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TAIWAN'S PRESIDENTIAL AND LEGISLATIVE ELECTIONS:
IMPLICATIONS FOR TAIWAN, THE UNITED STATES, AND CROSS-STRAIT RELATIONS

Keynote Address by Richard C. Bush:
The Taiwan Election and What It Means

Center for Strategic and International Studies
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P R O C E E D I N G S

BONNIE GLASER: Good afternoon. I am Bonnie Glaser. I'm a Senior Fellow in the Freeman Chair for China Studies at CSIS. And I apologize for being late this morning. I think that we can say that Taiwan's elections are a bit more predictable than the Metro system these days. (Laughter.)

We are very pleased to have with us a luncheon speaker today Dr. Richard Bush who, I'm sure, many of you know.

Dr. Bush is a senior fellow and director at the Brookings Institution's Center for Northeast Asian Policy Studies. Prior to that, he was head of AIT. He was the National Intelligence Officer for East Asia and, before that, worked in the House Foreign Affairs Committee's Subcommittee on Asia-Pacific Affairs.

He has a wealth of knowledge and experience about Taiwan. So we're very, very pleased that he agreed to speak to us today.

And we will have some Q&A after his speech, and then probably take a very short -- maybe five or 10 minute -- break before we move on to our last panel. Richard?

RICHARD BUSH: Thank you very much. It's a great honor to speak to you today, to offer a few personal remarks on Saturday's election and what it means for Taiwan's democracy, cross-Strait relations, and U.S.-Taiwan relations.

In doing so, I will only supplement what we've heard from the really outstanding presentations that we've heard so far, and the outstanding presentations that I'm sure we're going to hear after I speak.

Before I start I'd like to acknowledge the presence of two people who came in after our initial start, or after I spoke before. One is Jacob Chang, deputy director at TECRO, and the other is my good friend Ray Burghardt, who is the chairman of the American Institute in Taiwan. We're really glad to have you.

I guess I would start out by conveying congratulations to President Ma for winning reelection, for Dr. Tsai Ing-wen, who did almost the impossible by rebuilding the DPP and making this a competitive election. I think the real winners are the people of Taiwan. Bonnie mentioned my Congressional experience. My boss for most of that time was Steve Solarz, who passed away a little over a year ago. I think Steve would have been really pleased to see last Saturday's election.

Speaking about the election and Taiwan's democracy, I think it was impressive in several respects. First of all was the turnout: 74 percent. It's true that that's sort of less than previous elections, and we've heard why that is something to be expected. But it's still impressive, and it demonstrates that Taiwan citizens take their civic responsibilities very seriously: more so, it seems, than Americans.

Second, this election cycle was peaceful. There was one small incident—really, more a plan than an incident—that a person had. And the authorities were able to spot it before the event and stop it. And that's good. And, as far as we know, there were no other attempts to influence the outcome in a truly inappropriate way. That's a welcome contrast to some past elections which were marred by regrettable episodes of violence.

The third impressive aspect of this election was that it was competitive. If one looked at the DPP in the spring of 2008, after its defeats in the legislative and presidential elections that year, you might not have predicted that it would be able to give the Kuomintang a run for its money this year. And the fact that this was a pretty close election is a great testament to Dr. Tsai Ing-wen's leadership in rebuilding the party organizationally, financially, and in terms of personnel.

Indeed, over the past decade, both of Taiwan's political parties have demonstrated a remarkable resilience, after having faced setbacks. I think that that resilience is really good for the public, because a democratic system without competitive parties doesn't work very well. In this election, the Taiwan people deserved a choice, and Dr. Tsai made sure that they got that choice.

Fourth is the quality of the two major presidential candidates, President Ma Ying-jeou and Dr. Tsai Ing-wen. Both are friends of mine, so I think I'm going to rely on the assessment of TIME magazine—on which I really can't improve—and I quote: "Neither Ma nor Tsai can resolve the island's existential problem. Still, they do Taiwan proud. Both are informed, confident, articulate, well-educated, well-traveled, passionate about making a difference, and genuinely concerned about the future of their land -- traits that any electorate -- " -- I underline "any" -- " -- would want in its leaders. Too bad one of them has to lose. But whatever happens, as the freest place in the Chinese world, Taiwan wins."

A fifth feature of the presidential campaign was that the debate on the issues was pretty good. I don't want to exaggerate this point too much -- I have a friend in Taiwan who remarked to me a few weeks ago, "U.S. elections have agenda-setting. Taiwan elections have scandal-setting." (Laughter.)

Now, it's certainly true that alleged scandals are a common feature of Taiwan politics, but, really, the American process isn't always a high-minded and substantive discussion of important policy issues. I guess I'm a little bit jaded, having to sit through what passes for political discourse in this country.

In Taiwan, in this election, President Ma ran on his record. He presented the voters in 2008 with an agenda of what he was going to do, and he tried to do it, and he didn't succeed in every case, partly because of circumstances beyond his control. But he didn't shy away from submitting his performance to the judgment of the island's voters. And that's an admirable example in an incumbent official running for reelection.

Dr. Tsai emphasized the negative consequences of President Ma's policies, and I think she successfully tapped the anxieties of those on Taiwan who haven't gained so much from President Ma's first term, and who are uncertain about the future. And that's a perfectly legitimate way to conduct an electoral campaign. Of course, President Ma and Dr. Tsai emphasized issues that each thought were advantageous for it, and ignored those that were not—but that's politics.

So the two candidates addressed serious issues and, objectively, it seems that Taiwan voters had available good information about the points of key policy difference, and where various candidates and parties stood on those points of difference. We will learn a lot more from exit polls about why, exactly, voters marked their ballots the way they did, but I'm inclined to believe that they knew what they were doing when they cast their ballots.

Now, Taiwan's practice of democracy is not perfect. And Dr. Chu Yun-han has documented that a few years ago, at least some Taiwan people were beginning to lose confidence that their democracy was a good system. I do hope they're regaining that confidence.

At the same time, I know that the Taiwan people would benefit from, and deserve, significant reform of some features of their system. Obviously, the U.S. needs to reform features of its system. Any electoral system can distort the public will, including Taiwan's. Still, I think that this election indicates that the Taiwan system can do a pretty good job of, first, presenting the public with a clear policy choice, and then accurately registering the dominant preference.

So I hope that the Taiwan public is regaining confidence in its system. Taiwan's performance as a democracy should give PRC leaders a certain confidence of their own that it is a system that can work well in any ethnically Chinese society.

Moving to cross-Strait relations, the question on the minds of many—and we've discussed it this morning—is what the election means for relations between Beijing and Taipei. Will President Ma accelerate the process of reconciliation with China, moving towards negotiations on political and security issues? Of course, many in China would welcome such a trend. Some on Taiwan would fear it.

My own analysis is that such a trend is unlikely. The reason I say that is that the two sides made progress in cross-Strait relations in the past four years because they began with a conscious decision to focus on so-called "easy issues," mainly economic issues.

Those matters have now been pretty much exhausted, and any new issues that Taipei and Beijing take up will probably be hard. That is even true of some outstanding economic issues, such as liberalization of trade in goods and services as ECFA calls for, investment protection, and dispute settlement. The reason that economic negotiations get hard, I think, is that increasingly they touch on vested domestic interests, in both China and Taiwan.

My hypothesis that future issues will be difficult is even more true of political and security matters. On these, I believe the two sides have not yet laid an adequate conceptual

foundation. For example, Beijing has signaled that negotiations on these matters should be on the basis of the one-China principle. Taiwan would prefer the 1992 Consensus—and that's a gap.

In addition, there is not yet a political foundation in Taiwan for such discussions. And you only had to watch the response to President Ma's idea of the possibility of a peace accord under certain conditions to see that that political foundation doesn't exist. What I would fear, if the two sides somehow rushed into negotiations on political and security negotiations, would be that they would soon hit an impasse.

The smartest thing, I think, for Beijing and Taipei to do in the second term is to consolidate the gains of the first one. There is a lot to be done in the manner of implementation to enhance mutual confidence that this new architecture for cross-Strait relations is going to work.

In addition, I think that there is a potential for concrete steps, like military confidence-building measures. And, assuming that they are crafted in a way that fosters true mutual security. I do hope that, therefore, that Beijing remains patient, and understands that the obstacles that must be removed for movement in any new areas can occur.

Another area for movement is the area of Taiwan's international space. We've seen progress in some, but not all, dimensions of this issue -- the so-called “truce” on diplomatic partners, participation in the annual meeting of the WHA, and Taiwan's ability to conclude trade liberalization agreements with at least a few countries.

But Taiwan needs a lot more. It really needs a lot more when it comes to trade liberalization. And now that Beijing doesn't have to worry about a DPP president for awhile, I hope, along with Doug Paul, that it will respond positively to Taipei's desires and needs.

On cross-Strait relations, it's interesting, I think, to speculate on what might have happened if Dr. Tsai had won. In the runup to the election, the PRC, as we know, said repeatedly that it would not deal with any Taiwan leader who did not accept the 1992 Consensus.

Dr. Tsai campaigned on the implicit idea, at least, that Beijing was bluffing and that, if she were elected, China would have such a stake in the current status quo that it would have to accommodate her. If she was correct, then she and her party could have secured the real gains of the Ma administration, but avoided what she regarded as the unacceptable costs of his policies, and an unwanted political concession.

Now, we'll never know whether China's position was, indeed, a bluff. And here, I'm conflicted. There's my head, and there's my heart. My head, or my analysis, tells me that the bluff was serious, and that Taiwan would have paid some price for a Tsai administration's refusal to accept the 1992 Consensus. My heart, or my hope, would have been that Beijing would, indeed, come around in the end, and worked out some sort of flexible arrangement.

Now, I tend to trust my head over my heart. I also agree with Doug that it wouldn't have been a perilous situation, it would have been more a stall. But, to the extent that

this was the key question for Taiwan voters, they apparently were unwilling to take the risk that Beijing was bluffing. And it will be interesting to see, now that the votes are counted, how the DPP evaluates the reason for its defeat, and whether, and how, it adjusts its China policy to take account of the result.

Let me turn to Saturday's election and U.S.-Taiwan relations. The White House, as you know, quickly released a statement congratulating President Ma, and expressing the hope that -- quote -- "the impressive efforts that both sides have undertaken in recent years to build cross-Strait ties will continue -- " -- in part, the statement said, because, quote -- " -- such ties and stability in cross-Strait relations have also benefitted U.S.-Taiwan relations."

Now, there is some talk that the United States took deliberate steps to help President Ma win reelection. I would state it differently, actually, and observe that even before President Obama was elected, he had created an implicit linkage between President Ma's cross-Strait policies and the future of U.S.-Taiwan relations. And Washington has expressed approval of the results of President Ma's policies. In that situation, it would have been very surprising if the Administration had not taken steps to improve U.S.-Taiwan relations accordingly.

The other thing I would say is that we will probably never know how much emphasis Taiwan voters placed on the American factor as they cast their ballots. I'm inclined to agree with Doug that it didn't have much impact at all.

For the future, I would expect U.S.-Taiwan relations to continue to improve. The two governments need to complete work on some important initiatives, such as the visa-waiver program. There are, no doubt, other areas for progress.

The area that is most compelling, I think, is the economic relationship, because it is not in Taiwan's interest to be excluded from the economic liberalization that is going on in the Asia-Pacific, even as it carries through with ECFA with the PRC. The United States should be a major target of Taiwan's broader liberalization effort. This should be a strategic priority for both our countries. And, in pursuing this priority, neither Taipei nor Washington should allow narrow domestic political interests to get in the way.

Now, there has been some talk about the idea of the United States -- quote-unquote -- "abandoning Taiwan." Some of the people who put forward this idea are pretty famous. One even is affiliated with Bonnie's organization. (Laughter.) Another shares her last name. (Laughter.) But she in no way shares their views, or is responsible for those views. Nor do I.

The logic behind the idea seems to be that the United States faces a significant challenge from the rise or revival of China as a great power -- which it does. Both the United States and the PRC talk about common interests and cooperation, but there is competition, as well. And the future of the international system will depend on the balance between competition and cooperation.

Ensuring a good outcome will not be easy, even if Taiwan didn't exist. And in this fraught situation, some people argue, the United States, like the parent of rebellious teenagers, needs to pick its fights when it deals with China. We can't fight China on everything.

So these folks deem Taiwan to be a strategic liability for the United States, a fight that either cannot be won, or is not worth fighting. Our relations with China and the future of the world will be much better off if we leave Taiwan to the tender mercies of Beijing -- or so it's argued. But not by Bonnie and me.

It's worth noting that not all the scholars who have speculated on U.S. policy towards Taiwan focus on the U.S. abandoning Taiwan. Some talk, in effect, about Taiwan abandoning the United States -- which is interesting. The idea here is that Taiwan, for its own interests, would shift to a policy of fundamentally accommodating China. Now, some scholars think that this choice would be rational for Taiwan and good for the United States. Others worry that the choice would be ill-considered, and bad for America.

Now, my own view is that Taiwan does have a strategic importance for the United States. But as a strategic asset, not a liability. Now, please don't infer that I mean that Taiwan could be part of some U.S.-led effort to contain China. That's not possible, and it would also be inconsistent with Washington's and Taipei's grand strategy towards China, which involves a significant degree of engagement.

Rather, Taiwan is strategically important as a litmus test of what kind of great power China will become. Now, in my view, if China approaches the Taiwan Strait issue in the future in a way that is flexible, conceptually creative, and responsive to the sensitivities of people on Taiwan, that would indicate that China's revival will be positive. It doesn't guarantee it, but it's a good sign. If, on the other hand, China's approach to Taiwan is conceptually rigid, unresponsive to popular feeling, and laden with pressure tactics, that will send a different message about the broader trend.

Because the United States has an interest in China's revival being peaceful and constructive, we have a big stake in how cross-Strait relations develop. As Kurt Campbell testified in October, "A peaceful future for cross-Strait relations is central to the stability and prosperity of the entire region, and is therefore of vital importance to the United States."

Moreover, what the United States does concerning Taiwan will send important signals to America's friends and allies, both in Asia and around the world. To quote Dr. Campbell again, quote, "Our management of U.S.-Taiwan relations will have a great impact on the way our partners view us across the Asia-Pacific region."

By way of concluding, let me observe, first, that Taiwan faces a daunting policy agenda. Taiwan needs a strategy to ensure that it remains economically competitive in a world of globalization and technological change. And economic liberalization is only one part of that strategy. Other elements of that strategy probably include improving the education system and the policy infrastructure.

A second part of this challenge is that Taiwan needs to improve its defense strategy and the ability to carry it out, because it can never be absolutely certain that Beijing will never use its increasingly robust military power for some degree of coercion.

Third, because Taiwan's sovereignty -- because the Republic of China is at the core of future political and security relations with China -- Taiwan, I think, needs to think in more depth about the content of sovereignty, what that really means, what is important and what is trivial.

Fourth, as I hinted before, the political system needs reform to make it a better vehicle for reflecting the public will and making good policy choices. And I think this election was relevant for that agenda.

Why do I think this? It happens that I was relaxing Friday evening, looking forward to a busy day on Saturday, and I just made a mental note of the obvious, that people on Taiwan had already begun to go to the polls and vote in this election, since Taiwan's 13 hours ahead. I then marveled to myself—not for the first time—that it's really quite remarkable when a society and a political leadership vests in the choices of ordinary people the selection of that society's leaders.

Ordinary people, they vary greatly in their education, and in their wealth, and in their whole stake in the society. They don't spend every waking hour worrying about policy issues. And yet, they're the ones who chose.

Now, those of us who are citizens of democratic systems pretty much take this for granted. But it's actually not that common in human history, and it's not that common in the world today.

And so whatever one thinks of Saturday's results, the people of Taiwan again confirmed this marvel of electoral democracy. They did convey, I think, in this result, a certain anxiety and uncertainty about the future -- for understandable reasons. So, even as a majority of Taiwan voters endorsed President Ma's continued leadership, the electorate, as a whole, also issued a challenge to those elected leaders. That is, Taiwan citizens want their leaders to effectively meet the significant challenges that face the island today.

And we can only hope that the island's leaders merit the public's confidence.

Thank you very much. (Applause.)

MS. GLASER: Richard has agreed to take some questions. So, please raise your hand and wait until the microphone comes to you, and identify yourself. And please make sure your questions are concise. Admiral McVadon?

QUESTION: Eric McVadon, the Institute for Foreign Policy Analysis. I reflect on two things that you commented on -- that the future policy on security issues will be the difficult ones. And I'm reminded of President Ma's security policy, on aligning diplomacy and defense.

What I'm getting at here is, is there an opportunity for the U.S., and for Washington and Taipei, to make an effort to further convince those in Beijing who believe that, regardless of the circumstances, something like an attack on Taiwan, regardless of provocation and so forth, is simply not something that serves China's interest?

So I'm saying, is there this slant that we can take on it that will reinforce that sort of conviction and be a worthwhile effort in the political insecurity issue area?

DR. BUSH: Eric, thank you very much for your question. I think that that's really at the heart of President Ma's grand strategy. On the one hand, he wants to reassure Beijing that, at least under his watch, Taiwan will not challenge China's fundamental interests. And so he is removing any reason they would have to use coercion in the first place. I think he is also working to expand the number of reasons why China has a stake in the status quo, and therefore would run risks of challenging it.

I think that this is mainly a job for Taiwan and its leadership. I suspect that China would believe that if the U.S. pushed too hard on this line, that they would just assume that we had a not-so-hidden agenda. But obviously, this is a long-term process, and I'm sure it will continue in the second term. And I hope the Chinese get the message.

MS. GLASER: Chris Nelson.

QUESTION: Thanks very much, Bonnie. Richard, a really eloquent speech. It reminds us all why you're a major adult supervisor. Thank you. Certainly, for me. It's been interesting that you're the latest speaker today to talk repeatedly in terms of what we hope the Chinese will see, and how we hope the Chinese will react.

I'm asking you, with your dual hat -- you've also spent a lot of time looking at what's happening on the mainland, and we're going to have a visit fairly soon of the presumptive next president, Xi Jinping.

What is your sense of how the Chinese will react to these various challenges that have been explained? And, especially, what do you see as arising, possibly this year, that the Obama administration is going to have to work very hard to manage in a successful way?

DR. BUSH: Thanks for your question. I expect that there were sighs of relief in China Saturday evening as they got the result. Perhaps there were hopes that ordinary people in China did not aspire to the same kinds of political freedoms that their Taiwan cousins have.

I guess I believe that Beijing will be so focused on the coming transition in China, and the domestic issues that will be at the heart of that, that we may not hear too much about Taiwan policy. I mean, if Dr. Tsai had won, it would have been a more complicated situation. You know, it may be that some will say, "Oh, we have a narrow window before Hu Jintao leaves office," but I don't hear so much about that.

I think it's a fact of the Chinese system that it takes a little while for a new leader, if he has new ideas on a sensitive issue—like Taiwan is for Beijing—to feed those into the policy system and get them adopted. And so, if Vice President Xi has some new thinking, it will be awhile.

I do think that this result confirms the wisdom of Hu Jintao's approach, what he calls "peaceful development." And one important element of that is that the future of cross-Strait relations, even under the best of circumstances, will be a long-term process -- that China can't get impatient, and that there is a value in putting China's trust in the Taiwan people.

I think that that set of ideas, and the people who have been responsible for implementing them have been vindicated. Thanks.

MS. GLASER: I would also mention that we have, of course, on our next panel, a leading scholar –

DR. BUSH: Yes. Yes.

MS. GLASER: -- from mainland China who, I'm sure, will address that issue, as well. Ambassador Burghardt.

QUESTION: Richard, I'd like to ask you to expand on two interesting points you made. One was, you said that, in terms of talking about a peace agreement, or political issues, that Beijing's position is that it should be on the basis of the one-China principle, whereas Taipei has said it should be on the basis of the—as the previous discussions have been—on the basis of the '92 Consensus.

And I think we're aware of efforts by Beijing to make a sort of shift towards something beyond the one-China principle in private talks two years ago, 18 months ago. I don't recall hearing much about it lately. And I certainly don't recall hearing them ever sort of bring that out into the public.

So I'd be very interested to know what you were referring to, if you can expand more on that.

And the second question, another point you made that I thought was very interesting, you said Taiwan needs to think more about the content of sovereignty. That's a very interesting point, and it may be related to the first one.

And as the foremost writer and analyst of the whole issue of Taiwan's sovereignty, I'd been interested to hear your expansion on that subject also.

MR. BUSH: Thank you. Great questions. My observation about the basis of political and security talks is based on my reading of Hu Jintao's December 31, 2008, speech, where when he was talking about economic relations, he said, " -- on the basis of the 1992

Consensus." But when he was talking about political and security issues, he said, " -- on the basis of the one-China principle." I think that that was not an unconsidered distinction.

Now, to be sure, the 1992 Consensus is, in some way, an interpretation, or a gloss, on the one-China principle. And, as you point out, there were conversations of a non-public sort which suggested that the 1992 Consensus was not the only way of interpreting or glossing the one-China principle. But I guess we should recall that the lodestar for China is “one China.” So any gloss or interpretation has to focus on that.

And I think, for political and security issues, it will be much more important for China to identify the parties to whatever it is they're discussing -- whether it's a peace accord, or some sort of political framework or agreement, I think you can get away without being specific on the parties to the deal in economic issues. I think that's harder in political issues.

Now, it may be that, at some point in the future, the two sides find a way to do that on a mutual acceptable basis. And there have been some discussions among scholars on this. I think a lot of those discussions come down to the point that, for Taiwan, the Republic of China is very important.

And what was it on election night President Ma said? "I will safeguard the Republic of China with my life." That's a pretty strong statement.

So, I don't rule out them finding a way to do it, but I think, at this point, the conceptual foundation is still quite nascent.

Now, on the sovereignty issue -- and I don't want to put people to sleep after you've had a nice lunch, and I'm always in danger of doing it when I talk about this issue.

Let me just observe that I think when Taiwan talks about international space, when Taiwan talks about sovereignty, a lot of emphasis is on Taiwan's role in the international community. And that's proper, because one dimension of sovereignty is membership in the international system. And that is why it is important for Taiwan to expand its international space. The other reason is that Taiwan can make a contribution in many regards.

But "sovereignty" can mean other things. It can refer, importantly, to whether a government has the absolute right to rule within the territory under its jurisdiction. That's the sort of core Westphalian idea of sovereignty. And -- no, countries will derogate some of that absolute right when it's in their interest to do so, but not being interfered in in the way you run your affairs is very important. And, you know, we can look at the implementation of the one-country-two-systems formula in Hong Kong, and identify certain ways in which Beijing is sort of shaping outcomes from outside.

And so Taiwan would be sort of well advised to think about that dimension of sovereignty, as well.

I think that this is one of those areas where, indeed, a broader consensus on Taiwan would be a good thing. And perhaps people from various sides—whether it's scholars, or officials, or semi-officials—could have some useful conversations that would strengthen Taiwan's position in dealings with the PRC.

QUESTION: Norman Fu. I'm a columnist of the *China Times*. Richard, you seem to rule out almost completely political discussions during the second term of the Ma administration. Of course, Mr. Ma, during a press conference before the election, when he was asked about whether he would visit China, he said no, he had no plans.

However, I want to mention something here which was not very widely reported in Taiwan. After his victory, he paid a visit to the grave site of his father. You know, on his father's tombstone, there is an inscription. It's almost like the political will to his, you know, son and other children. And the inscription says, "Prevent independence, and promote gradual reunification."

Well, Mr. Ma, as we know, is a very filial son. (Laughter.) I don't know what he said privately to his father, but that makes me sometimes wonder -- especially if China extends an invitation --

MS. GLASER: Norman? Norman, is there a question?

MR. FU: -- to him to visit China --

MS. GLASER: Is there a question there, Norman?

MR. FU: Yes, this is my question. If China extends the invitation to Mr. Ma to go and visit, especially in his capacity as the chairman of the Kuomintang, how would he handle it?

MR. BUSH: I have no idea. (Laughter.) I agree with you that President Ma is a very filial son. (Laughter.) But, in addition, because his father has passed away, President Ma has a certain flexibility (laughter) in how he can interpret his father's last wishes.

But to come to your specific point, I would hope that if Beijing leaders had the idea of inviting President Ma to visit, that they would convey this interest very privately first, to make sure that this is an invitation that President Ma wants to consider. And then whatever he does with that, he can. But, to issue it publicly, could be—is likely to be—counterproductive.

Also, the status under which President Ma visited would be, I think, an important question. As it's clear, the Republic of China is very important to him. And what are the implications for the Republic of China and its legitimacy if President Ma goes as the head of a political party?

QUESTION: Zhi Wang from the U.S. International Trade Commission. Richard, I heard you say that the Americans have an interest in Taiwan as a strategic partner. And this

partnership is for cutting China. I think a lot of people in China, including some Chinese Americans here, they thought, they try to use Taiwan to cut in China.

I think it's important to make clear that Chinese leadership understand what is America's interest to make Taiwan as a strategic partner. So can you elaborate what you expect the role of Taiwan can play to guarantee, you know, try to keep China's rise to become a peaceful process. Thank you.

DR. BUSH: I didn't say that the United States regarded Taiwan as a strategic partner. Some have said that. But my main point is that Taiwan is, I would say, strategically important because it sheds light on what kind of great power China is going to be.

And we certainly have no intention of using Taiwan as a bargaining chip, or as a way of blocking China's rise. But it is an interesting test of China's intentions.

You know, I think that our message to China should be that we are not the obstacle for you to achieve your political goals. The Taiwan people's view of your goals and your intentions and how you will implement them, that is the obstacle. And you need to improve your offer.

MS. GLASER: We'll take one last question, if there is one. Do you want to take both of them?

DR. BUSH: Yeah, sure. Both of them.

MS. GLASER: All right, we will take the last two questions.

DR. BUSH: Two. Quickly.

MS. GLASER: -- together, since your hands were raised simultaneously. Let's let her go first, followed by David Huang.

QUESTION: Thank you kindly. I'm Genie Nguyen, with Voice of Vietnamese Americans. I'd like to link the last two questions, and your statement that this will be a litmus test to show how China would be as a rising power. So -- I'm from Vietnam. Would you please put in the context of the South China Sea, the position of Taiwan, in the U-shaped map? And the sovereignty question? And especially the statement that President Ma said, he would protect the PRC…

DR. BUSH: ROC. ROC. (Laughter.)

QUESTION: I'm sorry -- ROC. Okay. ROC. Okay. My mistake. I'm sorry. And then your statement that, actually, the U.S. and Taiwan are not strategic partners, but the U.S. and Vietnam, I believe we are strategic partners. Thank you.

MS. GLASER: David?

QUESTION: David Huang, from Academia Sinica, Taiwan. Richard, your presentation touched my heart in the sense that you accurately reflect some of DPP's thinking about if Tsai Ing-wen got elected, that Beijing would have no choice to accommodate them. I think, based on this kind of thinking, behind this kind of thinking, the assumptions that what would be the benefit for Beijing to appear to be inflexible after Tsai election?

Now, during the transition period, now Beijing will face a transitionary period, they will likely have some stable one. They don't want to have a reverse of the relationship come of any cross-Strait change.

So, can you elaborate a little bit more about what would be the benefit if Tsai win the elections and Beijing would still appear to be inflexible, and reverse the current trend of the cross-Strait interactions?

DR. BUSH: Well, let me take David's first.I mean, all of this is speculative, obviously, and quite hypothetical. And I learned as a diplomat not to deal in hypotheticals, but I'll -- (laughter).

I mean, I think the -- sure, Beijing would have faced a dilemma, but it's a dilemma of balancing costs and benefits. And the cost of somehow accommodating to a Tsai presidency would be to lose sort of credibility for its principles. And the basic principle has been the peaceful development of cross-Strait relations is based on opposition to Taiwan independence and adherence to the 1992 Consensus. What is left if you throw that -- if you abandon that?

The benefit probably would have been that we have some kind of stall in the near term, but in the longer term we get a return to policies by Taiwan that are more friendly to us.

On this question here, I think that the South China Sea is also a litmus test of what kind of great power China is going to be. The Korean Peninsula is a litmus test. Iran is a litmus test. There are lots of litmus tests.

I am not surprised at all that President Ma and his government maintain their claim to Taiping Island. I don't think any Taiwan government can abandon that claim. But I think it's also important that Taiwan more or less aligns itself with the United States on how to resolve some of these complex issues. And -- you know, that's good.

Thank you all for your great questions. Thank you, Bonnie, for doing yeoman's, or yeowoman's work (laughter) on this conference. And I look forward to the last panel. (Applause.)

(Recess)