



An Interim Agreement?

David G. Brown

American interest in encouraging the negotiation of an interim agreement between Beijing and Taipei to stabilize Cross-Strait relations has surfaced again over the past year. The idea of an interim agreement has been around for many years. Perhaps its most serious proponent has been Professor Kenneth Lieberthal, but other Americans also have offered suggestions on how to structure such an agreement. Most recently Lieberthal presented a sophisticated repackaging of the idea in a proposal for a 20- to 30-year “agreed framework” for stability in the Taiwan Strait.

It is not surprisingly that interest in an interim agreement increases during periods of heightened Cross-Strait tensions, as has been the case since late 2003. Some time after the Taiwan Strait crisis of 1996 and on the twentieth anniversary of the Taiwan Relations Act, then Assistant Secretary of State for East Asia and Pacific Affairs Stanley Roth officially urged both sides to consider the merits of an interim agreement. This was the one circumstance in which senior U.S. officials endorsed the concept.

What do proponents have in mind in suggesting an interim agreement? The core idea is to find a way to set aside fundamental differences on matters of principle that have divided Beijing and Taipei for decades. Rather than allowing recurrent crises to raise the threat of a war in the Taiwan Strait, which would not be in anyone’s interest, the parties should negotiate some interim arrangement to ensure stability for an extended period. An assumption is that, in the period of such an agreement, economic and social developments in China and Taiwan would ameliorate Cross-Strait differences that time would heal.

At the heart of various suggestions for the content of an interim agreement, there are usually two core aspects. First, to meet Beijing’s concerns about Taiwan independence, Taipei would undertake not to declare *de jure* independence. To meet Taipei’s concerns about its security, which are increasing as the People’s Liberation Army (PLA) modernizes, Beijing would formalize its current policy that absent Taiwan independence, Beijing would not use force against Taiwan. In addition, an interim agreement might contain some agreement on the extent of Taiwan’s international space during the interim period. Some proposals envisage an international aspect in which at least the major powers would undertake not to recognize Taipei’s formalization of an independent Taiwan and the United States would reaffirm its opposition to China’s use of force against Taiwan.

Why an Interim Agreement Would Be Beneficial

The past 18 months have given ample evidence of the instability and dangers in Cross-Strait relations. It is commonplace to point to the democratic politics of Taiwan as a key factor destabilizing Cross-Strait relations. Domestic factors in both China and the United States, however, also are sources of instability.

In 2003–2004, it was the election campaigns waged by Chen Shui-bian, the Democratic Progressive party (DPP), and their Pan-Green allies and supporters that were key sources of increased tension. It is true that after both the March presidential and the December legislative elections,

President Chen backed away from much of his more provocative campaign rhetoric. Nevertheless, until constitutional reform changes the electoral calendar, it can be said that on Taiwan there is at least a minor election every year and a major election every other year. These democratic electoral campaigns inevitably bring out the deep divisions in Taiwan society about the island's identity and political future and in the process risk provoking Cross-Strait confrontations. This experience is likely to continue.

China too has its domestic politics. Policy-making toward Taiwan is still primarily a closed internal bureaucratic process. However, the circle of those who need to be consulted appears to be gradually expanding. It is clear that there are sharp policy difference within these policy circles on an issue that all recognize is central to China's national interest and the leadership's legitimacy. In the years ahead, the impact of a more open media, the Internet, and rising nationalism on this contentious policy process is likely to increase. The danger that internal differences could split the leadership or that domestic pressures could push the leadership into an assertive nationalistic direction cannot be dismissed.

Although the broad outline of U.S. policy on Cross-Strait relations has remained consistent, U.S. policy has been subject to the shifting winds of domestic opinion and emotional reactions to events. Election campaign rhetoric has at times strained Washington's relations with Beijing, and new presidents have repeatedly taken some time to realign their policies with the course that has best served the national interest. These domestic pressures will continue.

Why So Little Interest in Interim Agreements?

If the logic of an interim agreement has been so appealing to Americans for so long, why have Beijing and Taipei not seized on the idea? Several factors appear to be at work.

The first issue involves each side's basic principles. The aim of an interim agreement would be to set aside differences on matters of principle. For the Chinese this seems almost impossible to implement in practice. The first step would be to get the parties to the table. What would be the terms or conditions on which the two sides would deal with each other in negotiating an interim agreement? China's one-China principle? With the Chen administration in office in Taipei, the substantive and political gulf on this issue is immense. Both sides would want conditions at least to imply support for their principles. Talks on an interim agreement could not be delegated to private associations to avoid such implications because core government responsibilities would be at issue. Unfortunately, Beijing has insisted since 1999 that even talks between the pseudo-official Straits Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Straits (ARATS) require political preconditions. Taipei's call for talks without preconditions in fact masks its fundamental negotiating objective of getting Beijing to deal with it as a separate governing entity—an objective that is as important to Chen as the one-China principle is to Beijing.

Let us assume that Beijing and Taipei were able to sidestep these problems and start talks about an interim agreement on some pragmatic basis. How would the content and form of an agreement not touch on these same matters of principle? Would having the agreement state that it was entered into without prejudice to either side's principles be sufficient and acceptable? A document bearing the signatures or seals of persons representing both sides would inevitably be seen in Taipei as Chinese acceptance of Taiwan as a separate entity. On a technical agreement this might be overlooked in Beijing, but on issues related to security and sovereignty it would seem impossible for leaders in Beijing to look the other way. As one Chinese analyst put it, it would have to be clear that the agreement was between two parts of one country, not between two separate countries. That issue could not be avoided. Should

leaders try to avoid it, they would be open to domestic attack.

This leads to domestic politics, the second impediment. Each side's leaders have to operate within a domestic political environment loath to compromise with the other. Democratic politics limits Taipei's representatives. Nationalistic sentiment, in part cultivated by the leadership, limits the maneuverability of Beijing's leaders. The issues are so emotionally charged and so much is at stake that compromise is politically dangerous.

The most fundamental impediment is the gulf of distrust that separates Taipei and Beijing. Distrust would undermine a simple deal trading no independence for no use of force. Would Beijing trust Taipei not to continue consolidating a separate Taiwan identity, which it has asserted at home and abroad for more than a quarter-century? Since Beijing would not do so, how would Taipei's undertaking on "no independence" be delineated in an agreement to provide some assurance for Beijing? As one Chinese scholar put it, "How would independence be defined?" This issue would be more manageable if a Pan-Blue administration were in office. On the other hand, Taipei would fear that the modernization of the PLA would certainly upset the military balance over a generation, leaving it in a much weaker position. What else would have to be in the agreement to assure Taipei of its security at the end of the period? Would Beijing be asked to accept unlimited arms acquisitions by Taipei in the interim? Distrust would almost inevitably raise such issues, not the least because domestic critics of such a tradeoff in both Taipei and Beijing could be counted on to put pressure on the negotiators to provide assurances on their fundamental fears about the other.

Until 2004 Beijing had been placing greater emphasis on promoting reunification than on preventing separatism. This was particularly true in the context of the reversion of Hong Kong and Macau to Chinese sovereignty. Beijing was trying to create a sense of momentum from these reversions to put pressure on Taiwan toward reunification. In this context, Beijing had

no interest in proposals that would defer progress on reunification for a generation or longer. The idea of an interim agreement was out of sync with Beijing's policy.

Another impediment to an interim agreement has been distrust of American motives. Stanley Roth's mention of the merits of an interim agreement awoke fears in Taiwan that the Clinton administration was pushing Taiwan into unwanted negotiations with Beijing. The response was to seek reassurance from Washington that the United States would continue to abide by the six assurances given to Taipei in 1982, particularly the assurance not to pressure Taipei into negotiations. Despite reassurances, public concern in Taipei over Roth's statement continued for many months, right to the end of the Clinton administration.

More recently Beijing has had new reason to distrust U.S. motives. This is because Bush administration officials have at times publicly called for Beijing to enter negotiations without preconditions, thus siding with Taipei. Although Beijing analysts believe the United States and China now share a common interest in blocking separatism, they do not believe that Washington shares China's interest in promoting reunification. Most in Beijing have long suspected that the United States opposes unification—a view now expressed by characterizing U.S. policy as "no independence, no war."

Are Attitudes Changing?

In areas of tension it is a wise practice to be alert for signs that new opportunities for negotiation may be opening. Over the past year, Beijing has shifted to placing priority on deterring separatism. The tone of Beijing's statements on Taiwan has become more moderate. Propaganda attacks on President Chen have ceased. Chinese People's Political Consultative Conference (CPPCC) Chairman Jia Qinglin and President Hu Jintao have noted that Beijing would talk with the leader of Taiwan regardless of his past state-

ments if he would endorse the 1992 consensus on one China. They have said they would welcome steps by any party, implicitly meaning the DPP, that moves “in the direction of” accepting the one-China principle. They have noted that the view that Taiwan and the mainland are both part of one China is not only the People’s Republic of China’s (PRC’s) view but also can be found in Taipei’s regulations and documents. In enumerating the issues that can be discussed, President Hu not only reiterated Beijing’s long-standing willingness to discuss ending hostilities but also mentioned arranging military confidence-building measures, an item raised by President Chen last October.

Most significantly, President Hu addressed Chen in his four points by saying,

We hope the leader of the Taiwan authorities could earnestly fulfill the “five noes” commitment he reaffirmed on February 24, as well as his commitment of not seeking “legalization of Taiwan independence” through the “constitutional reform” and show to the world through his own concrete action that this is not empty words or mere lip service which can be forsaken at will.

Although welcome, Hu’s remarks reflect the depth of Beijing’s distrust of Chen. Nevertheless, these various remarks seem to be encouraging indications of a renewed desire by Beijing to find a basis for resuming talks with Taipei. That said, nothing in these developments suggests a particular interest in an interim agreement per se. However, one Chinese scholar has noted that there is some similarity between the spirit of the Antiseccession Law (ASL) and the concept of an interim agreement.

In one respect, the Chen administration is more open to the idea of an interim agreement than the Lee Teng-hui administration was six years ago. Rather than fearing pressure from Washington, Taipei has sought to encourage the United States to play a more active role in faci-

litating dialogue. This more positive attitude has been strengthened since the Bush administration came out in support of Taipei’s call for talks without preconditions. Last fall Soong Chu-yu promoted a legislative proposal to strengthen Cross-Strait peace. The People First party (PFP) legislative whip noted that this legislation was based on the concept that as long as Taiwan does not declare independence, the mainland will not use force against Taiwan. When Professor Lieberthal visited Taipei last November, Wu Jauhsieh, the chairman of the Mainland Affairs Council, stated that the idea for an interim agreement was similar to President Chen’s desire to establish a framework for peace and stability in the Taiwan Strait. How much this later statement represented serious interest in an interim agreement and how much it was an understandable effort to garner support by seeming reasonable and supportive to Americans is uncertain.

More recently the visit to China of the Kuomintang (KMT) chairman, Lien Chan, produced a joint statement recording the common views of the KMT and the Chinese Communist party. Those common views included opposition to Taiwan independence and the goal of a peace agreement between the two sides. This indicates the possibility that the basis for an interim agreement might exist if there were a Pan-Blue government in Taipei.

The Way Forward

A series of steps by Beijing and Taipei that significantly reduced tensions across the strait occurred in January and February 2005. Beijing’s promotion of its ASL has set back these positive developments. However, the ASL was less damaging than many in Taipei had predicted and less than many in Washington had feared. The ASL emphasizes Beijing’s desire for peaceful unification and puts into legal form Beijing’s long-standing policy that it reserves the right to use force as a last resort. Analysts in Taipei have com-

mented that the formulations used in the ASL in some respects reflect a softening of positions taken by Beijing in the past.

Both Beijing and Taipei said in February that they wished to build on the success of the charter flights over the New Year's Spring Festival holidays. It is noteworthy that the arrangements for the New Year's charter flights were worked out by the two sides without the direct involvement of third parties. When political conditions are ripe for negotiations, Beijing and Taipei can work things out. The antagonism in Taiwan against the ASL and the domestic political fallout in Taipei from the visits to China by opposition party leaders both have created at least temporary impediments to resuming Cross-Strait contacts on transportation and other practical issues. Getting past these developments will take some time. Once the time has passed, it would be desirable for both sides to resume the positive momentum evident at the beginning of the year. It is hoped that the political climate will be ripe for an effort to expand Cross-Strait transportation arrangements building on the New Year's charters. Success in arranging mutually beneficial steps such as direct transportation links can begin to build a sense of mutual trust on practical issues and establish a climate in which more significant issues can be addressed.

It also may be useful to consider whether the objectives of an interim agreement could be

reached on the basis of coordinated unilateral statements of policy by Beijing and Taipei. Coordinated unilateral statements could avoid many of the issues of procedure and principle and focus on simple statements of government intent. If the political context of the two statements reflected serious undertakings by each side, that could provide some but not all of the assurance that would be found in a formal agreement. Statements of policy are by their nature not as binding as bilateral agreements. Unfortunately, the natural occasion for such coordinated unilateral undertakings would be a meeting between the leaders of the two sides—a meeting that would face the same barriers of principle that impede a bilateral agreement. It may be possible to coordinate such statements without a meeting. The key would be whether political conditions were ripe on both sides of the strait.

Even if progress on practical issues proves possible in the coming year, it seems unlikely that conditions will be ripe for the consideration of an interim agreement during Chen Shui-bian's presidency.

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