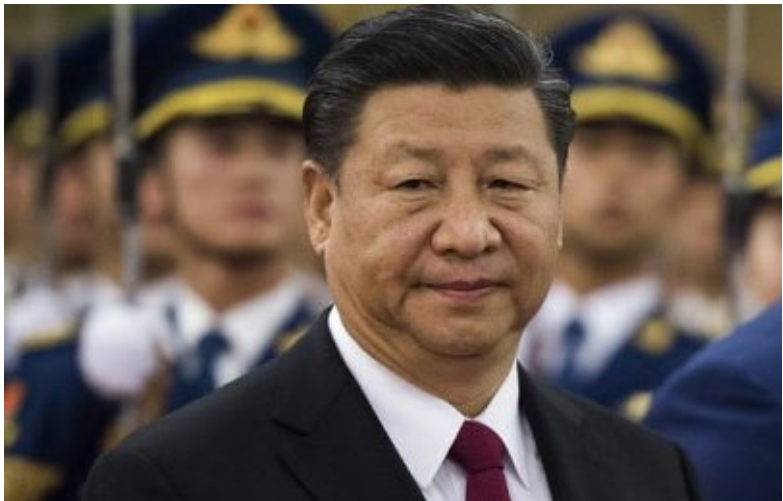


6 An Interpretation of Xi's Taiwan Policy—and Taiwan's Response

Dr. Hsiao-chuan Liao



China's policy toward Taiwan has remained fairly consistent since Deng Xiaoping turned it from the position of "fight" to that of "negotiation" in 1978.¹ Specifically, peaceful reunification remains the ultimate goal of the People's Republic of China (PRC). Still, reunification by force is regarded as a possible outcome if a peaceful resolution is unattainable. In 1979, the Standing Committee of the fifth National People's Congress adopted its "Message to Compatriots

in Taiwan,"² which proposed the termination of cross-Strait military confrontation and called for peaceful reunification. Since then, direct transportation, postal services, and business ties have allowed for substantial engagement between both sides of the Strait. Other Chinese leaders since Deng have proposed their own Taiwan policies, but the specific content has never shifted substantially. However, on the 40th anniversary of the Message, Xi Jinping announced his "Five Points" policy, which positions China away from the opposition of an independent Taiwan to active promotion of reunification.³ In the wider context of the PRC's more assertive diplomacy under Xi, this shift in emphasis gives cause for pessimism when considering the future of cross-Strait relations and East Asia's broader stability.

Continuation and Adjustment of China's Taiwan Policy

When Xi assumed office in 2012, his policy toward Taiwan matched that of his predecessor, Hu Jintao. However, at the 19th Party Congress in 2017, Xi revealed his "China Dream,"⁴ which showed his ambitions to revive China's historical glory. Specifically, Xi predicted that China would become a well-off society and realize the modernization of socialism before 2035. He further set up a goal to establish China as a country with leading national capabilities and international influence by the mid-21st century. As

for cross-Strait relations, Xi insisted on “One Country, Two Systems” and “the 1992 Consensus.”⁵ Yet, Xi’s speech to the 19th Party Congress paid more attention to the consolidation of the party and the economic situation in mainland China than it did cross-Strait relations.⁶ When he did address the Taiwanese government and people, Xi sought to appeal to them rather than use the language of compulsion. Given that then-President of Taiwan, Ma Ying-jeou, recognized reunification as the ultimate goal, cross-Strait relations did undergo a relatively positive and intimate phase. An historic meeting between Xi and Ma was held in November 2015, the first such meeting between mainland China and Taiwan since the end of the Chinese Civil War.

However, in the 2016 presidential election, Taiwan elected Tsai Ing-wen. Tsai, a Democratic Progress Party member, supports an independent Taiwan, divorced from Xi’s One Country, Two Systems. At least at first, Tsai tried not to irritate China – for example, by not publicly announcing Taiwan’s independence – and used the diplomatic language of “the two sides of the Strait” to define Taiwan and China. Indeed, Tsai agreed with Xi that, in 1992, both sides across the Strait had jointly acknowledged that they could set aside differences to seek common ground.⁷ But Tsai refused to promise that the One China principle

constituted a consensus between the PRC and Taiwan. In return, Beijing sought to shrink Taiwan’s diplomatic representation overseas by pressuring countries to cut ties with Taiwan and working to restrict Taiwan’s participation in World Health Assembly meetings. The PRC also suspended the official communications across the Strait.

It is in this context that Xi chose to update his policy toward Taiwan in 2019, the 40th anniversary of the National People’s Congress’ Message to Compatriots in Taiwan. It is likely that Xi was trying to influence Taiwan’s presidential election, which were held in January 2020. The main shift detailed Xi’s renewed emphasis on unification instead of bilateral cooperation. This updated policy has become an essential part of the PRC’s approach to Taiwan. But three subsequent updates are also worth noting.

The First Adjustment: The Content of the 1992 Consensus

In his speech to the 19th Party Congress, Xi portrayed the 1992 Consensus as referring to the One China principle, which describes mutual recognition of both sides belonging to one China. This mutual recognition is the traditional understanding in mainland China. However, in the updated version, Xi redefined the 1992 Consensus as an understanding that “both sides of the Taiwan Straits belong to one China and will work together toward national reunification.”⁸ This

statement marked a departure from past understandings of the 1992 Consensus by conflating the One China principle with the goal of reunification.

This conceptual reformulation led the Tsai government to clarify—for the first time—that Taiwan cannot accept the 1992 Consensus.⁹ Taiwan's version of the 1992 Consensus is that both sides recognize there is only one China but agree to differ on its definition. This concept is different from Xi's interpretation, which does not admit that the definition of "One China" may differ. Since Xi has further added the phrase "to achieve national reunification" to the 1992 Consensus, there are fears the PRC may continue to add or delete content from the concept as they wish. Hence, a 1992 Consensus based on mutual agreement does not exist now—if it ever did.

The Second Adjustment: Customized "One Country, Two Systems" for Taiwan

In his 2017 speech, Xi's Taiwan policy was consistent with tradition. He used the formulation of "One Country, Two Systems" when mentioning Hong Kong and Macau. According to PRC propaganda, this framework for governance is conducted perfectly in Hong Kong and Macau. As such, there is no reason that Taiwan cannot be next. After 2012, China and Taiwan have had more and more substantial engagements. Two million Taiwanese—9

percent of Taiwan's population—stayed in China for business, family reasons, or schooling in 2018 alone. China further pushed Taiwan to consider political negotiations and to set up concrete steps for reunification. While most Taiwanese prefer the status quo, Xi has argued that "One Country, Two Systems" can be customized to accommodate Taiwan. He further explained that Taiwan's socio-economic system will be fully respected, along with private property, freedom of religion, and other lawful rights. From this viewpoint, different approaches should not be an excuse to suspend progress toward reunification. However, the reliability of "One Country, Two Systems" has come under scrutiny given the conspicuous recent events in Hong Kong. For Tsai, the model used to incorporate Hong Kong into the PRC cannot be accepted—calling instead for a "Taiwan consensus."¹⁰

Subsequent events in Hong Kong—especially the mass protests against extradition and national security laws—have reinforced the perception in Taiwan that incorporation into the PRC is unacceptable. Beijing insists the ultimate right of interpreting laws in Hong Kong belongs to the central government. Meanwhile, Hong Kong's own government appears to be too weak to defend its legislation and has dealt with the prodemocracy protesters strictly and violently. These

events have revealed the problems with trying to preserve a democratic system under Chinese autocratic rule. In this situation, “One Country, Two Systems” is a dead-end for Taiwan. Tsai’s decision to rebuff Xi has made her the only politician with the confidence to say “no” to the PRC, a status that likely contributed to Tsai winning a second term as the President of Taiwan.

The Third Adjustment: Gradually Unlinking “Reunification” from “Peaceful”

In his 2017 speech, Xi mentioned “reunification” only three times and linked two of them with the term “peaceful.” The implication at hand is while reunification remained a core concern, “peaceful reunification” was the preferred means for achieving that goal. However, in his 2019 speech, Xi used “reunification” 46 times but only included the word “peaceful” as a qualifier 18 times. It appears the overall significance of reunification has increased for Xi—but the importance that reunification shall be peaceful has declined.

In response to Xi’s perceived shift in emphasis on this point, Tsai has re-asserted the Taiwanese view that interactions between both sides of the Strait must be peaceful and equal, not characterized by force or threats. Tsai has also proposed a security network for cross-Strait exchanges: security for people’s livelihoods, information

security, and a standardized democracy monitoring mechanism to prevent extreme penetration from the PRC.¹¹

Conclusion: Hot Spot of East Asia

The three adjustments detailed above demonstrate that Xi appears to have become more urgent in his appeal for reunification. He has shifted away from cooperation by both sides of the Strait to an emphasis of reunification as a premise. Some scholars even argue that Xi will try to accomplish reunification while leader of the PRC. While reunification is undoubtedly important to Xi, his clear priority is to achieve the “China Dream”—something that Xi has explicitly invited Taiwanese to share in but regarded as a separate and higher-order goal than political reunification. Since Xi has so far declined to present reunification as part of his “China Dream” concept, he is unlikely to consider the use of force to absorb Taiwan into the PRC.

Finally, it is worth remembering that three structural factors influence China’s Taiwan policy: trilateral relations among the United States, Taiwan, and China; the bilateral interactions between China and Taiwan; and domestic politics in China and Taiwan. Each of these factors is dynamic but is moving in the direction of a hardened, more hostile policy. For example, China now faces serious competition from the United States. Support for an independent Taiwan has increased—alongside more negative

feelings toward mainland China. Additionally, Xi's suspension of cross-Strait cooperation has led Taiwan to lean more heavily on the United States. In Washington, leaders such as Pres. Donald Trump have viewed closeness with Taiwan as a tool for containing—or at least irritating—China. This hostile climate is perhaps why Xi's "Message" to Taiwan is full of anxiety, eagerness, and appeals to the Taiwanese people but not the Taiwanese government. On the contrary, China has intensified military maneuvers against Taiwan by violating Taiwan's air space with its fighter jets. Together, these trends mean that developments in cross-Strait relations cannot easily

be viewed with optimism, as there are grave implications for the wider East Asian region. ■

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Notes

¹ Jiann-fa Yan, "The Likely Framework and Contents of Xi Jin Ping's Taiwan Policy," *Taiwan International Studies Quarterly* 9, no. 4 (2020): 39–61.

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⁵ "Full text of Xi Jinping's report at 19th CPC National Congress."

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⁸ "Working Together to Realize Rejuvenation of the Chinese Nation and Advance China's Peaceful Reunification."

⁹ Chris Horton, "Taiwan's President, Defying Xi Jinping, Calls Unification Offer 'Impossible,'" *New York Times*, 5 January 2019, <https://www.nytimes.com/>.

¹⁰ Horton, "Taiwan's President."

¹¹ "President Tsai issues statement on China's President Xi's 'Message to Compatriots in Taiwan,'" Office of the President of the Republic of China, 2 January 2019, <https://english.president.gov.tw/>.