

Appendix 165 -- Policy for Cross-Strait Exchanges (2005)

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Cross-Strait interaction is a key link in cross-strait relations and the cornerstone of peace and stability in the Asia-Pacific region.

Based on the policies founded on the principles of reconciliation and openness, the government of the Republic of China (Taiwan) expresses the willingness to augment the scope of cross-strait exchanges as long as the conditions of parity and dignity are met.

In light of China's enactment of the hostile "anti-separation law" (the so-called anti-secession law), the ROC government will respond cautiously and calmly, while adhering to the position of "reconciliation without retreat, resolve without confrontation."

i. Pragmatism and parity in cross-strait exchanges are conducive to stability in the Taiwan Strait

In his inauguration speech on May 20, 2000, President Chen Shui-bian proclaimed his hope that the two sides of the Taiwan Strait could abandon the hostility and confrontation inherited from the past and jointly lead a new era of reconciliation. In his second-term inauguration speech four years later, President Chen reiterated that, on the basis of the existing foundation, he hopes to continue to widen and expand the scope of cross-strait exchange measures for the press and media, information, education, culture, the economy, and trade. This is also true for promoting the resumption of cross-strait negotiations and the reopening of communication channels, bringing the two sides closer together, and establishing a foundation for mutual trust.

Despite Taiwan's goodwill and initiative, the Chinese government has never relaxed its suppression of Taiwan, from military expansion and deployment of arms against Taiwan to the constriction and suppression of Taiwan's participation in the international community. Recently, China even enacted the "anti-separation law" in an attempt to change the cross-strait status quo, thereby sabotaging peace and stability in the Taiwan Strait. These actions have shaken the foundation of cross-strait interaction laid over the years, offsetting our efforts to improve bilateral relations.

Cross-strait relations serve as an integral link in international relations as a whole. By this token, they remain a major concern of the people on both sides of the Strait and a vital indicator of East Asia's state of affairs. The unique intricacies and uncertainties in cross-strait relations stem from shared historical and cultural roots, strategic consideration of geopolitics, and frequent and extended cross-strait exchanges. The frequent cross-strait interaction in economic, trade, social, cultural, and educational areas has often been offset by political and military standoffs. Moreover, Beijing's boycotts have kept the governments of the two sides from engaging in direct communication and contact. In this light, promoting cross-strait exchanges, developing mutual understanding, and reducing tension are important aspects in cross-strait relations and act as cornerstones for peace and stability in the Asia-Pacific region.

ii. The government's efforts and achievements in cross-strait exchanges over the past five years
Policy and Legislation

iii.

The principle of "goodwill reconciliation, active cooperation, and permanent peace" guides the cross-strait policy under President Chen. In 2004, President Chen further proposed the ideas of "establishing a peace and stability framework for interactions" and "forming a committee for cross-strait peace and development." The government has constantly maintained an open, consistent, and progressive attitude when formulating cross-strait policies.

In addition, the quality and quantity of interactions between the two sides have increased rapidly since the opening of exchanges in the late 1980s. Thus, the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area cannot satisfy current needs. In 2003, the government began a comprehensive review and revision on this act, which led to the amendment of 81 related regulations. This was to create a positive, active, and structured environment for interaction.

Economy and Trade

Under the principle of "proactive liberalization with effective management," the government has devoted itself to promoting cross-strait economic and trade exchanges and adopted a series of liberalization measures.

Taiwan has reviewed and revised its laws and regulations regarding investment in China, increased the items of Chinese imports, and liberalized cross-strait financial activities. In addition, Taiwan has promoted the "mini-three-links" between China and the offshore islands of Kinmen and Matsu, completed The Evaluation on the Effects of Direct Cross-strait Transportation, and expanded the functions and scope of the offshore shipping center. Further developments have allowed Chinese citizens to visit Taiwan, facilitated the initiation of cargo flights between the two sides, and opened Taiwan's real estate market to investments from China. These achievements have yielded inspiring results. Bilateral trade increased from US\$31.2 billion in 2000 to US\$66 billion in 2004. During that period, Taiwan's investment in China also increased from US\$26 billion to US\$41.2 billion.

Culture and Education

Cultural and educational exchanges come foremost in cross-strait relations. Both sides greatly agree that they share the same cultural roots, which form the foundation for promoting reconciliation and prosperity. Since the late 1980s, such exchanges have increased rapidly. In recent years, the government has begun to allow mainland journalists to station in Taiwan and lifted the ban on the sale of academic materials printed in simplified characters from China. In addition, Taiwan has encouraged and funded exchanges between academic and cultural groups of the two sides. The government has also assisted the establishment of schools for the children of Taiwanese businesspeople in China and granted Taiwan's universities permission to promote continuing education in China.

Society

To date, more than 33 million visits have been made between the two sides of the Taiwan

Strait, and over 220,000 cross-strait couples have married. Such frequent interactions have promoted understanding and affection between the peoples of the two sides. This success, on the other hand, has been fraught with various problems. In response, the government has completed revisions to the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area and its related regulations. For instance, Taiwan has adjusted the system regulating mainlanders residing in Taiwan, strengthened the investigation and repatriation of illegal immigrants from China, and sought cooperation with China in combating crime. These adjustments have put cross-strait exchanges on the right track and benefited both sides of the Strait.

iv. Problems in cross-strait exchanges

China adopts the united front tactics and exploitation of cross-strait exchanges to divide the people of Taiwan. Taiwan has always pursued peace and reconciliation between the two sides of the Strait. In contrast, China, with its communist mentality has focused on class struggle and taken cross-strait exchanges as a means to form a united front. Specific exchange issues have been manipulated by China to its own benefit, thereby creating conflict and confrontation among the people of Taiwan. China has also publicly announced its intention to promote three types of war: psychological, public opinion, and legal. Furthermore, Hu Jintao, General Secretary of the Chinese Communist Party, has explicitly claimed that China's propaganda would "penetrate the island, enter each household, and seep into every individual's mind." China's hostile guiding principles have made sound development of cross-strait exchanges impossible. No amount of sincerity and goodwill from Taiwan could change this.

Disparity in political systems and lifestyles

Taiwan has a democratic and open society, a sound multi-party system, and a freedom of the press environment. The Taiwanese people have come to expect democracy and a liberalized economy. In contrast, although the people in China have seen some improvements in their daily lives since China initiated its economic reforms 25 years ago, Beijing still maintains an authoritarian regime founded on dogmatism. Even without linguistic and ethnic barriers, more often than not, the disparities in political systems and ways of thinking pose unsurpassable obstacles between the peoples of the two sides. To a certain degree, this offsets the positive effects of cross-strait exchanges.

Rate and scale of exchanges and national security

As China uses cross-strait exchanges for its own political gain, Taiwan feels compelled to evaluate the rate and scale of bilateral exchanges in order to safeguard social stability and national security. However, opposition parties and interest groups in Taiwan have put pressure on the Taiwanese government, and urged it to accelerate the pace of liberalization in all areas of exchange. The government still needs to carefully make thorough assessments to prevent Taiwan from losing more than it gains in the process.

v. Impact of the "anti-separation law" on the situation in the Taiwan Strait and cross-strait exchanges

The "anti-separation law" unilaterally defines the status quo in the Taiwan Strait and undermines security in the East Asian region

After China passed the "anti-separation law," in order to prove the legitimacy of its enactment, Premier Wen Jiabao of the PRC State Council, likened the law to the two anti-secession laws enacted during America's Civil War; a context which is completely different from that of cross-strait relations. The Chinese government attempt to disguise the truth is self-explanatory. Disregarding the international community's skepticisms and the extremely negative impressions of Taiwan's people, China pressed on with its ambition to dictate and unilaterally interpret the status quo of the Taiwan Strait. China has obtained a legal excuse or pretext for resolving cross-strait disputes through non-peaceful means in the future; it has given itself a *carte blanche* to launch a war. This has caused immense impact and uncertainties to cross-strait relations and regional security.

The "anti-separation law" defines unification as the only option in cross-strait relations. This definition is, in fact, set to establish a legal pretext for annexing Taiwan with military force. This is the most malicious trampling over the universal values of human rights and democracy. The Chinese government's tasks of enacting, enforcing, arbitrating, and sanctioning the "anti-separation law" will enable it to unilaterally dominate the situation in the Taiwan Strait. The enactment of this law will greatly increase the level of uncertainty in the Taiwan Strait and become the greatest variable to regional stability.

China adopts the "carrot-and-stick" approach after passing the "anti-separation law"

After the enactment of the "anti-separation law," China has faced strong protests from the Taiwanese people and the international community. In an attempt to conceal its ruthless and hostile nature, it has tried to shift the focus by adopting a soft-handed appeal. It has offered Taiwan concessions such as starting cross-strait charter flights on traditional holidays, opening China's market to Taiwanese agricultural products, and inviting leaders of Taiwan's major political parties to visit China. This is to distract public opinion and avoid increasing the negative feelings among the Taiwanese people. Internationally, it has tried to divert foreign countries' attention from the "anti-separation law" by either proposing international cooperation or highlighting international conflicts, such as the six-party talks on the Korean Peninsula nuclear issue, disaster relief to South Asia, its disputes with Japan, and the European Union's arms embargo.

China achieves its goal of making the Taiwan issue a domestic matter by offering new proposals on cross-strait exchanges.

After passing the "anti-separation law," the Chinese government has used a variety of means to present its so-called new proposals to promote cross-strait exchanges. The main objective of these proposals is to limit all cross-strait exchanges to the private sector, thus deliberately excluding any involvement of authority by the Taiwanese government. By so doing, it hopes to achieve its goal of treating cross-strait exchanges as Chinese internal affairs, and eventually turning the Taiwan issue into a domestic matter.

VI. Negative effects of China's "anti-separation law" and the Taiwanese government's responses

The intention of China's "anti-separation law" is to increase pressure on Taiwan and deceive the international community has already had adverse impacts on the peaceful development of

cross-strait relations. Taiwan is compelled to adopt the following responsive measures:

Expose China's united front tactics and disguise as a peacemaker. China's international and domestic propaganda relating to the enactment of the "anti-separation law" has always emphasized peace and defense. Its latest tactic was to incite nationalistic sentiments at internally (as seen in the anti-Japan protests), in order to gain a bargaining chip when confronting foreign governments. China's manipulation of the international community once again reveals the unreasonable and non-peaceful side of its character. The international community needs a better understanding of the nature of China's threat to peace in the Taiwan Strait and the region.

Review and carefully reassess its control mechanisms for cross-strait exchanges, to counteract China's united front tactics following the enactment of the "anti-separation law." In order to ensure its national security and readjust the pace and scope of cross-strait exchanges, Taiwan has to evaluate current developments and consider the "anti-separation law" into its assessment of measures related to cross-strait exchanges and interactions. This will help preserve national interest, orderliness in cross-strait exchanges, Taiwanese people's legitimate rights, and the Taiwanese government's leading role.

Taiwan's long-term objectives in cross-strait policy are to continue promoting peace, development, and dialogue. Taiwan will conduct cross-strait relations based on the principle of "reconciliation without retreat, resolve without confrontation," in order to prevent the status quo across the Taiwan Strait from being unilaterally changed and harmed by China. The Taiwanese government has always advocated that both sides of the strait peacefully resolve all disputes through dialogue. With this in mind, Taiwan once again calls on China to stop creating obstacles and to resume cross-strait dialogue immediately. Only when the two sides sit down to talk can disputes be resolved peacefully and a mutually acceptable consensus be reached.

VII. Conclusion

China's "anti-separation law" (the so-called anti-secession law) totally ignores the international community's understanding of the situation in the Taiwan Strait, and claims that the Taiwan issue is beyond international involvement. The law not only seriously destroys the status quo of regional peace and stability, but also directly damages the interests of various countries in the region. As a member of the Asia-Pacific region, Taiwan is committed to faithfully undertake its responsibilities for maintaining regional peace and stability. Taiwan vows to keep "peace and development" at the core of its current cross-strait policies, and actively seek reconciliation and improvement of its relations with China, therefore establish itself as a pillar of regional peace and security. The international community should provide Taiwan with full support for its efforts in regional security. It should firmly stand by the Taiwanese people in their pursuit of freedom and democracy. Taiwan's future cannot be determined by a single person or any other country but, rather, by all of the people living on this land.

The Taiwanese government has never denied that cross-strait exchanges have positive significances. However, we also ask the international community to understand that, in the

face of China's military intimidation and political suppression, Taiwan must take prudent and steady measures and exercise necessary management in the current phase of cross-strait interactions. We believe that any democratic country would adopt a similar approach in its exchanges and interactions with a strong hostile country.

For a long time, the world has been looking forward to the democratization of China, and Taiwan has never shirked the responsibility for assisting China to move in that direction. We will adhere to this objective in our interactions with China, strive for the maintenance of long-term peace and stability in the Taiwan Strait and the region.