



President Hu's Visit to the U.S.: the Taiwan Stake by Eric Teo Chu Cheow

Chinese President Hu Jintao's visit to the United States this week and his meeting with President George W. Bush at the White House will be closely watched in Asia. Southeast Asia will be particularly concerned with the geostrategic tussle between Washington and Beijing; they note with renewed concern troubled cross-Strait relations, which could make or break crucial ties between the two powers. All ASEAN countries have pledged a "one China" policy to Beijing, but they fear that Taipei could rock the boat and provoke instability in the region; Washington's pledge to maintain regional stability is thus crucial.

With presidential elections in spring 2008 in Taiwan, there are moves in cross-Strait relations that suggest that the next two years could be challenging. Beijing will seek assurances from Washington to stabilize the Taiwan issue, as well as explore bilateral trade, financial, security, and political issues.

Taiwan President Chen Shui-bian's bold announcement Feb. 27 that the National Unification Council (NUC) would "cease to function" and the National Unification Guidelines (NUG) would "cease to apply" has raised the stakes across the Taiwan Strait. Chen probably had two urgent reasons to give Washington and Beijing a *fait accompli*. First, Chen rushed this announcement through on the eve of the 2-2-8 commemoration, the key date for the Taiwanese independence lobby, when Kuomintang troops killed local Taiwanese in 1948, as they "occupied" the island. Second, there was a vacancy at the American Institute in Taiwan (AIT), after the departure of its head, Douglas Paal, and before the arrival of his successor, Stephen Young, who many Taiwanese observers believe is less of a hardliner vis-a-vis the Chen administration; Chen could thus have been trying to test Washington before Young's arrival.

Moreover, the two "ceases" (of the NUC and NUG) have significant differences. NUC's "cease to function" was more symbolic than substantial, as the NUC was *de facto* "frozen" since Chen came to power in 2000. However, there are clauses in the NUG that could affect the "territorial integrity of China" if it "ceases to apply"; the second "cease" thus portends greater cross-Strait tensions than the first, as China could use it to challenge Taiwan openly. In a way, this move could also have been interpreted as Chen's "negation" of his "four noes and one not" commitment stated at his first inaugural address in 2001.

Chen's announcement probably also attempted to "nail Beijing to the wall," as he has felt snubbed by China's refusal to recognize or meet with him, despite his overtures. This announcement also came days before the opening of the annual National People's Congress (NPC)/Chinese People's

Political Consultative Conference (CPPCC) in Beijing; it was this session a year ago that passed the Anti-Secession Law, sparking protests from Washington and Europe.

But what is most significant is that Chen is pushing a red line vis-à-vis Washington: he fears a China-U.S. entente as a prelude to, or an outcome from, Hu's visit. This has raised the Taiwan stake at the forthcoming Hu-Bush summit.

Washington does not want Chen to rock the boat; the U.S. issued stern warnings to Chen after his two speeches Jan. 1 and 29, which advocated a tough line ahead of this meeting. At the same time, the Americans have made clear their hope that Beijing could be a "responsible stakeholder" in the world and cooperate with Washington in dealing with hot spots, ranging from Pyongyang to Tehran to Yangon.

China's reaction to Chen has been swift; it complained to United Nations Secretary General Kofi Annan and proposed to increase military spending at the recent legislative session. Beijing will undoubtedly continue with its successful "hard, harder; soft, softer" policy on Taiwan and continue to keep trying to win the hearts and minds of Taiwanese, while dealing harshly with Chen and the independence lobby. This divide and rule approach has been deemed successful by Beijing and will continue to form the basis of Hu's policy toward Taiwan. Beijing also intends to continue to diplomatically isolate Taipei in the international arena, like at the inaugural China-South Pacific Forum in Fiji.

Beijing has surmised that Chen will now want to play hardball with the Chinese leadership. Chen appointed, just before the Lunar New Year in January, a Cabinet that Beijing considers more hardline than its predecessor. Moreover, the Mainland Affairs Council in Taipei (in line with Chen's Jan. 1, 2006 speech) announced March 22 tougher measures to regulate cross-Strait economic and financial ties, as well as future investment procedures on the mainland.

Beijing will also court pan-blue opposition forces, notably KMT Chairman Ma Ying-Jeou, whom Beijing hopes will win the presidential election in two years, and put an end to the independence lobby. This appears to be Beijing's key objective in Taiwan. It is therefore discreetly facilitating Ma's rise to power, while highlighting the damage Chen has done to cross-Strait relations. Chen knows that he has no choice but to react fast against Beijing before becoming totally irrelevant (when he retires from the presidency), and is likely to take on Beijing by pushing Chinese leaders to react to surprise moves, which he could use to test and embarrass them.

Caught in the middle is Washington. Stressing that Chen's "cease to function" and "cease to apply" does not mean abolishment of either the NUC or the NUG, the U.S. has to do more to convince Beijing that Chen is under control; in fact, hesitation before demanding that Chen clarify his stance has

confirmed to many cross-Strait observers Washington's increasing difficulty in "patrolling" cross-Strait ties.

China wants to engage Washington even more now over Taiwan. The timing of Ma's visit (just seven weeks ahead of Hu) to Washington and his unexpected three-hour meeting with Zoellick, not only confirm the pivotal U.S. role in cross-Strait relations, but worries some in Taipei that there may be a surprise (against Chen) from Bush during the White House meeting with Hu. They have not forgotten Bush's rebuke of Chen during his meeting with Premier Wen Jiabao in 2003.

A "united front" of the Taiwanese opposition, Beijing, and Washington could ultimately prove lethal for Chen, but the wily Taiwanese leader will do all he can to thwart this development. Though Chen has promised new AIT Director Young that there would be "no surprises," this tussle has heightened the stakes across the Taiwan Strait and could threaten regional stability if mishandled by any one of the parties deeply involved in cross-Strait relations.

Southeast Asians are watching the jostling with deep concern and hope that Washington can help stabilize and maintain sound cross-Strait relations. ASEAN countries treasure stability in U.S.-China relations and hope that China-U.S. competition and rivalry could be manifested in greater bilateral cooperation across the Taiwan Strait.

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