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**Cross-Strait Relations
after Taiwan's 2004 Presidential
Election**

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The March 20 election and the referendum are over. President Chen Shui-bian won slightly over half of the total votes, while the two referendum questions were vetoed due to a turnout of less than 50 percent. What exactly have the results told us regarding the future development of cross-strait relations?

First, Taiwan's mainstream opinion was clearly evident during the election process, as both camps had emphasized Taiwan identity and Taiwan (the Republic of China) as an independent sovereign country. In addition, both candidates were opposed to unification in the foreseeable future, the principle of "one country, two systems," and the restoration of cross-Strait negotiations on the premise of the "one China" principle.

During his campaign, the *Kuomintang* (KMT) Chairman Lien Chan had said that he would no longer bring up the "1992 consensus" and instead adhered to the position that there is one country on each side of the Taiwan Strait, at present. Even Legislative Speaker Wang Jin-pyng, who was Chairman Lien's campaign chief, said that Taiwan's independence could also be a future option. Thus following the election, President Chen's government is now unlikely to accept either the "one China" principle or the "1992 consensus."

Second, President Chen's rejection of the "one-China" principle is not equivalent to an aspiration to declare Taiwan independence or change the status quo of Taiwan's sovereignty. During his campaign, he pointed out on many occasions that future constitutional reforms will be carried out on the basis of "maintaining the status quo" as well as in accordance with the "four noes and the one have-not." To be precise, in his interview given to the *Washington Post* on March 29, President Chen emphasized, "I believe those articles relating to the territory in our constitution will not be the core emphasis in our constitutional reform project. I think there is no problem with the content of Article 4 in our constitution. The question lies in how to define it, and interpret it."

Although Beijing and Washington have speculated that Taiwan's constitutional reforms will change the status quo, President Chen's statements and interviews have tried to do away with this concern. In this, his second term, President Chen has stressed that the goal and mission of the Taiwanese government is "to unify Taiwan and promote stable cross-Strait relations as well as to stabilize the society and reinvigorate the economy. Among these goals, stabilizing cross-Strait relations is one of our key issues." Essentially, as long as the focus is to maintain cross-strait stability, and in the face of U.S. pressure, Taiwan will not change the status quo by means of changing its national name, national flag, or constitutional territory.

Third, although less than half of the voters participated in the referendum, 92 percent of all referendum participants voted “yes” to both questions, showing a very high degree of consensus. Given the pan-blue camp’s boycott of the referendum, this consensus is likely to reflect mostly green-camp voters’ support for the government’s proposals. As a result, after the election President Chen has since said the government will follow the people’s decision by proposing concrete measures regarding the two questions: “strengthen national defense” and “initiate equal negotiations.” This response was seen to be in recognition of his supporters.

During the election campaign and under the second referendum question, President Chen stressed that the two sides of the Taiwan Strait should build a “peace and stability framework for cross-strait interactions” and should begin to initiate negotiations starting from economic issues. In fact, this will be a major mission in cross-Strait relations for the Chen Shui-bian administration under this second term. Last August, he said that he hopes to complete negotiations for the opening of direct transportation links by the end of this year. Thus directly following the election, President Chen met with Academia Sinica President Lee Yuan-tseh to thrash out a plan for the establishment of a framework of interaction for peace and stability with negotiation of economic issues as the first step. All of the above mentioned actions have led to the rightful conclusion that Taipei is willing to negotiate with Beijing over the direct links in the near future.

Even from China’s perspective, there is much reason to maintain cross-Strait stability, for by doing so Beijing can concentrate on domestic economic development and better preserve social stability. Based on this premise, Beijing adopted a policy of observing Chen Shui-bian, “listening to what he says and watching what he does” from 2000 right up to this year, while expecting that the pan-blue camp and Washington would provide sufficient restraints upon the pro-Taiwan independence tendencies of the Democratic Progressive Party (DPP) government. Meanwhile, Beijing has also taken up a looser definition of the “one China” principle, and has stopped making this the premise for direct-link negotiations. There has also been a re-defining of the links from domestic to cross-strait links. Beijing’s adjustment was to face the new political reality in Taiwan and so as to win the Taiwanese people’s support.

At the same time, right up to election-day on March 20, Beijing has continued to define Taiwan's election as a local one, in accordance with the belief that it has successfully maintained the "one China" principle and framework in the international community. Moreover, on the morning of March 21, comments made by China's Taiwan Affairs Office on the referendum results further expounded this stance, claiming that "the failure of the referendum has shown that this illegal action failed to win people's hearts." This statement tells us that Beijing has conveniently found adequate reason to support the claim that its Taiwan policy has been successful. There is thus no urgency or rationale for Beijing to carry out military threats or actions against Taiwan regarding the election or the referendum results.

Given that the pan-blue camp's internal strength might well decline after the election, and given the clear demonstration of mainstream opinion on the Taiwan identity issue as reflected by the election as well as in the referendum, Beijing might pragmatically change its policy, and even start engagement with President Chen's government to face the new political reality in Taiwan. Also, since there is some indication that the pan-blue camp's constraints on the government will weaken, Beijing could have to rely more on Washington to restrain Taipei -- especially on the issue of President Chen's promise of creating a new constitution by 2006.

In any case, given these new developments, and in spite of the uncertainties, there is still sufficient reason to be optimistic about cross-Strait relations. As recently as just last year, in its policy paper for the opening of direct links, Beijing reaffirmed its flexible position on the direct links negotiation. Therefore, it is not unrealistic to be hopeful that two sides will have a chance to carry out talks on direct links and other economic issues in the near future.

Of course, how exactly cross-Strait relations post-2004 presidential election will turn out, has yet to become evident. Perhaps the strongest likelihood is that cross-Strait relations sees a sustained peace and stability, while continuing to be deadlocked in terms of political reconciliation over sovereignty. Hopefully, in the near future, the measures taken by both sides across the Taiwan Strait since 2000 should help break the prolonged impasse in cross-Strait negotiations of the direct links and other economic issues.

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