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Press Meeting February 7, 2014

Politics

1. Details of the new National Security Commission announced
 - a. The commission will also tackle the financial industry, as is increasingly worried about **speculative capital flows** that may threaten domestic stability. Xi's vision of the NSC was expected to focus on "all kinds of emerging and new threats that the government hasn't spent too much time and resources on yet", and financial industry security would fall into the "**emerging threat**" category. SCMP's source cited two examples of how financial security could affect domestic social stability: unusual price moves on the stock market and the virtual currency bitcoin.
 - b. Politics professor Yang Guangbin said this Commission is a super-organization that are both party and state organization at the same time: 中央全面深化改革领导小组、尤其是中央国家安全委员会的设置意味着，在党管国家的体制中，不但党政分开是不可能的，**更要在党政同构的基础上强化党政合一，党政合一的超级机构不但要进行政治领导即做决定，还要具体执行。**具体运行中的党政关系到底是什么样式？我们还不得而知，但至少从目前的形式上看，是一种加强版的党政合一关系，是一种比1958年毛泽东讲的党政关系更加强化的新型党政关系，或者说新中国历史上前所未有的加强版的党政合一机构，在某种意义上也是“议行合一”原则的再现。¹
 - c. On People's Daily, Central Politics and Law Commission Secretary Meng Jianzhu reports Xi Jinping's main points from a recent commission working meeting. The article is called "Scientific Guide to Political and Legal Work Under New Circumstances" (新形势下政法工作的科学指南).² Meng writes that Xi "**clearly indicated that rights defense is the basis of stability maintenance, and stability maintenance is the essence of rights defense**" (明确指出维权是维稳的基础，维稳的实质是维权).
 - i. **Supreme leadership of the CCP:** 中国特色社会主义最本质的特征是坚持中国共产党领导，党的领导与社会主义法治是一致的，既要坚持党对政法工作的领导不动摇，又要加强和改善党对政法工作的领导
 - ii. **Importance of social stability:** 没有稳定的社会政治环境，一切改革发展都无从谈起，再好的规划和方案都难以实现，已经取得的成果也会失去；维护社会大局稳定是政法工作的基本任务

¹ 21ccom, http://www.21ccom.net/articles/zgyj/ggex/article_2014012699727.html

² People's Daily, <http://politics.people.com.cn/n/2014/0129/c1001-24257259.html>

- iii. **Justice and fairness:** 公平正义是政法工作的生命线，司法机关是维护社会公平正义的最后一道防线
 - iv. **Security is public good:** 平安是老百姓解决温饱后的第一需求，是极重要的民生，也是最基本的发展环境；人民安居乐业，国家才能安定有序；保障人民安居乐业是政法工作的根本目标。
 - v. **Dialectical materialism in explaining the relationship between the Party's leadership and self-governance, weiquan and weiwen, etc:** 运用辩证唯物主义的世界观和方法论，深刻阐述了做好新形势下政法工作必须处理好的若干重大关系，比如坚持党的领导和人民当家作主、依法治国的关系，维稳和维权、活力和秩序的关系，依法治国和以德治国的关系，文明执法、公正执法和严格执法的关系，从严治警和从优待警的关系，胆子要大和步子要稳、顶层设计和摸着石头过河的关系等
 - vi. **"Marxist legal perspective":** 运用马克思主义法律观，深刻阐述了党的政策和国家法律、坚持党的领导和确保司法机关依法独立公正行使职权的关系，**要求做到党领导立法、保证执法、带头守法**；明确指出维权是维稳的基础，维稳的实质是维权，要求完善对维护群众切身利益具有重大作用的制度，强化法律在化解矛盾中的权威地位
 - vii. **Emphasis on social governance:** 社会治理是一门科学，要求坚持系统治理、依法治理、综合治理、源头治理，确保社会既充满活力又和谐有序。这进一步明确了新形势下社会治理的目标、思路，对建设更高水平的平安中国具有十分重大的现实意义。创新社会治理方式，是我国社会主义社会发展规律的客观要求，也是我们党在社会建设理论和实践上的一次新飞跃。
 - viii. **One weibo user said:** 我再也不敢说习近平没文化是个傻逼文盲加流氓了。“战争即和平、自由即奴役、无知即力量”George Orwell 的传世之作，今天习近平加了一句维稳即维权，他妈的天衣无缝啊。
- d. **Revising the State Secrets Law**
- i. Premier Li Keqiang signed a regulation, announced Feb 2, that would prohibit Chinese government organs from **"using the law to classify those matters which should be made public"**. Full text can be found here.³ In an English-language article, Xinhua added that the regulation will **"boost government transparency."**⁴ The new rules are set to go into effect on March 1, replacing the old regulation in place since 1990.
 - ii. China's definition of state secrets has vexed outside observers for years. A 2007 report by Human Rights in China called state secret laws **"a complex, opaque system that controls the**

³ People's Daily, <http://cpc.people.com.cn/n/2014/0203/c64094-24277599.html>

⁴ Xinhuanet, http://news.xinhuanet.com/english2010/china/2010-04/29/c_13272939.htm

classification of—and criminalizes the disclosure or possession of—state secrets.”⁵ The report noted that the uncertainty regarding state secret laws contributed to a critical delay in reporting on the SARS outbreak in 2003 and the 2005 explosion of a petrochemical plant in Jilin, which polluted the Songhun River. Environmental activists, reporters, and businesspeople (with one of the most famous cases involving the 2009 arrest of an Australian executive for the mining firm Rio Tinto) have all been prosecuted for leaking state secrets. Like China’s censorship laws, the beauty of its state secret regulations lies precisely in their vagueness. There are no clear rules about what is or isn’t a state secret, which encourages actors (whether journalists, executives, or activists) to err on the side of caution and not reveal any potentially sensitive information.⁶ See Rachel Stern & Kevin O’Brien, Politics at the Boundary: Mixed Signals and the Chinese State.⁷

- iii. But David Wertime at Tea Leaf Nation said that the new state secrets law remains still **broad enough — and vague enough** — to deny the Chinese public access to a surprisingly wide range of information: “It’s hard to criticize Li for pushing back against abuse of the law by wayward Chinese officials, who long ago discovered that they could bury incriminating material by classifying it as secret, or some variety thereof: top secret (where Chinese law says disclosure would cause “extremely serious harm”), highly secret, and secret. **But the new language simply restates the flip side of the current law, which essentially says: Whatever should be secret shall be so labeled — trust us”.**
- iv. Shannon Tiezzi at the Diplomat is equally cautious on the new regulations⁸: “The new order told government agencies not to “define as a state secret information which by law ought to be public.” **Yet, despite its length, the rules didn’t clarify what types of information “ought to be public,”** providing little extra guidance. Further, the rules said that **“the scope of what is secret should be adjusted in a timely manner according to changes in the situation,”** which could obviously mean either loosening or restricting the flow of information at

⁵ Human Rights in China, http://www.hrichina.org/sites/default/files/PDFs/State-Secrets-Report/HRIC_StateSecrets-Report.pdf

⁶ Diplomat, <http://thediplomat.com/2014/02/does-chinas-new-state-secret-regulation-mean-anything/>

⁷ Berkeley Law School, <http://scholarship.law.berkeley.edu/cgi/viewcontent.cgi?article=2786&context=facpubs>

⁸ Diplomat, <http://thediplomat.com/2014/02/does-chinas-new-state-secret-regulation-mean-anything/>

the government's will." She said that "even the official China Daily report, despite its hopeful note that the move was aimed at boosting transparency, seemed more concerned with protecting (and the punishments for violating) state secrets."

2. Increasing unrest in Xinjiang

- a. State media reported a clash in Xinhe county, Aksu prefecture on 24/1, where assailants threw explosives at police, triggering a clash in which police killed six and captured five suspects.⁹
- b. The Global Times said two explosions had occurred in a beauty salon and a grocery market in Xinhe on 24/1 evening. Meanwhile, Dilxat Raxit, spokesman for the main Uyghur exile group, the World Uyghur Congress, suggested that **the beauty salon was a front for a brothel that had offended Uyghurs "as it directly affected the Uyghurs' traditional lifestyles"**. He said in an email statement: "China has refused to disclose the real reason for the protests by the Uyghurs. **The forced repression and provocation is the real reason for the confrontation. The Uyghurs simply cannot endure the current repressive policies pursued by China.**"¹⁰
- c. Also on Friday 24/1, border guards in neighboring Kyrgyzstan said that a group of Uyghurs were killed after crossing the border and that their belongings indicated that they belonged to a separatist group.¹¹
- d. The Public Security Bureau of Urumqi city has accused **Tohti of separatism and inciting ethnic hatred for his work advocating for the rights of Uyghurs**. Global Times accused Tohti of a range of crimes¹²:
 - i. Using his position as a teacher, Ilham Tohti participated in **separatist activities, forming a criminal gang under his lead**
 - ii. Through the website "Uyghur Online" (uighurbiz.net) which he founded, **Tohti recruited and manipulated some people to make rumors, distort and hype up issues in a bid to create conflicts, spread separatist thinking, incite ethnic hatred, advocate "Xinjiang independence" and conduct separatist activities**
 - iii. Tohti said in class that "Uyghur people should struggle with violence" and that "Uyghur people should oppose the government as Chinese resisted Japanese invaders in past years." During his class, he **praised some terrorists as heroes**

⁹ Guardian, <http://www.theguardian.com/world/2014/jan/25/fresh-clashes-kill-12-china-xinjiang-uyghurs>

¹⁰ Reuters, <http://www.reuters.com/article/2014/01/26/us-china-xinjiang-idUSBREA0P02220140126>

¹¹ Reuters, <http://www.reuters.com/article/2014/01/24/us-kyrgyzstan-uyghurs-idUSBREA0N16J20140124>

¹² Global Times, <http://www.globaltimes.cn/content/839340.shtml#.UuYBIqWttdg>

and **incited his students to hate the country and “subvert government.”**

- e. The Lowy Interpreter provides a **broader context** for Tohti's detention and the recent violence¹³:
- i. “While it is difficult to either confirm or refute this claim, it is possible to confirm that **at least some of the unrest has been the result of the government's heavy handed anti-religious campaigns in the region.** A recent example is the ‘Project Beauty’ campaign, aimed at **discouraging mostly Uyghur women from wearing traditional headscarves or veils.”**
 - ii. “Second, in the aftermath of the July 2009 Urumqi ethnic riots which resulted in the removal of long serving Xinjiang CCP Chairman, Wang Lequan, Beijing appointed as Xinjiang party boss the reputedly reform-minded and media-savvy Zhang Chunxian. This initially raised hopes that ethnic tensions in the region could be soothed by Zhang's lighter touch and sensitivity. **This was quickly dispelled with Zhang's return to familiar strategies and political slogans, such as his 2011 call for the party to institute ‘flexible iron-fisted rule’ in Xinjiang.** In policy terms this has amounted to the continuation of long standing emphases on the twin strategies of accelerated economic development and zero tolerance of overt ethnic minority dissent.”
 - iii. “The ongoing incidents of unrest and violence have prompted the regional government to announce on 17 January that it will **double the public security bureau's ‘counter-terrorism’ budget for 2014 in an effort to ‘curb the spread of religious extremism as well as prevent severe violent terrorist attacks and mass incidents from happening’.** But perhaps more worrying for China's Uyghurs is the language the authorities are now deploying to describe their approach to Xinjiang's problems. In announcing the budget increase, Nur Berki, chairman of the Xinjiang regional government, stated that the authorities ‘must constantly strike hard against violent terrorism, showing no mercy, in accordance with the law, and maintaining a high-handed posture’.”
- f. In Foreign Affairs, Kendrick Kuo writes about the impact that Zhang's policies have had in Xinjiang¹⁴:
- i. For Uighurs and human rights activists, Zhang put forward a number of **encouraging reforms.** He enacted a **pollution-control system, supplied natural gas to Uighur households, overhauled the tax regime on natural resources, and campaigned against corruption.** These policies sought to

¹³ Lowry Interpreter,

<http://www.lowyinterpreter.org/post/2014/01/24/Ilham-Tohtis-arrest-demonstrates-Chinas-renewed-hard-line-on-Xinjiang.aspx>

¹⁴ Foreign Affairs, <http://www.foreignaffairs.com/articles/140675/kendrick-kuo/chinas-wild-west?nocache=1>

counter Uighur accusations of Chinese extractive colonialism. Along the way, local and national media outlets were quick to buy into Zhang's **populism, which he buttressed with carefully staged visits to Uighur communities and farming households**. On the second anniversary of the 2009 riots, Zhang even appeared at a food court in Urumqi, handing out kebabs and beer to promote investment in Xinjiang.

- ii. But Zhang's policies have failed to address the major sources of Uighur discontent. **Many Uighurs still consider their language and religion to be under attack**. Under Zhang, the regional government has set a **minimum age for attending mosque, prohibited Arabic language instruction**, and made **it difficult for Uighurs to fast during Ramadan**, especially in schools. Bilingual education has not only failed to reverse Uighur disadvantages in the job market, but also convinced many Uighurs that the government is attempting to phase out their language. Meanwhile, **most of the wealth generated by Zhang's policies has gone to the Han**, and the Uighurs still disproportionately occupy the lower rungs of the economic ladder. And Uighur violence has continued.

3. Briefings point to conclusion of graft investigation into Zhou Yongkang
 - a. SCMP reports that "central authorities have begun briefing officials on findings of the corruption case centred on former security tsar Zhou Yongkang". Citing people who received the information, **"the briefings included new details about the possible origins of the case against the retired Politburo Standing Committee member**. For instance, the decision to investigate Zhou last summer was made after findings of an inquiry into his former top aide Guo Yongxiang were presented to the top leadership." The report estimated that the case against Zhou will be announced **after the Chinese New Year**. "Zhou would be first current or retired member of the Politburo Standing Committee to be charged with **financial crimes**...The difficulty in tying money directly to Zhou has been seen as one of the reasons the case has taken so long to build."¹⁵
4. Weiquan activist Xu Zhiyong was sentenced to four years in prison for "gathering a crowd to disturb public order"
 - a. The soft-spoken Xu is the **founder of a peaceful grass-roots movement** promoting citizens' rights that had **campaigning for equal rights to education for the children of China's rural migrant workers**, and, more controversially, for **Communist Party officials to publicly disclose their assets**. His indictment had accused him of organizing and inciting people to unfurl banners, distribute leaflets, attract onlookers, make a racket and obstruct police officers from enforcing the law during a series of small protests in 2012 and 2013.

¹⁵ SCMP, <http://www.scmp.com/news/china/article/1416167/briefings-point-conclusion-graft-investigation-zhou-yongkang>

- b. Xu's speech, which was later made available by his attorney and was widely circulated online despite authorities' efforts to censor it, laid out a **manifesto for peaceful, gradual change in China to promote citizens' rights and to encourage democracy and the rule of law through "freedom, justice and love"**. For the speech, refer to this link: <http://thehousenews.com/politics/許志永的陳詞-為了自由-公義-愛/>
- i. 自由，公義，愛是我們的核心價值，我們的行動指南。新公民運動宣導每個公民從自身做起，從身邊做起，從小事做起，從改變具體的公共政策和制度做起，理性建設性推動國家民主法治進程，追求民主法治公平正義的中國人在共同的公民身份下團結起來，在自由民主的規則之上形成公民的共同體，成長為公民社會健康理性的力量。公民群體有共同的公民身份，共同的民主憲政理念，共同的自由，公義，愛的信仰。但公民群體不是專制意義上的組織，沒有領導，沒有層級，沒有命令與服從，沒有紀律與懲罰，而是完全基於自願的自由公民的聯合。各地公民群體在推動具體的制度變革行動中自發的自主成長。公民群體作為公權力的監督者，政治改革的推動者，民主法治的建設者，在推動社會進步的行動中健康成長。推動教育平權，隨遷子女就地高考和呼籲官員財產公示就是在這一理念下的公民行動。
 - ii. 十年了，因為選擇站在無權無勢者一邊，我們見證了太多的不公不義，太多的苦難不幸，可我們依然懷著一顆光明的心，理性建設性推動國家進步。提出問題就要找到解決問題的辦法，反對，是為了建設，因為我們是新時代的公民，對國家負責任的公民，我們愛中國。
 - iii.深層次的問題是，你們心中深深的恐懼。恐懼公開審理，公民自由旁聽，恐懼我的名字出現在互聯網上，恐懼一個正在到來的自由社會。你們試圖打壓新公民運動，阻礙中國和平改良的民主憲政之路。你們把公民群體的存在和成長當成異端心懷恐懼，你們說我們有政治目的，是的，我們的政治目的很清楚，那就是民主、法治、自由、公義、愛的美好中國。我們追求的，不是為打江山坐江山，為權力不擇手段的野蠻政治，而是美好政治，是為公眾謀取福利的美好事業，是全體公民共同治理國家的事業，我們的使命不是為了獲得權力，而是為了約束權力。
- c. A day after his trial, the hawkish Global Times published a commentary on Xu's case. **The tone, however, is surprisingly mild, contrary to its typical stance.** It affirms Xu's vision and moral claims, but rejects his actions, saying that his actions went against the law. The ruling, it said, helped better **draw the boundary of legal weiquan actions.**¹⁶

¹⁶ Global Times, <http://opinion.huanqiu.com/editorial/2014-01/4793763.html>

- d. Meanwhile, four more activists from anti-graft New Citizen movement stand trial. The four activists - Ding Jiaxi, Li Wei, Zhang Baocheng and Yuan Dong – were also **accused of disturbing public order after urging officials to reveal their assets**. Police accuse the activists of planning, organizing, and carrying out nearly 30 instances of "street political activities", from displaying banners to making speeches urging that officials reveal their assets, according to a copy of Li's arrest notice.
5. New rules on cadre promotions and appointments
- a. Revised rules (Work Regulations for Leading Party and Government Cadre Promotions and Appointments 党政领导干部选拔任用工作条例) were instated in mid-January to **stop “naked officials”- officials who keep their families and assets overseas – from rising through the ranks**.¹⁷ This followed a new pilot program announced last December the Central Commission for Discipline Inspection, which **requires “leading cadres” who are newly appointed or promoted to disclose their assets, the occupations of spouses and children, and international travel records**.¹⁸
- b. The revision was the **first time 12 years since its promulgation**. In the assessment section, the rules added that cadres are not eligible for assessment if 配偶已移居国（境）外；或者没有配偶，子女均已移居国（境）外的 and requirements like “被问责干部两年内不得升职”、“群众公认度不高不得列为考察对象”。¹⁹ Other changes:
- i. 修订后的《干部任用条例》，在保持原有框架和内容总体稳定的基础上，增设“动议”一章，拆分“酝酿”一章并将有关要求分别体现到选拔任用的各个环节之中。动议、民主推荐、考察、讨论决定、任职五个环节，构成了干部选拔任用工作的基本流程。²⁰
 - ii. 将民主推荐由选拔任用的初始环节调整为第二个环节的同时，修订后的《干部任用条例》将推荐结果由选拔任用的“重要依据”改为“重要参考”。
 - iii. 针对官员“复出”，条例规范了被问责干部的重新任职，规定因问责被免职的党政领导干部，一年内不安排职务，**两年内不得担任高于原任职务层次的职务**，同时受到党纪政纪处分的，按照影响期长的规定执行。

Economy

¹⁷ Both Chinese and translated version are available on China Copyright and Media, <http://chinacopyrightandmedia.wordpress.com/2014/01/15/work-regulations-for-party-and-government-leading-cadre-promotions-and-appointments/>

¹⁸ Reuters, <http://www.reuters.com/article/2013/11/29/us-china-corruption-idUSBRE9AS0AE20131129>

¹⁹ Guancha, http://www.guancha.cn/FaZhi/2014_01_16_200015.shtml

²⁰ Xinhua, <http://news.sina.com.cn/c/2014-01-18/172629282210.shtml>

1. Temasek to be model of SOE reform?

- a. 在去年11月結束的中共十八屆三中全會上，北京高層確立國資委未來改革思路：**組建或改組國資投資運營公司**。有國資委人士日前透露，國資委正計劃打造“中國版淡馬錫”，相關工作被國資委列為落實三中全會要求的30餘項重點課題之一。據《中國證券報》昨日（1月27日）報導，建立“中國版淡馬錫”的總體思路是在央企層面建立三類國資管理平台：**產業投資公司、國資投資控股公司、國資運營公司**，數量在幾家至十幾家之間，分別側重產業發展、資本投資、股權運作，前兩類即國資投資公司，第三類即國資運營公司。——報導指，設立國資投資運營公司的基本思路是“少新設，多改造”，**重點推進方向是基於現有資產的資本化運作，改造包括直接改組、合併重組等多種方式**。央企層面，華潤、國開投、保利等有望入圍**控股投資公司**試點，國資運營公司短期內不會設立新試點，未來主要靠新建，其股權將主要來自40家整體上市的央企。——報導援引國資委人士的話稱，從現在到2020年的七年間，國資委將逐漸向淡馬錫模式的方向努力，一至兩年內重在設置**投資運營公司**試點，三至四年將有序推開，逐步打破以管企業為主的監管模式所形成的體制慣性。國資委將向**國資投資運營公司及二級公司**逐步移交權力，核心在於把經營權交給二級公司，把對二級公司的考核權和分配權交給投資運營公司。日後國資委將只用關心收穫了多少“糧食蔬菜”，不用再親自“餵馬劈柴”。²¹

Culture

1. The 2014 CCTV New Year Gala

- a. Expectations have been high for this year's Spring Festival Gala, the first to be directed **by Feng Xiaogang**, China's most successful commercial filmmaker who gained fame for his popular comedy-dramas in the mainland. His selection was widely viewed as a bid by CCTV to **add more commercial and populist elements to the programme's listing and reinvigorate the show amid poor reviews over the last few years, and to revive the show from the challenges by provincial broadcasters.**²²
- b. Rachel Lu at Tea Leaf Nation turned a critical eye on this year's New Year Gala²³. She picked up a few features of the show:
 - i. “The 2014 gala ringing in the Year of the Horse was **a hash, with acts jangling uncomfortably against one another**. Soon after the show featured a short section from the **Mao-era ballet classic Red Detachment of Women**, French film

²¹ SCMP Chinese, <http://www.nanzao.com/tc/money/20531/zao-zhong-guo-ban-dan-ma-xi-guo-zi-wei-gai-ge-lan-tu-chu-xian>

²² SCMP, <http://www.scmp.com/news/china-insider/article/1416746/cctvs-spring-festival-gala-line-draws-barrage-criticism-online>

²³ Tea Leaf Nation, <http://www.tealeafnation.com/2014/01/red-carpet-follies-cctv-new-year-gala-is-losing-its-grip-on-the-public-imagination/>

darling Sophie Marceau emerged to sing a cover of **La Vie en Rose**. In another odd couplet, **men dressed in peasant costumes belted out a folk tune** native to arid Shaanxi province, right before young starlet **Wang Xiaoming sang while clad in a bright pink-sequined mini-dress.**"

- ii. **Censorship**, which has long plagued the gala, appeared particularly pernicious this year. **Cui Jian**, a Chinese rock legend whose song "Nothing to My Name" is often called the anthem for the suppressed 1989 Tiananmen Square protests in Beijing, was reportedly slated for the show, only to withdraw just weeks beforehand because he refused to tone down his lyrics. And the show featured **only five comedic skits — the lowest number in history** — likely because those have historically tended to satirize social problems that CCTV this year appears especially unwilling to highlight.
- iii. The gala is a four-hour infomercial for a particular conception of China — a large, vibrant country living in harmony — that **Beijing hopes to sell to the entire Chinese-speaking world**. (Last year, the gala recorded 750 million viewers in China alone – more than six times the US Super Bowl's audience²⁴)... But **that message has become much harder to deliver in an age of social media**. Although the gala now features glitzy computerized effects and world-class production values, it cannot help but look an awful lot like the **vestige of a bygone era**.

Hong Kong

1. Middle-class backlash over welfare spending?

- a. In response to the 2014 Policy Address which pledged large welfare spending for low income groups, former CPU advisor Lau Siu-kai **warns of backlash from the middle-class**, who shoulder the lion's share of the city's tax burden but received little from the Address. He warned that Leung's spending plans may be **sowing the seeds of conflict between the middle class and low-income residents**.
- b. On the other hand, "Advisers to Financial Secretary John Tsang Chun-wah estimate that government expenditure might outstrip revenue in 10 years. Tsang is expected to announce in his budget speech this month that the city's fiscal reserves of HK\$734 billion will run dry in about 20 years if nothing is done to ease the financial burden of its ageing population."²⁵

2. 45% are pessimistic about the passing of HK political reform for 2017 CE elections²⁶



- a. A poll conducted by Mingpao and HKU POP found that 45% are pessimistic about the passing of HK political reform, only 25% are optimistic. Meanwhile, 49% support having a nomination committee for pre-selecting CE candidates, 32% oppose. 57% oppose Occupy Central, while 25% support.
- b. Younger people and those with higher level of education tend to support Occupy Central and reject nomination committee.

Taiwan

1. First official cross-strait government meeting?
 - a. According to Taiwan's United Daily News, China and Taiwan officials have set a date for talks this month, paving the way for the first official government-to-government meetings since a civil war six decades ago.²⁷
 - i. Citing an identified source, the newspaper said that the head of Taiwan's Mainland Affairs Council, Wang Yu-chi 王郁琦, will meet with the head of China's Taiwan Affairs Office, Zhang Zhijun 张志军, on Feb. 16 in Nanjing, China's capital under the KMT before the civil war.
 - ii. The meeting, if held, is said to be "**a considerable breakthrough because this is the first time that two government officials are going to meet in their formal capacities**, representing a certain level of mutual recognition", according to Joseph Cheng.
 - iii. Wang and Zhang briefly "interacted" in October at the APEC summit in Indonesia, and addressed one another by their formal titles. At the Nanjing meetings, Wang and Zhang are expected to discuss topics including **the establishment of cross-strait representative offices, access for each side's news media, and cross-strait economic restructuring**. But Wang indicated that the delegations "**don't intend to talk about very political issues**". He said, "If Zhang Zhijun is to come visit Taiwan, I would also hope that he doesn't mention peaceful reunification."²⁸
 - iv. The meeting would be a **departure from previous practice of contact through non-governmental organizations**. In 1993, Taiwan's Straits Exchange Foundation (SEF) and China's Association for Relations Across the Taiwan Straits (ARATS) held the first public meeting since 1949. Other non-government representatives, such as then-Chairman of the

²⁷ Bloomberg, <http://www.bloomberg.com/news/2014-01-27/first-china-taiwan-government-meeting-set-united-daily-reports.html>

²⁸ Wall Street Journal, <http://online.wsj.com/news/articles/SB10001424052702303277704579347813266632846>

Nationalist party, Lien Chan, and former Taiwan Vice President Vincent Siew, have met with Chinese presidents.

- v. Ting Jen-fang, professor of politics at Taiwan's National Cheng Kung University, commented that **“the meeting could replace the SEF and ARATS white gloves...This is a step toward recognizing each other's government and its legitimacy, which hasn't happened in the past.”**
- b. CCP's intervention in Taiwan's internal politics?
 - i. In an interview with Liberty Times, Wu Jieh-min, a researcher at Academia Sinica's Institute of Sociology, said that the **CCP is using “cross-strait political and commercial alliances”, which denote the increasing buildup of political and business links across the Strait, to leverage its influence on Taiwan's internal politics.**²⁹
 1. Corporations like Want Want Group, Ting Hsin Group and ASE Group, for example **cannot be categorized in the traditional way as either Taiwanese companies or Chinese companies would not be precise enough, because they are both.** This double identity would be better described as “companies of cross-strait capital”, as they would appeal to both markets (左右逢迎).
 2. These cross-strait companies **have great influence in Taiwan's political and business circles, as well as influence on society.** They trade and operate on both sides of the Strait and have already become a powerful force to lead political and business development trends in Taiwan. E.g. buying media giants such as China Television Co, Broadcasting Corp of China and Central Pictures Corp
 3. These cross-strait conglomerates have certain general patterns of behavior and attributes. **First, they are active in the political and business networking circles of China and Taiwan.** Thus, essentially they are closely connected to political power structures, in transactions of political power and capital.
 4. Second, **they have set up operations and institutions in both China and Taiwan, for their convenient maneuvering of capital, goods, and labor,** while side-stepping any government regulations that are disadvantageous to their business operations.
 5. Third, **they exploit the loopholes in the special provisions for normalizing the systems integration in the developing cross-strait relations, as they engage in “rent-seeking” activities.**

²⁹ Taipei Times,
<http://www.taipeitimes.com/News/taiwan/archives/2014/01/26/200358218>
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6. Article 10 in the Act Governing the Relations Between the People of the Taiwan Area and the People of the Mainland Area (兩岸人民關係條例) has opened a backdoor, **to allow a large number of Chinese workers to enter Taiwan to engage in “activities.”** Foreigners in general would use the Employment Services Act (就業服務法), which has more stringent regulations and higher requirements. For Chinese workers, they would be regulated under the Act Governing the Relations Between the People of the Taiwan Area and the People of the Mainland Area, and the provisions and measures derived from this act. Professor Lee Chien-hung (李建鴻) put it aptly: the system governing regulations in Taiwan is designed for “one country, two systems.” **On the surface it looks like setting up protection, but in reality, it is to open the backdoor to Chinese companies.**
 - ii. Another article by Parris Chang analyzed CCP’s policy on Taiwan,³⁰ arguing that since Hu Jintao China has turned to an easier and less expensive to “buy” Taiwan rather than to conquer the island.
 1. It highlighted various strategies CCP are using to impact Taiwan’s internal politics, including **economic integration through the ECFA and procurement of fruits, vegetables, milk, fish and other local products in DPP strongholds, ties with business elites which makes them staunch supporters of cross-strait rapprochement and united front work to make Taiwanese merchants sympathetic to China acquire major Taiwanese newspapers and TV stations** (including the China Times, Want Daily, CTV and CTi TV, all owned by the WantWant Group) **with which Beijing can influence these media outlets, and others that have received Chinese funding, to propagate politically “correct” information.** E.g. Chen Guangcheng’s visit in June 2013 was given little publicity.
 2. It pointed out that CCP is looking for **alternatives to a weakened Ma Ying-jeou.** For example, “Beijing invited several **non-KMT think tanks**, chief among them the 21st Century Foundation and the pro-independence Taiwan Braintrust, to Shanghai to attend the newly-inaugurated “Peace Forum”, which reached no

³⁰ Jamestown Foundation,
[http://www.jamestown.org/single/?tx_ttnews\[swords\]=8fd5893941d69d0be3f378576261ae3e&tx_ttnews\[any_of_the_words\]=Beijing&tx_ttnews\[tt_news\]=41869&tx_ttnews\[backPid\]=7&cHash=2c8004387b7026da7afdfb29aef82831#.UvBdOvZWd_n](http://www.jamestown.org/single/?tx_ttnews[swords]=8fd5893941d69d0be3f378576261ae3e&tx_ttnews[any_of_the_words]=Beijing&tx_ttnews[tt_news]=41869&tx_ttnews[backPid]=7&cHash=2c8004387b7026da7afdfb29aef82831#.UvBdOvZWd_n)

consensus. Nonetheless, the participants agreed to hold the Forum again in Taiwan in 2014, which would allow Beijing to get more non-KMT groups involved and to put the issues of cross-strait political relations directly to the Taiwanese people, going around the Ma government." On the other hand, "Beijing is attempting to **hand-pick a candidate to run for the mayor's office in Taipei. Sean Lien has formidable credentials:** he is quite popular in Taipei and enjoys the support of pro-Beijing media, leading the polls before officially announcing his candidacy"

- iii. The National Interest analyzed President Ma's predicament and **KMT's difficulties in winning the elections in 2016.**³¹ He highlighted that Ma's personal style has created division within the party. For example, **Ma administration had negotiated with Chinese partners on ECFA without any communication with the KMT-controlled Legislature.** Previously, Ma's failure to purge KMT speaker Wang, whose support for the DPP's argument that the Service Agreement should be passed line by line, was seen as slap in Ma's face, made him even weaker in the KMT.
 1. The increasingly fractious Legislative Yuan also threaten to tarnish Ma's most cherished fruit of his Presidency: cross-Strait relations. **The stalling of the Service Pact is one example, another is the bipartisan resolution in the Legislature imposing limits on the upcoming meeting between MAC chairman Wang Yu-chi and his Chinese counterpart Zhang Zhijun.**
 2. The Legislature took the extraordinary step of passing a resolution to **establish the parameters of what the MAC can discuss and agree to. Although the resolution does not have the legal force of a bill, the government cannot ignore it.** (The resolution stipulates in part that Mainland Affairs Council head Wang Yu-chi should not "accept" or "echo" any statements or positions that advocate a "one-China framework" or "opposition to Taiwan independence." It also forbids Wang to sign any documents, engage in negotiations, or issue news releases that touch on such political issues as "one China," "one country, two regions," "military confidence-building mechanism," "peace agreement," or "political relations arrangement in stages."³²)
 3. The author also argues that **"the halcyon days of cross-Strait breakthroughs may be over"** and that **"the low**

³¹ The National Interest, <http://nationalinterest.org/commentary/mas-taiwan-year-the-lame-horse-9814?page=show>

³² Focus Taiwan. <http://focustaiwan.tw/news/acs/201401140026.aspx>

hanging fruit in cross-Strait economic interactions has long been harvested and the implementation of ECFA and further advances will necessitate much trickier negotiations”. Pressure has been building on Ma from the Chinese side to start talking politics, but there is little public support for that in Taiwan at this juncture. President Ma will be keen to solidify his cross-Strait legacy before he completes his tenure, but wherever he looks, conditions are unfavourable for such an outcome.”

4. Coming mid-term seven-in-one elections³³ in November 2014 will be a prelude to the 2016 Presidential elections. The KMT faced a dilemma in election strategy: “invoking the state of the economy and Ma’s personality will produce a very different campaign message than if the party believes that the median voter, the one who has unequivocally supported the status quo for twenty years, has been spooked by the speed and scale of Ma’s cross-Strait engagements”.
5. They concluded that **“The momentum towards economic integration is formidable, and despite internecine struggles, we foresee significant continuities with Ma’s policies, particularly on cross-Strait relations, given the preferences of likely KMT presidential candidates.** The DPP’s recently concluded China Policy review may have resulted in an awkward compromise between the competing demands of pragmatism and staying faithful to core preferences on Taiwan’s autonomy, but **the party recognizes the need to engage China. (see China plus one strategy³⁴)”** But ultimately, the author believes, **“the temperature of cross-Strait relations will be determined by Beijing, and the level of strategic**

³³ “Seven-in-one” refers to integrating seven government elections to be held in the same year, a proposal that was broached to save election costs by the Legislative Yuan in 2008. The seven local elections will determine the mayors of special municipalities (Taipei City and Kaohsiung City), city and county councilors, county magistrates and township leaders simultaneously starting from 2014. See <http://www.chinapost.com.tw/taiwan/national/national-news/2013/11/21/394151/DPP-announces.htm>

³⁴ The Diplomat, <http://thediplomat.com/2014/01/taiwan-another-step-towards-integration/>; DPP Chairman Su Tseng-chang said that China should give Taiwan more international space. He likened the relationship to that of man and seagulls on a beach. Su said, “Seagulls walk on the beach; you also walk on the beach. You walk your way and they walk their way. It’s all good. You respect them and they respect you. If you try to catch them, they will fly away. If China wants to win Taiwan’s heart, it must not try to catch it or block it. Rather it should give it some encouragement and space; it shouldn’t hinder it in any way.”

patience the Chinese Communist Party is willing to exercise.”