



National Committee on American Foreign Policy

Where Leaders Meet

Northeast Asia Projects

Roundtable Summaries

Summary of NCAFP Roundtable with the Shanghai Center for RimPac Strategic and International Studies

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- I. [Summary of Major Points](#)
- II. [U.S.-China Relations](#)
- III. [Chinese Perceptions of the Taiwan Issue](#)

I. Summary of Major Points

The NCAFP hosted a group of PRC academics in New York for a two-day discussion of U.S.-China Relations and the Taiwan Factor.

There was broad agreement on some issues and disagreement on others.

The issue on which there was broad agreement was that relations between China and Taiwan are bogged down in a political impasse. On the one hand, there has been a significant change in recent years of the PRC handling of the Taiwan question. China has gone from posing recurrent threats and engaging in minimal intercourse with Taiwan to undertaking a broad effort to engage Taiwan in expanded economic and cultural relations. There also has been a steady PRC effort to broaden unofficial contacts with Taiwan, including elements in Taiwan's ruling party (DPP) who are against independence. All of this underlines the fact that the PRC now feels that time is on its side and that its own economic expansion, coupled with Taiwan's economic and political vulnerabilities, will give the PRC increasing leverage on the cross-strait issues.

But despite China's move from threats to engagement, the political impasse with Taiwan continues. The PRC ritualistically holds to its "one China-two systems" formula and has not made any fundamental changes in this concept. The bottom line is that the "one China" the PRC has in mind includes Taiwan and this means China claims sovereignty over Taiwan.

The Taiwan leaders, for their part, while they have also made some modifications in their own formulas for improving relations with the PRC, say that Taiwan is a separate and sovereign political entity and that the "one-China two-systems" formula is unacceptable for that reason.

Underneath this impasse is a basic issue: Who has sovereignty over Taiwan? Added to this is the virtually complete lack of trust between the two sides.



Important differences also were aired at the meeting. Many of these differences focused on how to evaluate U.S. attitudes and policies, especially under the new Bush Administration. Some Chinese believe that the United States has a strategic interest in maintaining an independent or separate Taiwan and that the policy of the Bush Administration reflects this interest. Some Chinese also asserted that the Bush Administration has significantly changed U.S. policy toward Taiwan by increasing support for Taiwan, asserting that the United States will "do what it takes" to defend Taiwan, and, especially, by meeting with the Taiwan Defense Minister at a private gathering in Florida.

Most of the Americans at the meeting, on the other hand, felt that although the Bush Administration has demonstrated its desire to give Taiwan more dignity and to increase deterrence, the fundamental U.S. policy on the cross-strait has not changed. The Bush Administration remains opposed to any declaration of independence by Taiwan and to any use of force by China. The Bush Administration, like previous U.S. administrations, wants a peaceful resolution of the cross-strait issue and it encourages an opening of official dialogue between the two sides. But beyond this, it is not prepared to dictate the policies of either side.

From the U.S. point of view, the most worrisome and troubling aspect of the cross-strait issue is the increasing militarization. Several ideas were offered both by Chinese and Americans to stop the militarization of the issue, but all recognized that there is no easy answer to this problem.

Most Americans felt that the present period is not one in which a military clash between China and Taiwan is likely, but they feared that the medium- to long-range future could be dangerous, a view that was shared by several Chinese. If, over the longer run, there is a strong nationalist feeling on the mainland that leads to a demand that the issue of reunification be settled, and if the political impasse continues, this could be a very volatile mixture.

Many Chinese asserted that China has in recent years increased its commitment to a peaceful resolution of the issue, but that these "concessions" on China's part have not been reciprocated by the Bush Administration, which has now "tilted" towards Taiwan, and encouraged "separatism" on Taiwan.

The fundamental issue remains: how to live with and manage an unresolved problem? The United States emphasizes that any resolution of the issue must be in accordance with the wishes of the Taiwan people. At the moment, the Taiwan people are clearly in favor of maintaining the status quo. They favor neither a declaration of independence nor reunification.

There was some agreement that the present and future attitudes of the people on Taiwan will be determined by trends on the mainland. If the mainland moves steadily towards political openness and increasing pluralism, not necessarily Western-style democracy, the gulf between the two political systems could gradually be breached and attitudes on Taiwan toward the mainland might undergo a progressive change.

So far as the role of the United States is concerned, although China defines the issue as a domestic issue, the United States will be intimately connected with the China-Taiwan problem. This is not just because of the Taiwan Relations Act, but because the United States has a strategic interest in peaceful resolution of the issue. The United States understands that this issue is one of, if not the most, dangerous in East Asia in terms of a possible crisis.

Finally, there was a view--shared by many Americans and Chinese-- that there is an urgent need for private groups such as the NCAFP to explore a variety of approaches to reduce the long-range risks.



II. U.S.-China Relations

There was agreement among most of the participants that U.S.-China relations are fragile but durable. There are bound to be many different, and perhaps frequent, problems but the relationship is strong enough to survive ups and downs. A number of warning signals, however, were raised. According to most Chinese participants, the PRC government "so far" sees the Bush Administration tilt towards Taiwan as part of the natural ups and downs in U.S.-China relations. But it is close to a reassessment of its policy.

Also several Chinese said that although it might be true that there has been no basic change in U.S. policy towards Taiwan, it is clear that there has been a substantial upgrade in U.S.-Taiwan relations. The United States has taken a "big step" by allowing the visit to the United States of the Taiwan Defense Minister. And although the American participants interpreted this visit simply as a way to give Taiwan more "dignity" and to increase deterrence, the Chinese were bound to see this visit as an excuse and a precedent for allowing more Taiwan officials to visit the United States in the future.

If this pattern continues, several Chinese said, this will undermine U.S.-China relations. They warned, in particular, that a visit to the United States by Chen Shui-bian would cause a serious crisis. It would lead to visits to other countries by high-level Taiwan leaders, which would have to be checked before it got out of control.

Moreover, according to several Chinese participants, the dangers are increased by the fact that many American officials seem to think that because China is preoccupied by domestic problems, it will not make a strong response to the Bush Administration tilt toward Taiwan. This is dangerous because the Chinese government might feel compelled to make a strong response in order to disabuse the U.S. government of this idea. Thus, there could be a vicious cycle in which U.S.-China relations would deteriorate. Further tilting toward Taiwan by the Bush administration would embolden hard-liners in China to challenge China's new leaders to halt the moderate policy toward Taiwan.

According to one U.S. analyst, the Bush Administration is seeking to de-emphasize U.S.-China relations and to put those relations in the context of its larger policy in the Asia-Pacific region. But while de-emphasizing China, the Bush Administration is not seeking to contain China or to reverse the policies of the past 30 years. It is committed to the integration of China into the World Trade Organization and to cooperation on the war against terror, as well as cooperation on a variety of regional issues, including South Asia, North Korea and the Middle East.

The same analyst said that the United States was looking for a candid, constructive and cooperative relationship. It is groping for a "China policy without illusion" which focuses on the common interests.

At the top of the U.S. list of common interests is the reduction of the proliferation of weapons of mass destruction. On this issue, there is a great deal of U.S. frustration about the lack of progress with China.

Finally, said the U.S. analyst, the United States has not changed its view of China. While not viewing conflict with China as inevitable, it is seeking to hedge against the rise of China--not by "containing" China or seeking to divide or weaken China--but by pursuing balance of power politics. At the same time, the United States would seek to explore common interests with China.



III. Chinese Perceptions of the Taiwan Issue

One Chinese analyst said that he agreed with the Americans that the future of the Taiwan issue depended to a considerable extent on developments on the mainland. A mainland China in which there is progress on political reform and the rule of law will help change attitudes on Taiwan. But, he said, all this will take time. At the moment, the hope on the PRC side is just to ease tension and to break the political impasse. But, said the Chinese, the conditions for breaking the political impasse have "not yet matured."

He stressed the positive trends in Taiwan-mainland relations: the new high tide in Taiwan investment on the mainland and the residence of 300,000 people from Taiwan in Shanghai, which improved the prospect for peaceful reunification. He expressed concern, however, at the campaign in Taiwan to strengthen Taiwan identity and the growing separatist influence that would occur if Chen and the DPP gained control of Taiwan in the 2004 elections. He said that the United States should pay close attention to political trends in Taiwan which could produce a very dangerous period between 2004 and 2008.

His hope is that there will be a "breakthrough" in opening up the "three direct links" (trade, transportation and travel) between China and Taiwan in the coming in "two or three years." After this, there would have to be discussions between the two sides on how to implement the direct links and this would open the way for a political rapprochement. In other words, he continued, he saw a three-stage process: opening up the direct links, negotiations for a basic political agreement, and a final solution.

In the meantime, the basic need is to keep the situation under control and to "manage" the Taiwan issue. And to accomplish this, there needs to be frequent discussions with the United States. Another Chinese analyst said there is a danger of miscalculations on all three sides. The Taiwan authorities might overestimate U.S. commitments to Taiwan and underestimate the mainland's determination to curb Taiwan independence. The United States might miscalculate the extent of China's tolerance and overestimate the limit of China's concessions. And China might underestimate the U.S. determination to defend Taiwan.

It is important, therefore, for both China and the United States to "understand well each other's bottom line."

The same analyst suggested that the United States and China should try to work out a common understanding based on two principles: the "one China" principle and the principle of a peaceful resolution.

