Executive Summary

1. Taiwan managed to avoid the impression that it has stood together with China against Japan in the latest round of Diaoyu Islands dispute. Taiwanese activists did not participate in the foray landing planned mainly by their Hong Kong counterparts this August.

2. On 25 September, fishermen from northeast Taiwan sailed to the Diaoyu Islands areas and into Japanese territorial waters. Japanese and Taiwanese coast guard agencies exchanged water gunfighting, with no physical damages to personnel or properties.

3. Taipei regarded the August landing as a propaganda to demonstrate to the international community that Taiwan would stand together with China on core issues—in this case, the Diaoyu Islands sovereignty disputes against Japan.

4. Major opposition party, the Democratic Progressive Party (DPP), strongly objected to cross-strait cooperation. It further urged the prioritizing of the protection of fishing rights. Yet, the DPP shunned away from clarifying the relations between Taiwan, the Diaoyu Islands sovereignty, and current official title of the “Republic of China” to which it has resisted for years.

5. The DPP’s hesitation may have contributed to its current dilemma, a transformation stage crucial to its future development. The DPP is now searching for new directions for its China policies after its defeat in the 2012 presidential election. However, the party’s attention has been largely on party affairs reform and factional infighting.

6. Japan has managed to ride on this cacophonous situation between Taiwan and China. In late August, the Japanese national broadcasting company (the NHK) interviewed President Ma, giving Taiwan a rare chance to communicate its position to the Japanese public.
7. To Beijing’s ire, Tokyo managed seemingly to prevent Taiwan from further aligning with China, at least in Taipei’s reconfirmation of its no-cooperation policies with Beijing.

8. President Ma was an activist in the defence of the Diaoyu Islands sovereignty back in the 70s. Ma still upholds the belief that the Taipei government remains the legitimate one representing China in the world. Accordingly, his Diaoyu Islands policy has not gone through dramatic changes.

9. Taiwan’s challenge lies in striking a balance between its China-reliant economic policies and US-friendly (Japan as well) security pursuits. After Ma initiated rapprochement policies with China, Taiwan’s leverages in negotiating with China have rapidly shrunk. If Taiwan aligns itself with China it will imply that Taiwan is surrendering its sovereignty claims to China.

10. While there certainly is no easy resolution to this age-old territorial spat, Taiwan has worked at full steam to earn itself more negotiation leverages and the chances to participate in the converging of final resolution to the Diaoyu Islands disputes.