



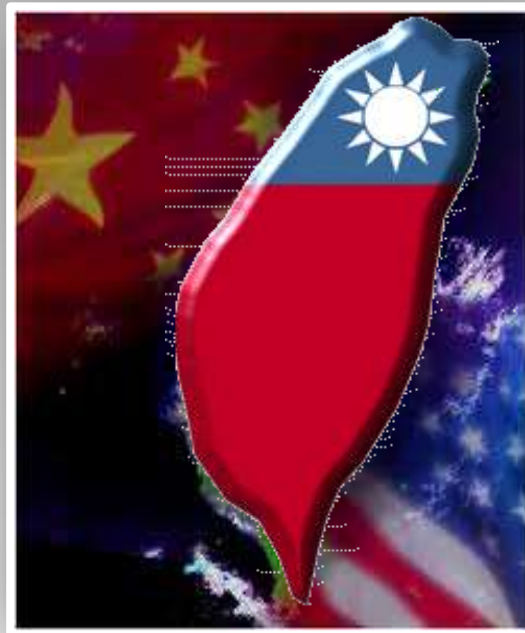
THE HABIBIE CENTER

Talking ASEAN on Cross-Straits Relations 14 May 2014

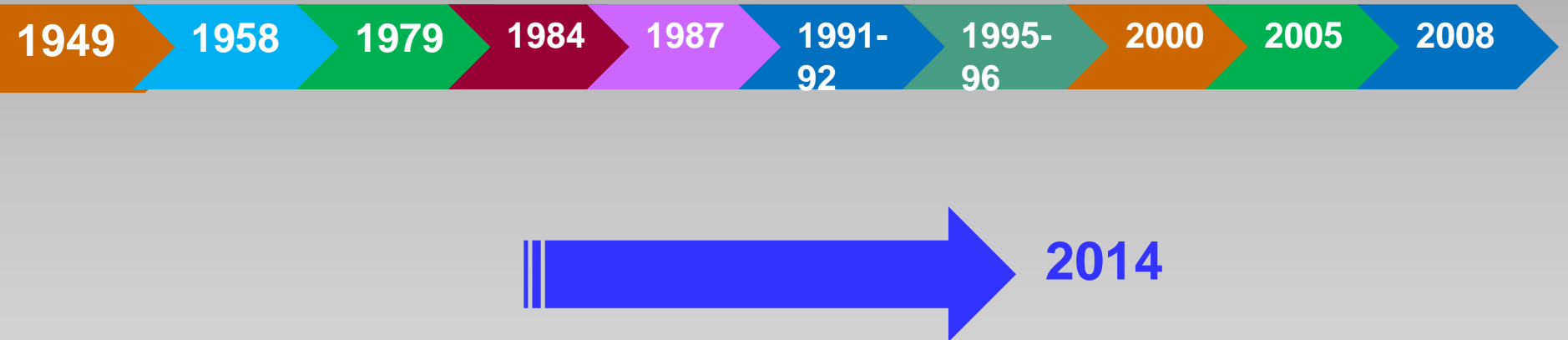
**Cross-Straits Relations: Changes and Prospects
by Liang Jen Chang**

Cross-Strait Relations: Changes and Prospects

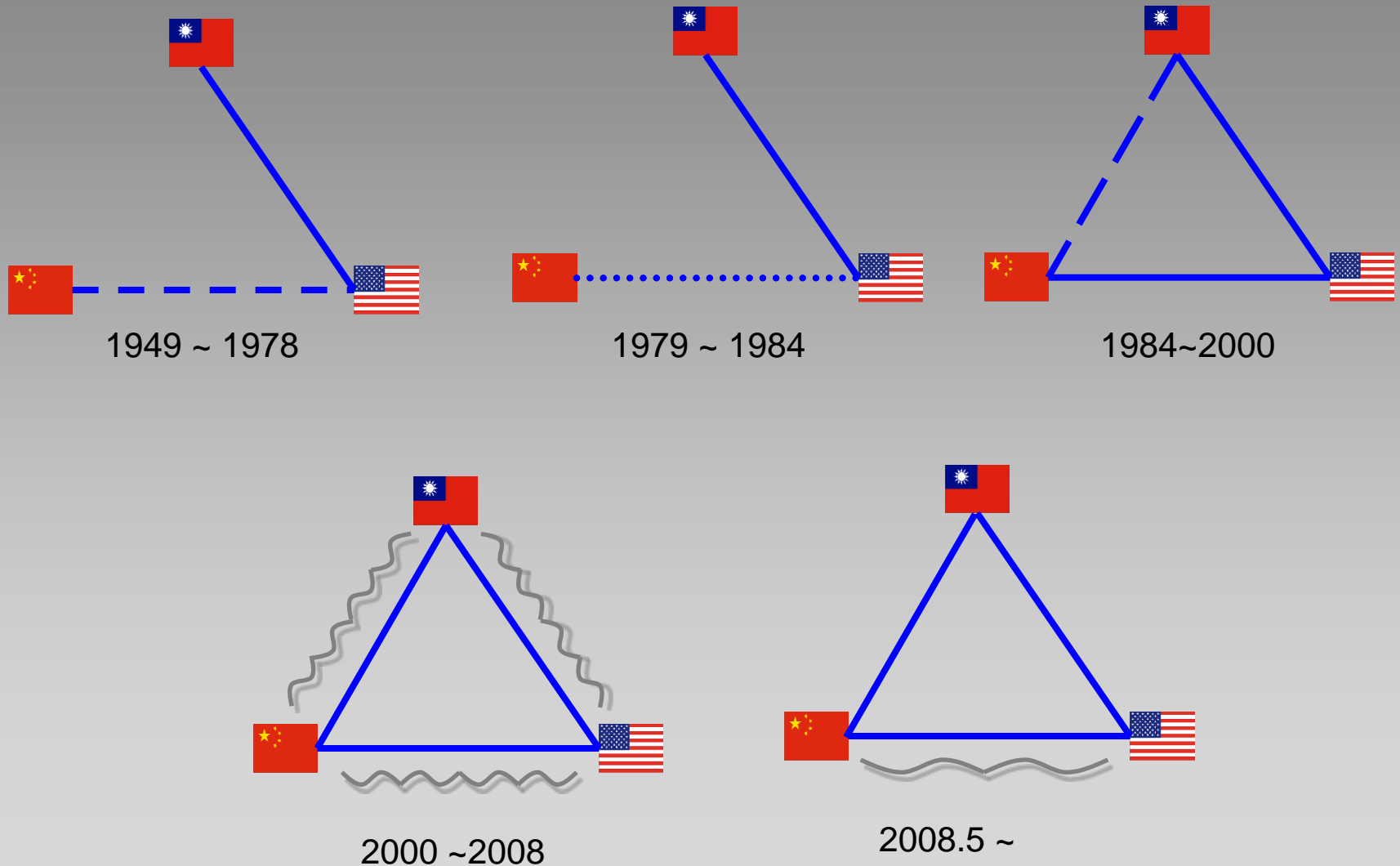
Liang Jen CHANG
14 May 2014



1. Changes



Phases of Change in the Last 60 Years



2. Hard Issues Versus Soft Issues

Hard Issues

Soft Issues

Military Diplomacy Politics

Economy Culture

1987-1995



1995-2000



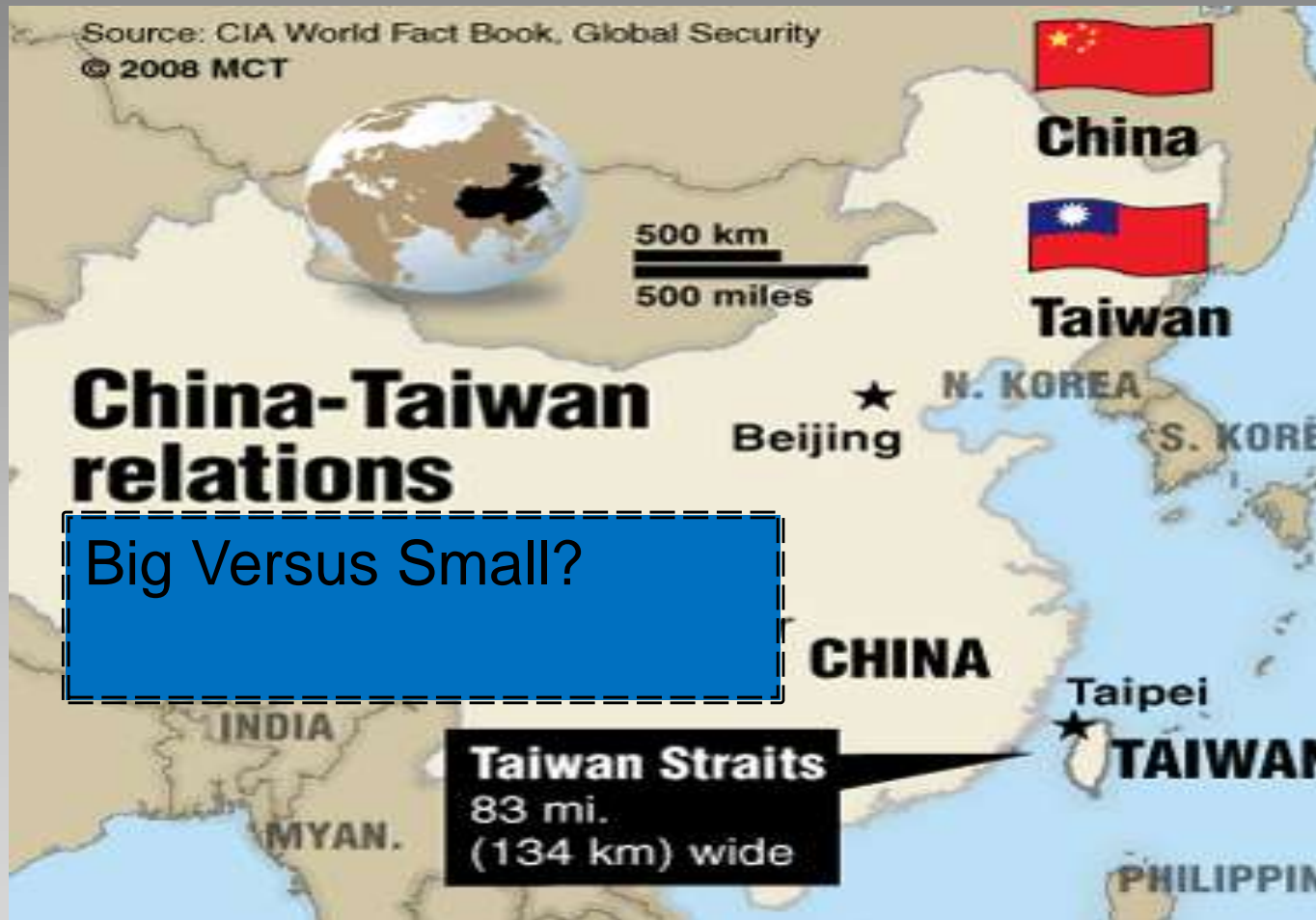
2000-2008



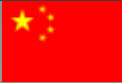
2008-2014



3. Facts

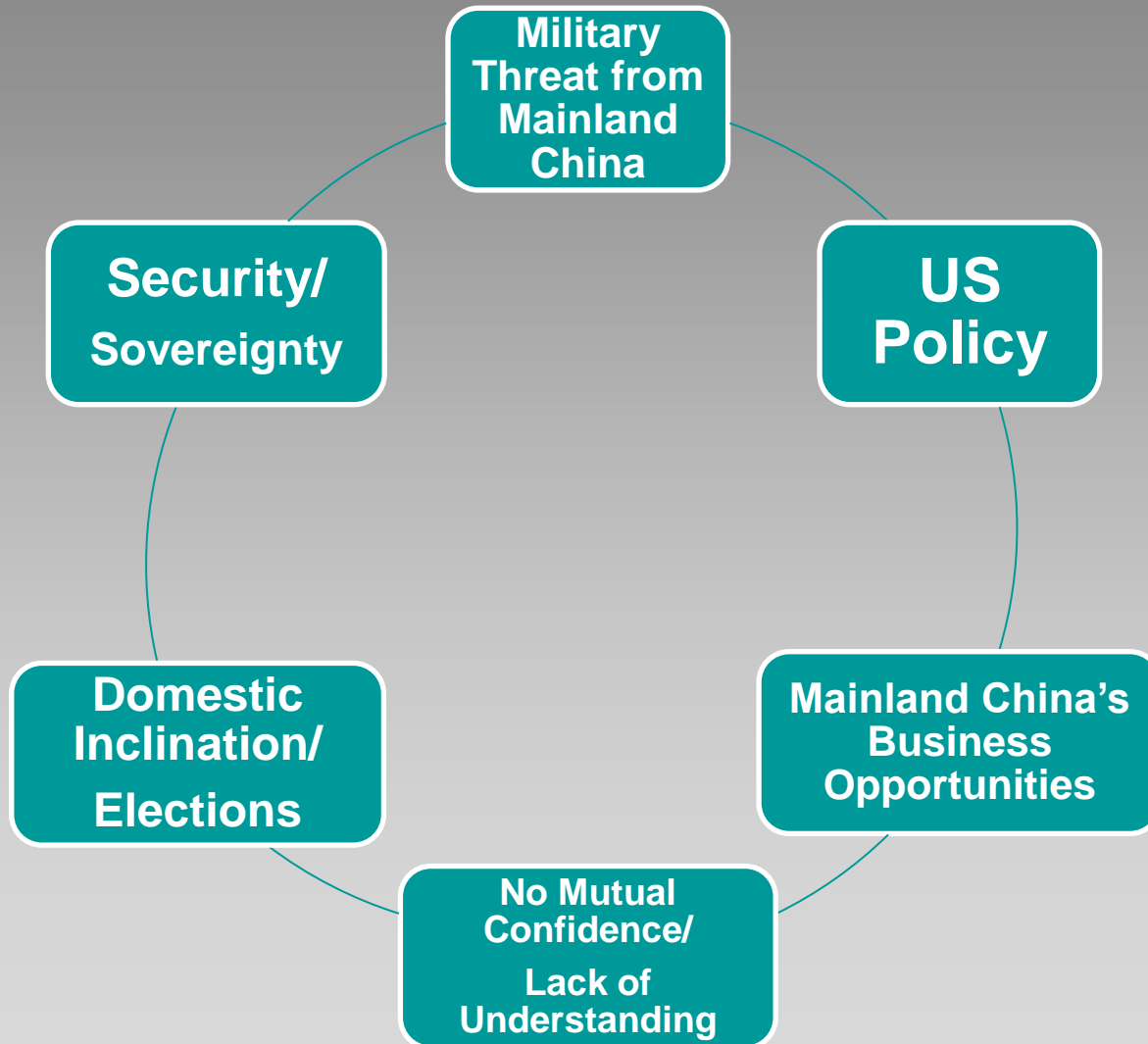


Taipei Economic and Trade Office in Jakarta

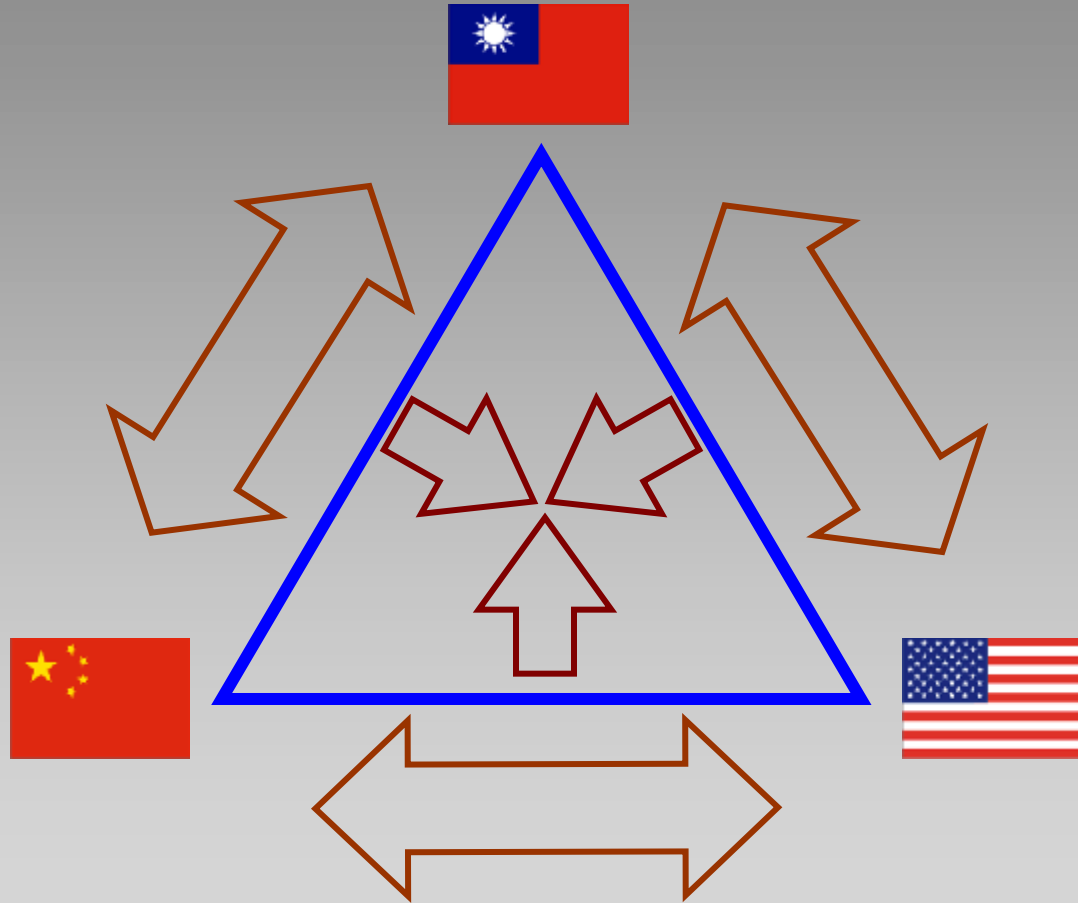
	Mainland China	Taiwan
Official Name	People's Republic of China(PRC)	Republic of China (ROC)
National Flag		
Population	1.35 billion	23.36 million
Area	9,596,961 sq km	36,193sq km
GDP	USD\$8.939 trillion	USD\$475 billion
GDP (nominal) per capita	US\$ 9.100	US\$ 21,423
GDP (PPP) per capita	US\$ 9.800	US\$ 38.357
Agriculture	9.7%	1.9%
Industry	45.3%	28.95%
Services	45%	69.15%
Trade volume	US\$3.989 trillion	US\$571.65 billion
Export	US\$2.21 trillion	US\$301.18 billion
Imports	US\$1.772 trillion	US\$270.47billion

	Mainland China	Taiwan
Foreign Exchange Reserve	US\$3.82 trillion	US\$416.81 billion
Ethnicity	Han Chinese 91.6%	Han Chinese 95 %
Government	Communist party	Multiparty democracy
President	Xi Jing Ping	Ma Ying-jeou
National Currency	Ren Min Bi (¥RMB)	New Taiwan Dollar(NT\$ orTWD)
Official Language	Mandarin (Chinese)	Mandarin (Chinese)
Major Religion	Officially atheist	Buddhism, Taoism, I-Kuan Tao, Chinese folk religion, Islam, Christianity, Catholic

4. Decision-Making Considerations



Nine Dimensions of Cross-Strait Relations



5. What to do?

- Restart Dialogue
- Resume Direct Flights
- Lessening Control of Visits
- Normalize Economic Relations/ECFA
- Diplomatic Truce
- Widen the Scope of Exchanges

6. What not to do?

No Political Talks

No Military Contacts

**No Declaration of
Taiwan Independence**

7. Goals



President Ma Ying-jeou



8. Approaches

- From Simple to Difficult Issues
- Economy First, Politics Later
- Resume Institutional Dialogue
- Equal Partnership
- Non-Recognition/Non-Denial of Each Other

11-14 February 2014

Cross-Straits Chiefs Held
First Government Talk in
Nanjing, Mainland China



9. Results



- **21 Agreements Signed**

- **828 Flights per week Between the Two Sides**

- **10 Million Trips Both Ways**

- **USD\$150 Billion Trade Volume per year**

- **350,000 Intermarriages**

- **24,000 College Students**

- **Full-Fledged Social Linkages**

- **War? A Distant Possibility/ Peace- Blossoming**

10. Trends

**Taiwanese
Identity Increased**

**China's Hostility
toward the
People/Government of
Taiwan Remains the
Same**

**3/4 Taiwanese
Advocate the
Status Quo**

**Contradictory to
the Functionalism
Theory**

11. Issues Remain

One China Issue/ Framework

**Military Threat Against
Taiwan/Potential Use of Force**

**Taiwan's International
Participation**

Taiwan Joins the RCEP/TPP

**Glaringly Different Political
Systems**

Ending Hostility Legally

CBM/Sign Peace Agreement

12. The Importance of Taiwan

Stakeholder in Asia-Pacific Regional Peace

Model of Mainland China's Development

Litmus Test for China's Democratic Process

Fact Sheet of Taiwan-Indonesia Relations

<p>I. Trade</p>	<ol style="list-style-type: none"> 1. Indonesia Exports to Taiwan (2013) USD 7.166 billion (Coal, LNG, semi-mineral products and chemical pulp, etc.) 2. Taiwan Exports to Indonesia (2013) USD 5.146 billion (gasoline, diesel, textile material, machinery, stainless and chemical products) 3. Total Trade Volume (2013) USD 12.31 billion Trade Surplus for Indonesia (2013) USD 2.02 billion
<p>II. Investment</p>	<ol style="list-style-type: none"> 1. Taiwan's accumulated investment to Indonesia: USD <u>15.179 billion</u> and <u>1,551 cases</u>. (as of June 2013,) 2. In the first half year of 2013, investment from Taiwan reached US\$120.86 million, an increase of 710%. 3. Taiwan is ranked as Indonesia's <u>No.9</u> foreign direct investment source, creating about 1 million job opportunities in Indonesia.
<p>III. Tourism</p>	<ol style="list-style-type: none"> 1. <u>166,378</u> Taiwanese tourists visited Indonesia in 2013. 2. <u>127,443</u> Taiwanese tourists visited Bali in 2013, making Taiwan the 7th largest source of foreign tourists to Bali.
<p>IV. Flight</p>	<ol style="list-style-type: none"> 1. Two Taiwan airlines (China Airlines, EVA Air) and Garuda Indonesia Airlines are offering regular services between Taiwan and Indonesia. (Taipei-Jakarta, Taipei-Surabaya and Taipei-Bali routes) 2. There are in total <u>108</u> flights per week between Taiwan and Indonesia.
<p>V. Labor</p>	<ol style="list-style-type: none"> 1. <u>214,175</u> Indonesian workers are employed in Taiwan, making up 44% of the immigrant workforce in Taiwan. (as of the end of January 2014)
<p>VI. Education</p>	<ol style="list-style-type: none"> 1. <u>3,085</u> Indonesian students are enrolled in Taiwan's universities and language centers in the academic year of 2013-2014. 2. Taiwan government offers Taiwan Scholarship, Huayu Scholarship for Indonesian students annually. 3. Following MOU on Higher Education Cooperation signed by Taiwan and Indonesia in May, 2011, the "DIKT13+1 Program" is launched. Under the Program, Indonesian Ministry of National Education sponsors up to 200 Indonesian university lecturers to pursue Master/PhD degree in Taiwan.