

Appendix 109 -- DPP White Paper on China Policy for the 21st Century (1999)

November, 1999

Preface

Taiwan will enter the new century keeping in pace with the rest of the world. In the new century, the new President of Taiwan, not only bears responsibilities to Taiwan, but also to the global community.

Taiwan, located at the cross line of Western and Eastern influences, undertakes both the friction and insecurity of cultural conflict, and plays an equilibrium role among international power struggles. The President of Taiwan in the new century must ensure the security, survival and development of Taiwan. Furthermore, the President must lead the Taiwan community that has a majority consisting of immigrants to foster its unique vitality, flexibility and creativity. This would provide substantial contribution to the future progress and harmony of the human race.

The new President's responsibility regarding Taiwan and the world rests upon how the government under his leadership would deal with the serious and difficult subject of cross-strait relations.

The difficulties of the relationship between Taiwan and China result from conflicting and contradictory perceptions of reality.

We do want to build friendly relations between Taiwan and China, but the hostility and antagonism of the Beijing government forces both sides to engage in a win-lose situation with no alternatives.

We hope that China can remove its barriers to democratic development and become an influential force in the Asia Pacific region. But the current totalitarianism of the Beijing government causes the cultural differences of both sides to be greater.

Although, we promote bilateral economic and trade connections that should be mutually beneficial and prosperous. There is still an underlying fear of harming Taiwan's national security in the pursuit of economic profit from China's markets.

This fear is in fact the result of cultural conflicts, which will certainly be carried from this century into the next century. Thus, one of the most important goals and responsibilities of the President of Taiwan in the next century is to have a China policy that seeks order and stability.

A peaceful Taiwan Strait where both China and Taiwan co-exist and cooperate in the Asia Pacific region would assure to Taiwan and the world the foundation for the long term stability and security of a nation.

In order to formulate this foundation, the Democratic Progressive Party intends to use the next century as a starting point in time to promote the overall normalization of relations between

Taiwan and China. This would be the nexus for our China policy in year 2000. Under this theory, Taiwan should be more assertive in its national security actions while at the same time be more proactive in its communications with China. Providing assistance to contribute to the progress of China would be part of this plan.

The major goal of establishing normal relations between Taiwan and China is premised on national security, with the building of a consensus on national status, establishing stable mechanisms for interaction, and developing economic and trade relations as the concrete themes. We expect the future leader of Taiwan to have a China policy that is principled and yet flexible enough to respond to new ideas, that is accountable to the people.

Taiwan's goal is to pursue harmony despite contradictions and to build order among conflict. It is an inevitable mission for the new President of Taiwan for the next century!

Building National Consensus on Taiwan's Status

- . Taiwan is a nation with independent sovereignty, named as The Republic of China in accordance with the current Constitution.
- . Taiwan is not a part of The People's Republic of China.
- . Taiwan and the People's Republic of China are two nations that do not have mutual ownership, mutual reign, or mutual jurisdiction.
- . Under the condition of independent sovereignty and national interest, based on similar culture and ancestry, the relationship between Taiwan and People's Republic of China will be more special and closer than with other nations.
- . The direction of the special relations between the two nations and any decision to change the current status must have the consent of the people of Taiwan.

Due to the hostile policy and actions of the Beijing government towards Taiwan's territory, we have yet to achieve a national consensus in Taiwan. This national consensus must always be the foundation upon which we prepare or even execute any policy. A national leader is required to fully integrate public opinion. The priority of the national interest is to fully realize public opinion, and from it, form a consensus.

In order to integrate the national consensus within the China policy, one must first of all be honest in facing Taiwan's situation and its international reality. We must recognize the reality that Taiwan is different from Mainland China and has independent sovereignty. Only in this way can we consolidate our national identity and avoid being trapped in chaotic hurdles.

Taiwan meets all the conditions for statehood: Taiwan's territory includes Penghu, Kinmen, Matzu and other surrounding islands; Taiwan has a population of 22 million; the government is elected through democratic election; and Taiwan's jurisdiction does not derive from any foreign authority. Even if our independent status is not popularly recognized by international governments, this does not alter Taiwan's de facto reality. Past public opinion polls support the view that we are an independent nation, and virtually none will accept the authority of the Beijing government. Continued confusion of Taiwan's status will not only distort public opinion, but also further lead the international community to undermine our position and more favorable towards China's position. Since the establishment of the People's Republic of China

in 1949, it has never incurred a political relationship with Taiwan, and it naturally has no right to participate in deciding the ownership and future of Taiwan.

Once we can reach a consensus on complete autonomy, we will move toward the normalization of relations with China, and make the maximum effort to improve cross-strait relations.

Although the people of Taiwan pursue political autonomy, the long-standing relationship between Taiwan and China in history, culture and ancestry is undeniable. From the angle of geopolitics, Taiwan should co-exist with China. It is impossible for Taiwan to confront China for a long time. Regarding economic development, Taiwan cannot separate from China's market. Only through normalization of the relationship with China can Taiwan be under due protection and its economy be fully developed. With motivating factors of mutual benefit and joint prosperity, the current status of the Taiwan Strait should be defined as a special relationship between the two sides.

Any special relationship may change the current status, but our position is open. The Democratic Progressive Party once specified in the "Resolution Regarding Taiwan's Future" in May 1995, that "any change concerning the current status of independence shall be decided by public voting through all residents in Taiwan." In other words, any possibility cannot be excluded in advance, and we should be open to any solution as long as it is supported by the majority of the people.

Establish Stable Interacting Mechanisms

Beijing's hostility has led to a stalemate. The reason is that there exists the difference in the political systems of both sides. One is totalitarian and the other is democratic. To overcome the major difference and to establish a stable order, the only feasible direction is through mutual respect and understanding of differences, before overcoming the differences. Gradually we must establish various kinds of interacting mechanisms.

The Democratic Progressive Party must possess sufficient wisdom and vision to engage in dialogue and cooperate with the Beijing government on various issues. This is to improve mutual understanding, cultivate mutual trust and reduce differences in perception through multiple channels. In the long run, we should seek cooperation with those in China willing to respect the complete sovereignty of Taiwan - including individuals, organizations and groups, to jointly promote the improvement of the Chinese political environment and diminish the difference of the two nations in democratic development. Therefore, we will formulate future bilateral interacting mechanisms through the following four proposals of "positive negotiation," "comprehensive dialogue," "diversification of communication channels," and "assisting China's democratization."

1. Constructive Positive Negotiations

- . Taiwan should initiate open dialogue and negotiation with China.
- . The objective of dialogue and negotiation is to cultivate mutual trust, and further normalize relations between Taiwan and China.
- . National sovereignty should not be negotiated.
- . Negotiation results should be approved by the Legislative Yuan or by the 22

million inhabitants.

In order to promote peace between Taiwan and China, Taiwan should engage in comprehensive dialogue and negotiation with China.

Cross-strait relations will enter a new stage in the following century. Taiwan should no longer use outdated thinking in any negotiation with China. Our attitude toward dialogue and negotiation with China should turn from passive to active. The objective of dialogue and negotiation is to normalize relations between Taiwan and China and enhance peace and prosperity between both sides through mutual trust. Our objective is to reach reconciliation with China, while continuing systematic dialogue and negotiation are necessary procedures to realize reconciliation. As long as the national sovereignty and dignity can be adequately protected, we should try all efforts to further dialogue and negotiate between Taiwan and China.

ii. Engaging in Comprehensive Dialogue

- . We welcome talks on all issues, including functional and political.
- . Various bilateral economic and trade matters, military confidence building measures, peace agreements, etc., should be incorporated into the scope of dialogue.
- . Issues that arise from cross-strait exchanges should be the priority in negotiation.
- . Cross-strait relations will enter a new stage in the following century and we must face future exchanges with a new vision. The new round of dialogue need not restart from the "Koo-Wang Talks."

In terms of economic and trade matters, especially those related to air and marine transportation, we should enter into negotiations of navigation rights in order to promote Taiwan as the Asia Pacific Regional Operations Center, and facilitate the bilateral travel of Taiwanese businessmen. Concerning sea-land transportation, we request China to open international harbors such as Kuangchou, Talien, Shanghai, and Tianjin, to reciprocate our opening of the two major harbors of Kaohsiung and Keelung. Direct navigation and expedient shipping should be the priority.

For air transportation, we propose unilateral operation by Taiwan but with the principle of mutual benefit and profit sharing for both sides. During negotiation, we must first ensure national security and then pursue mutually favorable interests. WE hope to normalize naval and air transactions under the WTO framework in the short term, and in the long term, promote Taiwan to become a major market for naval transportation and aviation industries, as well as a major competitor in the global economy.

Concerning the subject of protection of bilateral investment, as both sides are to participate in WTO, we think the unilateral exchange of investment, trade, and business trips will gradually change to a bilateral course.

Therefore, we urge both sides to engage in negotiation on signing an investment protection agreement, setting up mutual trade representative institutions, and legislating investment protection laws. We intend to realize Taiwan and China as equal WTO members. Under equal and mutually favorable conditions, we will allow China to set up trade representative offices

in Taiwan.

Regarding "confidence building measures (CBM)," besides the basic discrepancy existing in both sides, the risk of "misperception" and "miscalculation" exists. The geographical distance between Taiwan and China is very close, so the chance of conflict is extremely high. In the absence of mutual trust, any accident may be interpreted as an intentional act, and further raise an overall conflict. In order to avoid a military confrontation, Taiwan and China should develop "confidence building measures" as early as possible.

"Confidence building measures" cannot guarantee against war. CBM only reduces the risk of war. However, negotiation and implementation of "confidence building measures" can cultivate friendly relations and promote consensus for a peaceful resolution.

We propose the content of confidence building measures as including the following:

- . Transparent measures - Include the transparency of military practice and troop mobilization; transparency of military procurement and sales information.
- . Communication measures -- Include setup of hot line, mutual visits of military personnel, mutual participation into international seminars, exchange of military trainees, and joint participation in international organizations.
- . Navy security measures -- Include marine rescues, resolution of fishing disputes, and crime prevention in the Strait.
- . Restrictive measures -- Set up a buffer zone; discuss guidelines for action in the middle line between Taiwan and China.

We admit, the current situation is far from conducive to an overall, substantial CBM framework; there are still many barriers to overcome. However, the difficulty in marine cooperation and transparency measures is relatively smaller, because the function of CBM is to reduce the possibility of a conflict. What it represents is the concern for human lives. Therefore, we practically focus on subjects that are less confrontational, to serve as the major subject of negotiation and basis for mutual trust.

To further the dialogue between Taiwan and Mainland China on military security, it is necessary to reinforce our national defense strategy and civilian research team. On one hand, this is an alternative to the military system and it avoids confronting the egotistical military personnel participating in discussion. Civilian personnel are more flexible in adapting to the current discussions between the Straits Exchange Foundation (SEF) and Association of Relations Across the Taiwan Strait (ARATS).

On the subject of dialogue to reach a peace agreement, Taiwan and China should realize a consensus on an ultimate goal and a "transitional dialogue framework" can be set up to improve the interacting relationship of both sides.

Both sides may engage in long-term dialogues concerning the feasibility of signing a peace treaty. We think that a peace agreement should have the following content:

- . According to the United Nations Declarations, a dispute should be settled peacefully without engaging in the use of force.
- . The existing border between both sides should not be invaded in order to guarantee complete respect for the other side's territory.
- . Neither side should represent the other in the international community, or take

action on the other's behalf.

- . Both sides should exchange representative offices.

To sign such an agreement is extremely difficult. However, it is necessary to develop dialogue on this subject. These difficulties are not unique to Taiwan and China. Before East Germany and West Germany signed their basic agreement, they also went through lengthy negotiation. Only after formulating more than ten agreements on issues such as postal administration, telecommunication, radio channel, cargo transit receipt/delivery, convenient measures in travel, railway transportation, and accident compensation, did both sides establish mutual trust. In matters related to public welfare incurred through bilateral exchange must take priority. They included subjects such as: business arbitration, juridical assistance, and mutual attack on crime.

III. Diversification of Communication Channels

- . In order to improve communication and set up mutual trust, it is required to communicate with various organizations and groups in China.
- . Formal coordination and negotiation should be conducted by the government and authorized institutions.
- . Bilateral formal negotiation channels between SEF and ARATS should be promoted, to eventually include official government participation.
- . Complement bilateral dialogue through Track II diplomacy.

As a negotiation partner, China's evolution into a pluralistic society is a positive direction. The dialogue between Taiwan and China cannot be limited to the existing institutions and authority of the Beijing government. On account of the long-term objective of normalizing relations, we should further the understanding of the Chinese people about Taiwan and should strive for any power with respect to Taiwan during the gradual diversification process of the Chinese community. Therefore, positive dialogue with various organizations and groups within China should play an important role in the future communication.

At present, the SEF and ARATS provide the only authorized channels of negotiation across the strait. Formal negotiations involve public law and thus should be led by the government, or government authorized institutions. The SEF-ARATS negotiation is currently in authorized civilian form. In the future, as negotiation subjects become comprehensive, official participation should be gradually enhanced, so as to move to a new stage in official negotiation and to ensure that the negotiation results are executed with public authority.

In addition, we suggest reinforcing the communication between both sides of the strait through "Track II Diplomacy." "Track II Diplomacy" refers to the communication channel consisting of scholars and experts or government officials participating as private entities. Through informal discussion, the goal is to explore mutual understandings to prevent the formal diplomacy of "Track I" from being trapped into a deadlock.

Passive resistance is inferior to active participation. We should initiate various Track II conferences to involve both sides of the Strait or even other Asia Pacific countries concerned about the situation. This would include government officials or private individuals. To be

specific, talks initiated by Taiwan should have the following characteristics:

- . Supported by government, and held by designated private sectors on a periodical basis.
- . The participants should be professional, and have substantial influence on the decisions of government or political parties.
- . Concerning different issues, different kinds of communication mechanisms should be provided. For example, for economic or trade, a trade forum for both sides can be set up. Regarding security, a cross-strait security forum can be set up; a cross-strait jurisdiction forum can be set up to deal with illegal immigrants and crime. Moreover, the future direction of relations between Taiwan and China could be discussed in a national status forum, allowing both sides to express their own opinions.

In addition to the forums initiated by Taiwan, we should also actively participate in various existing dialogue channels. For example, forums held by American organizations such as the "National Committee on US-China Relations," "The American Assembly", and "National Committee of U.S. Foreign Policy" have been useful.