Testimony for the Hearing on the Future of U.S.-Taiwan Relations
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Taiwan's January 16, 2016 elections were an important watershed in the island's democratic development. For the first time, the Kuomintang (KMT, or Nationalist Party), lost control of both branches of the national government when its long-time opponent, the Democratic Progressive Party (DPP), won the presidency and 68 out of 113 legislative seats.

The DPP has won national elections only twice before. In 2000, the DPP candidate Chen Shui-bian was elected president in a three-way race, but the KMT and its allies retained a legislative majority throughout presidency, including after his reelection in 2004.

Many in Washington remember the Chen presidency as a time of turbulence in cross-Strait relations and in U.S.-Taiwan relations. Chen began his presidency with efforts to reach out to Beijing and to his KMT opponents: his inaugural address included "Five Noes" aimed at calming the PRC's fears that he might try to make Taiwan formally independent, and he appointed a KMT politician as his first premier. Nonetheless, the PRC and the KMT both stonewalled Chen, and he eventually gave up on seeking their cooperation and began pursuing an agenda aimed at pleasing his core supporters. In 2003 he initiated two projects – creating a referendum mechanism and campaigning for a new constitution – which many policymakers in Beijing and Washington viewed as thinly-disguised moves toward Taiwan independence. Neither project succeeded as Chen had hoped.

In his first term Chen found himself stymied by resistance from the KMT-dominated legislature. That resistance continued in his second term, while a series of scandals added to Chen's troubles. The Chen presidency left many voters feeling disillusioned and frustrated, which helped give the KMT's presidential candidate Ma Ying-jeou an easy win in 2008. For the eight years Ma was in office the Taiwan Strait was relatively calm. Under Ma, Taiwan signed almost two dozen economic agreements with the PRC, while cross-Strait trade, investment, and people-to-people flows increased to unprecedented levels.

Now that the DPP is about to return to power – and without a KMT legislative majority to check it – questions are arising as to whether we are about to enter another era of tension in the Taiwan Strait. Will the new president, Tsai Ying-wen, take after Chen, her predecessor? Will the DPP, emboldened by its landslide victories and legislative majority, attempt to realize its long-dormant ambition for formal independence? If so, how should the U.S. respond?

While I understand why these questions are being asked, I do not believe we are about to enter an era of confrontation. If we do find ourselves in such an era, it will not be because Tsai Ying-wen and her party recklessly pursued dangerous goals. Under Tsai's leadership, the DPP has adopted moderate positions that align with the preferences of Taiwan's people. While dissatisfaction with the previous president and disarray within the KMT were important factors driving the January election results, the DPP would not have had the victories it did had it not met the voters' expectations and presented policies in line with their preferences. In short, the

January 2016 elections affirmed Taiwan's democracy and confirmed the fundamental rationality of Taiwan's electorate.

Over the past eight years, even as relations with mainland China grew closer, Taiwan's domestic economy faltered. The Ma Administration assured islanders that the solution to their economic woes was even tighter cross-Strait economic cooperation, tailored to the interests of large companies doing business in the mainland. Ma's assurances have fallen on increasingly deaf ears in the past few years, as more and more Taiwanese have begun to question whether the route to widely-shared prosperity really does pass through mainland China. Tsai Ying-wen offered an alternative view, that Taiwan should be more wary in its relations with the mainland, and should focus its policies on developing the island's domestic economy, reducing inequality, and diversifying its economic partners. This is a moderate position, one that reflects Taiwan voters' growing hesitancy regarding cross-Strait engagement.

Throughout her campaign, Dr. Tsai made it clear that her goal is to preserve the status quo in the Taiwan Strait. In other words, she does not intend to move Taiwan toward independence, but neither does she intend to rush headlong into Beijing's embrace, either economic or political. Here again, her positions align with those of the electorate.

President Ma shares Dr. Tsai's commitment to preserving the status quo. Neither politician believes Taiwan should agree to China's demand for unification. Where the two differ is on the strategies they favor for achieving their common objective. Ma was willing to work within a framework tacitly worked out in 1992 – known as the '92 Consensus – under which Taipei and Beijing agree that both Taiwan and the mainland are part of a single Chinese nation, the precise interpretation of which differs on the two sides. The PRC leadership emphasizes the "One China" element of the '92 Consensus, while Taiwan's leaders have emphasized the "different interpretations" element. The '92 Consensus is a thin reed on which to base this important relationship, but it has been strong enough to enable cross-Strait talks during periods of KMT government (it was dormant during the Chen Administration).

Tsai Ying-wen has so far declined to accept the '92 Consensus as the basis for cross-Strait talks. Her party has long rejected the characterization of the agreement as a "consensus;" DPP leaders maintain that the label was created after the fact and does not accurately described what happened in 1992. Meanwhile, Beijing's eagerness to repackage Taiwan's acceptance of the formula as acquiescence to its "One China Principle" (the idea that Taiwan is part of the PRC) makes it extremely hard for Tsai to accept it. Still, Tsai has said that she would like to move cross-Strait relations forward on the basis of the accumulated outcomes of 20-plus years of cross-Strait interactions – a statement DPP officials say is intended to recognize the utility of the '92 Consensus, if not its label.

When Tsai first stood for election in the 2012 presidential race, her inability to articulate a clear position on the '92 Consensus undermined the confidence of many Taiwanese voters as well as U.S. officials. At that time, many in both groups believed accepting the '92 Consensus was necessary for a potential president to successfully manage cross-Strait relations, which Taiwan's voters, in particular, viewed as a prerequisite for Taiwan's continued prosperity. This year, both parts of that statement were less persuasive, and Tsai's refusal to endorse the '92 Consensus no

longer worked against her politically. Meanwhile, Tsai's more careful rhetoric in 2016, which she unfolded in a speech at CSIS in Washington last June, satisfied officials in Washington that her cross-Strait policies would be guided by prudence and flexibility rather than ideological purism.

Another reason for the DPP's success in January's elections was the KMT's poor political performance over the past three years. The KMT has bungled important challenges, and it has been riven by disastrous internal conflicts. The election results were a clear message to the KMT: it needs to pull itself together and present a coherent, attractive program and unified leadership. For the KMT to make such a recovery is important for Taiwan's continued democratic thriving.

Promoting democracy is a core interest and objective of U.S. foreign policy. The U.S. has long supported emerging democracies around the world, but Taiwan's democracy is a particularly valuable example. As a "bulwark against communist expansion" during the Cold War, Taiwan's government persuaded the U.S. to overlook its authoritarian nature, but in the 1970s and '80s, U.S. officials – especially Members of Congress – joined with democracy activists in Taiwan to urge the KMT-led government to implement democratic reform. Taiwan's democratization was achieved with almost no bloodshed or instability, making it an example to other nations hoping to follow a similar course.

Supporting and protecting Taiwan's maturing democracy is an important element of U.S. policy, and it is critical that we not confuse Taiwan people's active defense of that democracy for "troublemaking." An overwhelming majority of Taiwanese recognize that pursuing formal independence is both unnecessary and risky, but they have no interest in being absorbed into the People's Republic of China. Their goal is to remain a self-governing, democratic entity while working toward peaceful and cooperative relations with their neighbors on the Chinese mainland. Their goals – which are represented well in Tsai Ying-wen's platform – pose no threat to the U.S. or any other nation.

It is likely that there will be some tension in the Taiwan Strait during Tsai's term of office, but I do not expect it will result from provocation by Taiwan. Rather, tension is the inevitable result of the profound difference in goals between Taiwan and mainland China. As long as Beijing insists that Taiwan must accept unification, no matter which party governs in Taipei there will be tension, because Beijing's demands run against the will of Taiwan's people.

America's interests are served when cross-Strait relations are peaceful and stable; both sides should be encouraged to engage with one another in ways that promote peace and stability. Taiwan is managing its relationship with the mainland in a way that allows the two sides to cooperate on many things while avoiding political unification. It is when leaders try to force outcomes that violate popular will that confrontation arises. If, despite efforts to dissuade them, PRC leaders decide to freeze out Tsai as they did Chen Shui-bian, the U.S. government should resist Beijing's efforts to label Taiwan as the guilty party.

A strength of U.S. policy in recent years is the Obama Administration's efforts to improve communication and understanding between the U.S. government and the Democratic Progressive Party. These efforts, which have included meetings with DPP officials in Washington as well as

on-going communications through the American Institute in Taiwan (AIT), the U.S.'s de facto embassy in Taipei, have helped to reduce uncertainty and increase American officials' confidence that the Tsai Administration will avoid the kind of negative surprises that soured relations between the U.S. and the Chen Administration. Now that Tsai has been elected, the U.S. should redouble its efforts to keep those channels of communication open. U.S. policy precludes Washington from engaging in high-level, official interactions with Taipei, but the U.S. is free to choose a less restrictive interpretation of its policy. Overly-rigid adherence to the One China Policy will not serve the U.S. well in a period of uncertainty and transition.

The task for the U.S. in the next few years will be to support and encourage Taiwan's continued democratic development and strong economic contribution. Washington should also recognize and reward the DPP-led government's moderate positions. Finally, the U.S. government should encourage all parties in the region to seek opportunities for cooperation and avoid unnecessary confrontation. Given Taipei and Beijing's incompatible goals in some areas, a degree of tension is unavoidable. However, attentive management can prevent that tension from ripening into confrontation, while allowing the two sides to cooperate in those arenas in which their goals are not incompatible.

Witness's Biography

Shelley Rigger is the Brown Professor of East Asian Politics, Chair of Chinese Studies and Assistant Dean for Educational Policy at Davidson College. She has a PhD in Government from Harvard University and a BA in Public and International Affairs from Princeton University. She has been a visiting researcher at National Chengchi University in Taiwan (2005) and a visiting professor at Fudan University (2006) and Shanghai Jiaotong University (2013 & 2015). She is a non-resident fellow of the China Policy Institute at Nottingham University and a senior fellow of the Foreign Policy Research Institute (FPRI). Rigger is the author of two books on Taiwan's domestic politics, *Politics in Taiwan: Voting for Democracy* (Routledge 1999) and *From Opposition to Power: Taiwan's Democratic Progressive Party* (Lynne Rienner Publishers 2001). In 2011 she published *Why Taiwan Matters: Small Island, Global Powerhouse*, a book for general readers. She has published articles on Taiwan's domestic politics, the national identity issue in Taiwan-China relations and related topics. Her monograph, "Taiwan's Rising Rationalism: Generations, Politics and 'Taiwan Nationalism'" was published by the East West Center in Washington in November 2006. Currently she is working on a study of Taiwan's contributions to the PRC's economic take-off.