

CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES
CHINA POWER PROJECT
&
THE BROOKINGS INSTITUTION
CENTER FOR EAST ASIA POLICY STUDIES

**ASSESSING THE OUTCOMES AND
IMPLICATIONS OF
TAIWAN'S JANUARY 2016 ELECTIONS**

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[Transcript prepared from an audio recording]

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Welcome and Introduction:

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Keynote Speaker:

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Secretary General
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Moderator:

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PROCEEDINGS

MS. GLASER: Good morning everyone. Great to see such a terrific turnout on such a cold day on Washington, D.C., but we are very warm in here, we are going to give you all the warm welcome and shortly give a warm welcome to our speaker.

I'm Bonnie Glaser; I'm Director of the China Power Project here at CSIS. And it is our custom here to make a brief safety announcement at the beginning of our events. Not that we expect to have any untoward incidents, but in the event that there is an emergency, we will be going down the stairs, out the door that you came in. You should be, of course, mindful of where the exit signs are.

With that, this event today is co-sponsored with the Brookings Institution. So I'm going to turn the floor over to Dr. Richard Bush, who is the Director for the Center for East Asia Policy Studies at Brookings.

DR. BUSH: Thank you very much, Bonnie. It's a pleasure of the Brookings Institution to once again co-sponsor a Taiwan event with CSIS, and this is really a special occasion, and it's my great privilege to introduce the program, and introduce Dr. Joseph Wu.

And before I do that, I think we should step back a little bit, and marvel, I use the word advisedly, marvel at what happen in Taiwan on Saturday. This was a "we the people" moment. There was no central committee and organization department that picked Tsai Ing-wen as Taiwan's next president. There was no election committee, and if you look at all of the ethnic Chinese political systems around, Taiwan is the only one that does it through free and fair elections.

Mainland China, Hong Kong, Singapore, they all deviate from that standard to one extent or the other. In this case over 12 million men and women went to the polls, in the voting booth, each individual voter registered his or her preferences about who should be Taiwan's new president, and show should serve them in the Legislative Yuan, and it was the aggregation of the separate personal acts that culminated in the results that Taiwan Central Election Commission and the media announced on Saturday evening Taipei Time.

No election reflects precisely the public will in a democratic system, but popular elections are the institutional expression of government by the people. Politics in Taiwan will soon shift to other institutions, and other issues, each having their own dynamics, but just for a moment, I think, small-d democrats around the world should marvel and applaud at what happened Saturday on Taiwan.

Now we're very fortunate this morning that Dr. Joseph Wu, our speaker, did not take a vacation, did not go home to sleep for 24 hours, but he came here, to give us a report on what happened, and what the future holds. Now, I think many of us know Joseph, so I'm not going to spend too much time going through his long résumé. I'll just note a couple of high points. He received his PhD in political science from the Ohio State University. He was an academic for a while and

then he learned how to be an official, both of a party and the government; he served in a variety of posts, in the Chen Shui-bian administration from 2000 to 2008.

Among other things, he was Deputy Secretary General of the Office of the President, responsible for External Affairs. He was Chairman of the Mainland Affairs Council. In that capacity he managed to work with others to create a mechanism that allowed holiday charter flights to go between Taiwan and the Mainland, even though underlying political relations were not so good. Finally, he was a TECRO representative here in Washington.

So, please join me in welcoming our guest, Dr. Joseph Wu Chao-hsieh. Thanks. (Applause)

DR. WU: Thank you very much for inviting me back to the CSIS, Bonnie. Thank you very much for the very generous introduction, Richard. Ladies and gentlemen, I'm very happy to be back to Washington, D.C., and to brief you a little bit about how we see the elections that just came out over the weekend.

On January 16, the people of Taiwan went to the polling stations and casted their vote for the new administration, as well as for the new legislature in Taiwan. I think we know the result, and the result is tremendous. The DPP, the Democratic Progressive Party, for the first time ever, captured both the administration and also the legislature, and I think this is unprecedented, as we look at the political landscape or the traditional wisdom of Taiwan's political landscape, people always say that the green base is almost always smaller than the blue base.

The blue-inclined or KMT-inclined support base is always larger than the DPP-inclined support base. But I think this election proves otherwise. If we look at the first figure you can see that the DPP won the presidential election by a very convincing majority. If you look at the second PowerPoint page, the DPP is also far ahead of the KMT in the Legislative Yuan election, on the district side. If you look at the third slide, that's the seat share, the percentage of the seat share in the Legislature, the DPP is also coming out in a very convincing way. I want to let you know that all the presentation is going to come out in written text, and that should be the authoritative version, and we will release to you afterward.

If you look at the fourth figure, this is internal surveys by the DPP; we do it regularly, and then do calculations on a quarterly basis. You can see that before the fourth quarter of 2012 yes, indeed, the pan-blue is indeed larger than the pan-green. But there was a solid change afterward, and the pan-green seems to be much larger than the pan-blue, especially after the November 2014 local elections. That is our way of looking at it. If the DPP doesn't make any major mistakes, the DPP is likely to be larger, or the green is going to be likely to be larger than the blue, for the few years, for the few years to come -- for the years to come

I think this is a significant meaning to Taiwan as a democracy. Since the first direct presidential election in 1996, we already have three turnovers of political power, and therefore Taiwan can generally be seen as a consolidated democracy. As the governments of the United States, Japan, and many other countries congratulate the Taiwan people for exercising their democratic right to decide the government and the course of the country. The people in Taiwan also understand that this is the right they obtained after a long fight. Taiwan's democracy and its

democratic way of life are what we are very proud of and would like to share with other people.

For the election results many people are trying to understand what went on behind the election, people are trying to understand the factors of the election. Of course, many observers on Taiwan would like to point out that this is unification versus independence dichotomy in Taiwan. Many people interpret the election results as unification versus independence, but I think it might have some degree of truths for the early elections, but I think the reality in Taiwan has already changed, and the view might have some degree of truth before, and it's no longer the case.

And I would like to say that we conduct regular surveys here in Taiwan, in Taiwan, trying to find out what people are thinking before they go to the voting booth, and the regular surveys show that the people care much more about those issues that they feel immediately related to their life, not necessarily on the political issues or sovereignty issues. And the issues we found before this election that the people cared very much about would include: general economic situation, food safety issues, long-term care, income distribution, housing cost, pension reform, and social housing.

And consequently, if we focus too much on the cross-strait relations it might miss the nuances in the elections. I would like to give you some of my own take on the elections, and what is the most important factors that come into the play in this particular election. Other than the KMT's own problem, I would say that the young voters, their discontent with the government is the number one factor.

This factor carried very significant weight in the November 2014 local elections, and it carried over to the 2016 election with the DPP presidential candidate receiving overwhelming support among the voters 20-39 years of age throughout all surveys. In the Legislative Yuan elections, the New Power Party, which represents the Sunflower Movement in 2014, also scored a very convincing victory in its debut.

And the second factor, I would consider very important, is the sharp contrast in the performance of the local administrations, in between the KMT side and the DPP side. The DPP local administrators are, in general, are highly regarded and have outranked their KMT peers in public opinion surveys. They gave voters a tremendous amount of confidence in voting for the DPP. It should also be noted that the KMT Presidential Candidate, Eric Chu, as the Xinbei Mayor, ranked quite low in surveys.

And the third factor I would like to point out is the way the DPP is actively seeking balanced positions on potentially confrontational issues. And the confrontational issues would include cross-strait relations, South China Sea, relations with Japan, particularly over Diaoyutai Islands, and trade-related agricultural issues. And the way we conducted the debate on these issues allowed the DPP to campaign beyond and above the traditional green-blue divide.

We appeared moderate and responsible, stayed on the high ground on political issues, and be ready to garner the support of the middle majority, despite the KMT's desire to maneuver the election into green-blue confrontation, even with the Ma-Xi Meeting at the height of the

campaign, to provoke a dispute. It did not work as the DPP stayed moderate throughout the entire campaign cycle.

And the final factor that I will consider very important for the election results is the DPP platform. We delivered policy platforms that addressed public concerns. As I said to you a little bit earlier, the public concern about those safety issues -- food issues about pension, about housing, and et cetera -- and they also care very much about economic situation, so we rolled out a series of policy platforms to address the issues people care quite a lot about, including five innovative industry projects: food safety measures, long-term care policy, renewable energy policy issues, political and judicial reform, pension reform, and also foreign policy, as well as defense policy.

And in contrast, the KMT did not come into the picture early on. In fact Eric Chu did not become the KMT Candidate until October 17, and the platforms proposed by the KMT side did not seem to make a very successful impact.

And I would like to caution a little bit about the meaning of the election, and many people would like to interpret the KMT's defeat as China's defeat, or the DPP's victory as China's defeat. I would like to give some of my own observations. Some observers often interpret the defeat of the KMT in Taiwan's major elections as also China's defeat since the KMT is obviously China's favorite choice. It could be a valid argument if China weighed in massively as it did in the 2012 presidential election. However, it might be inaccurate in reading the election with the same interpretation this time around.

Throughout the campaign, neither the presidential candidate, herself, or the entire DPP campaign team targeted China in any campaign rhetoric or slogans. Moreover, it appears that Beijing has prepared itself for a Tsai victory and for a DPP return to power following the presidential election. For this reason, the statements by Chinese officials asserting their positions on the cross-strait relations have been relatively reserved, so as to avoid producing a negative impact in Taiwan's election process.

In addition, as I said a little bit early, the cross-strait relations, is not a salient issue, and therefore, trying to interpret the election from that basis, might not be absolutely correct. I would say things is not the salient issue, and therefore the issue should not be the one to define the election results.

Dr. Tsai also visited Washington, D.C. in June 2015. In her speech right here, in this place, she laid out the principles in dealing with China. And the DPP has adhered to these principles throughout the campaign. Even though President Ma decided to meet with Xi Jinping at the height of the election, and the campaign could have been steered toward the cross-strait relations. It did not.

The DPP position of not opposing cross-strait high-level meetings under certain principles that signify cross-strait reconciliation and normalization of relations, cooled down the discussion of the meeting very quickly. In short, neither China nor cross-strait relations were the focal point in the election, except for the short interlude of the Ma-Xi meeting, and therefore it would be inaccurate to interpret the election as China's defeat. And of course this is going to be the most

important.

What the DPP is ready to do in the new era? And here are some major points that I would like to let you know. The first is that we are going to have a very stable majority in the Legislative Yuan. As you know already, the DPP itself is already a majority; however, we would like to work with other political parties, especially two smaller political parties, the New Power Party and the People First Party, to form a stable majority in the Legislation Yuan. And of course we would like to work with the KMT at least on the issue-to-issue basis as well.

The second thing that we would like to move ahead, is domestic reconciliation. The DPP believes a mood of reconciliation during the transition period is critical to Taiwan. In the past few years we have been contaminated by the confrontation in between the blue and green, and it's not good for Taiwan. And therefore, we would like to reach out to the KMT side; we would like to reach to the outgoing government to have some basis for resolving some of the most difficult issues, or the most pressing issues Taiwan is facing. The issues I can think of would include the TPP participation, or pension reform, or Cross-Strait Oversight Bill.

And the third is the emphasis on economic structural reform, and we will engage on this as soon as we come into office, after May 20th. We ran a major platform of bringing momentum back to Taiwan's economy by introducing five ambitious innovative industry projects including: Asian Silicon Valley Project, a bio-medical center in Taipei, renewable energy center in Tainan, center for smart machinery in Taichung. And we also spoke about defense industries which would be centered in Kaohsiung, in Taichung, and also in Taipei. These will be something that we will engage in, in order to bring momentum back to Taiwan's economy.

The next one is going to be the reaffirmation of our principles in building our external relationship. It will be a friendship-building as the guiding principle, and in order to pursue our economic agenda, Taiwan needs a very friendly international environment, including our relations with China. This is an important consideration stated in Dr. Tsai's April 15 nomination speech, and was also reflected in her June 3 speech right in this institution.

In order for the DPP Administration to maintain friendly relations with the rest of the international community, we will undertake postures that are consistent and predictable, and make meaningful contribution to the needs of the international community, China included.

And another factor that we would like to embark on, which is going to be very important, is cross-Strait reconciliation. And since the DPP and Dr. Tsai ran the campaign based on a platform that went above the green-blue line, a moderate and careful approach toward China will be pursued. In her visit to Washington, D.C., last June, she delivered a speech, and made public her principles on cross-Strait relations: to maintain the status quo, to pursue the development of cross-strait relations based on the ROC constitutional order and the public will of the Taiwan people, and to move forward cross-Strait relations based upon the results of more than 20 years of negotiations and exchanges between the two sides.

With regard to the question of the 1992 Consensus, as Dr. Tsai clearly stated during the televised presidential debates and policy presentation forums held in Taiwan prior to the

election, the DPP has never denied the historical fact that the cross-Strait dialogues that took place in 1992, and indeed acknowledges the shared desire of the two sides at that time to advance cross-Strait relations by fostering mutual understanding. As for the specific phraseology of the 1992 Consensus, created by the KMT in the year 2000, she advocates a return to the original spirit of setting aside differences to seek common grounds that formed the basis of the 1992 cross-Strait meetings.

Going forward, we will do our utmost to find a mutually acceptable mode of interaction between Taiwan and the Mainland. One that avoids confrontation and prevents surprises; we will, in the new session of the legislature, put forward the Cross-Strait Agreement Oversight legislation as a priority to highlight our interest in peaceful and stable relations with China.

And foreign policy agenda: We will pursue and expand our relations with the United States, with Japan, with Europe, and other like-minded states. And we believe that the expansion of our foreign relations should not come at a cost of Taiwan's relations with China. At the same time, we don't believe that our relations with China should come at the cost our expansion of relations with other fellow-democracies.

We would like to take part in the TPP negotiations, the second round TPP negotiations. We are also very interested in taking part in RCEP. And we will also pursue the expansion of trade negotiations with any other countries, either on the investment agreement, or under FTAs.

And the prospect on Taiwan-US relations; this is going to be very important for the future DPP administration. Taiwan's relations with the United States will be the utmost importance to our incoming DPP administration, especially on our foreign relations. We will continue to improve economic security and political ties with the United States, and engage an effort to reform legal infrastructure, and make the necessary structural adjustment for Taiwan to be included in the second round of TPP negotiations.

We will increase investment in the defense budget proportionate to Taiwan's economic growth, particularly increasing investment in Taiwan's indigenous defense programs for self-defense. We will adopt a consistent and predictable policy agenda with the United States, so that Taiwan can be regarded as a trustworthy strategic partner that makes a meaningful contribution to U.S. global operations.

Now to conclude, the DPP was established in 1986 when Martial Law was still in effect, and democracy, freedom, human rights and rule of law are an inalienable part of the Party. The DPP is very proud that it was the key force for Taiwan's democratization, and will treasure the opportunity to be in the government again.

We have engaged in soul searching about our past success and failure, and this effort led to this January success. We will treasure the opportunity that the people, with great trust, rendered to us. We will shoulder our responsibilities again and move the country forward in a responsible manner. Three turnovers will certainly qualify Taiwan as a consolidated democracy, and we will demonstrate to others, not only that democracy works, but works very well, and as such Taiwan will serve as a role model for political and economic development. Thank you very much.

(Applause)

MS. GLASER: Well, thank you, Joseph, for that very comprehensive speech, both the analysis of the results of Taiwan's elections as well as the agenda the DPP has going forward. I certainly would like to offer my congratulations.

DR. WU: Thank you.

MS. GLASER: First to Taiwan for its successful sixth direct presidential election, and the third transfer of political power. And of course, my congratulations as well to Dr. Tsai Ing-wen, to your Party, and wish you the best of luck with all of the challenges that you face going forward.

I would like to start asking you, you talked a little bit about what the party will do in the future, but I wonder if we focus on the first 100 days, and democracies often do, but what is the most -- what are the most urgent items on the agenda? What do you hope to accomplish in the first 100 days after Dr. Tsai takes office on May 20?

DR. WU: This is a very important issue that has been discussed in the DPP for some time, and of course we would like to embark upon those projects right away. However, those economic projects, that I say to you, is structural reform and it would take a long time for the effect to take place, but before that, I think there are several legislations that we would like to embark upon, so that the people can feel the sincerity of the DPP in engaging political reform, or economic reform or conduct cross-Strait relations in that manner.

The first item of course is, as I said a little bit earlier, the Cross-Strait Agreement Oversight Bill, we will put forward the priority bill for the first legislative session, and this is top priority for us. And another priority for us in the new session will be the transition role. In Taiwan people are talking about how to make a smooth transition, and this is awfully important for us, and in order for us to have a smooth transition there has to be a legal infrastructure so that the transition can be handled under those principles and guidelines; and we don't have it, and therefore we need to have the guidelines as soon as possible.

And another thing that is going to be very important, and that will be deliberated during the transition period, and will be adopted when the DPP comes to office after May 20, is the guidelines for the 12-year compulsory education. There was some debate earlier on about the nine-year compulsory education, especially historical text, historical textbook, or the Chinese textbook, however, there was no deliberation on the 12-year compulsory education textbook yet, but this is a pressing need for Taiwan, and therefore we need to do it as soon as possible.

There were also discussions in the DPP on the political reforms that we promised the people. For instance, the Political Party Law, and that might be something that we need to consider in a very serious manner as well. However, one of the things we attach a lot of importance to will be to formulate a conciliatory national mood, especially during the transition period, so that the government can start from a conciliatory environment in Taiwan.

And in order for us to have a conciliatory environment we need to formulate a mechanism for us

to deal with those suppressing issues, and those pressing issues as I'd outlined a little bit earlier. And I think this kind of mechanism, if we can set it up, that will be a very important mechanism to address those critical issues. And I forgot to mention about one very critical issue Taiwan is facing, and that is the pension reform, or some of the pension systems or pension funds are coming to collapse. For example, the military pension is coming to collapse the year, next year, if nothing is done about it, and therefore we need to form a committee to discuss that as soon as possible, so that we can work on it right after the government comes into office.

MS. GLASER: Great. It sounds like a very ambitious agenda. Let me ask you a little bit about what you hope to achieve in relations with Mainland China? So you've talked about having the Oversight Bill passed in the Legislative Yuan early on, I assume you would go forward, but I'd like to hear you talk about the trade in services agreement and the merchandise agreement which are, of course, still left on the table.

And then, of course, there's one other leftover issue, at least, from Ma Ying-jeou's administration, and that was the effort to set up representative offices on both sides of the Strait. So, what do you expect the DPP will do about these issues; and are there other objectives that you have in relations with Mainland China?

DR. WU: Well our objective in our cross-strait relations, or the relations between Taiwan and the Mainland, is to safeguard peace and stability in between the two sides, and in order to for us to safeguard peace and stability in between the two sides, the guiding principle, always, is to maintain the status quo. And for the status quo to be viable, for the status quo to be very peaceful and stable, I think we need to work on some specific issues, issues like what you've just mentioned. I think the interactions or the trade in between Taiwan and China is normal. And I think it's going to be conducive to peaceful and stable relations, and we would like to continue the negotiations or engagement on trade issues or on other issues. But in order for the people to understand that the negotiations or engagement in between the two sides is conducive to Taiwan's own economic development, or conducive to peaceful development of the cross-Strait relations, we need to handle it in a more transparent way.

And we also need to have some guiding principles or rules and norms to govern the negotiations in between the two sides. I'm sure we all remember what happened in the March 2014, the Sunflower Movement, I think the people reacted to the cross-Strait negotiations or agreement, not because of the agreement, per se, but because of the way the negotiations were being handled and the ratification process had been handled. And therefore we need to consider the negotiations or ratification process with the background that we need to handle it in a more transparent way.

And I think adopting the Cross-Strait Agreement Oversight Bill is absolutely necessary for us to conduct the negotiations with China, with the rules set up by the Oversight Bill, and with the Oversight Bill set, all those rules and norms for us to conduct the trade negotiations, or other types of negotiations with China. I think this should have much less problems in making people feel worried where the government is setting up Taiwan, or any similar kind of connotation.

And on the commodity agreement or on the service trade agreement, we already say it again

and again. We don't oppose to the negotiations or agreements in between Taiwan and China on those issues and what's needed now is to have the Oversight Bill to govern the remaining negotiations.

And on the representative issue, we also agree that setting up representative office might signify the normalization of the cross-Strait relations, and we don't oppose to it, but there are key elements in the representative office, agreements that we need to be a little bit more concerned to the public reactions.

For instance, there has to be no political preconditions in the agreements; and second, the office set up in each side's office should have the rights to issue documents in a comprehensive way; and the third is that the consulate or the representatives on each side should have the rights to visit their citizens in a comprehensive way. And I think there are numerous examples of representative offices setting up in settings without diplomatic recognition, and I think some of the spirits or contents can be learned in setting up representative offices in between Taiwan and China.

MS. GLASER: Let me ask you question that you did not address in your speech, and that is the future energy profile of Taiwan. During the campaign the KMT criticized the position of the DPP to create a nuclear-free homeland in Taiwan by 2025.

DR. WU: Yes.

MS. GLASER: So the plan as I understand it, is to shut down in a very, really short period of time, less than a decade, these three nuclear power plants, and of course create new green industries, but also to promote biogas, which is actually begun by the current administration. Now I believe that Dr. Tsai has said that there is unlikely to be any hike in electricity prices or shortages of energy, both I think would be of concern to the people of Taiwan, and of course if there is reliance on biogas, and that increases emissions at the time when the entire world is trying to reduce these emissions and mitigate the effects of global warming. So could you speak to that issue?

DR. WU: Yes. That is indeed an issue that was debated in Taiwan's president election about the nuclear-free homeland, and actually Eric Chu, the KMT's candidate, has the same position as the DPP. He also advocates that nuclear-free homeland. But we have had that idea for a long, long time, and I think the reason for us to have a nuclear-free homeland is because of Taiwan's special conditions. Those nuclear power plants are already in operation. The nuclear power plants number one, number two and number three, are located very close to fault lines, and any kind of major shakes in Taiwan might injure the safety of those nuclear power plants.

And another factor that we had to recognize is that we have no ability, we have no technology at all in dealing with spent fuel. Right now the three nuclear power plants are full of spent fuel in the backyard, and if we don't know how to deal with the spent fuel, those nuclear power plants might be forced to come to a halt before the exploration comes, and therefore we always tell each other that if we don't deal with the spent fuel or the nuclear waste, we have no right to continue to build the nuclear power plant. And some people are talking about shifting the spent

fuel to France for reprocessing; however, this is very expensive. And at the end we have to bring the spent fuel after the process back to Taiwan for storage, and therefore this is not a viable option at all for Taiwan. And those nuclear power plants are very close to the population center, and therefore thinking about the possible disaster, and it is going to be a real disaster to Taiwan, if a disaster happens in those nuclear power plants.

And I think we need to go beyond the nuclear power plants in terms of Taiwan's energy need as well. Look at Taiwan's natural resources, that it's free, is sun, solar, and we are the number one producer of solar panels in the world, and we ship them to Germany or other places in Europe, why don't we just save it for use in Taiwan. And there are quite a few industries start using the solar energy as a byproduct for their income. For example, the fish farmers in southern part of Taiwan have solar panels cover the fish pond, and they don't do anymore fishing. And therefore the earth doesn't sink anymore, but they can still make income out of energy generation, power generation. And in some parts of agricultural sectors, they have the solar panels above the agricultural production, and therefore they have two incomes, one out of electricity generation, one out of agricultural products, and we call that a new mode of economy in Taiwan.

And I think we can continue to expand these kinds of operation, and we did very careful calculation that by the year 2025, we can have about 20 percent of our energy need coming from the renewables, and that should be sufficient for Taiwan to face the phasing out of the nuclear power plants. Plus, energy conservation is going to be very important, and I think in Taiwan we waste too much in terms of transmission, and in terms of lighting or other type of waste. In the DPP Headquarters we have LED lighting, you know, Bonnie, you've seen, it's all LED lighting, and that saves so much. And therefore with the carbon we can come up with encouragement package to encourage the regular consumers to use LED lighting, I'm sure we can save 1 to 2 nuclear power plant. So, with all this coming together, I think we are in very good shape; and what the Chairperson say about the electricity prices that it's not going to affect the regular consumers. However, for big businesses that consume lots of electricity, we would encourage them to adopt ration or to use energy not at the peak hour, so that we can have a more balanced way of using electricity.

MS. GLASER: Thank you. Very comprehensive. Let's turn to, perhaps, a more sensitive subject. You talked about the goal of cross-strait reconciliation, and so the question is: What is the process by which the DPP envisions that that reconciliation will be achieved? I talked many scholars from the Mainland who have put forward some suggestions of the kind of reassurances that they would like to hear from Dr. Tsai. I haven't heard too much about what reassurances they are willing to offer, but hopefully this would be an interactive process, because of course it does take two to tango.

DR. WU: Yes.

MS. GLASER: This is very much a two-way street. So, some of the things that Mainland scholars have suggested is, that Tsai Ing-wen publicly state, something like the Four Noes, one have not, the *si bu yi mei you* that Chen Shui-bian articulated when he was inaugurated might include something about not -- a promise not to include to pursue *de jure* independence perhaps during her term in office. And there continues to be interest in the Mainland, in this idea

that has been put forward previously in Taiwan about freezing the independence plank in the 1991 platform, which is something that, as I understand it, Dr. Tsai has really never taken a position on publicly.

So, I'm curious what you would see as the kind of reassurances that you think Dr. Tsai could offer. What are the reassurances that you would like from the Mainland, and what role, if any, would you envision that United States can play in facilitating this process?

DR. WU: Well, this is a very good question, and also very difficult question for us to deal with. I think in order for us to build a mutual trust in between Taiwan and China, it has to be a step-by-step process. And at the time we try to signify that we are willing to follow the status quo, we are willing to follow the principle of maintaining status quo in between Taiwan and China, and I think it's already said quite a lot.

That would mean that some of the things that many people describe as the change of status quo is not going to be adopted by the coming DPP administration. And we also said quite a few things that I thought the Chinese side must have received in a very clear way. For example, we will pursue the cross-strait policy based on the ROC constitutional order. And we also say that based on the negotiations and exchanges in between the two sides for more than 20 years, and that is going to be the basis for us to move forward, and I think these are all steps for reassurances in between the two sides.

And the issue that you mentioned about the Taiwan independence platform, actually we said it again and again. The DPP position has evolved gradually, the 1991 platform indeed it has a call for the establishment of the Republic of Taiwan, but in 1999 the DPP also adopted a resolution that recognized the status quo, that Taiwan is already independent with the national title, the Republic of China, and I'm sure the Chinese know that.

And the resolution position was reiterated by the DPP again in the 2014 China Policy Review, and the review was adopted by the Central Standing Committee, and therefore our newest position is not the Taiwan independence platform, and I'm sure the Chinese side knows it. In our exchanges with the Chinese scholars, I think they show that they know it very well as well, and therefore in order for the two sides to move on, we have tried very hard to accommodate the Chinese ideas in order for the cross-strait negotiations or context can move on, and I think it's also necessary for the Chinese side to move forward as well.

During the campaign period we did notice that the Chinese side has been quite reserved in its statement, or actions on Dr. Tsai herself, or on the DPP, and I think that's one very positive step forward. I'm sure there will be more opportunities for us to send goodwill out to the Chinese side, and I also hope that the Chinese side can respond in a reciprocate manner so that the cross-strait relations can move on and the confidence and the trust can be built step-by-step. The Chinese, I'll always say that the 1992 Consensus is very important, and just as I said a little bit earlier, you know, I hope I don't have to read it again, but it's very comprehensive, and that's been stated by the chairperson during the campaign, and I'm sure that the Chinese side notice the goodwill coming from the DPP side, and I certainly hope that the DPP and the Chinese side can start with a good start when the DPP comes into office in May this coming year.

MS. GLASER: You keep calling her the chairperson, we have to encourage you, she is now president-elect.

DR. WU: Oh, okay. Thank you. Thank you, for the reminder.

MS. GLASER: Let me ask you a question about the South China Sea which is on the minds of many people, particularly, as later this year we expect to have a ruling from the arbitral tribunal under the Convention of the Law of the Sea, regarding a case that the Philippines of course has taken against China. And Ma Ying-jeou's position, which was issued after the award that was released a few months ago, regarding the tribunal having jurisdiction over at least 7 of the 15 issues that were raised in this case.

So I would be interested in how the DPP views the issue going forward, of this case. We know that Dr. Tsai has talked about adhering to international law; there also, of course, have been some discussions about the original 11-dash line that was created by the Republic of China in 1947 when it was in power on the Mainland. And I think there has been a desire by many claimants, as well as other countries, that the intention behind that line be clarified. And there has not yet been a total opening of the archives in Taiwan. So, I think this is something since tensions, of course, have been continuing to rise in the South China Sea, I wonder whether Dr. Tsai has thought through what changes in position she might have and how she might approach this issue?

DR. WU: I appreciate very much for asking this question. This is indeed a very controversial issue in the region, and the issue has also been debated in the course of the campaign. The KMT side has been claiming that we are ready to give up the sovereignty over South China Sea, which is not correct. We haven't said that, and we will not give up anything over the South China Sea.

After all, we are in control of Itu Aba, or Taiping Dao, which is only real natural island in South China Sea, if there's going to be any real natural island. And we will continue to remain our Taiping Dao. And we also stated in a very clear way that any kind of claim must be based on international law, especially the U.N. Convention of the Law of Sea, and that is a position that is not going to change even with the results of the international tribunal. And we also say that we will support freedom of passage freedom of navigation and freedom of over-flight, and we oppose provocative actions in South China Sea. And I think these are the basic positions, and we will stick to these basic positions.

About the International Court of Arbitration, that is something they present to Taiwan people and as dilemma. On the one hand, we will follow the international law, especially the UNCLOS, and therefore the results of the International Court of Arbitration should have the same effect as international law. However, the International Court of Arbitration excludes Taiwan to have a role, or even to have its voice heard. And therefore for Taiwan people, whether to accept the results of the International Court of Arbitration or not is a real dilemma.

One week before President Ma met with Xi Jinping, or Ministry of Foreign Affairs came out in a very clear way, in a very quick way to say that we don't recognize and we don't accept the

results of International Court of Arbitration decision. And I can feel that this, coming out of some very painful calculation, very painful discussions. After all, Taiwan is not part of the International Court of Arbitration, and what we did during the course is that we would encourage the international community to have Taiwan's voice heard in this process. And we also encouraged the Taiwan government to have our voice heard in the process of the International Court of Arbitration, and it's not right to make a decision on something that Taiwan's voice cannot be heard. So, this is our position, and with regard to the archives for the results of the documentations to become public, or the public review, that is something that is very interesting and we started some discussion about that, but we haven't had the conclusion.

And also a very good friend in Washington, D.C. continue to remind us whatever decisions we are going to take with regard to South China Sea, we must take into considerations reactions from all corners, including our friends in Southeast Asia, friends in Washington, D.C., and also the possible reaction from Beijing. And therefore we need to be very cautious in doing this kind of thing. And we will do it only after very careful consultations with all parties concerned. And I'm sure we don't want to rule out the possibilities of opening up the archives for international review.

MS. GLASER: Okay. We are going to open up the floor to questions. Let me first say that in addition to the video being online at CSIS.org, we will have the full text of Joseph's speech, which is a little longer than what he gave today. That will be the authoritative one, so that will be there for your reference.

We will be bringing over microphones, and do, please, identify yourself, and ask a question. I'm going to ask that the first question not come from journalists, if that's okay. Then I promise I will open up the floor to journalists, but I want to give some non-journalist an opportunity to ask the first the question. So, over there, yes, this young lady who has her hand raised.

DR. KUOK: Thank you very much. My name is Lynn Kuok, and I'm from the Brookings Institution. I'd like to press a little bit further on the issue of the South China Sea, in particular a May 2014 commentary that you wrote for the *Diplomat*. In that commentary you argued that Taiwan should define its territorial claims in the South China Sea based on its actual ownership of Taiping Island, and I wonder whether that statement was meant to signal changes in the South China Sea policy in two respects:

The first one is that Taiwan will henceforth be confining its claims just to Taiping Island, as opposed to all the features in the South China Sea. As you know the current officials' position in the South China Sea of Taiwan is that it lays claims to all the features, the four groups of islands in the South China Sea. So that's the first possible change.

The second possible signal I'm wondering whether you meant to make, was whether Taiwan would come out more clearly to clarify its intentions behind that dash line, I think Bonnie was alluding to that earlier, and I'm not sure that you touched on that as explicitly as you could. So, mainly to clarify what you meant by your May 2014 statement. Thank you very much.

DR. WU: Should I go ahead and answer that?

MS. GLASER: Yes, please.

DR. WU: Okay. I'm sorry if I did not make it clear on the position with regard to South China Sea. We did not give up our claims over South China Sea. That's what I stated a little bit earlier. However, I did mention that any claim must be based on international law especially the UN Convention on the Law of Sea. So, with regard to 11-dash line, I did not say that we will give it up, or it's no longer in existence. I said that if the 11-dash line also needs to be based on international law, however, there's no international law ruling on the 11-dash line, and therefore it's still subject to debate internationally, but we haven't given up on that position. Okay. I hope that is clear. And our claim is not solely based on the occupation of Taiping Island, as a traditional argument. However, the International Court of Arbitration, or international law, whatever is ruling on the sovereignty claim, should be the basis for our claim as well.

I think, as Bonnie mentioned a little bit earlier, there were archives, historical materials on 11-dash line as well as the sovereignty claim of the Republic of China on South China Sea, that should be helpful in deciding whether Taiwan is still having that 11-dash line or not. However, let me go back to my original statement one more time. Any kind of claim, any sovereignty claim in the South China Sea must be based on international law or the UN Convention on the Law of Sea, and that is the most important foundation for all parties that are making the claims, including Taiwan.

MS. GLASER: Okay. The next question. Okay, over here. Wait for the microphone, please. Over there; sorry, wrong way.

MR. GOMEZ: Hi. My name is Eric Gomez, from the Cato Institute. During election campaigns, parties tend to make a lot of promises that may not be able to be fulfilled for whatever reason, and I was wondering if Taiwan or the Tsai Ing-wen administration is faced with situations where it has to walk back some of its campaign promises, which policy positions do you think will get walked by and why?

DR. WU: I did not hear what -- I could not hear him well.

MS. GLASER: What policies will you walk back? Do you want to restate it very quickly, because we didn't really understand?

DR. WU: I don't understand. Yes. We just won the election, and he said there will be policies that we have to walk back. I'm not sure why you are trying to go over that. I don't understand.

MR. GOMEZ: Sure. I guess this is more of an unforeseen circumstance question. What parts of Taiwan's policy plank for this current administration do you feel are most vulnerable to external pressure?

DR. WU: I'm still not very clear about --

MS. GLASER: Are there policies, things that President-elect Tsai would like to accomplish that you are concerned will be subject to a great deal of pressure, perhaps, from constituencies

within Taiwan.

DR. WU: Oh. Okay. I see.

MS. GLASER: Maybe from the dark-green-side of the Party. I think that's the question that his --

DR. WU: Is that the question?

MS. GLASER: Is that fair? Okay.

DR. WU: I wouldn't envision any part of the policy that are subject to pressure inside Taiwan right now, especially inside the DPP. As far as I can see, during the course of campaign, the DPP is very unified behind Chairperson Tsai, and whether it's on cross-Strait policy or on other parts of the policy, I think there's a general recognition in Taiwan that we need to adopt something, that is different from where President Ma has failed, or where President Chen Shui-bian has failed.

And on cross-Strait policy, I think there's a general recognition that we need to live peacefully and in a stable condition with China. Even with those dark-green people, they have that general recognition as well. And the only part of Taiwan's political landscape that might have something that is more extreme than the DPP is what we call the Third Force, or the New Power Party. And they have their own voice now, and they also have some seat in the Legislative Yuan. They might want to exert something that is different from the DPP. However, we are commanding a convincing majority in the Legislative Yuan, and therefore, it shouldn't be a problem. And, we are also interested in having close consultation with the New Power Party, so I don't expect the New Power Party will be in sort of a blocking the DPP's effort of moderating the cross-Strait relations.

And the KMT side might cause a little problem. As you can see from my presentation today, I've refrained from commenting on the KMT deliberately. However, there are problems within the KMT, and we can predict that the KMT side is going to be disintegrating, and a not unified KMT might not be in the interest of Taiwan. If there will be people inside the KMT, the more extreme people, they try to use political arguments or do some political actions in blocking the DPP's effort, that might also cause a little problem.

However, as I said a little bit earlier, you know, the DPP now commands a very convincing majority in the Legislative Yuan and therefore we should have no problem in pushing through the programs or the agenda we want to push through. Even with the defense budget, now we have a majority in the Legislative Yuan, and therefore the defense budget itself is not going to be a problem. At the same time, the chairperson is also a person of conciliation and negotiation; he is very good in consulting with different political forces when he was serving in the Mainland Affairs Council, or when he was serving -- when she was serving as the Vice Premier. And I would expect the future administration will be in a very good shape in consulting or negotiating with other political forces in Taiwan, so that the programs that we would like to move forward, can move forward in utmost manner.

MS. GLASER: Okay. Wait for the microphone please, up front.

MR. TIAN: Thank you, Bonnie. Welcome, Dr. Wu. Congratulations. John Zang with CTI TV of Taiwan. First up, what do you think of Beijing's reaction to Dr. Tsai's victory, so far? And you seem to be trying to use the spirit of the '92 talks to serve as the possible new basis to replace the '92 Consensus. But I would think from Beijing's perspective, the key here is not '92, the key here is what to follow, which is one China with different interpretations. Is there any possibility at all to include some kind of one China, however weak it is, in the spirit of the '92 talks to probably -- Yes, do you see any prospects at all? Thank you.

DR. WU: Do you want me to answer that? There are two parts to John's very tricky question. The first part is probably easier to answer. Beijing's reaction so far has been measured, has been rather reserved, and that is something that we thought that Beijing has already showed some restraint. I think that's a first positive step forward for the relations between Taiwan and China. And for the 1992 Consensus, I think it's still going to be something difficult. 1992 Consensus was a phraseology created by the KMT in 2000, and even the negotiator for the 1992 period, C.F. Koo, stated in his memoir that there was no consensus. And therefore we need to think it from the new light, and I can reiterate what I just read, but I would just say that I already read it in the course of the speech, and it will be a written statement -- a written text about that part, and I would go back to that part to answer your question.

But in the final day of the campaign, there was an incident that took place that was truly unfortunate. There was a pop singer, dancer, in Korea by the name Chou Tzu-yu, she showed one flag on her Facebook, and then there was a Taiwan singer operating in China, pointed to the Chinese authority, she is Taiwan Independent supporter, so her program was barred in China. And that provoked a tremendous amount of emotions in Taiwan, and I think that most noticeable expression in Taiwan on that incident is that: Where is the 1992 Consensus? Where is the different interpretation? And I think that is the way that people feel in Taiwan when that incident happened. And I think worse than that incident itself, was at the TAO response saying that there were political forces inside Taiwan that wanted to provoke a situation, and that wasn't very helpful at all, and the people reacted in a very angry manner in Taiwan, and some people say that that was the final contributor to Chairwoman, or President-elect, Tsai Ing-wen's ultimate victory.

I don't know how much weight that incident has, but that shows how vulnerable the 1992 Consensus, or one China different interpretation, is in the eyes of the Taiwanese voters, and we need to think in a very careful way on what is good for the relationship between Taiwan and China. And as I said in the written part, or what I read a little bit earlier, the most important thing to what happened in 1992 is that the two sides decided to set aside the differences to move on for mutual interest, and that is the kind of spirit we should follow in the years ahead in the negotiations or contacts in between Taiwan and the Mainland.

MS. GLASER: Okay. Chris Nelson; in front.

MR. NELSON: Thanks. Thanks so much, Bonnie. Chris Nelson, the Nelson Report. Congratulations!

DR. WU: Thank you.

MR. NELSON: Really exciting events. And also, thank you for -- You were really on your brief, you could have been in on Sunday night's Democratic debate, no problem at all; although probably you wouldn't want to be there. I kind of recall asking you four or five years ago, what steps do you think will be politically possible, and how quickly, for Taiwan to finally complete the Bilateral Investment Treaty, and the things with the U.S. that you've been talking to the USTR now for years and years, and are still sort of held up on domestic political realities that make it difficult, as our Japanese friends would say, to actually push something through the LY.

Do you think now, with this new, large super majority, almost, that you've got, that we will see some quick action to get the bit on the agricultural interest, especially, moving? Or is that still too hot handle and it won't be something that's a high priority? Especially given what you said, that Taiwan really wanting to be in the second tranche of TPP? Thank you.

DR. WU: Appreciate it very much, Chris, for raising this very important issue. The issue was also debated in the course of the campaign, and our position has been a very firm one, as revealed by President-elect Tsai during the course of the campaign. I think we have to, before I get into our position, some journalists, some politicians in Taiwan were describing my visit to Washington, D.C. as to negotiate for the pork issue, and my response is that I'm not a trade official, and therefore I'm not here to negotiate with any U.S. Government official on any issue, especially the pork issue.

Nevertheless the TPP participation is one idea that is being agreed upon by major political parties in Taiwan. The DPP has already made its commitment to join the TPP, and the KMT also made it very clear during the course, that Taiwan should participate in the TPP. And I would say that the TPP participation is a national consensus since majority of the political parties, the major political forces in Taiwan, already state that Taiwan should pursue TPP participation. We need to grab the opportunity to participate in the second round of TPP negotiations.

With that, I think we also need to consider those important matters that we need to resolve in order for Taiwan to be included in the second round of TPP negotiations, and I think the most cumbersome, the most troublesome matter for Taiwan will be the very complicated legal infrastructure in Taiwan. It's not welcoming international investment, it's not welcoming international business, and therefore we need to sort out all the legal infrastructure and to make a comprehensive reform. And I think, other than that, we also need to make an adjustment which is very difficult adjustment of our bureaucratic practices. You know, in Taiwan's bureaucracy they like to manage, they like to control, and that might not be good in the new age of free trade, and that is, at the same time, going to be very difficult for us to overcome. So, these are the things we need to handle, and if there's going to be any specific sector that is difficult for Taiwan to deal with, I think we need to overcome by working on it, rather ignoring it.

And for the agriculture sector that you mentioned, there are two very important elements that we already promised the people in Taiwan. The first element is that we need to make the sector even more competitive before there's going to be any opening. For instance, our pork is not to

be exported, because of the foot and mouth disease, and that is something we need to eradicate in order for Taiwan's pork to be exported again. So, these are the kinds of things that we already spoke about, and spoke with the pork farmers in Taiwan. And, when they see that they can be competitive, and they can be, they can make more profits in the process, and I'm sure they will see the liberalization process as good to them. And this is one part of our efforts, and other than free vaccines, and foot and mouth disease, we also discuss about insurances for the livestock. We also spoke about the biogas production for the larger pork farmers, and I think these are the things that will make pork industries in Taiwan more competitive.

And the second part, that we made a promise to the Taiwan people, is the food safety issues, and if proper labeling is a guarantee and I am sure the people or the consumer in Taiwan will feel comfortable about the liberalization effort. However, there is no pre-conclusion before any negotiation, and that is the way the Chairperson said during the course of campaign. Let me try to remember. It's too early. It's too early to have any pre-conclusions even before the negotiation starts. And therefore we need to engage in the negotiations to see the final results, but these two components, the food safety issue and the productivity and competitiveness of the agricultural sector, is something we also want to guarantee.

MS. GLASER: Okay. Alan Romberg.

MR. ROMBERG: Thanks. Thank you, Joseph. On TPP, do you think that Taiwan can join TPP without at least PRC acquiescence? And if not, what are the obstacles that you see standing in the way of such acquiescence?

DR. WU: Well this is another difficult issue. How come you all ask very difficult questions? TPP is an international economic organization organized by the United States, and the participants in the TPP, many of them, have already expressed Taiwan's interest with welcome. The U.S. government has expressed welcome to Taiwan's interest. The Japanese government has also expressed welcome publicly, and there were other members express welcome in private.

So I think Taiwan's participation in the TPP negotiations should be welcomed. But of course if China decides to block Taiwan by urging those smaller members of the TPP to say no to Taiwan's inclusion in the TPP, it's not going to be very forthcoming in terms of cross-strait relations. In the past few years, if we want to mention one thing that the people in Taiwan feel not happy about the way China conducts the cross-strait relations, it will be China's attempt to block Taiwan's international participation.

No matter what kind of international organization, or international activity that is, and therefore for Beijing to say no to Taiwan by encouraging the small members to say no Taiwan, is not going to be something that is conducive to a peaceful and stable and friendly relations between Taiwan and China. But I don't think that that should be the only that we consider the past to Taiwan's overall economic relations with the rest of the world.

I think we need to express our intent in a very clear way, and start engaging in bilateral discussions with the member states, even if Taiwan is not to be included in the TPP participation there will be a sense, you know, very good sense of FTAs or near FTAs, or even

better than FTAs, that will be ready for Taiwan. And of course, TPP participation is something that the U.S. government has privately encouraged Taiwan to seek participation too.

And therefore we certainly hope that the U.S. Government can help Taiwan to overcome the issue of China attempting to block Taiwan's participation in the TPP. I also remember that the U.S. government mentioned that if China is interested in participating in the TPP, the TPP would also work on it, and therefore, we shouldn't take it as a mutually exclusive way of participating in TPP. I think we should look at it as mutually beneficial. If there can more members participating in the TPP, that should be all good for us.

MS. GLASER: I might add that from the beginning when the TPP was first conceived, the idea was that it would be open to all APEC members.

DR. WU: Yes.

MS. GLASER: And of course Taiwan has been and is today a member of APEC. Let me turn to Arthur Zhai, one of visiting Fellows from Taiwan, over here?

SPEAKER: Hi. My name is Arthur Zhai, I'm Visiting Fellow from Taiwan here now at CSIS. In terms of international space that Dr. Tsai has pointed out in her international press conference; that she wished to extend or that Taiwan's international space should be respect by China, or by the international community. How exactly is DPP's claim on this issue? Thank you.

DR. WU: Thank you. This is also very important for Taiwan, and I think we went through lots of discussions within the DPP, and we also went with the administration friends, on this issue, and I can outline some of the way we think about our international participation to you in just a moment, and then we get back to the TPP, in the concluding provision it also mentions specifically about custom territory.

And when you look around, Taiwan being called a customs territory in the WTO, you know, Taiwan is the only one, in the way that we see it as, that there's a space reserved for Taiwan, and that we are very happy that we seem to have a likelihood to be included in the TPP. And this is near consensus in Taiwan, and therefore the incoming government should work very hard on that, and try to overcome the difficulties that we have internally.

And about our international space and our international participation, I think what is needed for Taiwan is to consider how we can make meaningful contributions, so that Taiwan can be regarded as a trustworthy partner by the international community, and there's actually a lot of things that Taiwan can do, to help the international community. And I'm sure, you know, the international community remembers what Taiwan did when the Fukushima incident took place in Japan several years ago, we made significant contribution, and Taiwan's contribution is the total of the rest of the world, and that shows how Taiwan can help other countries.

So, this is the kind of spirit that Taiwan should be able to take part in the international activities, and this is something that China can come -- cannot come in and say no to. And other than making financial contributions there's a set of other things Taiwan can do as well. International

humanitarian assistance, we say that, and we will work on that and disaster relief, as I said, we can really make some contribution, and rescue efforts, Taiwan is quite famous of, we sent our rescue teams to other countries in a very speedy manner.

You know, sometimes this is unfortunate, you know, when Nepal earthquake place we wanted to send our rescue team over it was blocked by China, and it's not helpful to our international participation, but we will be able to send our rescue teams over to the disaster areas very quickly around the region, and this is probably the best for us to participate in international activities. And these kinds of things are humanitarian, and these kinds of things are not political, and these kinds of things would help Taiwan's friendship with other countries.

And I would also like to add that there is a rescue training center in Central Taiwan, in Zhushan area, that started when President Chen was in office, the final year of President Chen's administration, and now it's in operation. And there are international rescue teams being trained over there, and I think what we want to do is to expand the international training programs, so that we can form an international network of rescue teams.

And therefore, whenever there's a disaster taking place in the area, we can join the efforts in trying to help those countries or those areas, and we made it clear in several occasions, and we also spoke with our Japanese friends, that in the future, maybe Taiwan and Japan can, together, respond to disaster in the region, together. And also spoke with AIT friends in Taiwan about the joint efforts between Taiwan and the United States, and I think the answer is quite forthcoming. So, this is the kinds of thing that is not the political game China is playing on Taiwan, and this is the kind of things that Taiwan can really make a contribution in international society, and this is the kind of thing Taiwan can win friendship from the international society.

MS. GLASER: Okay. Great. Nadia Tsao, in red, over there.

MS. TSAO: I'm Nadia Tsao, with the Liberty Times, Taiwan. Joseph, welcome back. After the election the U.S. immediately, you know, dispatched Secretary -- Deputy Secretary Blinken to visit Beijing, and also Former Deputy Secretary William Burns to visit Taipei. What do you think in the future that the U.S. can play -- you know, any role in the cross-Strait relation? I think one question people here as it really interests to know that, is there a credible communication channel between DPP and Chinese government, so far? That will, you know, definitely will have an impact about the future of the cross-Strait relations. My final question: Are you coming back to head the TECRO again, or what's your dream job in the new government? Thank you.

MS. GLASER: You will notice that I did not ask you what position you are going to take in this new government, but Nadia has put that forward.

SPEAKER: There's a thought here you would (inaudible).

DR. WU: I would address the first question, or maybe address the second question first. It's all hypothetical about where I will be, the first priority for all working in party headquarters now is to make the transition as smooth as possible. And there's no discussion, no discussion at all in the party headquarters about the personnel. So it's not anything that I will be able to answer you,

and that is the question that is least in our concern, during this period of time. And therefore I don't know where I will be.

For the first question, I think the United States can play a very significant role in terms of cross-Strait relations, cross-Strait reconciliations, and I think the United States has been playing that role quite well. For instance, during the course of the campaign, I saw that the U.S. officials have been encouraging the Chinese side to speak with the Taiwanese side, or speak with the DPP.

And I think that kind of encouragement is going to be very helpful, and that can also be a gesture to the Taiwan people that pursuing the cross-Strait reconciliation is going to be helpful to Taiwan-U.S. relations. So this is the kind of things that we see as very positive, and very conducive to our future cross-Strait consultations, or cross-Strait negotiations. So I would say that we would need the United States to continue to encourage the two sides to speak with each other.

A little far back maybe, further -- far back, when I was serving in Mainland Affairs Council as a chairperson, one thing I continued to hear from the U.S. side, is that they encouraged the Chinese side to negotiate with Taiwan. You know, we had Lunar New Year charter flight, the tourism negotiations, things like that. And we really appreciate the U.S. encouraging the Chinese side to speak with the Taiwan side. So, if the United States can continue to encourage the two sides to speak with each other that will be very good, and I'm very happy to see that the United States is playing that balancing role, and that is very helpful, very conducive to the Taiwan people feeling that we are not dangling out there alone dealing with China.

And the second issue that you mentioned is about whether the DPP has a channel to China. There are a tremendous number of exchanges in between the two sides. Taiwanese scholars, local officials, legislatures are traveling to China almost all the time, not to mention about the KMT, PFP officials and legislators going to China all the time; and there are also Chinese scholars, concerned scholars or officials coming to Taiwan all the time.

And therefore, the way I understand about it is that if China wants to understand us, they can always find a way to understand us, and they do very good intelligence, and therefore they can understand us very well. And if we want to understand them we can always find a way to understand them as well. And, therefore a channel shouldn't be a problem. I think the problem is more whether we can build the trust. You know, when we start taking steps, trying to assure the Chinese side, our goodwill, we hope that the Chinese side can respond by offering some goodwill as well. So that is probably the most important in terms of building the trust in between the two sides.

MS. GLASER: I think we've reached the end of our time. This has really been an outstanding session. And I want to thank you so much for coming all the way right after the elections, and giving us your thoughtful insights about why the DPP won such a landslide victory and what your agenda is going forward. On behalf of the Brookings Institution and CSIS, thank you again and good luck.