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Mainland China–Taiwan Relations and the Taiwan Issue

The Taiwan issue is, in theoretical terms, a conflict that has stalemated at a high level of conflict intensity. The conflict seems to move neither towards violence nor towards a stable peace. At the same time, when looking beyond the main issue, a relative peace has been built across the Taiwan Strait through a range of interaction and integration processes that have bypassed the ‘political chill’ between Beijing and Taipei.

The relations between Mainland China and Taiwan have two sides. With regard to political relations, there has been an ongoing high-intensity conflict, with the diplomatic situation concurrently in crisis mode. On the other hand, the cooperation and integration across the Taiwan Strait has proliferated at an unexpected speed and scope given the conflictual relationship between the two parties. The main issue, Taiwan’s legal status, has been stalemated at crisis level dating from the Chinese unilateral termination of talks across the Taiwan Strait in 1999 until after the 2008 presidential election. The level of hostility has been high, with explicit threats of military actions from Beijing. There were no intergovernmental communication and agreements, with the exception of a certain level of quasi-official communication and agreements on functional issues. At the same time as political relations deteriorated during Chen Shui-bian’s presidency, other positive relations continued to move in the opposite direction. Cooperation in all other areas did grow tremendously throughout the period, regardless of the political relations and official policy coming from Taipei. Indeed, when observing only these areas, the situation resembles that of a stable peace rather than a crisis or an unstable peace. The interaction in these areas alone gives an impression – at least from the Taiwanese side – of a relationship where war will not happen, rather than does not happen. In addition, the public perception of security in Taiwan is more positive than could
be expected, which points to a relationship that can be regarded as
unstable peace rather than crisis.

Drawing on extensive interviews with key people in Mainland China
and Taiwan between 2004 and 2008, this chapter explores the pro-
cesses and mechanisms that have been important in preventing the
conflict from escalating into war, and in building, sustaining and, over
time, enhancing the relative peace between the two sides. Firstly, with
respect to the background of the Taiwan issue and Mainland China,
Taiwan relations will be reviewed. Thereafter, four types of processes
found to be important for the relative peace will be analysed. The
importance of a number of different forms of elite interaction will be
discussed. This includes an analysis of the role of personal networks
among Mainland China and Taiwan elites, track two diplomacy, the role
of interparty connections between the Chinese Communist Party (CCP)
and Kuomintang (KMT), and unofficial military exchanges and contacts.
The study explores two processes with an impact on peace in the long
term: economic integration and interdependence (EII) and functional
cooperation. The focus then moves to the role of the USA.

**Historical context of PRC–ROC relations**

The conflict across the Taiwan Strait has an impact on both regional and
global stability, and involves high political and economic stakes for a
number of actors. The two conflicting parties are the People's Republic of
China (PRC/Mainland China) and the Republic of China (ROC/Taiwan).
The USA is a key actor as Taiwan's ally and security guarantor in case of
unprovoked military actions by Mainland China. As a result, it is the
regional flashpoint most likely to evoke a military conflict between the
USA and China.

The Taiwan conflict centres on the question of Taiwan's international
status, that is, whether Taiwan is to be accepted as a sovereign state of
*de jure* independence, or if it is a part of China that eventually should
be reunified with the mainland. From the mainland perspective, there
is only one China and Taiwan is part of that China. This is referred to as
the 'one China principle'. The 'one China principle' is accepted by the
UN, by all major states in the international community including the
USA and the EU members, and by the overwhelming majority of states.
In fact, by 2010 Taiwan had full diplomatic relations with no more than
23 states. Even if concessions have been made to Taiwan, the PRC has
always upheld the fundamental parts of the principle; that there is only
one China. Here, it is important to emphasise that Beijing's perception