The Impact of Five Cities Elections on Cross-Strait Relations

In the just completed local elections in Taiwan's five special municipalities, the Chinese Nationalist Party (KMT) retained its mayor seats in Taipei, Xinbei and Taichung, while the Democratic Progressive Party (DPP) retained its control of Tainan and Kaohsiung. The KMT gained 44.5% of the vote, a drop of 7.6 percentage points from the previous municipal elections, and lagging behind the DPP's 49.9%. Compared to the 2008 presidential election the KMT even lost 12.5 percentage points or 1.2 million votes. In contrast, voter support for the DPP increased by 4.7 percentage points from the 45.2% won in the previous municipal elections, and was up seven percentage points or 350,000 votes from the 2008 presidential election. Although cross-strait ties were not at a core issue in the five cities elections, the election results are still bound to impact future cross-strait developments.

This article first assesses the current state of relations between Taiwan and China. Cross-strait ties presently build on three main pillars: First comes the so-called 1992 Consensus, with each side having its own interpretation of what that consensus actually means. Since the KMT and the Chinese

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Communist Party (CCP) did not reach a consensus on the connotations of the 1992 Consensus in the first place, resorting to different interpretations is merely a stopgap measure. The government of President Ma Ying-jeou is using a vague "one China" concept hoping that China will reciprocate by reducing cross-strait tension and promoting cross-strait exchanges and negotiations. China's Communist government, for its part, is using a vague "one China" principle in an attempt to restrain the Ma government before gradually urging it to implement the said principle.

Second is Taiwan's bandwagoning policy toward China. The Ma government has chosen to accommodate the CCP government on many political fronts. It has, for instance, toned down its support for human rights and democracy, has accepted that Taiwan can only participate in international organizations if China has given its prior approval in crossstrait negotiations, and does not confront China on any international issues.

Third are Chinese economic concessions toward Taiwan. Since Ma took office two and a half years ago cross-strait trade has seen rapid liberalization that consisted to a large degree of asymmetric or unilateral Chinese concessions toward Taiwan. China has, for instance, markedly eased restrictions on Chinese tourism to Taiwan, Chinese delegations have massively purchased Taiwanese goods (worth US\$14 billion in 2009), and Beijing has added a great number of items to the early harvest list in the Economic Cooperation Framework Agreement (ECFA) to the benefit of Taiwan.

However, cross-strait confrontation still prevails on three major fronts. On the political front, China keeps emphasizing that the two sides need to strengthen mutual trust and enter into negotiations on political issues, which shows that Beijing lacks confidence in the Ma government. When Li Yafei, vice chairman of China's Association for Relations Across the Taiwan Strait (ARATS), visited Taiwan in August this year, he publicly defined the 1992 Consensus on two occasions as having one China at its core. It was the first time in two and a half years that Beijing seemed to demand that the Ma government no longer blur the "one China" principle.

On the diplomatic front, the number of Taiwan's diplomatic allies has not decreased over the past two years, but Taipei's efforts to expand the island's international space have also made only limited progress. Except for the annual World Health Assembly (WHA), which Taiwan may attend as an observer after gaining China's approval every year, Beijing still continues to obstruct Taiwanese participation in United Nationsrelated international organizations such as the International Civil Aviation Organization (ICAO) and the United Nations Framework Convention on Climate Change (UNFCCC). The Ma government has been actively pushing for participation in these two organizations. China even continues to undermine Taiwan's participation in international organizations that it has joined already.

On the military front, the Ma government demands that China abolish laws that allow the use of military force against Taiwan and withdraw its missile deployments. But China keeps refuting these demands claiming that "Taiwanese separatist forces" keep obstructing and undermining peaceful cross-strait development. Actually China has not only failed to reduce the number of its missiles targeting Taiwan, but has increased their number by almost 50% over the past two and a half years. Moreover, about 70% of Chinese military exercises held in 2009 were directed against Taiwan. Even as Taiwan and China prepared to sign ECFA in late June, Chinese Defense Minister Liang Guanglie told a Japanese military delegation that China's military build-up is focused on Taiwan.

In other words, the current warming of cross-strait ties is rather superficial, since many deeper-lying hostilities still exist. From Beijing's perspective achieving the strategic goals of "opposing independence" and "promoting unification" in Taiwan is rather unlikely, as there are even signs that prounification sentiment is on the retreat. The Ma government has so far only said that is does not support Taiwan independence, but it still states publicly that Taiwan is a sovereign independent state and that Taiwan's future must be decided by its 23 million people. With regard to promoting unification, public identification with Taiwan has continued to expand over the past two and a half years, while support for unification has not increased and support for independence has not decreased. Instead support for eternally maintaining the status quo has risen.

Let's go back to the question of how the outcome of the five cities elections will affect cross-strait ties. Basically China still wants to support the Ma government. In order to boost Ma's reelection bid, Beijing will keep existing negotiations on economic and social exchanges on track. Should China make concessions toward Taiwan with regard to military intimidation (missile deployments) and international space, the Chinese government, aiming to forestall internal criticism, will probably demand that the Ma government offer clear political guarantees and pledges. But such a deal will probably not be easy to strike, since the high political risk involved could jeopardize Ma's reelection.

On the economic side China will probably continue to make concessions toward Taiwan to help Ma's reelection bid. But the signing of cross-strait agreements on free trade in goods and services will have a negative impact on Ma's election campaign, because such liberalization will harm quite a number of Taiwan's more vulnerable industries and workers. Having learned its lesson from the five cities elections, the Ma government is highly unlikely to sign these two agreements before the presidential election in 2012. In the remaining time Taiwan and China are more likely to conclude negotiations on cultural and educational exchanges, since these issues are better suited to accommodating China's pro-unification mindset and make it easier for Taiwan to extract further economic concessions from China

Finally China will likely strengthen communication with the green camp given that the political strength of the opposition Democratic Progressive Party (DPP) is steadily increasing. The election results showed that a vast majority of voters appreciate the political course of DPP Chairwoman Tsai Ing-wen, which gives less play to ideological confrontation, while emphasizing pragmatism and rationality. China must be hoping that Tsai's course continues until the 2012 presidential election. Following the five cities elections Tsai immediately declared that she would found a think tank to strengthen the DPP's crossstrait policy discourse and improve the party's capacity for direct contacts with Chinese counterpart. At the same time Tsai stressed that she is willing to enter into dialogue with China as long as Beijing does not set any preconditions. It looks as if the DPP will rapidly forge intraparty consensus on China policy and gradually develop dialogue with China in order to lay the foundations for cross-strait relations under a future DPP government. B