With the total amount of trade-in-good between China and Taiwan just shy of that between Japan and the United States, we might believe that at least according to the 'trade promotes peace' international relations theory, China and Taiwan ought to be on more friendly terms in recent years. However, on the contrary, political animosity is running high across the Taiwan Strait, and China has stopped direct dialogue with Taiwan since President Tsai Ing-Wen was inaugurated in 2016. In this lecture, based on the Taiwan National Security Survey data, Prof. Niou will present the main views in Taiwan on how Taiwan should approach and engage with China, the major objectives of this engagement, and its policy implications.