

Taiwan's Participation in Asia–Pacific Regional Processes: Searching for an Agenda of Cross–Strait Consultations

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Recent developments of multilateral cooperation in the Asia–Pacific have suggested a pattern of multilayered (or multitrack) policy communications, ranging from networks of informal consultation among non-state actors (including non-governmental organizations and civil society organizations) to summits of state leaders. Trends have indicated an increase of confidence among regional actors to make collective responses to their common concerns. In spite of their overlapping memberships and agenda, however, these multitrack mechanisms do not seem to converge toward regional unity, rather they can be considered as compatible processes. The degree and extent of Taiwan's participation in various regional processes are thus indeed subject to the political sensitivity of concerned issues and the different approaches to institution-building of each mechanism.

In terms of membership involving state governments, Asia–Pacific regional processes suggest two clusters: one is the pan-Asia–Pacific model emerging in the wake of the Cold War; the other is the ASEAN (Association of Southeast Asian Nations)-centered East Asian integration processes initiated after the outbreak of 1997–1998 Asian financial crises. The former includes the first region-wide intergovernmental mechanism established in 1989 — the Forum for Asia–Pacific Economic Cooperation (APEC), and the only regional security cooperation mechanism launched in 1994 — the ASEAN Regional Forum (ARF). The members of both mechanisms cover broad geographical areas beyond East Asia. In contrast, the ASEAN Plus Three (APT) process launched in 1997 allowed the ramifications of economic distresses to regional politico-security and socio-cultural developments to be jointly addressed by the ASEAN member states together with Japan, China, and South Korea. In 2005, the footprint of East Asia integration was extended to Australia, New Zealand, and India, when the first East Asia Summit (EAS) was held in Kuala Lumpur, Malaysia.

Taiwan is an important economic and security actor in the Asia–Pacific. However, even though the region has been experiencing multilateral initiatives for the last two decades, APEC remains the only regional inter-governmental organization in which Taiwan has been accepted as a member. Through APEC, Taiwan is able to participate directly in pan-Asia–Pacific economic cooperation. Nevertheless, as for the pan-Asia–Pacific security cooperation processes, Taiwan can only be indirectly involved in the process through informal track two dialog processes, mainly the Council for Asia–Pacific Security Cooperation (CSCAP). Regarding the ongoing state-led integration processes in East Asia, Taiwan thus far has had no chance to join in any of the aforementioned initiatives. Diplomatic obstruction from Beijing has been the main factor in Taiwan's incomplete participation in these regional cooperation mechanisms. The more rising China's strategic leverage over regional developments increases, the more decisive the China factor will be in Taiwan's striving for expanding its international space. Therefore, stabilizing cross-strait relations

becomes one of the necessary and sufficient conditions for advancing Taiwan's regional profile.

Since President Ma took office in May 2008, Taipei and Beijing have resumed consultations under the "1992 consensus". Both governments agreed that their respective authority and jurisdiction will be mutually recognized only when the "one China" principle is commonly accepted, even with their respective interpretations.¹ The resumption of talks between the Strait Exchange Foundation (SEF) and the Association for Relations Across the Taiwan Strait (ARATS) facilitated several functional agreements in 2008–2009.² As for Taiwan's international participation, in his speech delivered in the 30th Anniversary of the Adoption of China's Peaceful Policy toward Taiwan on 31 December 2008, Hu Jintao proclaimed that Beijing is willing to discuss "proper and reasonable arrangements" for Taiwan's participation in international organizations, as long as the scenario of "two Chinas" or "one China, one Taiwan" will not be implied.³ In contrast to the complete blockade against the intent of expanding international participation during the administration of the Democratic Progressive Party (DPP), Beijing seems to have softened its position. The notion of "proper and reasonable arrangements" in Hu's speech may not suggest a wide range of possibilities, but at least it implies the hope of searching for a common negotiation agenda.

The objective of this chapter is to highlight a possible negotiation agenda if the issue of Taiwan's participation in Asia-Pacific regional processes is brought up in the cross-strait consultations. According to the current status of Taiwan's regional participation, this chapter discusses three cases: direct participation in pan-Asia-Pacific economic cooperation, indirect participation in pan-Asia-Pacific security cooperation, and no-participation in East Asian integration processes. This chapter briefly reviews the main features of each regional process, summaries the China factor in Taiwan's participation in the past, speculates progress in the new dynamics of cross-strait relations, and concludes with an assessment based on messages cross-delivered by scholars and experts during the first year of President Ma's administration.

DIRECT PARTICIPATION IN PAN-ASIA-PACIFIC ECONOMIC COOPERATION

APEC

Since the first APEC informal Leaders' Summit hosted by the United States in 1993, policy coordination and view exchanges of APEC member economies were elevated to the Summit level. To a great extent, consensus reached among leaders has since become a driving force in shaping regional policies. In 1993, the principle of "open regionalism" was confirmed to assure the process of regional trade liberalization compatible with the pace of the Uruguay Round negotiations. In 1994, the APEC Bogor Declaration targeted the year of 2010 for developed member economies to complete the schedules of trade liberalization, and 2020 for the developing ones. The Osaka Action Plan of 1995 suggested the Individual Action Plan (IAP), which allows individual member economies to adapt their own pace toward the goals set at Bogor.⁴ More recently, in response to the proliferation of Free Trade Agreements/Regional Trade Agreements (FTAs/RTAs) in the region, a project of "Best Practices" was initiated in 2005 to suggest a high standard FTAs/RTAs model for member economies' reference when signing FTAs/RTAs.⁵ In 2006, the idea of the Asia-Pacific Free Trade Area (APFTA) was discussed at the Hanoi APEC Informal Summit, where members agreed to study the scheme.

In addition to trade liberalization, business facilitation and the Economic and Technical Cooperation (ECOTECH) are the other two pillars of APEC. The former introduced measures to enhance the business incentives of increasing trade flows among APEC member economies. The latter aimed at narrowing the development gap among member economies and was institutionalized in 1998, when the sub-committee on ECOTECH (ESC) was established.⁶ In response to emerging transnational security concerns, APEC member economies also took joint actions to prevent non-economic factors from slowing down the pace of trade and investment liberalization and facilitation. After the 9/11 events of 2001, Secure Trade in APEC Region (STAR) was initiated to enhance the safety of cargo,

ships, and aviation. In 2003, the Counter-Terrorism Task Force (CTTF) was organized to coordinate the technical assistance and capacity-building process on counter-terrorism issues. Soon after the outbreak of SARS, the Health Task Force (HTF) was established to cope with health-related economic threats. After the 2004 Indian Ocean tsunami, APEC launched a Task Force of Emergency Preparedness to manage losses from natural and man-made disasters.

Taiwan's Incomplete Membership

Taiwan's economic leverage over regional growth in the late 1980s was too significant to be neglected by the APEC founding members. However, the nature of inter-governmental cooperation, even a model of non-binding forum, causes political sensitivity due to Beijing's concerns. In 1991, negotiations on the membership of China, Taiwan, and Hong Kong were facilitated by the APEC host country of the year — South Korea. In late September of that year, all sides came to an agreement including the following points (Funabashi, 1995, 74, 75):

1. The respective designations of the three parties shall be the People's Republic of China, Chinese Taipei, and Hong Kong (as Hong Kong was to be re-designated as "Hong Kong, China" from 1 July 1997 according to the Sino-British Joint Declaration on the Question of Hong Kong signed on 19 December 1984). These designations shall be used in all APEC meetings, activities, documents, materials, and other publications as well as in all APEC administrative and conference arrangements.
2. Without prejudice to the rights of APEC participants to appoint their respective representatives to APEC meetings, Chinese Taipei shall be represented at Ministerial Meetings only by a Minister or Ministers in charge of APEC-related economic affairs, while its "foreign minister" or "vice-foreign minister" shall not attend APEC meetings. Chinese Taipei's delegation may include officials of "foreign" and other ministries at or below the level of department

director. Members of Chinese Taipei's delegation may use their official titles subject to the principles agreed upon in this Memorandum of Understanding.

3. Subject to the aforementioned terms, the three parties will participate in APEC meetings and activities on an equal basis with the current APEC participants.

On 2 October 1991, a memorandum of understanding containing the above agreements was signed. Thereafter, China, in its exchange of notes, added that to assure the smooth progress of the APEC work and the convenience of various member states, Chinese Taipei will not be on the rotation of being a host member economy. Accordingly, on 12 November 1991, China, Chinese Taipei, and Hong Kong attended, as new members, the third APEC ministerial conference held in Seoul. The document, usually called the 1991 Seoul Memorandum of Understanding (MOU), has been used by Beijing as an effective legal basis to monitor Taiwan's intentions to expand diplomatic space through APEC activities.

Since their accession to APEC, Beijing and Taipei have repeatedly collided on protocol and procedural issues. Most of the cases have referred to Beijing's complaints about using "Taiwan" instead of "Chinese Taipei" in APEC documents.⁷ Other than the procedural objections, representatives from both sides have seldom interacted with each other. In some cases, China has intentionally dissuaded other member economies from supporting Taiwan's initiatives. Regarding Taiwan's attempts to host conferences, workshops, and other APEC events, in cases in which no other members were interested in doing so and as long as the arrangements suggested in the Seoul MOU were followed, Beijing had few objections to Taiwan's offers.⁸

The provisions included in the 1991 MOU could not possibly address the issue of Taiwan's participation in APEC informal Leaders' Summit, which was initiated after the 1991 MOU. Nevertheless, before the first APEC Summit in 1993, the United States reached an agreement with China and set up the so-called Seattle model, in which the "one China" principle was again stressed as the basis for including delegations from Chinese Taipei. Beijing alleged that as a

member economy (not a member state), Chinese Taipei could only send leaders of economic affairs to the Summit. Since then, the special envoy from Chinese Taipei to the Summit has routinely become a common issue to be tackled by Beijing, Taipei, and the APEC host country. In practice, Beijing enjoys the veto power to decline the name suggested by Taipei if it is considered to imply “two Chinas” or “one China, one Taiwan”.

The inclusion of the PRC, Chinese Taipei, and Hong Kong was a replay of the experience in the Pacific Economic Cooperation Council (PECC) in 1985–1986 (Woods, 1993: 134, 135). To a great extent, accommodating “three Chinas” at the same time indicated the pragmatism of the international economic community. Even under great diplomatic pressure, the member economies of APEC could not afford to ignore Taiwan’s critical economic position in the region. Such arrangements led to some important political implications and consequences. Some argue that Beijing and Taipei, though quarreling over titles and representation, actually have increased contact over substantive issues under the APEC framework. Such a framework has also allowed other countries in the region to engage Beijing and Taipei at the same time and has provided a useful vehicle for mutual behavioral influence (Yang, 1997).

Prospects

The 16th APEC Leaders’ Summit held in Lima, Peru, on 22–23 November 2008 was the first APEC Summit after cross-strait consultations were resumed. President Ma, with no objection from Beijing, sent the former Vice President Lien Chan (連戰) as his special envoy to the occasion. In comparison with the delegations holding Ministerial ranks or high-profile businessmen in the past, Lien was the most prominent political figure representing Chinese Taipei in the APEC Summit. In 2001, the DPP government also proposed former Vice President Lee Yuan-cu (李元簇) as a special envoy to the APEC Summit in Shanghai. However, the request was denied by Beijing. While the DPP and KMT often dispute over cross-strait policies, sending a former national leader to the APEC summit seems

to be a shared goal. It was hoped that such a breakthrough can be set as a Peru model to temporarily settle issues of presidential envoy of Chinese Taipei.

Lien visited Hu in Beijing in an ice-breaking trip to China in 2005 and has since spearheaded the KMT's efforts to develop a rapport with the Chinese Communist Party (CCP). Lien's advocacy of improved ties with China won the trust of Beijing. Although Lien and Hu have met three times since 2005, the 2008 APEC Leader's Summit was the first international occasion in which they acted in the capacity of state leaders. The development of the Summit can be considered to have possibly opened a new phase of bilateral ties. In comparison with the rejection of the DPP's earlier attempt at sending the former Vice President Lee to the Summit in 2001, Beijing's acceptance of Lien in 2008 not only manifested how Beijing prioritized the importance of KMT-CCP platform, but also sent a strong message to the pan-green camp in Taiwan that accepting the "1992 consensus" would be necessary to make it possible for the expansion of Taiwan's international space.

Interestingly, while making a public statement on the precedent, China reiterated that as long as the Taiwan government abides by the substance of the 1991 Seoul MOU, China would keep an open attitude toward the name of the Taiwanese delegation.⁹ Given that Lien was not an economic leader and that the precedent was a deviation from the line of the Seoul MOU, the aforementioned statement was indeed to reassert China's decisive role in approving Taiwan's participation. If Beijing and Taipei initiate a consultation on advancing Taiwan's participation in APEC, the signing of a new memorandum of understanding to reflect current dynamics of cross-strait relations would bring about win-win-win outcomes for Beijing, Taipei, and APEC. Two of the possible agenda would be: (1) the extension of the 2008 Peru model, which welcomes Taiwan's former national leaders to represent Chinese Taipei in APEC Summits; and (2) the removal of restrictions on Taiwan being a host of APEC ministerial meetings and informal summits. The former not only benefits both Beijing and Taipei, but also represents a convergence of interests among diverse opinions of the pan-blue and pan-green camps in Taiwan. The latter

advances Taiwan's APEC participation on a genuinely equal basis and, at the same time, enables Taiwan to make a greater contribution to regional processes.

INDIRECT PARTICIPATION IN PAN-ASIA-PACIFIC SECURITY COOPERATION

ARF and CSCAP

ARF was initiated at the 26th ASEAN Ministerial Meeting and Post-Ministerial Conference held in Singapore on 23–25 July 1993 to promote open dialog on political and security issues of common interest and concern between ASEAN and non-ASEAN member states. The first ARF Ministerial Meeting was launched a year later. There is no pre-condition regarding the regional boundaries for the ARF's membership. Thus, its membership and participation cover geographical regions of East Asia, South Asia, America, and Europe.¹⁰ The ARF process, as stated in the Concept Paper adopted in 1995, would continue a gradual *evolutionary approach* to sustain and enhance the peace and stability in the region. Although this definition indicates the incompleteness of ARF's institutional design at the time of its establishment, three stages of this process — the promotion of confidence-building measures, the development of preventive diplomacy mechanisms, and the development of conflict resolution mechanisms — were specified in the Concept Paper.

In 2002, a list suggesting the Future Direction of the ARF was endorsed by member states in the 9th ARF Ministerial Meeting as a reference of strengthening ARF's institutional-building efforts. In July 2004, the ARF Unit was established at the ASEAN Secretariat¹¹ to provide administrative support for enhancing the role of the ARF Chair.¹² Following the decision of the 12th Ministerial Meeting in 2005, the ARF Inter-sessional Group on Confidence Building Measures was replaced by the ARF Inter-sessional Group on Confidence Building Measures and Preventive Diplomacy. The change signaled that members were more willing to discuss substantive issues of preventive diplomacy than before. Despite criticism and

limitations, nevertheless, ARF remains the only multilateral security mechanism in the Asia–Pacific.¹³

According to the ARF membership criteria, new participants must be sovereign states with commitment to ARF's main goals and have impacts on the peace and security of the geographical footprint of key ARF activities. Members also agreed to control the membership number to ensure the effectiveness of the ARF process. Applications for membership must be submitted to the Chairman of the ARF, who then consults with all ARF participants at the Senior Official Meeting (SOM) to ascertain whether a consensus exists for the admission of the new participant. Actual decisions on participation are approved by the Ministers. Apparently, the “one-China” principle hampers Taiwan's membership in ARF, and thus excludes Taiwan from direct participation in the pan-Asia–Pacific security cooperation mechanism. Pragmatically, Taiwan strives for joining informal security networks in which statehood is not required.

The Council for Security Cooperation in Asia–Pacific (CSCAP) was established in 1993 to network leading think tanks in the region for promoting security dialogs. CSCAP has been defined as a multi-lateral track two processes in which academics, researchers from think tanks, journalists, and former and current officials participating in their private capacities explore policy issues concerning regional security (Capie and Evans, 2000: 233). The Steering Committee, co-chaired by a member from an ASEAN member committee and a member from a non-ASEAN member committee, is designated to plan CSCAP activities and meetings with balanced views across the region.

At the nascent stage, working group meetings were the main instruments to facilitate exchanges on common security concerns. Five working groups were formed to cover issues of maritime cooperation, North Pacific security, comprehensive and cooperative security, confidence and security building measures, and transnational crime (added in 1996).¹⁴ In 2004, the working group format was changed to studying groups aiming at issuing memoranda to effectively respond to current debates and concerns of regional security issues. Study outcomes would be reviewed periodically and delivered

by co-chairs of the CSCAP Steering Committee in regional intergovernmental processes for official considerations. Studies concluded in the first two years included subjects of capacity building for maritime security cooperation, multilateral security frameworks in Northeast Asia, drug-trafficking, peace-keeping, and peace-building in the Asia-Pacific area.¹⁵

The overlapping members of the ASEAN Institute of Strategic and International Studies (ASEAN-ISIS) and CSCAP founding members¹⁶ played a crucial role in helping launching ARF. In April 1994, CSCAP members drafted a memorandum and submitted it to the first ARF Senior Official Meeting. Subsequently, the document was raised in the first ARF Ministerial Meeting for ministers' consideration to advance regional security cooperation. Since then, the CSCAP Steering Committee has occasionally presented reports and memorandums jointly adopted by CSCAP working/studying group participants to the ARF Chair. Such documents have been adopted on ad hoc case-by-case base. In 2006, when ARF adopted a Concept Paper on *Enhancing Ties between Track I and Track II in the ARF, and between the ARF and Other Regional and International Security Organizations*, the relations between ARF and CSCAP were strengthened noticeably. For instance, co-chairs of the CSCAP Steering Committee are now eligible to be invited to ARF meetings and directly participate in the ARF process.

The Beijing Factor and Taiwan's Participation

To Taiwan, participation in the CSCAP process has become an indirect way in pan-Asia-Pacific security diplomacy. When CSCAP founding members reached a consensus that inviting China into the process was essential to making CSCAP relevant in regional security given the security uncertainties stirred up by a rising China, Taiwan's full participation in this process could hardly be free of obstacles. To Beijing, only state governments are eligible to discuss external security issues in the international arena. Taiwan's participation in the discussion of regional security, even at the track-two level, may still represent the risk of sending wrong messages implying the recognition

of Taiwan's sovereignty. CSCAP founding members fully realized the sensitivity of Beijing's attitude, but also saw the importance of including all security stakeholders in the dialog process. Thus, the inclusion of delegations from China and Taiwan in the CSCAP process has been an issue from the very beginning.

After three years of discussion and communication, arrangements of cross-strait participation were temporarily settled in December 1996. The China Institute of International Studies, a think tank closely attached to China's Ministry of Foreign Affairs, took China's seat at the CSCAP with full membership while Taiwan's participation was accommodated under specific conditions. Under the "one China" principle, member committees agreed that invitations to meetings at working levels could be extended to scholars and experts from Taiwan as long as the arrangements did not imply "two Chinas" or "one China, one Taiwan". Without a formal membership, Taiwanese delegations are considered "other participants" in meetings and are excluded from the CSCAP Steering Committee. Moreover, members agree that security concerns across the Taiwan Strait are China's internal affair, which should not be discussed in the CSCAP process.

Beijing has been less receptive to the idea of track-two diplomacy. Most of the time, China's delegation at the CSCAP working group consists of a retired ambassador, the project coordinator, an issue expert, and a lower rank official from MOFA. Views of Chinese participants follow their official lines and are less flexible than other intellectuals in the meetings. Participants from Taiwan are intellectuals and academics. The Institute of International Relations at National Chengchi University is currently coordinating Taiwan's participation in CSCAP-related activities and meetings. The names of the Taiwanese delegations are pre-agreed upon by the CSCAP Steering Committee. In practice, under the consensus rule CSCAP China has veto power over the names.

The original limitations on Taiwan's participation have been eased. Participants from Taiwan now have no role-playing limitation in the working/studying group meetings, and they are now allowed to make contributions to CSCAP-related publications. The category

of “other participants” is no longer exclusively designated to Taiwanese participants. Those who do not belong to any national committee of CSCAP members but are invited by the host member of working/study group meetings are also listed as “other participants”. In the first few years, sitting arrangements with a tag of “other participants” puzzled many new individual participants. More recently, the co-chairs or the host of each meeting have allowed more flexible arrangements, such as free sitting or sitting in alphabetic order of names.

The above arrangements have been mainly documented in correspondences between CSCAP Secretariat and CSCAP China or Taiwanese scholars. In December 2004, the *Procedural Guideline for the Participation by Scholar/Experts from Chinese Taipei in CSCAP Study Group Meetings*, drafted by CSCAP China, was adopted in the 22nd CSCAP Steering Committee Meeting in Kunming without Taiwan's knowledge. The document stipulates conditions for Taiwan's participation based on what has been agreed upon and practiced since 1996 except two points. First, members agree that Chinese Taipei will be used to refer to Taiwan in CSCAP documents. Second, Taiwanese scholars who are not on the pre-agreed list can be invited to the new meetings after prior consent from CSCAP members. The latter gives Taiwan more flexibility to organize its delegation. But in practice, CSCAP China retains its veto power over the names of the new participants proposed by Taiwan.

Prospects

According to the CSCAP Charter,¹⁷ membership in CSCAP is on an institutional basis and consists of member committees. Admission of new members to CSCAP shall require the unanimous agreement of the Steering Committee.¹⁸ In addition, CSCAP also accepts applications for associate membership, which may be granted to an institution or consortium of institutes in a country or territory. Associate members are eligible to participate in meetings at the working level and CSCAP General Meetings. Upon being invited, associate members can observe CSCAP Steering Committee meetings.¹⁹

Noticeably, the criteria of CSCAP membership seem to suggest the founding members' intention to find a way of accommodating Taiwan's membership. First, it is a "Member Committee", not a "National Committee", that a Candidate member must establish. Avoiding using the term "national" was an intentional design to ease the political sensitivity of inviting institutions from controversial countries to join the dialog process. Second, making institutions in a "territory" also eligible for associate membership allows the CSCAP process to accommodate institutions from territories with ongoing sovereign disputes. The founder members of CSCAP believed that such arrangements would help accommodate both memberships of China and Taiwan (Hernandez, 1997).

Currently, the capacity of Taiwanese participation is equivalent to associate membership. Institutionalizing the ad hoc arrangements agreed in the 2006 Procedural Guideline according to the CSCAP Charter could be in the mutual interests of Beijing and Taipei. It will result in more predictable patterns of cross-strait interactions in the CSCAP process and facilitate cross-strait dialog in common trans-boundary security concerns. Moreover, a stable development of cross-strait participation in the process of pan-Asia-Pacific security dialog would certainly be among the interests of the region as a whole.

NO PARTICIPATION IN EAST ASIA INTEGRATION PROCESSES

APT and EAS

When the forum model of APEC failed to effectively respond to the imminent financial crises in 1997–1998 and the economic distresses in the aftermath of the crises, regional economies began to search for more safeguard measures of preventing future crises. ASEAN member states sensed that trade and investment liberalization within ASEAN alone was not sufficient to ensure economic recovery, while China, Japan, and South Korea also realized that increasing economic interdependence required tighter regional governance to contain the spread effects. The launch of the APT process, formally connecting Southeast and Northeast Asia, was not only important in

order to bring back the trade and investment flows necessary for economic recovery, but was also critical to the management of the spillover effects of political and security externalities in East Asia. The APT was deemed a state-led collective project to tackle comprehensive security concerns caused by economic crises.²⁰ When the U.S.-led IMF solutions were unfavorable to devastated countries, the APT process, in contrast, gained momentum.

Some of the most noticeable progress in regional integration through the APT process has occurred in the financial cooperation realm. In 2000, the Chiang Mai Initiative (CMI) was proposed to prevent another financial hit. On the basis of the existing ASEAN Swap Arrangement (ASA) and Bilateral Swap Arrangement (BSA), CMI established a network of bilateral swap arrangements under the APT framework and suggested a surveillance mechanism to monitor potential destabilizing factors. In 2005, APT members agreed to multilateralize the original bilateral network.²¹ In 2009, the Agreement of Multilateralization of Chiang Mai Initiative (CMIM) was utilized in response to the 2008–2009 global financial tsunami. Members agreed to increase the initially agreed level of emergency funding from US\$ 80 billion to US\$ 120 billion, with the designated proportional contributions between ASEAN and non-ASEAN members at the ratio of 20 to 80 percent.

Other progress in the APT process included the disclosure of the Vision of East Asian Community by East Asia Study Group (EASG) in 2002. To a region with short history of multilateralism, sharing a vision of community building indicated a big step in the integration process. The targeted members of the East Asia Community were debated among APT member states. China preferred an APT model, while Japan suggested a community to cover wider geographical area in response to the emerging market of India. In 2005, the issue was temporarily settled, and the East Asia Summit was launched in 2005. Participation in EAS is open to ASEAN's dialog partners who hold substantive ties and are legally committed to the ASEAN Treaty of Amity and Cooperation. Inclusion of Australia, New Zealand, and India in East Asia community building implied that EAS is defined not only by geographical or economic factors, but also by strategic and geo-political concerns.

The Beijing Factor and Taiwan's No Participation

Since the establishment of the WTO in 1995, China voluntarily reduced tariffs substantially to the level suggested in the APEC's Bogor Goals. The reduction not only facilitated China's accession to the WTO²² but also successfully mitigated fears of the 'rising China' in the Asia-Pacific. In the wake of the 1997 Asian financial crisis, the failure of APEC's response to the economic distress pushed for more state-led regulatory and preventive measures in regional economic governance. Given a lesser degree of openness in its financial market in the 1990s, China was less affected by the turmoil and, thus, gained a relatively better position to use its economic leverage over new regional dynamics. Although APT was not initiated by China, it soon became a convenient platform for Beijing to exercise its leverage and promote its geo-strategic interests.

The APT has moved de-facto economic regionalization in East Asia toward policy-led integration processes. The more state-led integration projects in the region proliferate, the less chance Taiwan will join in the dynamics given the prevailing one-China policy. As a result, Taipei's leverage over regional development would become marginal, and in turn, Taiwan's inquiry for regional participation will hardly be taken into serious account.

In regard to participation in EAS, three preconditions set in 2005 have discouraged Taiwan's intentions of joining. Even when Taiwan has strong substantive ties with individual ASEAN member states, Taiwan is neither a dialog partner of ASEAN nor an eligible signatory party of any treaty under the one-China policy of ASEAN. The latter two impediments cannot be overcome without considering the Beijing factor.

Prospects

In the rapid trend of East Asia economic regionalism, it is understandable that Taiwan's concern with isolation would increase when it is excluded from the ongoing state-led ASEAN-centered integration processes. In the new dynamics of cross-strait relations, how

Beijing can help to mitigate Taiwan's fear has become a critical step not only in forwarding Taiwan's ASEAN policy but also in facilitating cross-strait economic integration.

In the 1970s/80s, when Taiwan's economic strengths far surpassed China, Taiwan missed the chance to develop a dialog partnership with ASEAN. The strategic environment now is less favorable for Taiwan to take any initiative to formally institutionalize its ties with ASEAN. Nevertheless, given the special status of United National Development Program (UNDP), a non-sovereign ASEAN dialog partner, special institutional arrangements for Taiwan to provide economic and social aids might still be tenable. Apparently, accumulation of bilateral ties with individual ASEAN member states would be necessary for Taiwan to gain the overall support. If China could refrain from interfering in Taiwan's efforts in enhancing bilateral ties with individual ASEAN member states, including negotiating preferential trade and investment arrangements, Taiwan would have had a better chance to join the East Asia integration process. At the regional level, with a special arrangement in membership, the APT process can accommodate Taiwan's participation without necessarily provoking the one-China policy. An APEC model can be an interim consideration.

CONCLUSION

In general, Beijing's policies toward Taiwan's international participation aimed at blocking any intent or activity that possibly encouraged or suggested Taiwan's *de jure* independence. After the resumption of cross-strait consultation in the second half of 2008, optimistic observers believe that as long as the goodwill of the leaders from both sides continues, pursuing a win-win solution allowing Taipei to send delegations to international organizations may become possible. Nevertheless, agreeing on the "1992 consensus" as a precondition of resuming negotiation might suggest a way to begin but can hardly ensure a risk-free process. Apparently, cross-strait negotiations in the near future will be conducted under a structural asymmetry in which Beijing enjoys overwhelming strategic leverage over both regional

and bilateral agenda. Thus, understanding Beijing's perspective becomes critical for Taiwan to accurately define a policy balance in which the expansion of Taiwan's international space does not come at the expense of the stability of cross-strait relations.

To Beijing, negotiating Taiwan's international spaces is a political issue. From mid-2008 to early 2009, scholars and experts from leading think tanks and research institutions in mainland China have seemed to suggest at least three difficulties in formally setting the negotiations in motion and thus called for a cautious pace to move forward.²³ First, although recent developments in cross-strait relations have suggested a positive trend, the resumed trust seems insufficient to support a risk-free process of political negotiation. Any slight difference of opinion might turn into political incrimination and undermine the hard-won trust. Second, as China moves toward a pluralist society, public opinions matter. So far, leaders' goodwill at the national level has not been converted into public consensus at the local level. Taking domestic stability into account, Beijing has only minimum flexibility of concession on this issue. Third, positions of different departments and agents in the Chinese government are still too diverse. It is understandable that the Office of Taiwanese Affairs takes softer positions than the Ministry of Foreign Affairs and People's Liberation Army on Taiwan's international participation.

Exchanges at the official/semi-official level suggest that from Beijing's perspective, dynamics in political negotiations should be subject to structural realism. That is, the rationales of give-and-take would have to be based on a power structure reflecting the capacities of involved parties. Novel ideas and solutions are encouraged but cannot be raised without a reality check. Emphasizing structural realism in the early stage of cross-strait détente indeed implies the limitation of Taiwan's strategic choices.²⁴ Beijing also referred to Article 7 of the Anti-Session Law adopted by the National People's Congress in 2005, to circumscribe its possible offer. Accordingly the two sides of the Taiwan Strait may consult and negotiate on the matter of Taiwan's international space that is compatible with Taiwan's status as a region.²⁵ In the Shared Vision of Peaceful Development across the Taiwan Strait jointly declared by Hu Jintao and Lien Chan after their

first KMT-CCP meeting in 2005,²⁶ both sides agreed to facilitate talks on Taiwan's participation in international activities under the 1992 consensus. Noticeably, the possible issue to be negotiated, as suggested in the document, was indeed the "activities", not "membership", for Taiwan's participation in international organizations.

Therefore, détente of cross-strait relations is critical to improve Taiwan's policy environment but not sufficient to institutionalize Taiwan's participation in Asia Pacific regional processes. Until the principle of "mutual non-denial",²⁷ which is now well taken in cross-strait functional negotiations, can be applied to the handling of the trans-boundary issues involving Beijing and Taipei in international society, advancing Taiwan's participation in Asia-Pacific regional processes remains a challenge.

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ENDNOTES

1. For discussions on dynamics of cross-strait relations since the early 1990s, see Su (2009).
2. During the first year of the Ma administration, the Chairmen of SEF and ARATS have met three times in the so-called Chiang-Chen talks. Agreements reached cover issues of direct cross-strait air transport, postal cooperation, food safety, joint crime-fighting, and financial cooperation, among other issues.
3. For the full text of the speech, see http://www.gwytb.gov.cn/zyjh/zyjh0.asp?zyjh_m_id=1683.
4. For discussions on APEC institutional evolution in the first decade of its establishment, see Aggarwal and Morrison (1998); Ravenhill (2002); Feinberg (2003).
5. *Joint Statement of the Seventeenth APEC Ministerial Meeting*, Busan, Republic of Korea, 15–16 November, 2005. http://www.apec.org/apec/ministerial_statements/annual_ministerial/2005_17th_apec_ministerial.html.
6. ESC was further transformed into the SOM Steering Committee of ECOTECH (SCE) in 2005.
7. Taiwan often argued that “Chinese Taipei” is not recognizable in international postal services.

8. Comments here were based on interviews with individual representatives of Chinese Taipei to APEC meetings from 2000 to 2002.
9. Comments made by the spokesman of Ministry of Foreign Affairs, PRC on November 3, 2008. <http://www.chinareviewnews.com/doc/1007/8/8/4/100788467.html?coluid=7&kindid=0&docid=100788467>.
10. As in 2008, ARF participants are Australia, Bangladesh, Brunei Darussalam, Cambodia, Canada, China, European Union, India, Indonesia, Japan, Democratic Peoples' Republic of Korea, Republic of Korea, Laos, Malaysia, Myanmar, Mongolia, New Zealand, Pakistan, Papua New Guinea, the Philippines, Russian Federation, Singapore, Sri Lanka, Thailand, Timor Leste, the United States, and Vietnam.
11. *Terms of Reference of ARF Unit* can be found in official Web site of ARF. <http://www.aseanregionalforum.org>.
12. The ARF Chair is the Chairman of ASEAN Standing Committee. Views of *Enhanced Role of ARF Chair* were documented in May 2001.
13. For discussion on country's perspective on ARF's early development, see San (1998). For more recent discussions, see Kawasaki (2006).
14. For discussions on early developments of CSCAP, see Ball (2000).
15. For updates of topics and activities of CSCAP studying groups, please refer to the official Web site of CSCAP <<http://www.cscap.org>>.
16. Members of ASEAN ISIS at that time were Institute of Strategic and Development Studies (ISDS), in the Philippines; Center for Strategic and International Studies (CSIS), in Indonesia; Singapore Institute of International Affairs (SIIA), in Singapore; Institute of Security and International Studies (ISIS), in Thailand; and Institute of Strategic and International Studies (ISIS), in Malaysia.
17. The CSCAP Charter was adopted at a meeting of the Steering Committee Pro Tem in Lombok, Indonesia, on 16 December 1993. The Charter was subsequently amended in August 1995.
18. Article III of CSCAP Charter.
19. Article IV of CSCAP Charter.
20. For discussions on various issues of APT, please see Stubbs (2003); Beeson (2003); Hund (2003); Hidetaka (2005).
21. For background and evolution of CMI, see Henning (2002, 109–128); Hamilton-Hart (2006).
22. China filed its application for WTO membership in 1986. After concluding 37 bilateral agreements with its trading partners in the WTO, China gained its membership on 11 December 2001.
23. Remarks highlighted here are based on author's on-site observations in several informal meetings held in Taipei from mid-2008 to early 2009. Delegations from mainland China included Party School of the Central Committee of CPC, Chinese Academy of Social Sciences, China Institute of Contemporary International Relations, and Tsinghua University.

24. Ibid.
25. The Anti-Session Law was adopted by the third session of the 10th National People's Congress on 14 March 2005. For the translation of full text, see: http://english.peopledaily.com.cn/200503/14/eng20050314_176746.html.
26. The Shared Vision was announced in Lien Chan's first visit to Beijing during April 26–May 3, 2005. Both Hu Jintao and Lien Chan presented themselves as party leaders. The KMT–CPC Forum thus was launched under their leadership. It remains an important Track II mechanism after the resumption of cross–strait consultation in 2008.
27. During Ma's presidential campaign, speaking at a conference in India, in response to a question whether he was seeking Beijing's recognition of "Taiwan", Ma responded by saying he wasn't looking for mutual recognition... but mutual non-denial. <http://www.forumosa.com/taiwan/viewtopic.php?f=89&t=62784>; After being elected, Ma reasserted the notion as a restarting point of improving cross–strait relations. <http://www.chinapost.com.tw/taiwan/national/presidential-election/2008/03/24/148519/Ma-repeats.htm>.