





11th Annual Conference on "The Taiwan Issue in China-Europe Relations"

Shanghai, China September 14-16, 2014

A workshop jointly organised by the German Institute for International and Security Affairs / Stiftung Wissenschaft und Politik (SWP), Berlin and the Shanghai Institutes for International Studies (SIIS), Shanghai. With friendly support of the Europe China Research and Advice Network (ECRAN).

Discussion Paper
Do not cite or quote without author's permission

Progress and Prospects of Development of Peaceful Cross-Strait Relations

Yan Anlin Shanghai Institutes for International Studies

Progress and Prospects of Development of Peaceful Cross-Strait Relations

Yan Anlin

More than six years have passed since the mainland and Taiwan took a crucial step in 2008 towards the development of peaceful relations. It is worth reflecting upon the progress in their relations since then, as well as the prospects of consolidating and deepening the relations in the future in the face of the new challenges and opportunities.

1. Positive changes for the development of peaceful cross-strait relations

Over the past six years since May 2008, the mainland and Taiwan have made substantial progress in developing peaceful relations in the following four areas:

Peaceful development has gained increasing momentum in cross-strait relations. The balance of power has apparently tilted towards the mainland, and this trend will continue for a long time. The mainland not only surpasses Taiwan in size, but has also outpaced the island in economic growth and global influence. With its growing strengths, the mainland has gradually assumed the leading role in cross-strait relations, whereas Taiwan has not found a way to stem its decline, which was publicly acknowledged by Su Chi, a key member of Ma Ying-jeou's brain trust. In his words, one of the four dominant trends for cross-strait relations is that "the balance of power has clearly tilted towards the mainland and put Taiwan at disadvantage". "Taiwan will lose a significant part of its influence in steering the development of cross-strait relations", which will be "increasingly determined by the balance of power and the views of the mainland, instead of the will of the island".

The reasons for Taiwan's decline are twofold. First, it has not only been mired in economic stagnation since 2000, but also been highly dependent on the mainland in both trade and investment (a structure that is very hard to change). Second and most important, it has been brought down by its own politics: for more than a decade, Taiwan's democracy has obviously gone to the extreme of populism, depriving all its government institutions of public trust and respect. The biggest threat to cross-strait relations is a split society on the island: even the two leading political parties, the Kuomintang (KMT) and the Democratic Progressive Party (DPP), are "ridden with many rivaling cliques and rampant internal strife".

Nevertheless, these circumstances have provided the mainland with the basis and momentum for persistently promoting the development of peaceful cross-strait relations. They are also the ground for its confidence in this strategy. Moreover, its

rising economic strength and global influence will also make the United States "pay more attention to Beijing's voice on regional and global issues". "The United States will certainly put more value on the mainland's role as a 'responsible interested party', and the two sides will certainly strengthen their coordination on multiple levels and through multiple channels."

Development of peaceful cross-strait relations has become the mainstream public opinion in Taiwan. Since May 2008, the mainland and the island have been enjoying a golden period of cross-strait ties, highlighted by the establishment of a close economic partnership on the basis of the 1992 Consensus and via the Economic Cooperation Framework Agreement (ECFA). Such peaceful development has borne fruit in increasing fields, while its foundation has been steadily strengthened, its principles have been widely accepted and its policies have been pragmatically implemented. Its benefits have continued to manifest themselves, not only on both sides of the strait but also in other regions outside China.

The DPP has been split over cross-strait policies, whereas its official stance has changed considerably. Although the party has not renounced its secessionist claims, these splits and changes are much in evidence in recent events: the reestablishment of the "Department of Chinese Affairs" by the DPP central committee, Hsieh Chang-ting's visit to the mainland in October 2012, the establishment of the "Committee of Chinese Affairs", the visits of Hsu Tain-tsair (a secessionist DPP member) to Shanghai, Beijing and Xiamen, Mr. Hsieh's active role in co-organizing a high-profile forum on cross-strait relations in Hong Kong with a mainland-based think tank, the visits of Chen Chu (mayor of Kaohsiung) to Tianjin and Xiamen, the visit of the Thinking Taiwan Foundation to Beijing, and the visit of Lai Ching-te (mayor of Tainan) to Shanghai. All these events have shown that the DPP cannot ignore the development of the mainland and its policies have begun to reflect the changes of circumstances on both sides of the strait.

The process of "cross-straitization" has continued to evolve in Taiwan. This process reflects the deepening influence of the development of peaceful cross-strait relations over the island's economy, society and even politics. The concept of "cross-straitization" is different from the old concepts of "indigenization", "democratization" and "nationalization" (which regards Taiwan as an "independent sovereign country"), because it "re-emphasizes the Chinese identity" of Taiwan whereas the others dismiss the identity. Under this process, Taiwan's political establishment has been split into a cooperative stance (represented by the KMT under Mr. Ma) and a confrontational stance (represented by the DPP) towards the mainland; but even the DPP itself has been split over whether to take a peaceful approach or an antagonistic approach. As Professor Wang Jenn-hwan of the Taiwan-based Chengchi University notes, "Taiwan used to play a leading role

in cross-strait exchanges, exerting its social and cultural influence over the mainland, but the trend has been reversed in recent years as the mainland enjoys rapid economic growth and accompanying social and cultural development; now the mainland has begun to influence Taiwan's social and cultural development instead".

The developments in the four areas are all positive for the development of peaceful cross-strait relations.

2. New adverse circumstances against the development of peaceful cross-strait relations

First, the United States' strategic "rebalance" to the Asia-Pacific has changed Taiwan's role in the region. First, the two still maintain an "ally-like relationship through military sales", which is a "special partnership that is looser than an alliance such as that between the United States and Japan or the Philippines, but closer than an ordinary partnership".

Second, the influence of cross-strait relations still lags behind the influence of the Unites States. In terms of social and economic influence on Taiwan, the United States still outweighs the Chinese mainland, and this situation is hard to change in the near future. Although the mainland's influence has been rising, it is not strong enough yet. Therefore, when Mr. Ma's government considers whether and when to launch political dialog and high-level political communication with the mainland and whether to cooperate with it over the East China Sea and South China Sea issues, the United States remains a key factor for their consideration.

Third, Taiwan still finds much political and social importance in its relations with the United States. As a local scholar notes, "the whole populace of Taiwan, from the elite to the masses, will worry about their collective security. Lacking this sense of security will makes it hard for the island to conduct formal political dialog or negotiation with the mainland. Thus, the mainland must assure Taiwan that a connection closer than the current partnership – for instance, a brotherly or family-like relationship – will not affect the island's security, dignity or autonomy."

Mr. Ma and his team still stick to a policy that separates economic and political affairs. Although Taiwan has become more reliant on the mainland in economic development, it still mainly depends on the United States for security and political support. Therefore, it will be hard to solve the political problems facing cross-strait relations in the near future. Although the meeting between Xi Jinping and Wu Poh-hsiung on March 12, 2013 has been hailed by some people as the "start of political dialog" between the ruling parties of the mainland and the island, it is not the start of formal political dialog yet.

The division among the Pan-Blue Coalition has accelerated, and Mr. Ma lacks the will and motivation to promote the development of cross-strait ties. The first problem comes from the difficulties facing Mr. Ma's administration, especially the obstacles against his reform, which "has hurt the interest of the KMT's hardcore supporters including the army, public servants and teachers". Some people even doubt his sincerity about reform and the effectiveness of his arrangements, suspecting his annuity reform is just a political stratagem to escape public pressure. Although his reform measures have certainly won some applause, they have also cost his party many votes, making it very hard for the KMT to stay in power.

Second, both the People First Party (PFP) and the New Party have detached themselves from the Pan-Blue Coalition, as they scramble for votes in the coming municipal elections of 2014. The New Party even publicly announced its detachment from the coalition, which its secretary-general Wu Cherng-dean called "a heap of loose sand haunted by internal problems and external threats".

Third, Mr. Ma's clean image has been tarnished by the corruption scandals of Lin Yi-shih and Lai Su-ju. In the eyes of the public, his administration no longer holds the moral high ground above the DPP. As a result, the KMT can no longer use "clean governance" as a selling point to voters. Fourth, even Mr. Ma's supporters lacked confidence in his leadership. Although some people argue that "Taiwan is lucky to have a political leader like Mr. Ma, who cares much about his uprightness and innocence", recent polling results show that even his supporters disapprove of his performance. Fifth, the KMT's glaring internal strife has cast a shadow over its prospects in the 2014 municipal elections.

Faced with all these problems, especially the obstacles to his reform, the poor governance of his team and the dismal approval rating of his performance, Mr. Ma has focused his efforts on local issues and challenges on the island. However, the situation has been compounded by the KMT's conflicts with the DPP and its own factional strife, which has sapped the energy of his administration and diverted his attention from cross-strait affairs.

Many people in Taiwan are still ambivalent about a Chinese nationalist identity. Mr. Su notes while the balance of power has been tilting towards the mainland, there has been a growing inclination on the island towards an indigenous identity rather than a Chinese nationalist one; so he thinks the "conflict and tension between the two trends may intensify over time". As Taiwan's economy becomes marginalized, people on the island have mixed feelings towards the mainland and its economy. The political establishment and mainstream media on the island "still maintain an inflexible stance that allows secessionist claims but dismisses public calls for reunification". Some Taiwan people argue that "although the ECFA could bring economic growth to Taiwan, it would cause wealth inequality, and drain the local economy as Taiwan businessmen speed up their investment on the mainland,

which would hurt the island's economic interests", and that "although the cross-strait economic cooperation has eased political tension between the two sides, it has also caused imbalance in Taiwan's economy". Some even think the Cross-Strait Service Trade Agreement (CSSTA) has changed cross-strait economic relations from "mutual dependence" into "Taiwan's dependence on the mainland". Most mainstream media on the island also tend to focus on the negative impacts of the CSSTA, which "reflects some people's fear of being the underdog".

All these developments have clearly shown the complicated and contradictory feelings of some Taiwan people towards the mainland. On the one hand, they hope to rely on the mainland to improve their economic growth and living standards. On the other hand, they are full of doubts and even fears about the economic growth on the mainland, and cannot shake off such doubts and fears even when the mainland offers preferential policies. Such people are not a small minority; they worry about the KMT's cooperative policies towards the mainland, so they still support the DPP, which portrays itself as a "guardian" of the island's "sovereignty" and public interests. This serious "mainland-phobia", aggravated by the decline in public self-confidence, has posed some "very real, very grave problems", but has also highlighted "a feeling of loss after the island has failed for so long to find a way to its prosperity and salvation". It was this feeling of loss that brewed the Sunflower student movement.

3. Zhang-Wang meetings – a new epoch for official cross-strait contact

Wang Yu-chi, head of Taiwan's Mainland Affairs Council (MAC), visited Nanjing and Shanghai from February 11 to 14, 2014. After a high-profile meeting with Zhang Zhijun, director of the State Council Taiwan Affairs Office (SCTAO), he paid respect to Dr. Sun Yat-sen's mausoleum, delivered a speech at the Nanjing University, held a meeting with scholars from think tanks, and visited Shanghai TV Station and a school for children of Taiwan businessmen. Mr. Zhang paid a reciprocal visit to Taiwan from June 25 to 28. Apart from another meeting with Mr. Wang, he also met Chu Li-luan (mayor of Xinbei), Chen Chu (mayor of Kaohsiung), Hu Chih-chiang (mayor of Taichung) and Master Hsing Yun (a renowned Buddhist at Fo Guang Shan), as well as many grassroots people and young students. Mr. Wang is the first incumbent MAC chief to visit the mainland in his official capacity, whereas Mr. Zhang is the first SCTAO director to visit the island. Their groundbreaking meetings have ushered in a new epoch for institutionalizing the development of peaceful cross-strait relations.

The meetings between Messrs. Zhang and Wang are the fruit of great political efforts on both sides of the strait. As chiefs of cross-strait affairs on the two sides,

their meetings are a milestone achievement for peaceful cross-strait relations, and a natural outcome of positive political interactions between Beijing and Taiwan in 2013.

In February 2013, Lien Chan, an honorary chairman of the KMT, met President Xi Jinping and his predecessor Hu Jintao during a visit to Beijing. In early April, President Xi held talks with Siew Wan-chang at the Bo'ao Forum. Two months later, he met Wu Po-hsiung, another honorary chairman of the KMT, who went to Beijing on behalf of Mr. Ma as part of a communication platform between the KMT and the Chinese Communist Party; during the meeting, the two sides reached a consensus that calls for the adherence to the one-China principle. During the APEC summit on Bali Island in October 2013, President Xi held another meeting with Mr. Siew, and Mr. Zhang had an unofficial conversation with Mr. Wang in a hotel lobby. Such frequent interactions between political leaders have greatly strengthened the mutual trust between the mainland and the island, and paved the way for the success of Mr. Wang's visit to Beijing and his official meetings with Mr. Zhang.

The meetings between Messrs. Zhang and Wang are exactly what peaceful cross-strait relations need. The mainland and Taiwan have made significant progress in economic, social and cultural exchanges over the past six years, but they have not touched (let alone solved) their political divergence, which has constrained the efforts to deepen all-around cross-strait exchange and cooperation. Therefore, the meetings have marked an important active step towards political dialog, which will help deepen cross-strait ties, institutionalize cross-strait relations and facilitate all-around exchange and cooperation. These meetings have covered a wide range of crucial fields, including economic cooperation, integration of the regional economy across the strait, the establishment of offices for general cross-strait affairs, protection for students who study on the other side of the strait, and communication in other fields such as journalism, culture, science and technology. They have opened the policy-oriented dialog that cross-strait relations really need. As Zhao Chun-shan, a famous scholar in Taiwan, notes, "the meetings between Messrs. Zhang and Wang are the outcome of the subjective will of both sides and the objective needs of the current situation."

Mr. Wang's mainland visit and his first meeting with Mr. Zhang have borne great fruit in four fields. First, the two sides have exchanged their opinions on many issues. As the MAC chief, Mr. Wang not only exchanged opinions with his counterpart on the overall situation and general policies of cross-strait relations during a meeting of more than two hours, but also talked with more than 200 students at Nanjing University and with many scholars from think tanks at a symposium in Shanghai. Through such communication, both the mainland and the island have gained better understanding about the situation and prospects of cross-strait relations, as well as other relevant issues such as the global environment.

Second, the two sides have negotiated important arrangements. They discussed a series of urgent problems in depth and with sincerity, and reached consensus on five major issues: 1) concluding follow-up negotiations for the ECFA to improve the mechanism for cross-strait economic cooperation, and investigating practical approaches to achieve regional economic cooperation and common economic development; 2) deepening cross-strait cooperation in culture, education, science and technology; 3) continuing to negotiate how to help the Association for Relations Across the Taiwan Straits (ARATS) and the Straits Exchange Foundation (SEF) open offices on the other side of the strait as soon as possible; 4) promoting cross-strait exchange in journalism, and providing convenience to journalists who work on the other side of the strait; and 5) providing medical insurance and other aid programs to undergraduate and graduate students who study on the other side of the strait. These arrangements have provided the ARATS and the SEF with clear objectives and guidelines for their future negotiations, because any "mechanism for regular cross-strait communication is meant to supplement the existing channel between the ARATS and the SEF, not to replace it".

Third, the two sides have institutionalized a mechanism for strengthening cross-strait ties. The SCTAO and the MAC have agreed to keep promoting cross-strait relations on the basis of the 1992 Consensus, and to establish a mechanism for regular formal communication. This agreement is a timely answer to the real needs of cross-strait relations; it will help both sides to improve their communication, mutual understanding and mutual trust, and to jointly solve major problems as they promote all-around development of cross-strait relations. Of course, "this mechanism will not replace the non-governmental roles of the ARATS and the SEF in negotiating and signing agreements on general affairs, or change other government agencies' arrangements for cross-strait communication."

Fourth, the meeting has facilitated visits between the two sides. Mr. Wang's groundbreaking visit to the mainland was an active response to a proposal from Mr. Zhang: during an unofficial conversation with Mr. Wang at the 2013 APEC summit on Bali Island, he suggested that both the SCTAO and the MAC should "take more trips around to see what ordinary people are thinking about". When Mr. Wang took the advice and visited Nanjing, Mr. Zhang flew there to welcome him with all due hospitality, and the success of this meeting paved the way for Mr. Zhang's milestone visit to Taiwan. There will be regular visits between the SCTAO and the MAC, which will help the development and institutionalization of cross-strait relations.

Mr. Zhang's visit to Taiwan and his second meeting with Mr. Wang have also made significant achievements in four aspects. First, his visit has completed the first exchange of visits between the SCTAO and the MAC, two government agencies devoted to cross-strait affairs. It was a reciprocal visit to Mr. Wang's

February trip to the mainland, during which he invited Mr. Zhang to visit Taiwan. Mr. Zhang accepted the invitation and promised to visit the island in the first half of the year. Although the anti-CSSTA protest in March cast a shadow over cross-strait relations, Mr. Zhang still made a successful visit to Taiwan in June as promised. For the two agencies of cross-strait affairs, the visit has completed their first exchange of visits and improved their communication mechanism.

Second, this timely visit has enhanced mutual trust between Beijing and Taiwan. Before the visit, they both had some misgivings about each other. On the island, Mr. Ma's team complained about some of Beijing's decisions, such as its attitude towards the anti-CSSTA movement, its reaction to the framework of "greater one-China" advocated by Shih Ming-teh, its high-profile invitation to Sung Chu-yue to visit the mainland, and another invitation to Lai Ching-te to visit Shanghai. Meanwhile, the mainland could not understand some of Mr. Ma's decisions either, such as how his team had handled the CSSTA issue. Fortunately, Mr. Zhang's visit provided a timely occasion for effective communicate so that the two sides could strengthen mutual trust.

Third, the visit has improved the interaction across the strait. As the head of the SCTAO, Mr. Zhang's visit to Taiwan is a groundbreaking event of historical importance. It has marked a new breakthrough in cross-strait political interaction, and a new progress in the development of peaceful cross-strait relations.

Fourth, both sides have extended help to each other. During their second official meeting, Messrs. Zhang and Wang exchanged opinions on how to facilitate the development of cross-strait relations, and reached consensus on a series of issues. According to their consensus, the mainland and Taiwan have pledged to carry on their efforts in seven major fields: 1) developing peaceful cross-strait relations and promoting all-around cooperation to better satisfy the anticipations of ordinary people on both sides of the strait, and to bring lasting benefits to them; 2) improving the communication mechanism between the SCTAO and the MAC, and making the best use of the mechanism to tackle major issues in cross-strait relations and provide better services to people on both sides of the strait; 3) deepening cross-strait economic cooperation and facilitating the negotiation of follow-up arrangements for the ECFA, while seeking more common interests for people on both sides and ensuring the economic cooperation will benefit as many people as possible, especially ordinary people: "the two sides should start as soon as possible to jointly investigate practical approaches for promoting economic growth across the strait and cooperation in the regional economy"; 4) negotiating how to help the ARATS and the SEF open offices on the other side of the strait: "the two sides should make sensible arrangements for people to visit their family members on the other side of the strait, and solve other unsolved issues as soon as possible"; 5) investigating how to provide convenience to cross-strait travelers and mainland passengers who change flights in Taiwan, and helping other authorities to conduct cross-strait communication through appropriate channels at appropriate time; 6) fostering the market for cross-strait tourism, promoting the healthy and sustainable development of tourism industry, and helping other authorities to allow more mainland tourists to visit the island; and 7) deepening cross-strait communication and cooperation in journalism, culture, education, science and technology, and promoting the communication between grassroots people and young students on both sides of the strait so that they could improve their mutual understanding, strengthen their bonds as compatriots and further the development of peaceful cross-strait relations.

4. Political interaction – an important and effective approach for cross-strait ties

The first two official meetings between Messrs. Zhang and Wang are policyoriented dialogs. This is because their topics involve policies for developing crossstrait relations, and they were conducted by the chiefs of two government agencies devoted to cross-strait policies.

These meetings are also a form of political dialog. Messrs. Zhang and Wang held the meetings in their official capacity as the chiefs of cross-strait affairs, and they addressed each other by official titles. Therefore, the meetings certainly have some political implications, and in this sense, have opened a form of political dialog between the mainland and the island. During one of the meetings, Mr. Zhang noted that the mechanism for regular contact between the two agencies "will help both sides to improve their communication, mutual understanding and mutual trust, and to solve 'conspicuous problems' facing cross-strait exchanges, and to create favorable conditions for developing peaceful cross-strait relations". Taiwan's media believe the "conspicuous problems" refer to "political problems", so they think these words are equivalent to a public statement that "by building a regular communication mechanism between the SCTAO and the MAC, the two sides will start political negotiation". Some commentators even believe that "political negotiation is one of the primary tasks for this mechanism": "It is more than a mechanism for coordination - it is a platform for the mainland and the island to establish political contact and then conduct political dialog and negotiation", or "it has established an authoritative platform for cross-strait political dialog", or at least "it has ushered in a new epoch for cross-strait negotiation". No matter whether their analysis is correct or not, the success of these meetings has "laid foundation for cross-strait political negotiation", and will help create favorable conditions for real political dialog.

The February meeting marked the first official contact between government agencies across the strait. Taiwan regards this meeting as the "first formal

government communication between the two sides", which is different from the "unofficial conversation" on Bali Island. In a press release, the MAC acknowledges the successful meeting as "a milestone for the development of cross-strait relations" and believes it holds "positive meanings for the normalization of cross-strait government exchange": "It has ushered in a new era of direct communication between government agencies, rather than through proxy organizations, so it is a milestone for the institutionalization of cross-strait relations." Since Mr. Wang is the first MAC chief to visit the mainland in his official capacity and held the first formal meeting with the SCTAO director, this step is "the biggest political breakthrough [in cross-strait relations] since 1949". Its "importance lies in the fact that the two sides of the strait will use this mechanism to build an institutionalized channel for official dialog". Therefore, the "creation of an equal mechanism for direct official communication" is very important to the development of cross-strait relations in the future. Wang Ming-yi, a journalist in Taiwan, noted that Mr. Zhang addressed Mr. Wang by his official title three times during the meeting, so he believes this meeting has "opened a new chapter of direct, official political dialog for cross-strait relations". The term "Zhang-Wang Meeting" will probably become synonymous with "institutionalized cross-strait negotiation" or even "official cross-strait dialog".

The meetings between Messrs. Zhang and Wang have established a mechanism for regular communication between the SCTAO and the MAC. With their successful exchange of visits and new mechanism for dialog, the two agencies are bound to institutionalize their communication channel as well. This progress will make their contact more direct, which is very important to the institutionalized development of peaceful cross-strait relations.

5. Prospects of cross-strait relations

The development of peaceful cross-strait relations is an irreversible trend. First, it is what the mainstream public on both sides of the strait want. No sensible politician would reject this public opinion, and no one could obstruct this development. Second, the development has acquired lasting momentum. Thus, even the DPP's new leader Tsai Ing-wen and secessionists like Koo Kwang-ming have to declare their support for developing peaceful cross-strait relations. Third, the development is also in the interest of the global community and any nation that has a stake in East Asia. That is why the United States has voiced its welcome and support to peaceful cross-strait ties.

The development of peaceful cross-strait relations will enter a new stage of adjustment. It must be acknowledged that the "Sunflower" movement has a big

impact on cross-strait relations. Some of Taiwan's social movements have shifted their focus from local issues towards cross-strait affairs. This fact has reflected the rising influence of cross-strait ties on Taiwan's society and public mind, but also posed new challenges to the development of peaceful cross-strait relations.

The impact of the movement will be noticeable in four areas. First, it will affect Taiwan's economic growth and its economic cooperation with the mainland. Cross-strait economic cooperation and Taiwan's own economic development are mutually dependent: an economic downturn on the island will hurt cross-strait cooperation, whereas hindered cooperation will fail to provide the island with momentum for its economic resurrection. Just as Zhang Ya-zhong, a scholar on the island, notes, "A cross-strait free-trade agreement is a stepping stone for Taiwan's economic development, and more importantly, a necessary process for its economic globalization; the CSSTA is not a panacea – like the ECFA, it is just a necessary policy for the island to latch on to the orbit of globalization; Taiwan is not bound to win with it, but it is bound to lose without it." As for Taiwan's "economic doldrums and decline", Gao Xi-jun believes that they are caused by "its political strife and disorder".

Second, the movement will slow down the process of cross-strait economic integration and Taiwan's participation in economic globalization. Regardless whether the merchandise trade agreement will be shelved until the service trade agreement is approved by Taiwan, the obstacle to the approval process has made it harder for both sides to sign any agreement in the future. This will pose a challenge to the institutionalization of cross-strait economic cooperation, and hamper Taiwan's participation in economic globalization.

Third, it will delay the development of cross-strait political interaction. The movement has not only hindered Mr. Ma's efforts to promote cross-strait ties (such as the plans to revise cross-strait rules and help some organizations to open offices on the other side of the strait), but also dampened his motivation for facilitating cross-strait ties in the next two years (or at least sapped public support for this cause).

Fourth, the repercussions will also delay the start of cross-strait political dialog. Because economic cooperation has already faced huge obstacles, Mr. Ma's administration will be more secretive about their thoughts on political dialog. This secrecy will make it harder for both sides to make sensible arrangements for opening political dialog, including the arrangement for Taiwan's international engagement. Such difficulties will have some negative impact on the consolidation and deepening of peaceful cross-strait ties.

Changes in Taiwan's political landscape will bring new uncertainties to the development of cross-strait relations. In late 2014, Taiwan will hold its municipal elections for nine types of government posts, including mayors and municipal councilmen for six cities and 16 counties. As the largest municipal elections ever

held on the island, their results will not only manifest the changes in Taiwan's party politics and regional politics over the past four years, but also significantly affect the island's 2016 elections for its top leader and legislators, who will directly influence cross-strait relations. Currently, these elections have dominated the attention of the island and its two biggest parties (the KMT and the DPP) and diverted their energy from promoting cross-strait ties. When their results come out, the political landscape on the island will be reshaped, which will bring some uncertainties and impacts to cross-strait relations.