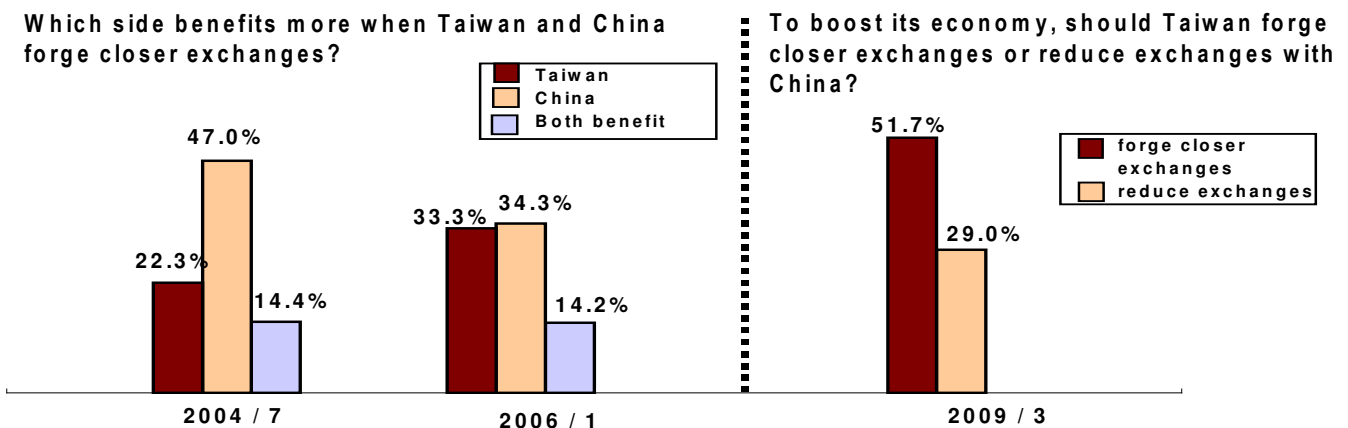


Survey on Cross-Strait Economic Cooperation Agreement and President Ma Ying-jeou's Approval Rating

A. Taiwanese are split on whether the government protected Taiwan's interests when signing economic agreements with China last year. On how to boost Taiwan's economy, 51.7% of Taiwanese say Taiwan needs closer economic relations with China, while 29.0% say the island should reduce trade exchanges with China.

Last year Taiwan signed agreements with China to establish air transportation, sea transportation, and postal service cooperation between the sides and exchange information on food safety issues. According to a GVSRC survey released on Nov. 10, 2008, over 40 percent of Taiwanese said the agreements did not hurt Taiwan's sovereignty, while over 20 percent said otherwise. This survey shows that 42.6 percent of Taiwanese think the government did make efforts to safeguard Taiwan's interests when signing the agreements with China, 40.5 percent think otherwise, and 16.9 percent would not say what they think. This shows that although the majority of Taiwanese approve of the agreements, they want the government to do more to protect Taiwan's interests.

This survey also asks people about how Taiwan can boost its economy. 51.7 percent of Taiwanese say Taiwan needs closer economic exchanges with China to do so. 29.0 percent say the island should reduce economic exchanges with China, with 66.6 percent of opposition Democratic Progressive Party (DPP) supporters saying so. 19.2 percent of Taiwanese would not say what they think. Based on this survey other past polls, most Taiwanese people originally thought cross-strait exchanges were more beneficial for China than for Taiwan, but they are



Note1: The 2004 and 2006 surveys asked people about which side they think benefit more if Taiwan and China forge closer exchanges. The surveys were conducted by the ERA Survey Research Center.

Note2: This survey asks people about whether Taiwan should forge closer economic ties or reduce trade exchanges with China to boost its economy.

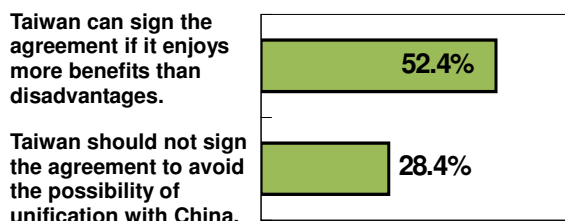
gradually coming to think the island is getting more out of the exchanges than China. President Ma was elected in last March, and over 50 percent of Taiwanese say cross-strait relations have improved significantly over the past year and they have adopted a practical view toward economic exchanges with China, according to this poll and past TPMI surveys conducted by GVSRC.

B. On whether Taiwan should sign an economic cooperation agreement with China, 68.2 percent of Taiwanese say they are concerned with the issue. 52.4 percent say Taiwan can sign the agreement as long as the island enjoys more benefits than disadvantages from the pact. 60.4 percent say even if Taiwan signs the agreement, it does not mean that the island is being unified with China.

This GVSRC survey shows that 68.2 percent of Taiwanese are concerned with whether Taiwan and China will sign an economic agreement, with 29.6 percent saying there are very concerned and 38.6 percent saying they are somewhat concerned. 22.3 percent say they do not care about the issue, and 9.4 percent would not say what they think. When asked about how they feel about the agreement, 52.4 percent of Taiwanese say as long as it benefits more than it disadvantages Taiwan, the government should sign the agreement with China. 28.4 percent say the government should no longer sign any agreement with China to prevent Taiwan from being unified with China, with 69.4 percent of DPP supporters saying so. 60.4 percent of Taiwanese say they do not think signing the agreement would mean unification with China, while 25.7 percent say the pact would mean unification, with 64.9 percent of DPP supporters saying so.

In general, about 70 percent of Taiwanese people are concerned with whether Taiwan and China will sign an economic agreement. Although most people are optimistic about potential benefits Taiwan will get from the agreement, a substantial number of people are also worried the agreement could hurt the island. Most people are adopting a practical view toward the agreement, and they have mostly dropped their ideological approach to the issue with the exception of DPP supporters. This survey also shows most people do not believe there is a connection between cross-strait economic exchanges and political unification.

How do you feel about a cross-strait economic cooperation agreement?

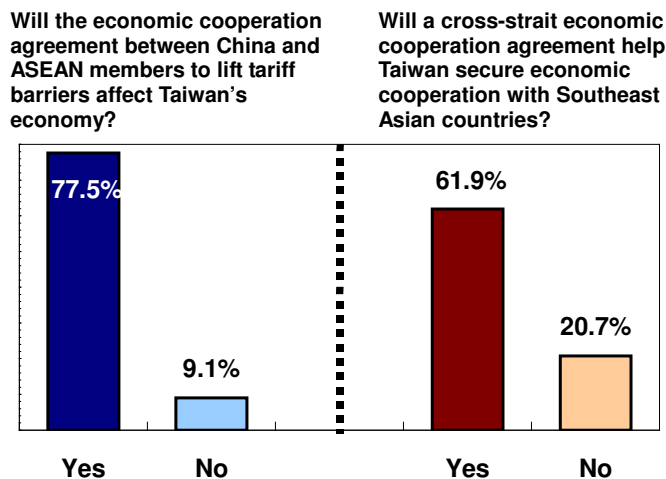


C. 77.5 percent of Taiwanese believe the economic cooperation agreement among the members of the Association of Southeast Asian Nations (ASEAN) to lift tariff barriers will affect Taiwan's the economy. 61.9 percent think signing an economic cooperation agreement with China will help Taiwan secure economic cooperation with Southeast Asian countries.

From 2010 on, China and about a dozen countries in Southeast Asia will lower or even completely lift tariff barriers for each other, but Taiwan will not be included in the move. 77.5

percent of Taiwanese say this will affect Taiwan's economy, with 48.1 percent saying it will have a great impact and 29.4 percent saying it will have some impact. 9.1 percent of Taiwanese think there will not be any impact, and 13.4 percent would not say what they think. This survey shows most Taiwanese think the agreement among ASEAN members and other countries in the region will have a significant impact on Taiwan's economy.

61.9 percent of Taiwanese believe that if Taiwan signs an economic cooperation agreement with China, it will help the island secure economic cooperation with Southeast Asian countries, while 20.7 percent say the agreement will not help. 17.3 percent would not say what they think. This shows most Taiwanese recognize China's rising political and economic clout, and they believe Taiwan will be able to participate in regional economic cooperation through an economic cooperation pact with China. They also think Taiwan should use China to increase its exports and to avoid being marginalized in the region.

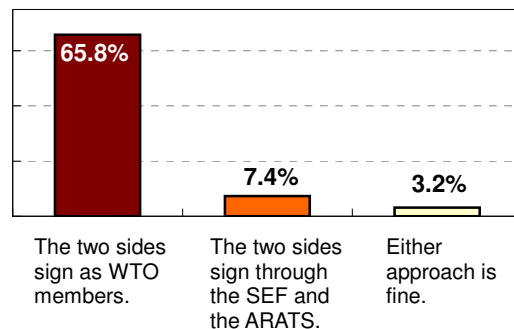


D. 57.9 percent of Taiwanese say they would support an economic cooperation agreement with China if it does not open up the island for Chinese labor and agricultural products. 65.8 percent say Taiwan and China should sign the agreement under the World Trade Organization (WTO) framework so that Taiwan can enjoy an equal footing with China and be dignified.

This GVSRC survey shows if the government can promise not to open Taiwan up for Chinese labor or agricultural products, 57.9 percent of Taiwanese say they would support the decision to sign an economic cooperation agreement with China, but there is still 28.2 percent saying they would still oppose to the move even under those conditions. Among DPP supporters, 38.8 percent say they support a China economic cooperation pact while 52.7 percent say they don't.

65.8 percent of Taiwanese say the sides should sign the agreement as WTO members so that Taiwan can enjoy an equal footing with China and be dignified. 7.4 percent of Taiwanese say Taiwan should sign the agreement through the island's semi-official Straits Exchange Foundation (SEF) and its Chinese counterpart the Association of Relations Across the Taiwan Strait (ARATS). 3.2 percent say either approach is acceptable. 23.7 percent would not say what they think. In general, as WTO is an international organization,

What approach is more dignified and fair for Taiwan when signing an economic cooperation agreement with China?



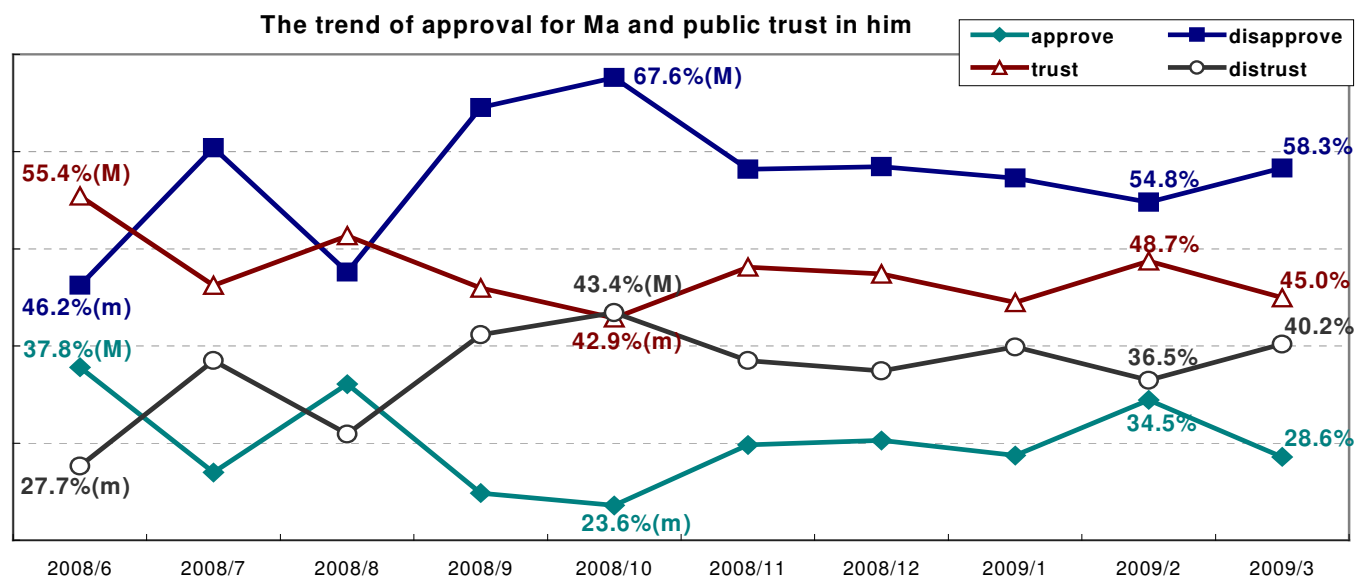
most government and opposition supporters both agree that signing an economic cooperation pact with China under the WTO framework will protect Taiwan's interests better and smooth over some people's doubts that the island's sovereignty may be hurt or even it could be unified with the China in the process. The government should examine whether this approach is feasible and whether there is a better option and communicate the issue with the public.

This survey also shows that even if Taiwan and China fail to sign an economic cooperation agreement this year, 59.7 percent of Taiwanese say it will not be an indication of regression in cross-strait relations, while 22.5 percent say otherwise. This shows most people do not think failure to seal the economic cooperation pact this year will have a negative impact on cross-strait relations.

E. Ma's approval rating ten months after his inauguration: 28.6 percent of Taiwanese say they approve of his performance, and 58.3 percent say they don't. 45.0 percent of Taiwanese say they trust him, while 40.2 percent say they don't.

This GVSRC survey shows 28.6 percent of Taiwanese say they approve of Ma's performance, and 58.3 percent say they don't ten months after his inauguration. Compared with last month, Ma's approval rating drops 5.9 percent this month, and his disapproval rating rises 3.5 percent. Meanwhile, 45.0 percent of Taiwanese say they trust Ma while 40.2 percent say they don't. Compared with last month, the level of public trust in Ma drops 3.7 percent and the level of public distrust in him rises 3.7 percent. This shows most people trust Ma, but they are also unhappy with his performance.

In general, Ma's approval rating and the level of public trust in him almost backpedal to where they were in January. This may result from Taiwanese can no longer feel the short-term positive impact brought by consumer vouchers distributed by the government, and the government in February published weak economic figures, including slumping GDP and export growth and rising unemployment rate. This drives down Ma's approval rating and the level of public trust in him to where they were between last November and January this year.

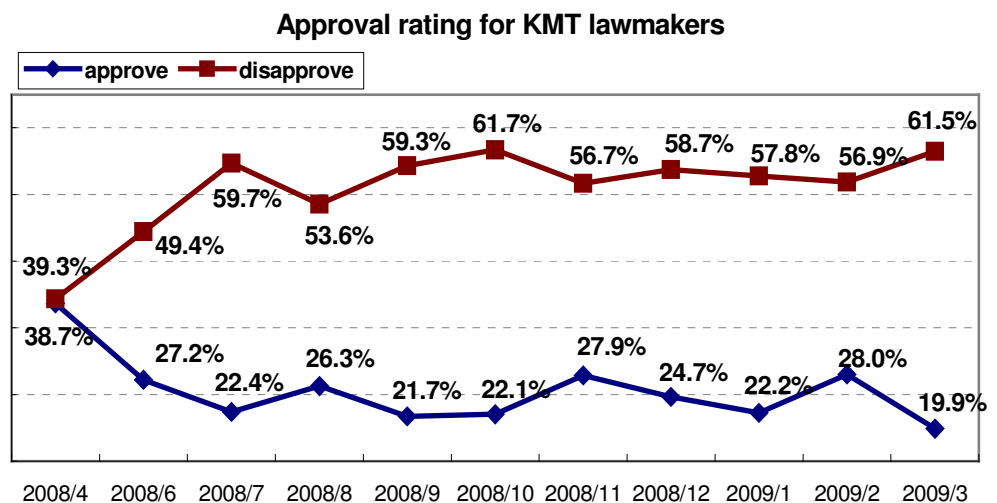


F. 19.9 percent of Taiwanese approve of ruling KMT lawmakers' performance, while 61.5 percent of Taiwanese people say they don't.

This GVSRC survey shows 61.5 percent of Taiwanese are unhappy with the KMT lawmakers' performance, with 33.1 percent saying they are very unhappy, and 28.4 percent saying they are somewhat unhappy. Only 19.9 percent say they are happy with the KMT lawmakers' performance. Compared with last month, the KMT lawmakers' approval rating drops 8.1 percent and their disapproval rating rises 4.6 percent. Taiwanese have apparently turned unhappy with the KMT lawmakers since the party began its rule last May with a clear majority in the legislature. There is a huge gap of 41.6 percentage points between people who are unhappy with the KMT lawmakers and those who are happy with them this month. This is the worst assessment (based on the gap between their approval and disapproval rating) the KMT lawmakers got since they took office over 12 months ago.

In general, after the KMT wrapped the row over a former lawmaker's dual nationality issue, it lost a legislative by-election in Miaoli County in mid March. This shows Taiwanese are losing their high expectations

of the party with its control of both the government and the legislature. After the KMT returned to power, it has stuck to its old pattern dealing with regional elections as it still faces restrictions posed by local factions.



Furthermore, Taiwan's economy continues its slump amid the global economic crisis and the KMT has not delivered any solid achievement, indirectly resulting in its failure to win the Miaoli legislative by-election. This is a warning for the party. The upcoming legislative by-election in Taipei's Ta-an district in late March is another important indicator for the KMT government. The outcome may affect the year-end mayoral and magisterial elections.

This survey was conducted by GVSRC from 6.20 p.m. to 10.00 p.m. on March 15-17, 2009. It was conducted with random-digit-dial sampling and computer-assisted telephone interviewing methods. 1005 people who are 20 or older completed the interview. One can say with 95% confidence that the theoretical margin of sampling error is $\pm 3.1\%$. Gender, living areas, ages, educational level and other features of the interviewees have undergone weighting procedure and test of the sample's representativeness in the survey results.