



espouse. Both also promise to maintain peace and stability and eschew provocative steps that could result in cross-Strait tension or even military conflict.

The resumption of cross-Strait political dialogue, which has been suspended since 1999, could occur under either a Ma or Hsieh presidency, although it would be easier to restart negotiations if Ma wins. Ma has indicated that he would accept “one China” under the formulation of “one China, respective interpretations,” which is Beijing’s precondition for dialogue that Chen Shui-bian and the DPP are unwilling to endorse. Further enhancing the prospects for better cross-Strait relations, Ma would openly oppose Taiwan independence and abandon efforts to resolve sovereignty disputes with the PRC through constitutional revision or referendum. The communiqué signed by Chinese president Hu Jintao and former KMT chairman Lien Chan in April 2005 would serve as a road map for developing relations between the two sides of the Strait, including the establishment of a common market and direct transportation links as well as bringing to an end the state of hostilities, signing a peace agreement, and creating a framework for longer-term peace and stability.

Although he rejects a “one China” precondition for opening direct talks with the mainland, Hsieh Changting is a pragmatist who maintains that negotiations are possible if both sides deem them to be important. As mayor of Kaohsiung, Hsieh proposed the notion of “a constitutional one China”—an idea that intrigues officials and scholars in Beijing—but he has since backed away from that formula as a basis for recommencing talks. A central goal of Hsieh’s campaign is to make Taiwan a “normal country,” and he favors revising the current constitution, although he agrees to postpone changing the national title “Republic of China” until 70 percent of the population supports full identification with “Taiwan.”

While strongly opposing the KMT’s idea of a cross-Strait common market, Hsieh favors loosening restrictions on cross-Strait business relations, such as opening Taiwan to Chinese professionals and capital, but maintaining tight restrictions on Taiwan’s high-tech and agricultural exchanges with China. Further, he supports removing the ban on direct transportation and other links to halt and even reverse the exodus of Taiwanese businessmen to the mainland—as long as it can be done in a way that protects Taiwan’s security.

Despite Washington's firm refusal to support Taiwan's membership in international organizations that require statehood as a precondition for joining, both Ma and Hsieh back their respective parties' proposed referenda to join the United Nations, which are slated to be held in tandem with the presidential election. The KMT's version would accept UN membership under any acceptable nomenclature, including the Republic of China. The DPP's version calls for becoming a member under the name Taiwan and has therefore set off alarm bells in Beijing as a deliberate challenge to China's claim to sovereignty over the island. China fears that, if passed, such a referendum could be used to push more provocative steps that might ultimately be tantamount to juridical severance of Taiwan from the mainland. Under Article 8 of the Anti-Secession Law that took effect in 2005, "major incidents entailing Taiwan's secession" could justify the employment of "non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity."

Under the scenario that the DPP referendum passes and Hsieh Chang-ting wins the election, cross-Strait tensions could spike, potentially even before the May

inauguration. Beijing has repeatedly declared that it would sacrifice the August 2008 Olympic Games if necessary to thwart Taiwan's independence. To avoid a crisis that could escalate to a major Sino-U.S. military confrontation, Washington will need to be especially attentive to cross-Strait dynamics in the run-up to the presidential elections and in their immediate aftermath.

Taiwan's elections are traditionally difficult to predict. Although Ma Ying-jeou has led by a wide margin in the polls for many months, a close race is anticipated. Regardless of who wins, prospects are bright for more stable cross-Strait relations and better U.S.-Taiwan ties beyond May 2008. Adroit diplomacy by the United States can help to bring about the transition to a new phase of U.S.-China-Taiwan relations marked by confidence building and shared economic prosperity. ■