

INTERVIEW WITH CENTRAL NEWS AGENCY OF TAIWAN AT THE ISTANA, SINGAPORE

(6 May 2008)

We have just concluded our presidential election and in the United States (US), they will have their elections later in the year. In Beijing, final preparations are being made for the Summer Olympics. Taking all these factors into consideration, what do you think are the new opportunities and challenges being presented in our region, particularly in the situation across the Taiwan Strait?

Opportunities for cooperation in improved cross-strait relations are in economics, culture, sports, science and technology. Taiwan had imposed economic isolation on itself [with] its ‘no’ policy to the **Three Links**. Taiwan made cross-strait relations hostile when ex-President Li Teng-hui talked about two countries and him becoming a Moses to lead the Taiwanese to a promised land back in the 1990s. President Chen Shui-bian made relations worse when he went back on his words like ‘**Four No’s Plus One**’.

After the election of the **Kuomintang (KMT)**, presidential candidate **Ma Ying-jeou** and Vice-President-elect **Vincent Siew**, I sense a certain relaxation of tension. Both sides want to settle the Three Links to increase trade, investments and tourism. Both can increase cultural exchanges, sports and other social activities.

Do you think that Beijing might be more forthcoming in trying to work with Taiwan’s next president than with President Chen Shui-bian? What’s the next step that both sides should take? Do you think that the 1992 consensus with different interpretations of the one-China concept should be a basis for the People’s Republic of China (PRC) and Taiwan to move forward?

I think Beijing will be forthcoming on the Three Links and tourism and businessmen to and fro. In **Bo’ao**, President Hu Jintao used ‘four continuations’—agreeing to continue to promote cross-strait economic, cultural and other cooperation, continue promoting direct flights and PRC tourism to Taiwan, continue caring for and safeguarding the appropriate rights of the Taiwanese people, and continue to encourage the resumption of cross-strait negotiations—in response to Vice-President-elect Vincent Siew’s 16-character proposal for more liberal economic ties: [translated from Mandarin] facing reality, pioneering a new future, shelving controversies and pursuing a win-win solution. Setting out Beijing’s basic principles, President Hu repeated to the former KMT chairman a similar 16-character policy: [translated from Mandarin] establishing mutual trust, shelving disputes, seeking common ground while reserving differences and jointly creating a win-win situation. The next step is to commence

Three Links: direct postal, transportation and trade links between mainland China and Taiwan. These links had been cut after the Kuomintang’s retreat to Taiwan and the founding of the People’s Republic of China in 1949.

‘Four No’s Plus One’: during his inauguration pledge in May 2000, former President Chen Shui-bian vowed not to declare Taiwanese independence or change the constitution. China interpreted the February 2006 dismantling of Taiwan’s National Unification Council as a breaking of Chen’s pledge.

Kuomintang (KMT): the Chinese Nationalist Party, a centre-right political party of the Republic of China whose guiding ideology is the Three Principles of the People, espoused by Dr. Sun Yat-sen.

Ma Ying-jeou: president of the Republic of China since 20 May 2008, he is also the chairman of the Kuomintang.

Vincent Siew: vice-president of the Republic of China from 2008 to 2012.

Bo’ao: a town on the east coast of Hainan Province which hosts the annual Bo’ao Forum for Asia, where leaders from government, business and academia gather to discuss economic and developmental issues.

Straits Exchange Foundation:

a government-funded, private organisation in the Republic of China formed on 21 November 1990 to manage cross-strait technical and business issues.

Association for Relations Across

the Taiwan Straits: an organisation set up in Beijing on 16 December 1991 to manage cross-strait technical and business matters.

official talks between the **Straits Exchange Foundation (SEF)** and the **Association for Relations Across the Taiwan Straits (ARATS)**.

On the possibility of the PRC withdrawing at least some of the missiles aimed at Taiwan . . .

I do not think it is a critical issue. They can be withdrawn; they can be replaced in a few days or weeks.

The question to ask is under what circumstances will they fire them. I do not see the Chinese, for no rhyme or reason, destroying Taiwan when they intend to have Taiwan grow, and to benefit from that growth.

They have many differences with the Japanese. Yet Hu Jintao is in Tokyo today. Why? Because he wants economic cooperation, trade, markets, investments, technology, transfer of skills and knowledge. China wants to grow. By growing for the next 20, 30, 40 years, he will solve his internal problems and external problems become manageable. If China does not grow fast enough to generate jobs for their people, he's in trouble immediately at home and his international troubles are compounded.

Taiwan's politics in the last few years, from the time of President Lee Teng-hui, was about Taiwan's international status, the national identity of its people and emphasising separateness from the mainland. I'm not saying these are not important issues. But by concentrating on these issues you have taken your eyes off your crucial need that is growth and development of the economy. You cannot change China; it will change by itself at its own pace and for its own reasons. China is content to leave you alone for the time being provided you don't make a dash for independence. They are concentrating on growth; catching up in gross domestic product, technology, knowledge and skills and increasing their capabilities, just grow.

Would it be sufficient then for President Ma to just shelve the issue of unification versus independence?

If I were him, I would shelve it for the next four years. Don't talk about it. You have read President Hu Jintao's answer to Vice-President-elect Vincent Siew's 16-character [proposal] and he more or less repeated it in another 16 characters to former KMT chairman **Lien Chan**. What's their meaning? Let's put aside our differences, and grow [translated from Mandarin] 'win-win'. In four years, you will bring about a big change in Taiwan.

What about the reaffirmation of the goal of unification?

I don't see the KMT moving in that direction, do you?

The genie is pretty much out of the bottle . . .

So, [translated from Mandarin] 'no need for discussion'.

And that would be good enough for Beijing to move on to the economic [issues]?

Lien Chan: premier of the Republic of China (ROC) from 1993 to 1997 and the vice-president of ROC from 1996 to 2000. He ran for president in the 2000 and 2004 elections but failed in his bid for office.

For the next four years. Maybe even for the next eight years, but not forever.

Do you see any signs that Beijing might be willing to put something on the table that is more appealing to the people of Taiwan than ‘one country, two systems’?

I see no signs that either side is eager to discuss the ‘one country, two systems’. Both sides want to concentrate on economic cooperation. ‘One country, two systems’ is political and can be set aside for the next four years. President-elect Ma wants to concentrate on Taiwan’s economy to catch up with the other newly industrialising economies, South Korea, Hong Kong and Singapore.

I believe Taiwan will not have much more international space in the next four years. Beijing will have to take into account that a successor Democratic People’s Party (DPP) president may exploit this increased space.

Before former President Li Teng-hui shifted Taiwan’s position from eventual reunification to the ‘two countries theory’, Beijing was quite relaxed. They even agreed to Taiwan joining the **Asia-Pacific Economic Cooperation (APEC)** as an economic unit, together with Hong Kong. Beijing became wary and suspicious after former President Li spoke to the Japanese writer about leading Taiwan to the ‘promised land’ and he as ‘Moses’.

President-elect Ma’s position is ‘no independence, no reunification and no use of force’. This has eased and improved the situation. But President-elect Ma has not reaffirmed the original position of the KMT of eventual reunification.

Meanwhile, Chen Shui-bian has dismantled reunification agencies like the SEF and the Mainland Affairs Council. Until there is a clear-cut return by both major parties to the original Republic of China (ROC) position of eventual reunification, Beijing will be wary of conceding more international space. Taiwan now is less isolated because President-Elect Ma Ying-jeou is not seen as a troublemaker. Political reforms on the mainland are not because China wants to be more homogenous with Taiwan. Reforms in China are to improve the governance of its new market economy that has resulted in a more diversified society. Changes in governance are needed to ensure social stability and economic growth.

There has been a growing awareness of a separate Taiwan identity on the part of the people of Taiwan. Do you think that it would be better to accommodate than to try to suppress it? What if the people of Taiwan no longer want to be unified with the mainland under the concept of one China?

People of Taiwan will decide whether they want to emphasise their separateness from the mainland by redefining Taiwan’s identity. The DPP has changed the teaching of history of Taiwan. Taiwan has also altered the accent of standard Mandarin by giving it a 闽南腔 [*Minnan qiang*; Hokkien accent].

Singapore and Malaysia use the mainland’s 简体 [*jianti*; simplified] script. That does not make us a part of China. The rest of the world finds it easier to understand

Asia-Pacific Economic Cooperation

(APEC): established in 1989 to meet the needs of the increasingly interdependence of Asia-Pacific countries and the formation of regional economic blocs. APEC aims to promote free trade and economic cooperation in the Asia-Pacific.

us because the world is learning Chinese language used by 1,300 million people. They set the market standard. Staying with 国语 [*Guoyu*; Mandarin, or standard Chinese] does not make Taiwan a part of China.

The wishes of the people of Taiwan will not be decisive on the issue of reunification. The decisive factors are the economic and military strength and determination of China and America. Are Americans prepared to back Taiwan if it goes for independence? The US Government has made it clear that they will only support the status quo of the ROC—no independence and no reunification by force.

Human rights activists, pro-democracy, non-governmental organisations, and the Western media spread the belief that in democracies, people can decide their own future. This is not the case. A recent example: Albanians in Kosovo do not want to be ruled by Serbia. Kosovo has become separate from Serbia because the Americans bombed Serbia into withdrawing their forces from Kosovo. At present, European Union (EU) troops are in Kosovo to prevent the Serbs from retaking Kosovo. Kosovo's independence has been recognised by America and several EU countries, but not by all EU countries. Russia and China, both permanent members of the UN Security Council, oppose independence. Most countries in the world, including Singapore, have not recognised the independence of Kosovo. If the EU troops leave, Serbia will reabsorb Kosovo.

Georgia, a former Soviet Republic has problems with Russia. The Russians have increased their military forces in Abkhazia, a minority area on the northern border of Georgia abutting Russia. Georgia wants to join the North Atlantic Treaty Organization (NATO). President Bush supports Georgia, and also Ukraine, to be members of NATO. France and Germany, two important members of the NATO, have opposed this. They do not want to have to go to war with Russia over Georgia or Ukraine, both former 'republics' in the Soviet Union.

Based on your discussions with the Chinese leaders, do you think the use of military force is an option for the Beijing leadership eventually? In other words, do you think China could use military force against Taiwan simply because they want to solve the issue once and for all? Should Taiwan purchase more advanced military weapons to prevent a war?

China's economy has been growing at 9% to 12% yearly. It will grow at least 8% yearly for the next 10 to 20 years. In another 20 or 30 years, China's military capabilities can achieve an asymmetrical power capability that will make it costly for America to intervene in any cross-strait conflict. China is building up its forces primarily to deter any intervention by America or Japan, not to attack Taiwan. China does not want to attack and inflict damage on Taiwan. A thriving Taiwan is good for the mainland. Through peaceful development of China's economy, and improvements in both civilian and military technology, China can deter any American aircraft carrier group from sailing near Taiwan in a crisis. Of course, if Taiwan's pro-independence leaders make a dash for it, China will attack.

And what about the desire not just on the part of the Taiwanese Government, but also the people to have more international space?

You think they're going to give you more international space when they are not sure which way you're going? They gave you that international space in APEC. Like Hong Kong, you were admitted as an economic entity, not for the political and security matters, just for the economy. Then Lee Teng-hui moved Taiwan's position and they changed their attitude. They want to make sure Taiwan does not go for independence.

And you don't think a Ma administration will make any difference?

I have not discussed this with Beijing's leaders . . . But if the intention is eventually to go for independence, why should they allow you the international space? If both parties in Taiwan are agreed on eventual reunification, that would be different.

President-Elect Ma is going to be inaugurated in two weeks; I'm wondering whether through your past visits to Taiwan you had any contact with him . . .

I knew him when he was the English secretary of President **Chiang Ching-kuo**. I had written to President Chiang in English. Ma would translate it for the president and he would draft the reply in Chinese for Chiang's approval. So he knows all my exchanges with President Chiang. He has read every letter between the two of us.

What kind of president do you think he will make?

We have to wait and see how he responds to a crisis—that's when a leader is tested. I have not lived under his mayorship of Taipei so I do not know. He has said as president he wants to represent all the people of Taiwan. We must assume he will want to win over the 'light' Greens who did not vote for him. The other important duty of the presidency is how to get the country out of its present stagnation. I believe he's got a good vice-president who can manage the economy and get the Taiwan economy to move ahead. I hope he will give Vincent Siew full scope to push ahead. From the appointments of the experienced people into key economic and finance portfolios, they will get going without losing time learning on the job.

On the question of having a free trade agreement (FTA) between Taiwan and Singapore . . .

We cannot go faster than your relations with the mainland. That's the position. Once you improve your relations with the mainland, that's no problem.

You mentioned that you believe it will be conflict-free between big powers because it is too costly, but between big powers against small powers—the squeezing of small powers will go on. Will the economic and political competition between China and the United States squeeze Taiwan out?

Economic and political competition between China and the United States will go on regardless of Taiwan, Japan, Korea, Singapore or other countries in Southeast Asia. Singapore is not being squeezed out because we keep good relations with both

Chiang Ching-kuo: son of President Chiang Kai-shek. He succeeded his father as the premier of the Republic of China (ROC) between 1972 and 1978 and was the president of ROC from 1978 till his death in 1988.

America and China. There is no reason for Taiwan to be squeezed out if Taiwan maintains steady relations with the mainland and avoids confrontation.

Taiwan has been on the sidelines while the Association of Southeast Asian Nations (ASEAN) expands and its members work towards closer integration. Do you see a way for Taiwan to participate in and contribute to that process?

The ASEAN group stopped at borders of North Vietnam. Hong Kong was never invited to join ASEAN. What Taiwan needs is good economic relations with the ASEAN countries. You can use your status in the World Trade Organization as a territory and negotiate trade and investments agreements with as many of the ASEAN countries as possible.

ASEAN works by consensus, meaning all ASEAN members must agree to any ASEAN–Taiwan agreement. This is unlikely. So an ASEAN–Taiwan agreement is not easy. There are several members of ASEAN who have strong ties with China.

They will not want to displease China. Taiwan is not likely to be added into the ASEAN dialogues. Such dialogues discuss political and security matters besides economic matters. There will not be a consensus among the ten ASEAN members to have an ASEAN–Taiwan dialogue.

On our bilateral relations, what are the prospects for increased cooperation? In what areas in particular should both sides try to have closer cooperation between Singapore and Taiwan?

So long as you maintain stable and friendly relations with China, increasing cooperation in trade, investments and tourism, Singapore and Taiwan can also increase cooperation in trade

and investments and tourism. Do not bring any politics into the Taiwan–Singapore relationship. Singapore has always stood by its one-China policy, from the 1970s when the ROC had Chiang Ching-kuo as president.

As one of the international financial centres, Singapore's first casino will be open for business by 2009. What will the government do to attract tourists while preventing Singapore from becoming a place for money laundering? What are your views on adding this new sector to Singapore's economy?

We have clear procedures and supervision over banks in Singapore for money laundering. We are a member of the **Financial Action Task Force**, an intergovernmental body that focuses on combating money laundering and terrorist financing. We have also set up the **Casino Regulatory Authority** headed by a senior police officer. We have high-quality casino investors in two integrated resorts, each over US\$4 billion because they are confident there will be no mafia, no prostitution rings, no money laundering.

My views on casinos have had to change. I was opposed to casinos from the 1950s to the 1990s. The world has changed. There are now casinos in every major European city, even in Swiss cities. America has casinos.

Financial Action Task Force:

established on the initiative of the G7 Paris Summit of 1989. It completed its evaluation of anti-money laundering and counter-terrorist financing standards in Singapore in 2008.

Casino Regulatory Authority:

a statutory board in Singapore established in April 2008 to ensure that casino operations are carried out honestly without criminal influence and exploitation. It also protects society at large, including minors and vulnerable persons, from the potential adverse effects of casinos.

My views on casinos have had to change. I was opposed to casinos from the 1950s to the 1990s. The world has changed. There are now casinos in every major European city, even in Swiss cities. America has casinos. Casino cruise ships call regularly on Singapore. Singaporeans also fly to Macau, Las Vegas, Perth, Melbourne, Sydney and Brisbane for casinos. So we decided on two casinos, one ready by 2009 and the other by 2010.

Singapore has done very well in creating an environment conducive to international economic activities. If there is one lesson that Taiwan should learn from your country, what would it be? Will an incorrupt government or a meritocratic government be more successful in terms of efficiency?

In Singapore, the key issues with political debates and contests between the People's Action Party (PAP) and the opposition are about promoting and generating economic growth for jobs, housing and health for the people. In the past eight years, Taiwan's politics especially in the last eight years have been about independence and separateness from the mainland by **Taiwanisation or bentuhua**. Those debates have dampened investments and economic activity and increased unemployment. Taiwan blocked trade and investments with China. Taiwan lost sympathy and support internationally when President Chen Shui-bian was seen as a troublemaker even by the American president. With new President-Elect Ma Ying-jeou, I hope Taiwan's intra-party politics will be about promoting trade, investments and economic opportunities, not more sterile arguments over independence, or separateness from the mainland, and redefining Taiwan's history, identity and language.

You have been very concerned about the global warming problem and Singapore is thinking about building dykes. What do you suggest the world leaders should do more on this issue? What can China and India—the two biggest Asian countries—contribute in the coming decades?

Global warming is a huge subject. We are doing what we can. Quote from the speeches that Prime Minister Lee Hsien Loong made at the **Bali United Nations (UN) climate conference**.

Are you planning on attending the 2008 Summer Olympics? Do you think that the Beijing leadership might be putting too much hope on the Games?

I will be attending the opening ceremony of the Summer Olympics on 8 August 2008. The Chinese leaders have made great efforts to make it a success. The people of China are angry at these protests that they view as intended to sour the Beijing Olympics. The Chinese are confident that after the Games and protests have ended, China will continue to grow stronger year by year. And all major countries want to participate in this growing economy. When Lee Hsien Loong was deputy prime minister, he visited Taiwan. The Taiwanese media made big play of his visit. Beijing objected and suspended all government-to-government negotiations with us. Our FTA with Beijing has still not been signed after four years. New Zealand, who started their own

Taiwanisation or bentuhua:

a Taiwanese political term stressing the importance of maintaining a Taiwanese culture that is distinct from mainland China. It includes the study of history, geography and languages from a Taiwanese perspective.

Bali United Nations (UN) climate conference:

the UN Climate Change Conference held in Bali, Indonesia in December 2007. Participating governments adopted the Bali Road Map, consisting of a number of decisions to manage the environment.

boycotting the Moscow Olympics:

the United States led a boycott of the 1980 Summer Olympics in Moscow to protest against the December 1979 Soviet invasion of Afghanistan. A total of 65 countries who were invited did not take part.

negotiations after Singapore, has concluded the FTA. Beijing uses its economic and political clout to counter acts it sees as against its interests. Boycotting the Beijing Olympics will not be cost-free, unlike **boycotting the Moscow Olympics**. The Soviet economy was of no interest to the rest of the world.

On the issue of Tibet, do you see any chance of the Beijing leadership adopting a truly conciliatory attitude? If so, what might that be?

Beijing has shown a conciliatory attitude by resuming talks with the personal representatives of the Dalai Lama. But President Hu Jintao has made it clear that the Tibet issue is not an ethnic, religious or human rights issue. It was an issue of having the country split or united; a question of the sovereignty of China. The bottom line is—Tibet is a part of China.

Do you have any plans to visit Taiwan in the near future?

If cross-strait relations become friendly and cooperative again, and if there is no media publicity on my visits as in the 1970s, 80s and early 90s when I frequently visited Taiwan, I will be able to visit Taiwan. But when such visits are used by Taiwan's media to provoke Beijing, they set back Taiwan–Singapore interactions. It has made Singapore repeatedly reaffirm its one-China policy. If you return to the earlier practice of no publicity, our interaction will be quiet but more productive. ■

**INTERVIEW WITH DEBRA SOON, THE CHANNEL NEWSASIA AT
THE ISTANA, SINGAPORE
(10 May 2008)**

Minister Mentor, some have described you as an interpreter of China to the West. How would you describe yourself in relation to helping the world better understand China of the last 30 years?

I only interpreted China in the early days when the West did not have direct contacts with China. In the 1970s when they were just opening up, the West did not have frequent to-ings and fro-ings between leaders. Today, Chinese leaders and European, American and other leaders are meeting directly face-to-face. So they don't need me to interpret China. In the early stages, I was telling them that the Chinese are opening up, that they will become very different in time. Because I could see from 1978, when Deng Xiaoping came here and he started his reforms that he was on a very resolute path to open up the country to trade and invest with the West. First for the special economic zones, then they grew more numerous and when the zones became