The question of Taiwan has always been an important and sensitive issue in Sino–U.S. relations. Also, it has caught the attention of the world in general and of the people in the Asia–Pacific region in particular. In March 2004, there will be another election of the leader in Taiwan. The election result will definitely exert an impact on both Cross-Strait relations and Sino–U.S. relations. It goes without saying that China and the United States should work together to affect crisis management and create a better environment for stabilizing Cross-Strait relations for the benefit of all parties concerned.

1. General Trends Since 9/11

Since the September 11, 2001 attacks, Sino–U.S. bilateral relations have become increasingly stable. Despite the fact that the two countries still differ on trade deficits, human rights, religious freedom, and other issues, they have managed to prevent these specific differences from damaging their overall relationship. Even on the Taiwan question, both China and the United States have largely succeeded in focusing on their common interests rather than on fighting each other over their differences. In the past two years or so, the two countries seem to have moved out of the semi-annual cycle of confrontation and cooperation that had prevailed since 1989, thus creating a favorable environment for the two countries to interact with each other in a constructive way.

The two countries have broadened their strategic cooperation, increased economic and trade exchanges, strengthened communication mechanisms, and worked together, moving from non-confrontation to better cooperation. Secretary of State Colin Powell holds that current Sino–U.S. relations are the best in history, and the Chinese government labels them as mature. I would characterize them as progressing on a healthy and stable track.

Many factors have contributed to much improved bilateral relations. Here are some of them.

First, the enhanced national power of both countries has elevated their bilateral relationship to a new height. China’s comprehensive national strength is multiplying. The United States is and will continue to be the sole superpower in the world for many years to come. These two major countries of the world have a great interest in maintaining peace and development in the world. Especially in concert with the rise of China, the two countries increasingly share common grounds. The Bush administration deems China a potential power, and the Chinese leadership considers its relationship with the United States as their most important bilateral one.

Also, both countries understand that their common interests are far more extensive than their differences. Moreover, they realize that cooperation rather than confrontation is the best way to promote their strategic and economic interests. Neither China nor the United States has been trying to challenge the core interests of the other. On the trade deficit issue, the two countries have so far succeeded in avoiding a trade war, as shown
in Chinese Premier Wen Jiabao’s visit to the United States in December 2003. Facts have time and again proved that China and the United States are not strategic competitors but partners engaged in constructive and cooperative relations.

Furthermore, China and the United States have put momentum into promoting bilateral relations via closer cooperation in multilateral diplomacy. China has been helpful in the U.S.-led war on terrorism, facilitating multilateral talks on the North Korean nuclear issue, cooperating on the nonproliferation issue, and welcoming a positive and peaceful role by the United States in the Asia–Pacific region. The United States also refrained from initiating China bashing at the Geneva Human Rights Convention and helped fight Xinjiang’s terrorists.1 All these developments have led President Bush to call China a partner in diplomacy.

In addition, regular and frequent communication between the top leaders has greatly enhanced mutual understanding and reduced mutual distrust. Since the 9/11 attacks, President Bush has been to China twice and then President Jiang and Vice President Hu and Premier Wen visited the United States. In 2003 the two presidents also met twice at international meetings in France and Thailand. Phone calls and letters have been a frequent and normal practice, too. Moreover, other high-level government officials have maintained close contacts and consultations. In October–November 2003, the Chinese defense minister paid an official visit to the United States, the first since 1996, and the two countries are restoring their military-to-military relations since the fatal midair plane collision in April 2001. The year 2004 is also a U.S. presidential election year, which will make summit meetings more difficult to arrange, but other high-level meetings are expected to continue.

Finally, nongovernmental exchanges have also contributed to stabilizing Sino–U.S. relations. There has occurred a remarkable increase of exchanges in education, culture, sports, and people-to-people contacts. Computer and phone traffic constitutes the most extensive bilateral link in the world, and air traffic is the busiest. American business people and tourists believe that China is the safest place in the world. Indeed when anti-Americanism seems to be on the upsurge in many parts of the world, this kind of friendly relationship is of special meaning and significance.

2. From Creeping to Speeding Independence

In the past four years, Chen Shui-bian and his people have changed from advocating creeping independence to proposing a speeded up one. On March 20, 2000, Chen was caught unprepared when he was elected only because of the split that had occurred between his two opponents. Being in power for the first time and lacking competence and experience, Chen and his Democratic Progressive party (DPP) assumed a low profile and put forward “Four No’s, One-Have-Not.” He said in his inauguration speech,

So long as the Chinese Communist party does not intend to use force against Taiwan, I promise that in my term I will not declare independence, or change the country’s official title, or push to include a “two-state theory” in the Constitution, or promote the referendum on unification and independence, and there is no question of abolishing The Unification Program and National Unification Commission.2

During his first two years in office, although Chen virtually pursued a proindependence line, he did so with some caution and apprehension. Therefore, his Cross-Strait policy was widely deemed as “creeping independence.”

Once Chen believed that his power had been consolidated and his Cross-Strait policies were ineffective, he decided to challenge one-China more directly and squarely. The turning point from creeping to speeding independence came on August 9, 2002, when Chen openly stated that
each side of the Strait is a country. Again, the
DPP lost important local elections. Moreover, the
continuous downward slide in opinion polls as-
sessing attitudes toward the election scheduled
in March 2004 made Chen turn to radical and
extreme ways of seeking reelection. Later on, af-
term Chen calculated that provoking the Chinese
mainland might both consolidate his voting base
and attract swing votes, he went all out in advo-
crating Taiwan independence and in calling for a
referendum. Chen's proindependence advocacy is
no longer electoral rhetoric but constitutes a real
drive for independence. In advocating constitu-
tion making and nation building, Chen has vir-
tually put forward a timetable and a road map
leading to 2008, the year targeted for Taiwan's
independence.

In the course of moving from creeping to
speeding independence, Chen misused the most
friendly U.S. administration’s pro-Taiwan policy,
mistook the strengthening of U.S.–Taiwan mili-
tary relations as a blank check, misbehaved by
repeatedly surprising Washington, and mis-
stepped by creating troubles when the United
States was already facing enough troubles, rang-
ing from Iraq to North Korea. In a word, Chen
miscalculated U.S. national interests and secu-
ritv strategy.

3. The Complexity and
Duality of the Taiwan Question

The question of Taiwan typifies the complex-
ity and duality of Sino–U.S. relations. On the
positive side, the two countries have managed to
emphasize their mutual interests and common-
alities on the question of Taiwan. Both countries
value peace and stability in the Taiwan Strait area
and believe that maintaining the status quo is
the best choice. Therefore, the Chinese govern-
ment appreciates the U.S. one-China policy and
its opposition both to Taiwan’s independence and
its unilateral attempt to change the status quo.
Besides, there is an increasing trend toward closer
economic and trade relations among the three
parties of the two countries. That may be the most
important single factor in promoting a win-win-
win situation among the three.

On the negative side, the two countries’ posi-
tions on U.S.–Taiwan relations are growing fur-
ther apart. The Bush administration has been
elevating the level of political contacts with Tai-
wan and pursuing closer military-to-military re-
lations as well. Now Chen is kept from visiting
only Washington, D.C. He can make public ap-
pearances in other parts of the United States. His
encounter with Secretary of State Powell in
Panama was taken as a sign of a “diplomatic
breakthrough” for Taiwan. It is widely consid-
ered that the U.S. one-China policy has increas-
ingsly been hollowed out and that U.S.–Taiwan
military relations have been promoted to such an
extent and reflect such a speedy escalation that
a quasi-military alliance has developed between
the two.

The question of Taiwan is at a critical junc-
ture. Chen and his like are openly advocating
Taiwan’s independence and setting up a timetable
to realize their goal. Moreover, in defying the U.S.
warning, Chen is forcing President Bush to say
openly something he would rather not say. This
situation poses a grave challenge to both China
and the United States, for it questions the wis-
dom and determination to maintain the one-
China policy. The so-called policy of clarity will
be tested during the election in March 2004.

4. What Went Right and
Wrong?

The Taiwan question has many dimensions.
Here I would like to focus on how China and the
United States have managed this question. First,
it constitutes the natural consequence of the U.S.
policy toward Taiwan. For example, the Bush
administration has been giving confusing signals
that Taiwan’s authorities have interpreted as
encouragement for Taiwan’s independence—if
not *de jure*, at least *de facto*.

Second, the U.S. dual policy is self-contradictory. The Bush administration deems that its policies toward both the Chinese mainland and Taiwan are successful. But in retrospect, we have sufficient reasons to say that the Bush administration’s encouragement of Chen and his like to push the envelope continuously has enabled Taiwan to slip farther and farther down the road to independence.

Third, the two countries need to formulate the principles and forge the details of how to implement them. The two countries have neither drawn a clear red line or a zone pointing toward Taiwan’s independence nor compared notes sufficiently on their respective policies. During its tenure the Bush administration has persuaded the Chinese mainland to exercise self-restraint while, until very recently, reining in its comments on Chen’s actions and remarks on Taiwan’s independence.

Fourth, there is a limit to the role the United States can play on the question of Taiwan. It is worth exploring why Chen dares to defy the repeated warnings of the Bush administration. U.S. control over Taiwan is obviously becoming loosened in the face of a democratizing Taiwan and increasing Taiwanese defiance of the United States. Chen wants to play the U.S. Congress against the executive in order to realize his own aims. Also, he is trying to consolidate his voting base in order to get reelected.

5. Bumpy Road Ahead

The most immediate and urgent job for the two countries is to prevent the question of Taiwan from becoming explosive. Chen is trying to hold what he describes as a “defensive” or “peaceful” referendum on what he calls the “threat from the mainland” along with the election on March 20, 2004, featuring the tight race between the Pan-Blue (the KMT–PFP alliance) and the Pan-Green (the DPP and its smaller allies) group. Each side sees this election as a “throat-cutting” contest. The Cross-Strait relation is also at stake. That is why not only the United States but also Japan and the European Union have publicly expressed their opposition to the referendum. Indeed, any drastic change in the status quo will result in great upheavals in the Asia-Pacific region. The international community is working hard at damage control and crisis management of Taiwan’s election.

American involvement is the most important external factor in the Taiwan question, and we must deal with it squarely. In talking about this involvement many years ago, Deng Xiaoping pointed out:

[T]here is one obstacle in Sino–U.S. relations. That is the Taiwan question, or the question of the reunification of the two sides of the Taiwan Straits. In the United States people say the U.S. takes a position of “non-involvement” in the question of China’s reunification, that is, the Taiwan question. This is not true. The fact is that the United States has been involved all along.3

The United States should pursue a constructive, not a destructive, involvement in the Taiwan question, and no party should shy away from this important issue. We must objectively examine the changing situation just as we reexamine the issue of U.S. involvement.

The Taiwan question, fundamentally speaking, is China’s internal affair, and the final resolution of the Taiwan question and the realization of the unification of China lie in the hands of the Chinese on both sides of the Taiwan Strait. But international factors, especially those relating to the United States, have become increasingly important. This is the reality we have to live with.

Both China and the United States should cooperate on the question of Taiwan and maximize the commonality of their positions. To maintain peace and stability in the Taiwan Strait area is in the common interests of the two countries. Furthermore, the two countries should pursue
concrete steps, timetables, and agendas to enhance the commonality of their positions on the Taiwan question.

Obviously we should tackle the immediate issues relating to the Taiwan question and develop mid- and long-term strategic thinking as well. Both China and the United States should enhance their strategic consultation and cooperation. Only when the two countries can replace distrust with mutual trust can they treat each other as partners rather than as potential adversaries. If this happens, then Taiwan’s proindependence forces will have no way to strike a wedge between the Chinese mainland and the United States.

It is also worth mentioning that the status quo in Cross-Strait relations is not static but dynamic. Therefore, both the Chinese mainland and the United States must pay sufficient attention to domestic developments on the island and make proper policies. While emphasizing the devastating damage that Taiwan’s independence could inflict on all the parties concerned, the Chinese mainland (as well as the United States) should respect and facilitate its Taiwanese compatriots’ desire for peace, development, stability, and democracy. In the meantime, the Chinese mainland government should continue to pursue its policies of reform and openness, to think creatively about its policies toward Taiwan, and to make the motherland attractive to its compatriots on the island.

There are signs of encouragement. One is economic. Cross-Strait economic interactions have steadily risen, moving both sides closer to each other. So far Taiwanese investment projects in the mainland are approaching 60,000 items. The contacted sum is about $70 billion (U.S.); the actual amount is more than $36 billion. Cross-Strait trade in 2002 was as high as $44.6 billion, and the 2003 figure is expected to be more than $50 billion. Meanwhile there are as many as 3 million person/times of transactions between the two sides.4

The other is the fact that China’s new leadership is creatively pursuing a peaceful line toward the Taiwan question. Both President Hu and Premier Wen are emphasizing that the Chinese mainland will spare no efforts to strive for a peaceful unification of the country and are calling for more interchanges of people across the Strait. They have also put forth a number of new policies to promote Cross-Strait relations and handle the Taiwan question with more caution, nuance, and flexibility. Indeed, Chinese–American coordination of their approach to the referendum issue is enlightening in many ways.

About the Author

Jiemian Yang, a member of the National Committee’s Roundtable on U.S.–China–Taiwan Relations, is vice president and senior fellow at the Shanghai Institute for International Studies.

Notes

1. The Bush administration named the “Eastern Turkistan Islamic Movement” a terrorist group. According to the Chinese government, the Xingjiang separatist groups established connections with the Taliban and Al Qaeda in the late 1990s and carried out a series of terrorist activities both inside and outside China. The Information Office of the PRC State Council, “‘East Turkistan’ Terrorist Forces Cannot Get Away with Impunity,” Beijing Review, January 31, 2003, 14–22.


