experts of Council on Foreign Relations (COFR) in New York on April 5, 2004. After the session, I asked Adam Segal whether the Chinese were determined to use the force against Taiwan or just thinking about some invasion plans. He answered me by saying “somewhere in between.”
have already made a deal with Washington on Taiwan issue. In his opinion, the U.S. did that because it did not know President Chen’s stance and real intentions on the cross-strait relations. Therefore, Taiwan should be very careful and cautious on its next move.\textsuperscript{30}

The U.S. Congress also expressed its concern over the escalation of cross-strait tensions as a result of President Chen’s new agenda of pressing ahead for a new Constitution. In a meeting with Congressional Research Service (CRS) on April 8, 2004, Kerry Dumbaugh, CRS Specialist in Asian Affairs, told the CSIPF delegation that President Bush supported President Chen’s agenda by providing him with an unprecedented amount of arms sales and granting him transit visa to the US. However, President Chen disappointed President Bush by refusing a retreat on the referendum issues. The changed definition of Taiwan’s Status quo, the rising Taiwan identity, and President Chen’s new agenda such as a new constitution and a new nation have made it harder and harder for the U.S. to play an active role in cross-strait relations. In order to let the U.S. to keep on playing an active role, Taiwan should be more responsible than ever before for her own security and the stability of the region. Shirley A. Kan, CRS Specialist in National Security Policy, Foreign Affairs, Defense and Trade Division, pointed out that both the Democrats and the Republicans would not let Taiwan go independent. How far the US can tolerate what Taiwan can go depends upon what kinds of languages and behaviors will be released afterwards. The U.S. told China to take a “wait-and-see” policy four years ago. But she warned that China would no longer adopt such an approach. For the past quarter of century, China has successfully used nationalism in support of its policy toward Vietnam, Japan, and the U.S. Now, China may have to make use of the nationalist public opinion to support its policy toward Taiwan.\textsuperscript{31}

Most U.S. liberal experts and scholars are dissatisfied with Taipei’s post-election provocative remarks. In a meeting with Center for Strategic & International Studies (CSIS) on April 9, 2004, Dr. Bates Gill, Freeman Chair in China Studies, told a CSIPF delegation that the post-election anger, frustration, mutual distrust, and unhappiness should be put aside. Instead, Taiwan should think about what is to be done and how to move forward. Derek J. Mitchell, Senior Fellow, Asia & International Security Program also pointed out that Taiwan should be more consultative in her relations with the US. If the current pro-independence trend continues, there will be a serious problem in the future. Taiwan will still have five years to decide her destiny. After that, China will gain the upper hand. Taiwan’s economic setback and China’s economic

\textsuperscript{30} Remarks taken during a CSIPF delegation’s meeting with scholars and experts of National Defense University (NDU) in Washington, D. C. on April 7, 2004.

\textsuperscript{31} Remarks taken during a CSIPF delegation’s meeting with experts of Congressional Research Service (CRS) in Washington, D. C. on April 8, 2004.
rise will make the US increasingly difficult to play the role of a political, economic and military balancer. Therefore, Taiwan should do something now, or she will lose the leverage five years later. If that is the case, even the US will not be able to deter China from use or threat of force against Taiwan. Bonnie Glaser, Senior Associate, International Security Program, pointed out that, although President Chen reiterated that he would not change Taiwan’s status quo, none of the US officials in the government could make sure what he would do or what he would not do. The US should caution Taiwan not to seek a change of her status quo. If Taiwan agrees to do so, the US will be more supportive to Taiwan’s democratization and her participation in the international organizations. In an article for a newspaper in Taiwan, Glaser even argues that if Taiwan adopts a provocative policy toward China, then it will be highly unlikely for the U.S. to take side with a democratic Taiwan. Instead, it will take side with its own national interests.

If Taiwan leaders could not accept what experts and scholars of U.S. think tanks have said, they would be surprised at the warnings of those U.S. officials in Washington who used to express good will to Taipei. For the past two decades, the United States has tried its best to by and large maintain a balance of power in the Taiwan Strait. Now the Bush administration has admitted that the rise of China may tilt balance of power in the Taiwan Strait in favor of Beijing. In a hearing on the Taiwan Relations Act (TRA) before House International Relations Committee on April 21, 2004, Peter W. Rodman, Assistant Secretary of Defense for International Security, said that the maintenance of a deterrent balance of power in the Strait is a contribution both to stability and to the incentive for a peaceful solution to the situation between China and Taiwan. However, China’s military modernization, financed by its growing economic strength, has threatened to disturb that delicate balance.

Not only the pentagon felt uncomfortable with the imbalance of military power in the Taiwan Strait, but also the State Department expressed its uneasiness about the increasing difficulty of U.S. capability of deterrence in the Taiwan Strait. Since 1979 when the U.S. Congress passed the Taiwan Relations Act (TRA), Washington has pledged to help Taiwan defend herself against China’s invasion. Now the U.S. officials started to worry that President Chen’s plan to draft a new constitution might

32 Remarks taken during a CSIPF delegation’s meeting with experts and scholars of Center for Strategic and International Studies (CSIS) in Washington, D. C. on April 9, 2004
draw U.S. forces into a military confrontation with China. They even feared that the
U.S. might fail to prevent China from invading Taiwan. In a hearing on Taiwan before
House International Relations Committee on April 21, 2004, James A. Kelly, Assistant
Secretary of State for East Asian and Pacific Affairs, said Chinese military
modernization efforts indicate that Beijing is preparing for the use of force against
Taiwan, and it would be irresponsible for the United States and Taiwan to treat
Beijing’s statements about Taiwan as “empty threats.” He even warned that although
the U.S. would fulfill its obligations to help Taiwan defend herself, “U.S. efforts at
deterring Chinese coercion might fail if Beijing ever becomes convinced Taiwan is
embarked on a course toward independence and permanent separation from China.”

U.S. Role in Cross-Strait dialogues by Exerting Pressures after March 2004

The United States has continued to exert its political pressure on Taipei to
prevent Taiwan from going independent since March 20, 2004. For example, Richard
Armitage, U.S. Deputy Secretary of State, was quoted as saying President Chen had
better reiterate his “five noes” pledge in his inaugural speech on May 20, 2004. Understanding that it would be quite difficult for Chen to reiterate his “five noes”
pledge in his inaugural speech because of the political pressure from the pro-independence forces, Washington decided to change its position by letting
President Chen use his discretion.

On the eve of President Chen inauguration speech, a senior U.S. administration
official warned: “if Chen tried to use the next four years to formalize Taiwan’s de FACTO independence from Mainland China, he would jeopardize American Support for
Taiwan.” “The cost for Taiwan is its security,” he said. Now the Bush administration
tends to believe that any efforts by Chen to establish a legal status for Taiwan’s de
FACTO independence—through the referendum on constitutional change in 2006,
paving the way for a new or revised constitution and thus for a New Nation—could
ignite a war with China.

Therefore, Washington demands Taipei accommodate to U.S. three requests. The
first demand is that Taipei should take seriously Beijing’s threat to use force. The U.S.
officials increasingly convinced that China, which claims sovereignty over Taiwan,
would respond militarily if Chen tried to establish a legal status for Taiwan’s de facto
independence. The second demand is that the United States no longer insist President
Chen to repeat the “five noes” pledge he made in his first inaugural speech. But the

35 Kelly, op.cit.
36 According to Phoenix TV of Hong Kong, Richard Amitage was quoted as saying President Chen had
better make his “five noes” pledge anew. “U.S. Wants President To Reiterate ‘5 Noes,’” China Post,
May 1, 2004, p. 20. President Chen first made the pledge when he was inaugurated in 2000, promising
“not to declare independence, change the official title of the ROC, put the “two-country theory” in the
Constitution, hold a referendum to change the status quo across the Taiwan Strait, and abolish the
National Unification Guidelines.”
“five noes” concept is important because it is a gentleman agreement between Taipei and Washington. If he doesn’t do something like that, it will raise real questions around the world about just where Taiwan is “heading.” Third, Taipei should leave Taiwan sovereignty out of constitutional reform plans.37

Through a series of political pressures, the U.S. has tried every possible means to stop Taiwan from changing the status quo of the Taiwan Strait.

**U.S. Role in Cross-Strait dialogues by Creating**

**A Favorable Environment after March 2004**

The U.S. and China have agreed that they would cooperate to create a favorable contextual environment promoting cross-strait dialogues. In this regard, both Washington and Beijing should play some kinds of roles to press ahead for pushing Taiwan to sit down for talks. Other than continuing to rely on Washington’s political pressure on Taipei, Beijing has been determined that they would do something on their own. Only in this way, China believe that it could develop a cooperative mechanism shoulder to shoulder with the United States to stop Taiwan from going independent or seeking statehood. Beijing leaders decided to send Taiwan leaders a carrot-and-stick message ahead of Mr. Chen's inaugural speech on May 20, 2004. They vowed on May 17, 2004 to stop moves towards Taiwan independence "at any cost" but also offered Taiwan rewards if she admits it is part of one China.38 China has offered Taiwan some kinds of consultations on "international living space" for her if she recognizes that she is part of one China. But, at the same time, Beijing warned Mr. Chen that he would be "crushed" if he continued to press for independence.39

In the statement, carried by Xinhua, Beijing's official news agency, at midnight local time on May 16, 2004, the Office for Taiwan Affairs of the Communist party and the Taiwan Affairs Office of the State Council said Taiwan's leaders faced a choice. China described its ties with Taiwan as "severely tested" and laid out two alternatives. Taiwan's leaders "have before them two roads: one is to pull back immediately from their dangerous lurch toward independence, recognizing that both sides of the Taiwan Strait belong to one and the same China." "The other is to keep following their separatist agenda to cut Taiwan off from the rest of China and, in the end, meet their own destruction."40

37 It is believed that this senior U.S. administration official is Michael J. Green, senior director for Asian Affairs at the National Security Council. See Lawrence, *op.cit.*
Beijing leaders warned President Chen Shui-bian of Taiwan to drop his drive for independence or be "consumed in his own flames." China has said repeatedly that it would use military force to prevent Taiwan from formally declaring independence. The statement is China's first comprehensive outline of its policy on Taiwan since Mr. Chen hardened his stance towards the mainland in 2003. China warned that it would force Taiwan to remain part of China even if that resulted in international isolation and severe economic pain.

On the other hand, the statement laid out possible benefits if Mr. Chen were to accept China as Taiwan's sovereign power, which he has not done in the past. First, Beijing leaders said they would resume political dialogue, offer economic benefits and allow direct transportation between Taiwan and the mainland. Second, they also offered diplomatic benefits if Mr. Chen embraces the "one China" principle under which China claims sovereignty over Taiwan. The inclusion for the first time of an implicit indication that Taiwan should enjoy at least some international recognition is a big concession. For the past several years, Taiwan has been pressing to join international groups like the World Health Organization, but China has used its clout to block membership. Third, they said they might seek to build "mechanism of trust" to reduce military tensions if Mr. Chen cooperates. Fourth, they even responded positively to President Chen’s proposal of a peace and stable framework for cross-Strait interactions.

Largely bowing to Chinese military threats and American political pressures, President Chen did not mention the making of a new constitution in the year of 2006 in his inaugural speech. Instead, he addressed on the constitutional reform alone in that speech. Although he may never abandon the long-term goal of independence, he at least backed down under Chinese military threat and American political pressure. If the United States and China can keep on maintaining such a cooperative mechanism, he is also expected not to seek de jure independence through means including changing the name of the island or holding a referendum on sovereignty-related matters.

After Mr. Chen’s inaugural speech, both Washington and Beijing have continued to press ahead for cross-strait dialogues. President Bush telephoned the Chinese leader Hu Jintao to discuss tension with Taiwan when he was on board his Air force One in a re-election campaign on July 30, 2004. According to White House spokesman Scott McClellan, the president told Hu that U.S. policy toward Taiwan “remains the same,” not only based on the One China Policy, but also on U.S. legislation—Taiwan Relations Act (TRA)—that requires Washington to provide Taipei with weaponry for self-defense. In remarks splashed across major state newspapers in China, Bush was
quoted as voicing understanding of China concern over the Taiwan issue and reiterating that Washington would adhere to its One China policy. According to state-run Xinhua new agency, Hu was quoted as saying China would exert its utmost efforts with its utmost sincerity to resolve the Taiwan issue by peaceful means, adding that Beijing would never tolerate “the independence of Taiwan.” The Chinese leaders also voiced China’s opposition to U.S. sales of sophisticated weapons to Taiwan, saying the situation across the Taiwan Strait was very complicated and sensitive, and the two sides should “act resolutely” against Taiwan Independence.41 When U.S. national security adviser Condoleezza Rice held talks with Chinese leaders in early July 2004, she found they focused on the Taiwan issue. Even before he returned back to Washington, D.C., Beijing expressed grave concern that U.S. support for Taiwan was undermining its One China policy.

In his remarks with Chinese Foreign Minister Li Zhaoxing at a press conference in the State Department after their meeting on September 30, 2004, Secretary Colin L. Powell pointed out that the ultimate settlement of Taiwan issue has to be acceptable to both sides of Taiwan Strait.42 According to him, U.S. One China policy, which has stood the test of time, has benefited the people in Taiwan, benefited people in the mainland, and benefited the international community and certainly benefited the United States. So U.S. policy on One China remains unchanged. One China policy is well known to all, the three communiqués upon which it rests, our obligations under the Taiwan Relations Act. And there is no support in the United States for an independence movement in Taiwan because that would be inconsistent with U.S. obligations and commitment to its One China policy.

Obviously, when Powell said that the ultimate settlement of Taiwan issue should be acceptable to both sides, he emitted a strong message to Taipei, warning anything Taiwan leaders pressed ahead for unilaterally would be futile. His definition on the U.S. Policy One China and his remarks that it remains unchanged also sent a strong signal to those who pressed ahead for a change of Taiwan’s status quo.

In his telephone to Chinese President Hu Jintao on October 7, 2004, President Bush urged the Chinese new leader to seize opportunities for the resumption of cross-strait talks. He reiterated his support for the longstanding “One China” policy, which opposes formal independence for Taiwan, as well as the Taiwan relations Act


(TRA), which permits arms sales to Taiwan.\textsuperscript{43} According to White House spokesman Scott McClellan, the President told Hu that he supports the “One China” policy, which opposes formal independence for Taiwan, as well as the TRA, which permits arms sales to Taiwan. The President also encouraged the Chinese leader to look for opportunities for cross-strait dialogue.

To be sure, the two countries’ leaders have reaffirmed their commitment to work with the Taiwan issue, including a cooperative mechanism to effectively stop Taiwan from changing the status quo of the Taiwan Strait and the creation of a favorable contextual environment promoting cross-strait dialogues. As Powell once pointed out, Taiwan is an issue between the U.S. and China, but “we're working with them peacefully to solve regional problems.”\textsuperscript{44} To be sure, it is their duty to play some kinds of roles in pushing Taiwan to sit down for talks.

Once again, bowing to the political pressures from Washington and Beijing, President Chen

\textbf{Prospects for A Cross-Strait Peace and Stability Framework}

The following variables will decide how far President Chen can go to press ahead for cross-strait dialogues. The first variable is that there is a highly divided society in Taiwan. In the aftermath of March 20, 2004, almost half of the people do not place their trust in him. With only 50.02 percent of total votes, President Chen can hardly claim that he enjoys a comfortable majority support or mandate. A division of Taiwan, together with the lack of mutual trust between the pan-blue and pan-green camps, will make it very difficult for him to form a consensus pressing ahead for cross-strait dialogues.

Second, China factor matters significantly, but lack of mutual trust has become the most difficult barrier for both sides of Taiwan Strait to resume cross-strait dialogues. Although Chinese leaders have applied a pro-independence label to President Chen for the past four years, one thing for sure is that he is unpredictable. After feeling that they have been deceived for the past four years, they have decided to abandon the previous policy of “Listening to his words, and observing his deeds.” Instead, now they only watch what his concrete actions will be in the future. In the eyes of China, the so-called concrete actions mean that all he is going to do will not lead to the independence of Taiwan or a creeping Taiwan independence.\textsuperscript{45} On the


\textsuperscript{45} Wang Cho-zhong, “Beijing Decides To Cool Down Cross-Strait Relations,” \textit{Zhongguoshibao} (China Times) (Taipei), May 2, 2004, A2; and Shi Kai-min, “Chinese Scholars Ridicule Chen Shui-bian’s
other hand, every China’s move, ranging from a military drill to the establishment of diplomatic ties with any of Taiwan’s diplomatic allies will be considered a hostile gesture to Taiwan, not to mention China’s reluctance to abandon its use of force against Taiwan. Simply put, there is no mutual trust between two sides of Taiwan Strait. Given such a lack of mutual trust, Beijing leaders will keep their eyes peeled for whatever he does with suspicion, whereas President Chen will find it difficult to transform what Beijing perceived “empty talks” into concrete actions.\(^46\)

The long-term mutual distrust will cast a shadow on the cross-strait dialogues, not to mention his proposal on cross-strait peace and stability framework. The lack of mutual trust in the cross-strait relations has resulted from China’s political and economic pressures on Taiwan, China’s deployment of missiles along its coastal provinces against Taiwan, and provocative words and behaviors from the political leaders of both sides of the Taiwan Strait. Substantial cross-strait negotiations require not only good atmosphere but also good will on both sides.

Third, American factor still matters, but it will no longer play the most important role as it used to do. The fact that, in spite of U.S. public and private opposition, the DPP government successfully put the two issues to a direct referendum of the people demonstrates a decline of U.S. influence on Taiwan’s domestic politics. The mutual trust between Taipei and Washington has deteriorated since President Chen presented his theory of “one country on either side” on August 3, 2003. Afterwards, the referenda issues have made the lack of mutual trust going from bad to worse. President Bush has expressed his opposition to any attempt to change the cross-strait status quo.\(^47\) Democratic front-runner John Kerry has even proposed a mechanism of “one China, two systems” in an attempt to impose some restraints on the current cross-strait framework.\(^48\)

All these in turn indicate that the U.S. government, no matter which party becomes the ruling party after the presidential election in November 2004, will make some new adjustments or arrangements for the cross-strait and US-China-Taiwan Peace Framework.” \(^46\) Yang Xian-chun, “The Dangerous Peak of the Cross-strait Relationship,” \textit{Zhongguoshibao} (China Times) (Taipei), May 13, 2004, A13.

\(^47\) President Bush Welcomes Premier of China to the White House,” Remarks by President Bush and Premier Wen Jiabao in Arrival Ceremony, the South Grounds, White House on December 9, 2003, \textless http://www.whitehouse.gov/news/releases/2003/12/20031209-1.html\rangle.

\(^48\) In a January 2004 debate among the Democratic presidential hopefuls, John Kerry said that Taiwan should adhere to a “one country, two systems” approach in her relations with China. Although some in the Kerry camp have tried to suggest that the candidate simply misspoke, it is argued that his background on the Senate Foreign Relations Committee has surely made him quite familiar with the nuances of the China/Taiwan relationship. See David Lindorff, “Selling Out Democracy: Kerry’s China Connection,” \textit{Counterpunch}, February 24, 2004, \textless http://www.counterpunch.org/lindorff02242004.htm\rangle; and “US Presidential Candidates Play ‘China Card,’” \textit{People’s Daily} (Beijing) (English), February 17, 2004, \textless http://English.peopledaily.com.cn/200402/17/print20040217_135053.html\rangle.

Chen-20
triangular relationship. Whether such arrangements can be made and whether they can function well will decide how far President Chen can go to press ahead for the resumption of cross-strait dialogues.

Fourth, how Beijing figures out a new mechanism with Washington to deal with the Taiwan issue will matter. Chinese leaders are still publicly urging the U.S. to continue exerting political pressures on President Chen to resume cross-strait dialogues, thinking that Washington is well in a position to do that. However, they must have taken into consideration the decline of U.S. influence on Taiwan’s domestic politics. They no longer believe that the United States can interfere with Taiwan’s policies that much as it used to do. Such a lack of mutual trust may lead to a conclusion that China may have to reassert its original role in dealing with the Taiwan issue. This was why Vice President Dick Cheney has tried his best to convince Beijing leaders that the United States is still accountable during his stay in China in mid-April 2004. Although the proposed Taiwan Reunification Law might only be a political balloon of Beijing, it could become a political tool to order an attack on Taipei if Taipei is determined to establish a legal status for Taiwan’s de facto independence through the referendum voting on constitutional change.

**Conclusion**

In a speech on October 10, 2004, President Chen Shui-bian suggested both sides of the Taiwan Strait could use a 1992 meeting in Hong Kong as the basis to return to the negotiation table for the resumption of cross-strait dialogues. It was the first time that Chen formally suggested a 1992 meeting in Hong Kong between Chinese and Taiwanese officials could form the basis for the two sides to meet. He proposed both sides use the basis of a 1992 meeting in Hong Kong, to seek possible formats that are "not necessarily perfect but acceptable," as a step toward resuming the long-stalled negotiations. However, substantial cross-strait dialogues require not only good atmosphere but also good will on both sides.

Since U.S. Vice President Richard Cheney paid a visit to China in Mid-April 2004, it is believed that Chinese and American leaders have reached a consensus on how to avoid a cross-strait war. First, the U.S. and China would rebuild their mutual trust damaged by U.S. insufficient efforts to curb referendum voting during Taiwan’s presidential election. Given the condition that the United States would send strong warnings against Taiwan’s provocative policy, Beijing would maintain her current policy of influencing Taipei through Washington. Second, Washington would have to

---


show Beijing that it could prevent Taiwan from going independent. They would develop a cooperative mechanism to effectively stop Taiwan from changing the status quo of the Taiwan Strait. Third, they would cooperate to create a favorable contextual environment promoting cross-strait dialogues. In their opinion, both Washington and Beijing should play some kind of role to press ahead for pushing Taiwan to sit down for talks.

Perhaps, with the U.S. playing an important role in cross-strait dialogues, the lack of mutual trust between the Pan-Green and Pan-Blue in Taiwan, between Taiwan and China, between Taipei and Washington, and between Beijing and Washington may not necessarily be an insurmountable barrier for President Chen to overcome in pursuit of resumption of cross-strait dialogues. However, the problem with him is his credibility. To be sure, the U.S. and China have carefully listened to what he had said and also carefully observed what he had behaved for the past four years. His major trouble was that his behaviors could not match his words. From now on, one of the solutions is that he should do more and say less. But at least, it requires him to be more honest and more humble than ever before he mends relations with the opponents at home, the rivals across the Taiwan Strait, and the friends in Washington. In a word, no matter how successfully the U.S. has played the role in cross-strait dialogues, he needs to start re-establishing his creditability both at home and abroad. Doubtless to say, it takes time.