Confidence-Building Measures in the Taiwan Strait

Cheng-yi Lin

Cross-Strait relations have become more volatile and fragile as new players have entered the scene in Taipei and as a result of Beijing’s lack of experience in dealing with them. Consequently, the crisis-prone Taiwan Strait has replaced the Korean Peninsula as the most dangerous flashpoint in the Asia-Pacific region, particularly since the historic North–South Korea summit of June 2000. Almost all the major parties around the world that have conflicts with each other—such as North and South Korea and India and Pakistan—have developed confidence-building measures (CBMs). The Taiwan Strait is the rare exception. Beijing has neither publicly rejected nor accepted the idea of CBMs for the Taiwan Strait, whereas Taipei and Washington have espoused the concept with the aim of alleviating tension and increasing accountability.

China has signed two separate CBM agreements in the military field to stabilize its border areas: the first with Russia, Kazakhstan, Kyrgyzstan, and Tajikistan in April 1996; and the second with India in November 1996. China regards Taiwan as a major security threat, and tensions in the Taiwan Strait have escalated since June 1995. Beijing argues, however, that CBMs can be negotiated only between two sovereign states and suggests that the most useful form of CBM would be for other countries to “handle the Taiwan question properly.”¹ For Beijing, Taiwanese acceptance of China’s nationalism and U.S. rejection of Taiwan’s arms acquisitions and visa applications for high-ranking officials would be examples of CBMs. Beijing has stepped up pressure on Washington by trying to make a linkage between the U.S. suspension of arms sales to Taiwan and Chinese cooperation in countering weapons of mass destruction.²

Since the discontinuation of Cross-Strait negotiations in 1995, the United States has called for the resumption of Cross-Strait dialogue. For example, former Secretary of State Madeleine Albright declared that “they [Taiwan and China] should do all they can to build confidence and avoid provocative actions and words.”³ Former Assistant Secretary of State Winston Lord also has argued for the need for CBMs between Taiwan and China, reasoning that miscommunication, historical distrust, and jockeying could contribute to misunderstandings and misperceptions. The more frequently Taipei and Beijing talk directly, the better off everyone will be.⁴ The U.S. government and academics have made CBMs the top priority for a Cross-Strait interim arrangement or agreement(s).

For some theorists and practitioners in Taiwan, economic interactions and human exchanges with China belong to the category of nonmilitary CBMs. The social and economic effects of mutual cooperation are said to spill over to and aid in the settlement of security issues. In addition to economic and other functional CBMs, Taipei began to shift its attention to military-oriented CBMs in 1996. Taiwan has given up its offensive strategy toward mainland China, but Beijing still refuses to renounce the use of force against Taiwan. Nevertheless, Taipei has continually called on Beijing to consider having CBMs for the Taiwan Strait not only as a channel for the resumption of Cross-Strait dialogue but also as a step toward normalization.
Nonmilitary CBMs in the Taiwan Strait

For Taipei and Beijing, CBMs should not be considered purely in military terms. In contrast to Beijing, Taipei lacks experience in maintaining CBM regimes with neighboring countries. Taipei has learned about CBMs from international textbooks and from on-and-off negotiations with China regarding Cross-Strait issues. In terms of nonmilitary CBMs, Taipei’s emphasis is mainly on declaratory measures, communication measures, and comprehensive and cooperative measures. Among such CBMs, private or semiofficial parties from both sides of the Taiwan Strait are more experienced in negotiations.

1. Declaratory Measures

In February 1991, the Republic of China (ROC) government adopted the Guidelines for National Unification, which envisaged a three-phase process of reunification beginning with exchanges and reciprocity, followed by increased mutual trust and cooperation, and ending with consultation and unification. This manifest declaration in behalf of the unification of China brought no corresponding conciliatory measures from Beijing, but peace was maintained until 1995. The prospects for Cross-Strait relations certainly did look promising in the first half of 1995, when leaders from the two sides issued their blueprints for the improvement of relations. PRC President Jiang Zemin made his eight-point proposal on January 30, 1995, urging that a Cross-Strait summit be held on Chinese soil and suggesting that “talks be initiated and an agreement be reached on officially ending the state of hostility between the two sides of the Taiwan Straits under the principle of one China.” ROC President Lee Teng-hui responded on April 8, 1995, by issuing a six-point proposal to “pave the way for peace talks on ending the state of hostility.” President Lee Teng-hui also urged Beijing to recognize that “both sides should be assured of the ability to join international organizations on an equal footing” and said that leaders of both sides may “meet on international occasions.” President Lee Teng-hui asserted that the “Chinese should help their fellow Chinese to serve their mutual interests in trade and business” and said that Taiwan was willing “to provide agricultural expertise to help farmers on the mainland.” Beijing’s reaction to President Lee Teng-hui’s Cornell University speech and remarks about the special state-to-state relationship moved Cross-Strait relations into another phase of instability.

Chen Shui-bian has been cautious in making statements regarding Cross-Strait relations since his election as president of Taiwan. In his inaugural speech, Chen guaranteed that he would not declare independence, would not change the national name, would not push for the inclusion of the so-called state-to-state description in the constitution, and would not promote a referendum to change the status quo with respect to the question of independence or unification. Moreover, Chen said that Taipei was willing to negotiate on the meaning of “one China” and asked Beijing “to deal jointly with the question of a future ‘one China.’” More important, Chen Shui-

From the Pen of a Political Realist

A strategic partner China is not, but neither is China our inevitable and implacable foe. China is a competitor, a potential regional rival, but also a trading partner willing to cooperate in areas where our strategic interests overlap.

—Colin L. Powell
Secretary of State
bian assured Beijing that he would not abolish the National Unification Council or eliminate the National Unification Guidelines. Chen proposed that Taiwan and China establish brotherly ties “to bring harmony to the family” and said that he would not preclude confederation if it were proposed as an appropriate framework for the future political integration of Taiwan and China. Following Lee Teng-hui, Chen Shui-bian has said that he would like to visit China, to reach a peace agreement with China, and to normalize relations with China in accordance with the UN Charter.

Even though Taipei has not retracted its position on the special state-to-state relationship, President Chen and the chairwoman of the Mainland Affairs Council (MAC), Tsai Ing-wen, have stopped using the term. Taipei has also retreated to a position whereby Taipei and Beijing would return to the agreement on “one China respectively interpreted by either side.” On July 31, 2000, President Chen went even further by urging Beijing to resume Cross-Strait negotiations according to the spirit of 1992, by which he meant “dialogue, exchanges, and setting aside disputes.” Judging by Chen’s recent remarks, one could assume that he has become a moderate in trying not to offend the PRC since his election as president. For example, Chen has also deliberately avoided mentioning controversial issues such as theater missile defense (TMD), dollar diplomacy, and intermediate-range surface-to-air missiles. It is believed that Chen will reevaluate Taiwan’s current Cross-Strait trade policy within the framework of the World Trade Organization (WTO) and greatly soften the previous government’s tone on Cross-Strait interaction (known as the “go slow” policy). Chen used to propose preconditions such as Beijing’s renunciation of the use of force in return for establishing the Cross-Strait “three links.” President Chen, however, has softened this precondition by saying that the links can go through as long as Beijing “has no intention to use military force against Taiwan,” and his administration has tried to open up the offshore islands as Taiwan’s frontline for navigation and commercial contacts with China.

### 2. Communication Measures

Despite the lack of open contacts between officials, Taiwan and China conducted a number of meetings of secret envoys from 1991 to 1995. This secret channel brought forth the first high-level, semiofficial meeting between Koo Chen-fu, chairman of the Straits Exchange Foundation (SEF), and Wang Daohan, chairman of the Association for Relations Across the Taiwan Straits (ARATS), in Singapore in April 1993. The Koo-Wang meeting was described by Taipei as “non-governmental, administrative, economic, and functional in nature,” but the key to the breakthrough of this meeting was that “both sides agreed to express the meaning of ‘one China’ in each side’s own words.” Altogether, four agreements were signed between SEF and ARATS.

For years Taiwan’s SEF has sought an effective communication link with its counterpart, ARATS, such as a hotline to alleviate the crisis across the Taiwan Strait. The feedback from Beijing, however, has not been as positive as was expected. The creation of bilateral hotlines is a first step toward fostering a more predictable and less crisis-prone environment in the Taiwan Strait. Taipei and Beijing have already begun to conduct a dialogue between retired military officers from both sides on security perceptions in an effort to alleviate misunderstandings and misperceptions. The International Workshop on Sun Tzu has been held regularly by the PRC, and retired officers and scholars on military affairs from Taiwan have been invited to participate in the activities. Moreover, Taiwan’s new government has developed a different attitude from that adopted by the previous KMT government and has begun to welcome U.S. efforts to promote “track two” diplomacy to help reach agreements regulating Cross-Strait interactions.

In 1996, Taipei began an initiative to strike a peace accord with the PRC before opening direct
commercial links across the Taiwan Strait. President Lee Teng-hui took a further step in his May 1996 inaugural address when he issued a call “to embark upon a journey of peace to Mainland China.” The idea of a Cross-Strait summit was endorsed by Taiwan’s National Development Conference of December 1996, at which all major political parties reached a consensus on facilitating “the opportune moment for the leaders of both sides to meet and create a new era of Cross-Strait cooperation.” The same conference also recommended that the private sector (for example, the SEF) set up a Cross-Strait Forum to invite representative figures “from various sectors of each side to exchange general views in a personal capacity on how to solve Cross-Strait issues peacefully, without preset positions.” Although the KMT government was still wary of such a forum, Wang Daohan decided not to go to Taiwan because of the declaration of the special state-to-state relationship. After President Jiang Zemin had set preconditions for the commencement of Wang’s trip, Koo Chen-fu, in mid-October 1999, indicated that he was willing to visit China again to invite Wang to visit Taiwan. The establishment of a direct communication channel between Wang Daohan and Koo Chen-fu would be particularly useful in clarifying misunderstandings or misinterpretations. In this regard, Taipei would still welcome the visit of Wang Daohan.

3. Comprehensive and Cooperative Measures

For leaders in Taipei, the experiences of divided nations such as Germany and Korea, particularly their policies against mutual exclusivity in the international arena and the renunciation of the use of force against each other, could be adopted as principles of Cross-Strait relations. Chen Shui-bian has long advocated maintaining good neighborly relations with China on the basis of equal rights; solving disagreements through peaceful means; abiding by the principles of the UN Charter; exchanging permanent representatives; and improving economic, scientific, and cultural cooperation.

Through SEF and ARATS, Taiwan and China conducted a dialogue on cooperating to suppress criminal activities and solve marine fishing disputes until Beijing called off the second round of Koo–Wang talks. Tensions in the Taiwan Strait forced Taipei to regulate the flow of investment to China and to call on local firms to focus on investing in the island. In 1995, however, Taipei initiated a proposal for an offshore transshipment scheme, and private Cross-Strait shipping associations from both sides met twice in Hong Kong and Bangkok to discuss the subject. Then Beijing allowed its first vessel to make a port call in Kaohsiung in April 1997. For Taipei, the shipments are not direct because cargo is not allowed to pass through Taiwan’s customs and can be reloaded only for onward shipments to third countries.

In November 1997, the China Rescue Association (Taipei) and the China Marine Rescue Center (Beijing) agreed to set up a hotline to facilitate maritime rescue work in the Taiwan Strait. For years Taipei had indicated its willingness to conduct negotiations through SEF and ARATS regarding establishing air and sea links between Taiwan and Hong Kong after July 1, 1997. Beijing rejected Taipei’s proposal but backed Hong Kong’s Cathay Pacific Airlines and Shipowners’ Association in reaching agreements respectively with the Taipei Aviation Association and SEF in July 1995 and May 1997. Coming during the period when Cross-Strait dialogue was suspended, all those breakthroughs indicate that nonmilitary CBMs across the Taiwan Strait can be reached, but not necessarily through official or semiofficial channels. Taipei raised these unilateral measures first and often invited Beijing to adopt reciprocal measures. The agreements thus constituted a process of unofficial bargaining with official blessings. This graduated reciprocal approach toward reducing tensions may set a good example for building CBMs between Taipei and Beijing.
Those who deem better Cross-Strait relations a prerequisite for Taiwan’s security would like to see Taipei cooperate with Beijing in the South China Sea as a way to build confidence in the Taiwan Strait. They believe that talks with China on the development of resources in the South China Sea could improve mutual trust between Taipei and Beijing. Beijing has also demonstrated its interest by offering to provide the garrison on Taiping Island (Itu Aba) in the Nansha (Spratly) Islands with desalinated water and other supplies and by suggesting that a joint survey followed by the development of natural resources be undertaken in the region. Concerning joint cooperation on energy exploration, representatives of the Chinese Petroleum Corporation of Taiwan (CPCT) and the PRC’s China National Offshore Oil Corporation (CNOOC) met twice in Singapore (in April and October 1994) to discuss the possibility of forming a joint venture for commercial interests and to avoid political and sovereignty issues. In August 1995, the two corporations held a conference on Cross-Strait oil technology in Taipei, despite heightened tension between Taipei and Beijing. In July 1996, the CPCT-affiliated Overseas Petroleum Investment Corporation and CNOOC formally signed a two-year agreement in Taipei authorizing a seismic and oceanographic survey for joint exploration to be conducted off the Zhujiang (Pearl River) Delta near Tungsha (Pratas) Island at the northern end of the South China Sea.

Military CBMs in the Taiwan Strait

The two Germanys and the two Koreas, in the form of a treaty or an agreement, renounced the use of force to achieve unification, but the PRC has declined to commit itself not to use military means against Taiwan in any attempt to obtain future reunification. Although the large gap in military capability between Taiwan and China makes it hard to establish CBMs in the Taiwan Strait, Taipei has been paying more attention to the military aspect of its security. The KMT Central Policy Council commissioned a study of a Cross-Strait peace accord in 1996, including the substance of CBMs such as the non-use of force, the transparency of defense budgets, and a ban on military exercises in the Taiwan Strait and its proximity. Taipei has also adopted a nonoffensive strategic posture, proposed a peace agreement with China, pledged not to acquire nuclear weapons, thinned out troops stationed on the offshore islands, and adopted other military-related CBMs to increase transparency on national defense.

1. Transparency and Notification

The ROC Ministry of National Defense has published five editions of its Defense White Paper (1992, 1994, 1996, 1998, and 2000) detailing its security strategy toward China. On the other hand, the PRC issued its first White Paper on Arms Control and Disarmament in 1995 and its first White Paper on China’s National Defense in 1998. The ROC Ministry of National Defense has made a practice of announcing a detailed military exercise calendar at the beginning of each fiscal year in July in order to dispel suspicion and reduce uncertainties. By contrast, China gave only three-days’ notification before it launched missile tests in the East China Sea in July 1995 and in the Taiwan Strait in March 1996. This short notice caused much inconvenience for Taipei, for instance, in trying to cope with the diversion of air flights. When compared to obligations that it undertook to give Russia ten-days’ notification before a major military exercise takes place, such incidents indicate that Beijing is less tolerant of its “compatriots” in Taiwan.

The establishment of bilateral hotlines is a first step in fostering a more predictable and less crisis-prone environment in the Taiwan Strait. ROC Premier Vincent Siew first called for better military communication with China and transparency in communicating information.
about military exercises in April 1998. President Lee Teng-hui told *Time* magazine in June 1998 that “in the military area, both sides should set up some mechanism to inform each other before any misunderstandings could develop.” The chairman of MAC, King-yuh Change, urged Beijing to consider establishing a “military mutual trust” mechanism to end hostility between Taipei and Beijing in December 1998. Beijing issued no official response to Taipei’s initiatives. In January 1999, however, Wang Zaixi of the Chinese Institute for Strategic Studies in Beijing echoed the idea of establishing a hotline to give Taipei “prior warning in the event of missile testing exercises” and urged the two sides to engage in political negotiations to end animosity. While waiting for Beijing’s more substantive response, the new government in Taiwan continues to propose that a “Cross-Strait mutual trust mechanism” be created. For example, in June 2000 Premier Tang Fei urged both sides to use transparency as a standard in disseminating military information to avoid miscalculation leading to accidental war.

2. Measures of Constraint

In the face of the PRC’s missile threat, Taiwan’s legislators and members of the National Assembly advised the government to reconsider a nuclear option for Taiwan’s ultimate defense. In 1995, President Lee at first responded that Taipei “should restudy the question from a long-term point of view,” but he later clarified that statement by indicating that Taipei would not pursue a nuclear option. Not only is there a consensus among the major political parties in Taiwan about not going nuclear, but the Ministry of National Defense and the Atomic Energy Council have also consistently rebutted foreign media reports about a secret nuclear program in Taiwan.

Even though there is little chance that the PRC will use nuclear weapons against Taiwan, Beijing’s refusal to renounce the use of force still causes Taipei to worry about the worst possible scenario of Beijing’s crossing the nuclear threshold by using Electromagnetic Pulse (EMP) to bring Taiwan back to the motherland. Taipei’s concern is not altogether groundless. For example, the Chinese disarmament ambassador, Sha Zukang, told *Newsweek* magazine in August 1996 that China would not give up the right to use force to settle the Taiwan issue and even stated that the Chinese policy of no first use of nuclear weapons “does not apply to Taiwan.” Soon after this chilling remark was published, Beijing issued a statement claiming that the report was inaccurate. This episode demonstrates the necessity for including in any future Cross-Strait peace accord a joint declaration in which the parties declare their intention not to use nuclear weapons against each other and affirm that they will not attack the nuclear facilities of the other.

After the buildup of tension arising from the “two states” statement, Taiwan and China have increased the frequency of military exercises conducted on or in the vicinity of the ROC-occupied offshore islands. The PRC has increased the number of M-9 and M-11 missiles targeting Taiwan and has circulated a timetable for unification. Facing this increasing security threat, Chen Shui-bian, in November 1999, proposed abandoning the purely defensive policy and substituting an active defense policy involving the development of intermediate-range surface-to-surface missiles. It is widely agreed that Taiwan needs to acquire second-strike capability in order to maintain a reliable deterrent force, including developing “the potential force of a long-range, surface-to-surface missile.” Chen is also inclined to accept a TMD system to upgrade Taiwan’s antimissile defense capability, and he hopes that the U.S. government will reconsider the sale of the Aegis-class destroyers to Taiwan in the near future. If Beijing decides to withdraw its missiles targeting Taiwan, then Taipei’s justifications for the deployment to TMD would be greatly decreased. As examples of the willingness to establish three “small” links between the ROC-
occupied offshore islands and mainland China, certain measures of constraint regarding these regions also must be undertaken.

3. Disengagement Measures

In May 1990, President Lee Teng-hui called on Beijing’s leaders to roll back the People’s Liberation Army’s deployment to 300 kilometers from Fujian Province, which faces Quemoy and Matsu. In November 1994, Shih Ming-teh, then chairman of the DPP, proposed the demilitarization of the offshore islands and their conversion into a Zone of Peace, Freedom, and Tourism and a center of Cross-Strait economic interactions. No positive response, however, has come from Beijing to these innovative CBMs proposals. The fortifications on the Quemoy and Matsu islands may be impressive, but a naval blockade would quickly dry up ROC firepower and make the garrison a hostage of the PRC. Demilitarization of the offshore islands might deprive Taiwan of some strategic depth, but certain constraining CBMs covering ROC-held offshore islands and Fujian Province might create a zone of peace in the Taiwan Strait. Taipei and Beijing could consider prohibiting large-scale military exercises, designating a “keep-out zone” for air combat patrols, eliminating the deployment of weapons of mass destruction, installing a hotline between military authorities, and other measures of a similar nature. For a long time, Taiwan’s air forces have refrained from patrolling the air space to the west of the median line in the Taiwan Strait. Taipei’s decision to redeploy additional troops from the offshore islands to Taiwan since the late 1980s and from there to establish direct navigation and commercial links with mainland China are examples of steps designed to avoid further tensions in the Taiwan Strait.

In the present circumstances, it would be difficult for Taipei and Beijing to adopt open CBMs in the form of a treaty. Yet constraints on military activities tacitly adopted by the PRC should be encouraged. For example, the People’s Liberation Army is usually prevented from crossing the median line of the Taiwan Strait or from affecting Taiwan’s air flight routes and sea lanes of communication to the Quemoy and Matsu islands and the Taiping (Itu Aba) and Tungsha (Pratas) islands in the South China Sea. In the latter half of 1999, Taipei decided to replace marines in Tungsha and Nansha islands with Coast Guard troops in order not to precipitate military engagements with China over these two disputed islands. Further positive responses from Beijing to Taipei’s unilateral gestures, however, will be necessary to create a regime of risk reduction not only in the Taiwan Strait but also in the South China Sea.

A Third-Party Confidence Builder?

In September 1986, Deng Xiaoping revealed to Mike Wallace, a CBS 60 Minutes senior correspondent, that the United States “can encourage and persuade Taiwan first to establish three exchanges (exchange of mail, trade, and air and shipping services)” with the PRC because the development of such services could create conditions for Taiwan and China “to proceed to discuss the question of reunification and ways to achieve it.” The new government in Taipei also agrees that there is a necessity not for unification but for the maintenance of the status quo. Vice President Annette Lu has consistently urged “those who are concerned about peace and stability in the Taiwan Strait to . . . apply whatever preventive diplomacy is possible such as expressing concern over the issue to Chinese leaders as soon as possible.” Lu urged the United States to serve as a mediator in the Cross-Strait dispute, for example, by inviting Chen Shui-bian and Jiang Zemin to the White House. The head of MAC, Tsai Ing-wen, also called on Washington to serve as a facilitator in soothing and seeking to prevent a potential confrontation between Taipei and Beijing. The United States, however, has de-
clined the invitation in order not to become a scapegoat if problems arise. Although the United States has thus far declined to serve as a mediator, its leaders realize that mutual accommodation between Taipei and Beijing is desirable and necessary for the stability of East Asia. Accommodation is also one way to relieve the U.S. dilemma regarding possible future confrontations between the parties on both sides of the Taiwan Strait. Whether Washington should be strictly neutral and not promote expanding Cross-Strait relations or should be actively engaged in fostering an environment of rapprochement is debatable, and it is difficult to arrive at a clear-cut answer.

The United States insists that the Taiwan issue be solved peacefully by the Chinese themselves. At the same time, Washington does not reject assuming the role of an encourager, a balancer, and a stabilizer in Taiwan–China security relations. In March 1987, then Secretary of State George Shultz suggested that the United States did not reject playing the role of encourager or animator in Cross-Strait relations by declaring in Shanghai that the U.S. “steadfast policy seeks to foster an environment in which such development [indirect trade and increasing human exchanges] can continue to take place.” The United States tried to establish a linkage between the improvement in U.S.–PRC relations and the PRC’s renunciation of force against Taiwan when deciding to phase out U.S. troops on Taiwan, to establish diplomatic relations with the PRC, and to reduce U.S. arms sales to Taiwan. As Taiwan gains more confidence in the military arena, Washington believes that Taipei will be more willing to expand its level of contacts with Beijing. Then President George Bush asserted in September 1992 that the sale to Taiwan of 150 F-16s would promote stability in the Taiwan Strait because “the United States has provided Taiwan with sufficient defensive capabilities to sustain the confidence it needs to reduce the tensions [in the Taiwan Strait].” It is interesting to note that both Qian Qichen, PRC vice premier and foreign minister, and Hau Pei-tsun, then ROC premier, expressed the belief that Beijing and Taipei would not let the F-16 sales hinder the further development of Cross-Strait relations. This explains why the first high-level semiofficial meeting of the Koo–Wang talks was held in April 1993, only seven months after the U.S. decision to sell the F-16s.

As Taipei and Beijing reach a stalemate at the start of political negotiations, American China experts are not wasting time proposing various kinds of Cross-Strait interim agreement(s). Almost all of these proposals include a long-specified period of time (50 years) during which Beijing would renounce the use of force against Taiwan, and Taipei would forswear the pursuit of independence. What concerns Taipei most is that the United States is designating a status for Taiwan that would be less than a separate country. Taiwan also is unsure about U.S. arms sales policy toward the island and the U.S. role in such a Cross-Strait interim agreement. If the United States could serve as a guarantor of the implementation of a Cross-Strait peace agreement, Taipei would feel more secure moving forward in negotiating such an agreement. The United States, however, might adopt quite the opposite approach, as argued by experts who claim that “if Taipei and Beijing were to agree, . . . Taiwan’s arms purchases would eventually cease to be an issue.”

If the United States decides to mediate, it could be taken to mean that it explicitly endorses China’s reunification as the only option for the future of Taiwan. In this case, the United States would damage itself by begging for concessions from both parties on both sides of the Taiwan Strait to keep negotiations alive. The United States did not challenge Beijing’s policy of applying the concept of “one country, two systems” in determining Hong Kong’s future. With respect to the future of Taiwan, the U.S. government has taken no position on the specific terms of the proposal. Nevertheless, Taipei sees the United States as having moved closer to endorsing China’s reunification since President Clinton’s announcement of the three-no’s policy. After the issuance
of Beijing’s White Paper on Taiwan in February 2000, Taipei appreciated the U.S. reaffirmation of its interest in a peaceful settlement of the Taiwan issue and of the principle that any Cross-Strait agreement must have the assent of the people on the island. Taipei might prefer to see the United States play the role of guarantor, but not that of mediator exerting pressure on Taiwan to accept Beijing’s terms if a Cross-Strait peace accord is reached.

The United States has taken more preventive diplomatic measures to soothe the tensions between Taiwan and China since the deterioration of Cross-Strait relations. Immediately before and after the robust decision to dispatch two aircraft carrier battle groups near Taiwan in 1996, U.S. National Security Adviser Anthony Lake met Liu Huaqiu, the foreign affairs director of the PRC State Council, on March 8, and U.S. Deputy National Security Adviser Samuel R. Berger met Ting Mou-shih, secretary general of the ROC National Security Council (NSC), on March 11 to counsel Beijing and Taipei against taking any further provocative action. After Taipei issued the declaration on the special state-to-state relationship, the Clinton administration dispatched Richard Bush (chairman of the American Institute in Taiwan) to Taipei and Kenneth Lieberthal (senior director of Asian Affairs of the U.S. National Security Council) and Stanley Roth (assistant secretary of state) to Beijing to help defuse the tension. After Chen Shui-bian’s victory, President Clinton sent special envoys—U.S. Representative to the United Nations Richard Holbrooke to Beijing and former Congressman Lee Hamilton to Taipei—to persuade leaders on both sides to take cautious steps toward each other in the aftermath of the election. The United States has continued to urge Taipei and Beijing to resume dialogue, specifically asking Beijing to be patient in response to policies adopted by the new government in Taiwan. The Clinton administration opposed the Taiwan Security Enhancement Act and decided to delay the final decision on Taiwan’s military acquisition of advanced weapons systems such as the Aegis-class destroyers and warned Beijing that any military action might prompt the Senate to pass the act.

**Conclusion**

Suspicion and mistrust impede Taiwan and China from moving beyond nonmilitary CBMs. Taiwan’s threat perception of the PRC is based mainly on Beijing’s refusal to renounce the use of force against the island. China’s threat perception of Taiwan comes primarily from the fear that Taiwan is creeping toward de jure independence, and so Beijing has concluded that it must retain the option to use force against Taiwan. Beijing might intend to intimidate Taiwan into panic and an insecure state of mind and force Taipei to the negotiating table. What justifies Beijing’s policy toward Taiwan might at the same time create obstacles for CBMs in the Taiwan Strait. Taipei has its own concerns over establishing CBMs with China, including the fear that military secrets will be leaked, losing U.S. arms sales, and being caught unprepared for a surprise PRC attack.

Beijing has set Taipei’s acceptance of one China as a precondition for the resumption of Cross-Strait dialogue. It may be equally difficult for Taipei to ask Beijing to renounce the use of force before negotiating a peace accord. China’s CBMs with Russia and India to reduce tensions and to disengage forces along disputed borders are remarkable, and Beijing has also been supportive of multilateral CBMs in the Asia-Pacific region. It is hardly justifiable for Beijing to exclude the Taiwan Strait as a testing ground for CBMs, particularly when it regards Taiwan as one of its primary security threats. A modus vivendi to promote peace and stability in the Taiwan Strait is imperative not only for Taiwan but also for Beijing.

If Cross-Strait CBMs are to be successful, Taipei and Beijing need to take realistic unilateral and incremental approaches first, such as declaratory measures to renounce the use of force
against each other. CBMs are initial steps to reduce suspicion and misperceptions, but they cannot work in the absence of a desire on the part of Taipei and Beijing to attempt to alter the negative aspects of their security relationship. The dominant bargaining position of the PRC makes Taiwan’s leaders doubt the credibility of Beijing’s commitment to CBMs, particularly when Beijing declines to commit itself not to use force against Taiwan. Even if Taiwan and China adopt certain CBMs, Taipei is still concerned about selective compliance, bad faith, and deception on the Chinese side. Nevertheless, Taipei, Beijing, and Washington have chosen not to have a destabilized situation in which the threat of the use of force materializes inevitably. To adopt CBMs preceding an agreed-upon framework to end the hostility between Taiwan and China might be in the best interests of all parties.

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Notes

2 “Christopher 11/20 Press Conference in Beijing.”
8 Ibid.


Chen-fu Koo, “Relations Across the Taiwan Straits,” speech delivered to the symposium on “Relations Across the Taiwan Strait,” sponsored by the Institute of East Asian Studies, University of California, Berkeley, September 27, 1996, p. 6.


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Ibid.


Qingnian ribao (Youth Daily), July 9, 1997, p. 3; Ziyou shihbao (Liberty Times), July 9, 1997, p. 3.


For texts of Sino–Indian and Sino–Russian CBM Agreements, see <http://www.stimson.org/cbm/china/crplus.htm>.


47 *Tzulî wanbao* (*Independence Evening Post*) (Taipei), November 1–3, p. 2.


