Report on the Visit of the Taipei Forum Foundation to Mainland China
May 1-9, 2018

I. Introduction

President Tsai Ing-wen has already completed two years in office. Although there has been a continued emphasis on “maintaining the status quo” across the Strait and that cross-strait relations would be dealt with in accordance with the principles of the “Constitutional Framework of the Republic of China” and the “Act Governing Relations between the People of the Taiwan Area and the Mainland Area,” Mainland China believes that the Tsai administration has actually adopted various “changes to the status quo,” and that in actual fact the approach taken has resulted in “gradual progress toward Taiwan independence.” Internally, there has been “de-Sinicization,” with restrictions on people-to-people exchanges, and externally a strengthening of ties with the United States and Japan, while resisting Beijing. As a result, the cross-strait channels for consultation were closed. The statements recently made by the Premier of Taiwan’s Executive Yuan that he is a “pragmatic Taiwan independence activist” has been seen by the Beijing authorities as gradually approaching the bottom line regarding Taiwan independence. Hence, the numbers of Mainland Chinese military aircraft and warships circling Taiwan have increased, and several military exercises have been conducted, resulting in increased tensions between the two sides. At the same time, Mainland China has also issued “Measures to Promote Cross-Strait Economic and Cultural Exchanges and Cooperation,” popularly known as “31 Measures,” which are designed to benefit Taiwan people by providing them with increased access to employment and education opportunities on the Mainland.

Following the convening of the 19th National Congress of the Communist Party of China last year and the two Sessions held March this year, there have been dramatic changes in China’s internal and international situation. The competition between China and the United States in the economic, military, and cultural domains has been heating up, but the relations between Mainland China and neighboring countries in East Asia have at the same time improved, imbuing Beijing with greater strategic self-confidence. How should Taiwan handle itself in an international
environment that is changing on many fronts while cross-strait relations are becoming increasingly frosty? How does the Chinese mainland view the complex cross-strait relationship? These are major issues that seriously concern Taiwan’s citizens, whose understanding unfortunately suffers due to the breakdown in dialogue and the restrictions on exchanges between the two sides.

Following the 2016 presidential election, the Taipei Forum organized a delegation in February to visit Beijing and Shanghai for the first time. In June last year, a delegation flew to New York and Washington to exchange opinions in depth with U.S. officials and think tanks. After each visit, trip reports in both Chinese and English were prepared and made public to increase awareness of related issues. ¹

From May 1 to May 9 of this year, in order to gain a deeper understanding of the current thinking in China on both international and cross-strait relations, the Taipei Forum once again organized a bipartisan delegation consisting primarily of its directors to visit Beijing and Shanghai to meet with major institutions and think tanks focusing on Taiwan affairs. Quite unexpectedly, within the short span of nine days on the Mainland, six major international events broke out: the Dominican Republic broke off diplomatic relations with the Republic of China; and the first round of the U.S.-China trade talks being held in Beijing; North Korea’s leader Kim Jong-un met with Xi Jinping in Dalian; Xi Jinping met with Prime Minister Modi of India in Wuhan; Xi talked with President Trump over the phone; and Prime Minister Li Keqiang visited Japan to take part in three-nation talks involving Japanese Prime Minister Abe and South Korean President Moon. The discussions between Mainland hosts and Taiwan visitors were thus quite intense, with literally no dull moment. It is hoped that this report can provide a detailed and in-depth understanding of the Chinese Communist Party’s thinking on a number of international and cross-strait issues. The names of the Taipei Forum delegation and of the entities and experts of the Mainland side are listed at the end of this report.

II. Delegation’s Statements and Questions

In the morning of the delegation’s departure, news that the Dominican Republic had broken off diplomatic relations with the Republic of China was received. During meetings with Mainland scholars, the delegation said that such incidents hurt the feelings of the Taiwan people and only caused them to further oppose cross-strait reunification. The Mainland should understand their mindset.

While Mainland China experts indicated that the Tsai Ing-wen administration has not completed the “answer sheet,” even gradually going so far as to get close to the “bottom line,” the delegation asked about the answer sheet and the “bottom line.”

Thirdly, as regards the “31 Measures,” some members of the delegation believe that this approach on the part of the Mainland will attract some elite of Taiwan to develop their careers on the Mainland. In the long run, it will cause them to “leave their homeland,” and this will result in a widening of the gap in Taiwan’s internal social development. In this way, those who do not come to the Mainland may become hostile to both the Mainland and those who are able to go there to develop themselves. This will not be conducive to the positive development of cross-strait relations. For this reason, we call upon the Mainland to be more cautious and meticulous when handling the 31 Measures.

Fourthly, members of the delegation were of the opinion that the disruption in official exchanges between the two sides of the Taiwan Strait have led to the Tsai administration’s lack of effective communication channels even if it wanted to show its good intentions, let alone discuss a statement acceptable to both parties that is consistent with the “1992 consensus.” This is of no help to the peaceful development of cross-strait relations. For this reason, the delegation called on the Mainland to open the way for “track two” exchanges, by authorizing scholars of Mainland think tanks to engage in dialogue with Taiwan’s official think tanks, and thereby resolve the current cross-strait stalemate.

Fifth, following the convening of the 19th Party Congress and the two subsequent Sessions, the delegation also raised the issues including the institutional changes taking place in Mainland China, strategic objectives, Sino-U.S. relations, the problems on the Korean peninsula, and cross-strait policies be discussed.
III. Summaries of Exchanges

1. Cross-Strait Relations

From Beijing to Shanghai, the Mainland’s current policy toward Taiwan can generally be summed up as follows. First, “Peaceful Reunification, and One country, Two systems.” This is the “fundamental guiding policy” as called in the report by the 19th CPC National Congress regarding Taiwan. Second, “Soften soft policies, harden hard policies.” Third, the purpose to maintain pressure on Taiwan is to prevent the Tsai administration from “touching the bottom line.” Fourth, all of the pressure is directed at Taiwan independence, and not at the people of Taiwan. Fifth, the Tsai administration has been ascertained as “incremental pro-independence.” However, the Mainland’s door has not been completely closed and the Taiwan authorities “can answer questions at any time.”

On the whole, the Mainland believes that the current cross-strait situation is, like “the darkness before the dawn,” particularly forbidding with the struggle especially fierce. For such a grim situation, the Tsai administration must take full responsibility. Therefore, the report of the 19th Party Congress deleted a whole paragraph previously written into the report of the 18th Party Congress, calling for cross-strait negotiations. Tsai’s “incremental pro-independence” is evidenced by her moving away from China and Chineseness, moving closer to the United States, “cultural Taiwan independence,” and, not the least, Premier Lai Ching-te’s remarks about himself being a “pragmatic Taiwan independence activist.” The Mainland believes that these words and actions are signs of Taiwan independence which undermine the status quo as established at the “Ma-Xi Meeting” in November 2015. In particular, as competition between China and the United States is on the rise and their trade frictions are becoming increasingly fierce, the Tsai administration would choose to help the United States play the “Taiwan card,” even at the expense of Taiwan’s economic interests. This leaves the Beijing authorities both dissatisfied and perplexed. Hence, mutual strategic trust between the two sides is now completely absent, and the hostility between the two sides rapidly spiraled upwards.
Mainland experts also reminded the delegation that although the United States has adjusted its policy toward Beijing, it will never give up its one-China policy. This is because the United States’ one China policy is beneficial to the United States and serves its national interests. If the Taiwan authorities want to take advantage of the current readjustment in Sino-U.S. relations, to use the U.S. to inflict damage on the Mainland, or promote Taiwan independence, cross-strait relations will deteriorate further.

In spite of this being the case, Mainland experts believe that the Beijing authorities are still exercising considerable restraint. Prior to the 19th Party Congress, popular calls for “unification by force” soared, but the Mainland remains firm on “peaceful reunification.” Although pressure was exerted on Taiwan by means of military exercises, naval ships and jet fighters encircling Taiwan, and establishing diplomatic relations with Taiwan’s allies, Beijing did not completely close the door to the Tsai administration and did not state that it refuses to take Tsai’s answer sheet, emphasizing instead that “answers can be given at any time.” Regarding the delegation’s argument that such pressure was likely to hurt Taiwan people’s feelings, Mainland experts stressed that they were all brought about by the Tsai’s administration inclination towards independence, and that the Taiwan people would eventually understand this. Some people even believed that pressure from the Mainland was a “good thing” because it allowed Taiwan people to compare cross-strait relations during the Ma and Tsai eras. In addition to the Dominican Republic, all of the other 19 countries that still maintain diplomatic relations with Taiwan are currently in contact with Beijing. One Mainland scholar suggested that since Tsai Ing-wen had already spoken about the Constitution of the Republic of China and the Act Governing the Relations between the People on the Two Sides of the Taiwan Strait, why did she not further elaborate on its legal basis, or stated that such cross-strait relations are not relations between two countries?

According to Mainland experts, looking from the heights of the entire Chinese people, now all Beijing can see is unfortunately de-Sinicization and moves toward Taiwan independence. They stress that reunification is the only option, and that Taiwan independence leads only to a dead end and will not be tolerated. Nevertheless, while the Taiwan issue is important to the Chinese mainland, it is not an urgent issue. Therefore, the key is to avoid forcing the Mainland to believe that dealing with the Taiwan issue is a matter of urgency. Beijing is at present extremely reluctant to see
the Tsai administration go to extremes and to continue to push down toward the Mainland’s bottom line. For this reason, some of the measures currently being adopted to put pressure on Taiwan are mainly directed at Taiwan’s independence or any form of Taiwan independence, and are not directed at the people of Taiwan. They are meant to prevent the Tsai administration from touching the bottom line. They are preventive in nature. As for the Taiwan delegation’s question about the Mainland’s recent criticism of Lai Ching-te’s “pragmatic Taiwan independence activists,” the Mainland’s response was said that it was not directed at individuals, but rather at “Taiwan independence”.

What is the Mainland’s thinking in regard to the bottom line? Beijing experts interpret the bottom line as the accumulation of many different layers. For example, although the United States passed its “Taiwan Travel Act,” the Mainland did not immediately react strongly and continued to exercise restraint while observing developments. However, if the U.S. sends high-level officials to visit Taiwan, if U.S. and Taiwan warships exchange visits, or if the U.S. stations uniformed marines at the American Institute in Taiwan located in Taipei, they would touch the Mainland’s bottom line, and the Mainland is bound to react strongly. Therefore, the Mainland continues to listen to what the Tsai administration says and to observe what it does. It also continues to pay very close attention to and to evaluate Taiwan’s “incremental pro-independence” moves.

The “1992 consensus, and one-China principle” forms the political basis for cross-strait negotiations and is a fundamental principle that the Mainland will never change. Scholars emphasize that if the Mainland stops adhering to this basis, first, it will not be able to face the compatriots on both sides of the Strait who do so for such a long time. Secondly the Mainland will lose credibility in the international community. As a permanent member of the United Nations Security Council, if China’s credibility suffers in the international community that universally accepts the “One China principle,” “the resulting impact will be disastrous.” What is more, there are prerequisites for any negotiations. For instance, it was only when North Korea’s Kim Jong-un first publicly promised “denuclearization” during his visit to Beijing that the “Moon-Kim summit” could come about. That was a prerequisite. Again, Tsai’s emphasis on “no prerequisite” is itself a prerequisite. Mainland experts said that although the DPP administration oftentimes claims to have “good intentions,” it only exhibits its “evil actions,” thereby making it very difficult for the Mainland to believe
in its so-called good intent. In addition, Taiwan should also understand that the public pressure the Beijing authorities face from the Mainland’s population of nearly 1.4 billion is also enormous. Therefore, unless this politically-based issue is resolved, the Mainland will not restart any dialogue with Taiwan officials or official think tanks.

Mainland experts emphasized that the 31 Measures designed to benefit Taiwan compatriots did not grow out of the Communist Party, but were instead gathered from the thoughts and suggestions of the Taiwan people made on different occasions during the period of the Ma administration. They were announced as a result of the joint research and discussions that took place among the Mainland’s twenty-nine ministries and agencies. At present many provinces and cities are still gradually introducing rules and procedures to enforce such measures that are suited to local conditions. The experts said that the announcement of the 31 measures reflects the confidence of the Mainland that they can still be adopted in spite of the deterioration in cross-strait relations. In the past, the Mainland emphasized “mutual integration.” Now it considers that “one-way fusion” is also possible.

As for the concerns expressed by the Taiwan delegation over whether the 31 Measures would result in the Taiwanese “leaving their homeland,” thereby giving rise to a variety of gaps and contradictions, which would not be conducive to the peaceful development of cross-strait relations, the Mainland scholars opined that the Mainland’s achievements as the result of its reforms and opening over the past 40 years had greatly helped their Taiwan compatriots. At the present time, the Mainland is exhibiting kindness in the hope that its compatriots in Taiwan can share in its achievements. The Mainland believes that the Taiwan authorities have not clearly seen the developments taking place in Mainland China. If Taiwan continues to alienate the Chinese mainland, it will not only be excluded from the Mainland’s rapid development, but it is also likely that it will be marginalized by the new globalization process. What has unfortunately been seen so far is that the Taiwan authorities have used various measures to intimidate and restrict the Taiwan people and prevent them from going to the Mainland to develop themselves. They are only leading their people along a blind alley. As long as the path to return to Taiwan is open, few will choose to stay on the Mainland forever and not go back to Taiwan. There will not be the problem of Taiwan people “leaving their homeland” when they go to the Mainland. Therefore, the key to resolving the problem lies in the hands of the Tsai administration. However, if Tsai administration continues to “push” its people outside
of Taiwan, the Mainland will not rule out the possibility of changing its policy and changing the way in which it recognizes the identity of the Taiwan people.

As a whole, the Mainland has clearly distinguished between the Tsai administration and the Taiwan people in its policy toward Taiwan. It will act more and more softly toward the people of Taiwan, and will continue to maintain its emphasis on “one family on the two sides of the Taiwan Strait.” More importantly, instead of relying on the help of any intermediary groups, the central and local governments on the Mainland will directly reach out to the Taiwan people. If the Tsai administration continues to move toward Taiwan independence, the Mainland will increase its pressure. In summing up the laws of history, Mainland scholar said, resolution of the cross-strait problem is determined by the balance of comprehensive power of each side of the Taiwan Strait. When the challenge reaches its peak, the Mainland has a firm will, full confidence, and sufficient ability to frustrate any form of Taiwan independence. The Mainland has drawn up appropriate counter-measures for each step that Taiwan takes in moving toward independence.

2. Mainland China's Own Development

After the 19th Party Congress, Mainland China concentrated its efforts on accomplishing its “two centennial goals”. During the two Sessions this year, the Mainland put forward three major missions for the next five years.

First, how to prevent international financial risks from impacting the Mainland China’s economy.

Second, how to accomplish the task of poverty eradication by 2020 and finish building a moderately prosperous society.

Third, how to take care of ecological and environmental governance.

The three tasks mentioned above are interconnected. In general, priority continues to be given to economic construction. However, in the process of economic development and the improvement of the people’s economic capabilities, it is also necessary to take into account the governance of the ecological environment. In the report of the 19th Party Congress, the current development goals of the Mainland have been summarized in the following statement: “the contradiction between unbalanced and inadequate development and the people’s ever-growing needs for a better life.”
As specifically discussed, Mainland China has established the development concepts of innovation, coordination, opening up, going green and sharing in order to focus on key issues, remedy its shortfall, and strengthen its weak points by implementing concrete policy objectives. Mainland scholars are of the opinion that China has not only moved from an agricultural country to an industrialized nation, but has also shifted from just being a big country to becoming a strong country, from being a country on the world’s periphery to being at the center of the world stage. Mainland China’s influence in the world is increasing, but it is still necessary, first and foremost, for it to do a good job of managing its own affairs, which is itself “its greatest contribution to the world.”

At the present time, there are still more than 30 million people on the Mainland living in poverty. With less than two years to go before the year 2020, the Mainland scholars frankly stated that Mainland China is under great pressure to eradicate poverty among these people. While poverty eradication is necessary to develop the economy, the ecological environment cannot be sacrificed because of economic development. Therefore, the Mainland is currently attaching great importance to both development and governance, which currently lie at the core of domestic issues in Mainland China.

The Mainland hopes to maintain a moderate rate (6%) of growth in the future. After achieving its new goal of establishing a moderately prosperous society by 2020, the Mainland plans to accomplish its goal of “basically achieving modernization” by 2035 and building a “great modern socialist country” by 2050. There are four strategic layouts for the next 30 years. The first is to advance the five civilizations of politics, the economy, culture, society, and ecology. The second is to realize the modernization of China’s national system of governance and ability to govern. The third is to strengthen the country’s comprehensive power so that Mainland China’s international influence can be further increased. The fourth is to achieve a common prosperity with the rest of the world.

The experts emphasized that development in fact involves an optimal structural adjustment. For this reason, the Mainland is constantly adjusting the structure of its economy, which has now undergone major transformation. In the past, the economy relied on exports for its growth, but it is now relying on consumption to stimulate economic growth. At the same time, state institutions have also made adjustments to
optimize their structures. The purpose is twofold: one is to safeguard the rights of the people in society, and the other is to prevent officials from abusing their power.

A scholar from Beijing exhibited a high degree of confidence in the future development of the Mainland. He said that for a very long period of time, China will remain the largest developing country in the world. However, China will continue to change herself and upgrade herself, hoping to move up one level every five years. Nevertheless, China will not only pursue her own prosperity, but will also try to bring about global prosperity. It is for this reason that the “One Belt, One Road” initiative has been launched.

3. Sino-U.S. Relations

From Beijing to Shanghai, all of the Mainland experts with which the delegation came into contact unanimously agreed that the United States now harbors a collective anxiety regarding the Mainland. This anxiety has gradually taken the form of dissatisfaction and anger. As a result, many of the moderate opinion leaders are reluctant to dissuade their government from taking punitive action against Mainland China. However, as for the sources of anxiety, there were many different views expressed.

An authoritative Mainland expert who had long studied the Sino-U.S. relationship believed that collective anxiety in the United States arose from the rise of China. His analysis of the situation led him to present the following four reasons:

---First, the dismissal of American power. It was felt that China now no longer respects the U.S.’s leading position in the world.

---Second, the discrediting of American democracy. It was believed that the Mainland had denigrated the democratic system of the United States, and elevated the Chinese system to a very high level.

---Third, the dismantling of the American order. It was believed that China had attempted to dismantle the postwar international system constructed by the United States through its Belt and Road initiative and the Asian Infrastructure Investment Bank (AIIB).

---Fourth, the disinformation of American Culture. It was believed that the Mainland had vilified American culture and deliberately highlighted its negative image.
In addition, the revision of Mainland China’s Constitution, canceling the tenure system for the country’s President, had also given rise to a collective dismay in the United States. The scholar quoted an American scholar as saying: “Before the Constitutional amendment, we almost forgot that China is still a communist country. It was this that reminded us.” So, when seeing Trump charge forward against China, US experts were also hopeful that he would be successful.

Some scholars believe that Sino-U.S. relations are at a stage where they face structural readjustment. There are two main factors that explain this. First of all, since the Sino-American balance of power has been (or is currently being) broken, conflict seems normal. Second, the competition and cooperation between the two countries in terms of trade and security are intensified at the same time. In order to safeguard its status as the leading nation, the United States has set up many roadblocks to prevent China from catching up.

A scholar also offered his observation from a historical context. He pointed out that when the total economic output of either the Soviet Union or Japan had reached two-thirds of that of the U.S., the U.S. immediately and instinctively resorted to economic sanctions, forcing the Soviet Union to finally collapse, and Japan to turn into a bubble economy. In 2017, China’s total economic output just happened to reach two-thirds of that of the U.S. Therefore, the United States is instinctively starting to take action against China for fear that its dominant position will be eroded.

Regardless of from what angle one analyzes the factors that have given rise to the current tension between the U.S. and China, experts believe that the United States’ policy toward China is still primarily one of “prevention”, and that it has still not reached the level of “all-out confrontation.” In the process of reconstructing this strategic balance, there will inevitably be frictions or even conflicts, but both sides will adopt certain control mechanisms so that they will not be embroiled in a Cold War situation. Moreover, the U.S.’s current judgment regarding the rise of China is based on a “misreading”. Once it is understood that China will not challenge the U.S.’s leading position, and that the United States needs China’s assistance in managing international affairs, the relationship between the two countries will quickly be improved.

An authoritative expert in Beijing pointed out that the current U.S.-China relationship is completely different from U.S.-Soviet relationship of the Cold War. The U.S.-China relationship is now so comprehensive in terms of its reach,
encompassing strategy, politics, diplomacy, economy, and the comings and goings of large numbers of people, the actual level of cooperation far exceeds that of competition. For example, in terms of United Nations resolutions, more than 90% of the opinions of the United States and China are congruent. Even if they differ with regard to 10% of them, neither side will go to extremes and, in the end, they always found a compromise. Therefore, the leaders of Mainland China are very clear that the Sino-U.S. relationship will not sink to a Cold War level, and they will not fall into the so-called Thucydides’ Trap, at which point there will be an intense conflict. Both sides understand that the relationship between the two great nuclear powers must be stable, and that it is necessary to build a new type of great power relationship.

As for the U.S. Taiwan policy, the delegation found during the course of this visit that the Mainland was far more concerned about the extent of the Taiwan-U.S. relations than about the changes taking place within Taiwan. In particular, the “Taiwan Travel Act”, and the possibilities of visits by U.S. warships to Taiwan, visits by U.S. Cabinet officials to Taiwan, and the stationing of uniformed U.S. Marines at the new premises of the American Institute in Taiwan have raised the alert level. Many people asked that if a U.S. warship actually docks in Taiwan or U.S. Marines arrive in Taiwan, would not the U.S.’s commitment to “withdraw troops” from Taiwan when the U.S. and the People’s Republic of China established diplomatic relations in 1979 merely become empty talk? A Shanghai scholar did not mince his words and said that if the cross-strait issue is to be completely resolved, the factor of the United States must be first excluded. On the other hand, an authoritative Mainland expert also wanted to remind the Tsai administration not to think that by getting closer to the United States everything would be fine. He stressed that the United States will never bind itself to Taiwan and will never sacrifice its own larger interests for those of Taiwan.

Another authoritative expert also pointed out that the Mainland has been very wary of the United States and Taiwan engaging in “combination boxing.” The Mainland believes that the United States is playing the Taiwan card, its objective still being to serve U.S. interests. It also derives partly from a feeling of frustration with China. Nevertheless, there are also some rational people in the United States who are reminding Trump not to play the Taiwan card or using the one-China policy as a bargaining chip against Mainland China, because that would be detrimental to the interests of the United States. In any case, Mainland scholars believe that if the United
States plays the Taiwan card, it would be Taiwan that would be most adversely impacted.

In addition, another scholar, in observing the development of Taiwan-US relations by comparing U.S.-Chinese military forces, pointed out that the overall military power of China, of course, cannot be compared with that of the United States. However, the strength of the United States is that it is a global power, while China’s advantages rest solely in East Asia. If China and the United States go to war because of Taiwan, Mainland China will be sure to exert all of its efforts to tackle the United States. Therefore, once Beijing is compelled to use force in response to the Tsai administration touching the bottom line of Taiwan independence, the U.S. will need to consider very carefully whether it is going to use its military might to intervene in the Taiwan Strait.

4. The Situation around the Chinese Mainland

In the few years immediately preceding the convening of the 19th Party Congress, the situation in the regions bordering the Mainland was at times quite tense as exhibited by the “Four-Sea Linkage” (i.e., the Korean peninsula in the Yellow Sea, the Diaoyutai dispute in the East China Sea, the gradual move toward independence in the Taiwan Strait, and the dispute in the South China Sea), as well as the confrontation between China and India in the Doklam territory in 2017. Within a very short period of time, the Mainland thus faced challenges on every side simultaneously. Furthermore, the Mainland must also carry out comprehensive reforms in all aspects of internal politics, the economy, military affairs, and political style. Hence the Beijing authorities faced enormous pressure on both the internal and external fronts. However, since the 19th Party Congress, the situation on the peripheries of the Mainland has greatly improved.

First of all, on North Korean issue, a scholar who had conducted a field survey in North Korea pointed out that Kim Jong-un’s late father Kim Jong-il had picked Kim Jong-un to take over as early as 2010. North Korea had long desired to pursue reform and opening up. However, due to various factors, the goal could not be achieved. Kim Jong-un has now declared that he is willing to abandon the nuclear program, signaling that North Korea has stabilized in all respects and is therefore brave enough to move toward the international community. However, it was pointed out that North Korea
must have its security safeguarded during the reform process. To guarantee this, the North Korean leader can only rely on himself. Therefore, the scholar did not think that North Korea will fully denuclearize, but will merely temporarily suspend its nuclear tests and close a few nuclear facilities. Another expert on North Korea pointed out that China’s overall stance on the affairs of the Korean Peninsula has never changed. Based on its own interests, China does not want North Korea to have nuclear weapons. In any case, the tensions over the North Korean nuclear issue have now eased somewhat.

As for relations between China and Japan, the territorial disputes over the Diaoyutai islands are no longer salient. When the United States called for an Indo-Pacific strategy, Japan chose not to play an active role. In particular, Japan did not take sides in the recent Sino-U.S. trade dispute. All the indications are that Japan is pleased to improve relations with China, and following the visit of the Chinese Prime Minister, Li Keqiang, to Japan, Sino-Japanese relations will continue to improve.

"The competition in the South China Sea is also slowing down." An authoritative expert pointed out that Russia’s basic foreign strategy is “offense as defense,” while that of Mainland China is “defense as offense.” In recent years, Mainland China has made efforts to improve its relations with countries with claims over islands in the South China Sea. A maritime boundary in the Gulf of Tonkin was demarcated with Vietnam. Relations with the Philippines have also greatly improved. In addition, Mainland China is also striving to promote negotiations on a “Code of Conduct in the South China Sea” and hopes to implement it as soon as possible. For these reasons, Mainland China’s current strategy in the South China Sea is to simultaneously “maintain stability” and “protect rights.” The Mainland will not retreat from the South China Sea, but it will also not provoke disputes. “We are taking good care to defend ourselves, which is our greatest line of attack.”

Improving Sino-Indian relations has also been a focus of China’s diplomacy since the 19th Party Congress. An expert pointed out that, following the Trump administration’s call for an Indo-Pacific strategy, with the intention of uniting India with the first and the second island chains in order to contain China, Mainland China became more active in improving its relations with India. Not long ago, the “no agenda” talks between the top leaders of China and India were held in Wuhan. An expert believed that China and India were two very large civilizations in the world. If
they can develop together, not only will they help improve relations in the region, but they may even change the entire world dynamic.

For these reasons, many scholars reminded us that three out of the so-called “Four-Seas” have stabilized. The confrontation between Mainland China and India has also eased. The only relatively unstable area is the Taiwan Strait. Taiwan must recognize the international environment that surrounds it and must not allow itself to become an ammunition depot in the Asia-Pacific region or even the world as a whole. Meanwhile, the Mainland will patiently wait for the Tsai administration to complete the questionnaire prepared by the people on the two sides of the Strait and the course of history.

IV. Conclusion

While Mainland officials and think tanks involved with Taiwan affairs are concerned with the current cross-strait stalemate, they also have a high degree of self-confidence to deal with it. The concern is that the Tsai administration does not accept the 1992 Consensus and is gradually cutting close to the bottom line on Taiwan independence. Their self-confidence stems from the fact that Mainland China is growing stronger and stronger. If the Tsai administration really touches the bottom line, the Mainland is not only confident that it can meticulously deal with the situation, but also has the ability to preclude the intervention of foreign forces if necessary.

The “1992 Consensus” serves as the political foundation for cross-strait exchanges and interaction. The Mainland insists that this has remained a consistent policy since the Ma Ying-jeou administration. It has not raised nor lowered the threshold. However, at the moment, it seems that the Tsai administration is neither willing to cross this threshold nor to reconstruct a new consensus based on the “one China principle” that both sides can accept. At the same time, the Mainland believes that the status quo between the two sides of the Strait has changed, so that the pressure on the Taiwan administration will step up, while at the same time more measures will be taken to open up the Mainland to the Taiwan people. Such “soften soft measures and harden hard measures” signifies an approach that appeals directly to the Taiwan people. The Mainland believes that it has the ability to control the
situation and thereby can take this initiative. Although the Beijing authorities have not
closed the door on the Tsai administration, they basically do not hold any hope.

Mainland China’s development process has now entered the path of development
and governance. The Mainland has harnessed globalization to advance its own
development, and at the same time has influenced the global governance system
through its own development. Although the Mainland emphasizes that it is still a
developing country, this strategic layout is already that of a large developed country.
During the interviews, a senior Mainland scholar also pointed out that the current
Mainland China’s political system is nothing short of the “new authoritarianism”
proposed nearly 30 years ago by Wang Huning, a member of the current Politburo
Standing Committee. Whether the development of this political system will
eventually subvert the democratic system constructed by the West is worth observing.

Structurally adjusting Sino-U.S. relations will be a long and arduous process, but
Mainland China is optimistic about the outlook. The Mainland insists on not treading
the old paths of British and French colonialism or American hegemony, and
advocates using the ancient thoughts of China’s Wang Dao (humane authority) to
forge its path. Mainland China believes that Wang Dao’s thoughts are highly tolerant
and all-inclusive, replacing confrontation and competition with development and
cooperation. After achieving a new strategic balance, the United States and China will
work together to create a new global governance structure. Taiwan should pay
attention to this development trend and should not push itself to the periphery of the
new globalization process.
## MEMBERS OF THE DELEGATION

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<th>Name</th>
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<td>Frederick F. Chien</td>
<td>Head</td>
<td>Chairman, Cathay Charity Foundation</td>
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<td>Chien-jen Chen</td>
<td>Member</td>
<td>Founder/Standing Director, Taipei Forum</td>
</tr>
<tr>
<td>Chi-chang Hung</td>
<td>Member</td>
<td>President, Taiwan Economy &amp; Industry Association</td>
</tr>
<tr>
<td>Wu-yueh Chang</td>
<td>Member (Beijing only)</td>
<td>Professor, Graduate Institute of China Studies, Tamkang University</td>
</tr>
<tr>
<td>Chih-hao Hua</td>
<td>Member/Administrative Director</td>
<td>Administrative Director, Taipei Forum</td>
</tr>
</tbody>
</table>
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