Consensus of 1992
- Historical Facts and Effect

Background

The Consensus of 1992 is a historical fact. The Consensus reached in 1992 after long-drawn-out arduous talks lays the foundation for negotiation between the two sides of the Taiwan Strait. Under this tacit consensus, the Straits Exchange Foundation (SEF) and the Association for Relations across the Taiwan Strait (ARATS) were able to arrange the first meeting of C.F. Koo and Wang Daohan, chairman of the SEF and the ARATS respectively, in Singapore in 1993 to sign four agreements. Relations across the Taiwan Straits based on the Consensus have greatly improved since 2008 to contribute to Taiwan’s security and prosperity and to the stability and peace of Asia-Pacific region. For this reason, the Consensus is supported by the greatest majority of the people of Taiwan and has won splendid international affirmation. The Consensus is the most feasible and beneficial option open to Taiwan at present.

(Caption: President Lee Teng-hui presides over a plenary meeting of the National Unification Council to adopt the “Definition of One China” resolution. The meeting took place on August 1, 1992.)

Historical Facts

On August 1, 1992, President Lee Teng-hui called a plenary meeting of the National Unification Council, where the “Definition of One China” resolution was deliberated on and adopted.

On October 30, 1992, the SEF proposed to ARATS that “both parties adhere to the principle of one China but differ in recognition of the definition of one China” in accordance with the “Definition of One China” resolution.
Exchange of Notes

On November 16, 1992, the ARATS sent a letter in reply that cites the SEF proposal in full and includes a counterproposal which states:

“Both sides of the Taiwan Strait adhere to the principle of one China … However, the negotiation of practical matters does not involve the political connotation of the said principle.”

The same letter also reads in part: “our Association fully respects and accepts the proposal of Your esteemed Foundation.”

Although this consensus is not one signed at the same time by both parties, it nonetheless is a consensus for reasons that the Chinese Mainland side expressed in its official letter that “our Association fully respects and accepts the proposal of Your esteemed Foundation.”

※The ARATS letter, dated November 16, 1992, reads in full:

During this round of working group negotiations, the representative of Your esteemed Foundation proposed that under conditions that both parties mutually understand each other, the one China principle can be orally and respectively interpreted. The statement made by your party (see the attachment) was clear that both sides adhere to the One China principle, which was then made public by the media in Taiwan. We noted that Mr. Hsu Hui-yu issued a written statement on November 3 to express the attitude which is the same as the one in the aforesaid proposal. On November 3, Your esteemed Foundation formally informed our Association that the authorities concerned in Taiwan had agreed to have the principle of one China “interpreted orally and independently.” Our Association fully respects and accepts the proposal of Your esteemed Foundation, and told Mr. Chen Yung-chieh of the same by telephone on November 3.

With a view to making negotiations on the problem of the use of certified documents an early success, our Association wishes to hereby inform Your esteemed Foundation of the main points of the interpretation we would make orally: “Both sides of the Strait adhere to the principle of one China, striving for national unification. However, the negotiation of practical matters does not involve the political connotation of the said principle.” In line with this spirit, the problem of the use of certified documents (or other practical matters to be negotiated) must be appropriately solved.

Attached please find the proposal of Your esteemed Foundation to interpret the aforesaid principle which was made on October 30.

“While the two sides of the Straits are striving jointly for national unification,
both parties adhere to the principle of one China but differ in recognition of the
definition of one China. In view of ever increasing people-to-people exchanges across
the Strait, the problem of document authentication must be appropriately solved to
protect the interests of the people on both sides of the Straits.”

Independent Interpretation

As the words are overly used to interpret the principle of one China, the
interpretation which the media reported on the following day is abridged to “one
China with different interpretations” or “one China with each saying its own.” There
was no mention of a “Consensus of 1992” at that time but there was a consensus on
“one China with different interpretations.”

Headlines of three major newspapers in Taipei on November 17, 1992 are as
follows:

The Industrial and Commercial Times: ARATS Sends Letter, Our Side Holds
Meeting to Guess Meaning/One China Each Saying Its Own—SEF Gives
Nod.

The United Daily News: ‘One China’ with Different Interpretations/Both
Sides Seeking Common Ground while Keeping Differences—One of
Eight Proposals Acquiesced to by Other Side, to Give Chance to Start Negotiations on Document
Certification, SEF Recommends Continued Communication by Letter or Cable

The China Times Evening News: Two Sides of Straits Interpret
Independently — orally — Definition of ‘One China’ ---ARATS Writes
SEF Expressing Agreement, Suggesting Beijing, Taipei, Amoy or Quemoy as
Venue for Continued Negotiation
Consensus of 1992 and ‘Koo-Wang’ Meeting at Singapore in 1993

As the Consensus of 1992 was reached, the SEF and the ARATS began making arrangements for a meeting between C. F. Koo and Wang Daohan in Singapore in 1993 to institutionalize negotiation and set a mechanism for communication in place.

Remarks on Consensus of 1992 by Leaders of Both Sides of Straits

President Lee Teng-hui said on March 1, 2000: “We used to say the Republic of China is China and they would say the People’s Republic of China is China. That is to say, by way of ‘one China with different interpretations,’ you (the People’s Republic) are not the only one representing China but the Republic of China that has long existed is another country.”

President Chen Shui-bian said on June 27, 2000, while meeting William P. Fuller, president of the Asia Foundation in San Francisco, California: “The new government is willing to accept the consensus reached between the SEF and the ARATS prior to their meeting (at Singapore). That is ‘one China with different interpretations.’”

According to the English file of the Xinhua News Agency, Hu Jintao, president of the People’s Republic of China, said in a telephone conversation with U.S. President George W. Bush, Jr.: “…the Chinese Mainland and Taiwan should restore consultation and talks on the basis of the 1992 Consensus which sees both sides recognize there is only one China but agree to differ on its definition.” (Hu’s conversation with Bush is published on the Website of the Permanent Mission of the People’s Republic of China to the United Nations.) The news report posted on the Website is as follows:
President Ma Ying-jeou said in his inaugural speech on May 20, 2008: The two sides of the Straits reached a consensus on “one China with different interpretations” in 1992, under which many negotiations have been concluded with success to promote a fruitful development of cross-Strait relations. I hereby reiterate we will restore and continue consultation and talks on the basis of the Consensus of 1992”as soon as practicable.

President Ma Ying-jeou said on August 27, 2011: The Consensus of 1992 has been arrived at in accordance with the Constitution of the Republic of China. To support the Consensus of 1992 is to support the Republic of China. It describes the relationship between the two sides of the Straits defined by the Constitution of the Republic of China.

Cost of Suspension of Cross-Strait Dialogue

While the Democratic Progressive Party was in power, its administration did not accept the Consensus of 1992 and the contact between the SEF and the ARATS was suspended. Relations between the two sides of the Straits made little progress. The suspension resulted in:
Lack of protection of the interests of the people: i.e., in such matters of personal interest as entry and exit of country, location of relatives and friends, education, tours and safety of Taiwan businessmen on the Chinese Mainland and their investment, the people lack effective protection and have nowhere to go to seek help;

Interchange without order: i.e., with the channels of communication between the two sides of the Straits blocked, cross-Strait interchange remained out of order, giving rise to rampant fraud, while criminals could go from Taiwan into hiding on the Mainland and cross-border disease prevention and control became lax;

Failure to remove obstacles to cross-Strait interchange: i.e., ever-increasing interchange interposed obstacles because of political confrontation, creating an abnormal phenomenon; and

Taiwan’s low national competitiveness: i.e., cross-Strait trade is the mainstay of Taiwan’s external trade, but thanks to political confrontation, the trade with the Mainland failed to bring about its expected effect and profit for Taiwan, leading to failure to increase Taiwan’s national competitiveness.

Beneficial Result of Resumption of Dialogue in Accordance with Consensus of 1992

The SEF and the ARATS resumed consultation and talks on the basis of the Consensus of 1992 in June of 2008. They have since met eight times, with altogether 18 agreements concluded and signed, to open Taiwan’s window of opportunity to peace and prosperity. As a result:

A total of 558 weekly flights are now made between the two sides of the Straits, bringing 4,380,000 people on the Mainland to Taiwan for visits over the past four years and creating US$7 billion worth of business and in foreign exchange receipts in the process;

Import tax is exempted from altogether 539 items of export from Taiwan to the Mainland under the Economic Cooperation Framework Agreement for the benefit of 22,000 medium-sized and small business enterprises in Taiwan, whilst the lowering of customs duties, coupled with Taiwan’s improved environment of foreign direct investment, made Taiwan businesses on the Mainland successfully applied for 45 cases of investment in Taiwan, with the paid-in capital aggregate hitting NT$41.9
billion (US$1.43 billion), during the first eight months of 2012;

As of the end of August 2012, altogether 206 criminals on the wanted list had been repatriated from the Mainland to Taiwan and 64 cases of crime jointly cracked with 3,929 suspects arrested, whereas fraud cases cracked in Taiwan showed a decrease of 17.13 percent from 2010 to 2011, with the money cheated out of coming down by NT$1.249 billion (US$42.6 million); and

Taiwan ranked sixth in the 2011 league table of the Institute of Management Development at Lausanne, Switzerland, with its research fellow Suzanne Rosselet attributing its move-up on the list to the conclusion of the Economic Cooperation Framework Agreement between the two sides of the Straits.

According to a World Economic Forum report on national competitiveness, the Republic of China in Taiwan ranked 13th in 2011, moving up in world rankings three years in a row. It is the highest ranking for Taiwan since 2007. Moreover, the WEF reported Taiwan’s national competitiveness remains strong.

U.S. Affirmation of Consensus of 1992

On April 21, 2004, James Kelly, U.S. assistant secretary of state for East Asian and Pacific affairs, testified before the House International Affairs Committee that Taiwan and Mainland China reached a consensus on one China with different interpretations in 1992 to pave the way for the first high-level meeting at Singapore in 1993.

On March 21, 2010, David Shear, U.S. deputy assistant secretary of state for East Asian and Pacific affairs, testified at a Congressional public hearing that President Ma also proposed to resume dialogue with the People’s Republic of China on the basis of the “Consensus of 1992” under which both sides are agreed that there is but one China, factually agreeing to define that one China.
Public Affirmation of Institutionalized Cross-Strait Negotiation and Its Results

Public Support for Institutionalized Cross-Strait Negotiation to Solve Exchange Problems

The signing of the 18 agreements between the two sides of the Straits has contributed to Taiwan’s development.