



## KIND OF BLUE?: IMPLICATIONS OF TAIWAN'S 2008 ELECTIONS

By Jacques deLisle

The Kuomintang won a sweeping victory in Taiwan's parliamentary elections on January 12, 2008. This, and the enhanced prospect for a KMT victory in the March 2008 presidential vote, brought relief in Washington, Beijing and elsewhere that Taiwan's lively and tumultuous democracy posed less of a threat to cross-Strait stability than many had feared. Both the fear and the relief are partially misplaced.

### A REPUDIATION OF CHEN SHUI-BIAN . . .

President Chen Shui-bian and his Democratic Progressive Party administration have made several moves that have contributed to tense relations across the Taiwan Strait and soured U.S.-Taiwan relations: pursuit of a "new" and distinctly "Taiwanese" constitution and other constitutional reforms that imply greater state or state-like status; referenda that implicitly asserted state-like rights to self-defense and a cross-Strait relationship between equals; evisceration of a presidential pledge not to abolish a key policy directive and institution that, in principle, embraced the possibility of eventual unification with China; and proposing a referendum that calls for Taiwan's entry into the UN, which is generally regarded as an organization open only to states.

The January 12 parliamentary elections, which boosted the share of the KMT and its allies from a slim majority to three-fourths, are widely viewed as a popular rebuke to approaches that have been a regular feature of politics under Chen: pressing the issue of Taiwan's international status in ways that are seen as costly to cross-Strait relations and U.S.-Taiwan relations; invoking Taiwanese identity in divisive ways; and questioning the patriotism of DPP leaders, members and voters who seemed insufficiently zealous in their embrace of Taiwanese-ness. As in earlier elections during Chen's eight years in power, Chen and others among the DPP turned to identity politics and a hard line on China to energize their electoral base, warning that a KMT victory would bring a sell-out of Taiwan's interests to China. They had planned to continue that strategy into the March 2008 presidential vote by pairing it with the referendum on entering the UN. This time, however, the tactic failed, and the election brought the most devastating loss in the party's brief history.

While the DPP's setback partly reflects voters' aversion to these approaches to cross-Strait and identity issues, it is also broadly recognized as manifesting popular discontent over the DPP administration's shortcomings on other fronts. These include a weak economy (measured by Taiwan's high standards); ineffective government (attributed to DPP officials' inadequacies and to stalemate stemming from divided government and party polarization); and corruption, including among the president's family and top-level officials. The latter is particularly damaging because of the DPP's origins as a government reform movement and its long-running attack on KMT corruption.

These other explanations for a KMT victory might suggest a caveat to the conclusion that the legislative election was a referendum on the DPP approach to issues of national identity and international stature. Nonetheless, voters' apparent emphasis on relatively "ordinary" domestic political issues is, in effect, a rejection of the central role that identity politics and international status have played in electoral politics under Chen. If the electorate's seeming rejection of that focus holds for the presidential election and beyond, this greatly constricts the opportunity for Chen or others in the DPP to turn again to themes that have created friction across the Strait and with Washington in recent years.

Moreover, the KMT triumph in the parliamentary election seems to bode well for KMT victory in the presidential election. That reading is common among both sides, with DPP insiders notably more pessimistic about DPP presidential candidate Frank Hsieh's chances after the legislative vote, and their KMT counterparts having greater confidence that their popular and charismatic standard-bearer Ma Ying-jeou will prevail in March.

If Ma loses, other factors would still support a more restrained Taiwanese approach to cross-Strait and U.S.-Taiwan relations and identity politics. Hsieh has consistently struck a more moderate stance than Chen on these matters. In the aftermath of the

legislative elections, Hsieh replaced Chen as DPP chairman and seemed to read the election as a reason to move away from Chen-style approaches to such issues. If Hsieh wins the presidency, he will have to deal with a larger KMT-led majority in the legislature than Chen ever faced, and the KMT-dominated body will not be eager to make many compromises given that the party would have lost yet another presidential election that it had high expectations of winning.

... BUT THE DANGERS WERE LESS THAN OFTEN IMAGINED ...

The sense of relief in Washington, Beijing and some quarters in Taiwan that a threat to cross-Strait stability has declined significantly is rooted partly in an exaggerated assessment of the threat. The media commonly call Chen a pro-independence president and leader of a pro-independence party. Such labeling, however, risks understating Chen's and his supporters' appreciation of political constraints. Although he sometimes has overshot the mark, Chen has recognized that certain lines--including declaring full, formal independence or proclaiming a Republic of Taiwan--could not be transgressed without dire consequences.

Taiwan's median voters are not the reckless or romantic lot that worriers abroad sometimes imagine. While many Taiwanese would prefer full formal independence, they recognize that it cannot be achieved in the face of Beijing's opposition and Washington's--and the world's--acquiescence in that opposition. There is no significant constituency for asserting *de jure* independence, and even the minority support for such a course appears to have been declining. On the identity issue, Taiwanese polled are nearly evenly divided between those who declare themselves to be exclusively Taiwanese and a large minority that see themselves as both Chinese and Taiwanese (with a small fraction saying they are Chinese only).

As this picture of median voters suggests, the January legislative elections did not reflect a sudden backing away from previous positions on cross-Strait or identity issues. All sides expected a DPP loss and a KMT victory, although not with so lopsided an allocation of seats. The parliamentary election was merely the most recent among several consistent data points. Taiwan's voters had never returned a "Green" (the DPP and its allied parties) majority in parliament. The DPP's standing as the legislature's largest party was an artifact of a now-largely-passed split within the legislative majority "Blue" camp, with a significant minority of the Blue seats being held by members of the People's First Party, which had split from the KMT in the 2000 presidential contest. Within the DPP, the 2008 nomination process yielded a ticket headed by Hsieh and vice presidential candidate Su Tseng-chang, both more moderate on cross-Strait and identity issues than Chen and Annette Lu, who has been Chen's vice president and who lagged both Hsieh and Su in the battle to head the party's 2008 ticket.

There is still a troublingly uncertain variable in this equation, one that KMT victories in 2008 enhance: what Chen will do as he moves deeper into the final days and lame-duck phase of his presidency. Freed of concerns about undermining DPP chances in upcoming elections, looking toward his place in history, and recognizing his dwindling opportunities for impact, Chen could be tempted to attempt radical moves on cross-Strait and international status issues. As an unpopular president at the end of his term and facing a hostile legislature, Chen cannot do much that has binding legal effect or durable political underpinnings. But that does not preclude Chen's again roiling the waters of cross-Strait and U.S.-Taiwan relations. Here, limiting the impact depends largely on whether Washington and Beijing chose to treat any eleventh-hour move Chen makes as relatively insignificant and evanescent.

... AND CHANGE MAY BE LESS THAN EXPECTED ...

The rout of the DPP in the parliamentary elections and the prospect of a KMT victory in the March 2008 presidential contest do not portend a major reorientation in cross-Strait policy. In Beijing, Washington and some circles in Taiwan, the perception that Chen's moves have been a principal cause of recent strains in cross-Strait and U.S.-Taiwan relations has often degenerated into demonization of Chen and seeing troubles in the relationships as simply "Chen problems." This invites distorted expectations of a post-Chen world.

While the "pro-independence" tag invited an over-reading of Chen's practical agenda on Taiwan's international status, the KMT, tellingly, is now rarely tagged with the formerly common "pro-unification" label. The KMT that won the 2008 parliamentary balloting and that offers Ma as its presidential candidate is, in the blue-to-green spectrum of Taiwanese politics, a good deal more "teal" than it once was. Although many factors lie behind the KMT's recent electoral successes, a key element is its having remade itself into a more "Taiwanized" party that seeks to appeal to a median voter who has little taste for a "Deep Blue" agenda of insisting on Taiwan's "Chinese-ness" or pursuing near-term progress toward unification or close political relations with the mainland.

Ma has declared that his cross-Strait policy will be based on "Three Noes": no negotiations for unification during his term as president; no pursuit of *de jure* independence; and no use of force by "either side of the Taiwan Strait." In part, Ma's three noes are an artfully symmetrical rejoinder to China's longstanding "Three Noes": no independence for Taiwan; no "two Chinas" or "one China, one Taiwan"; no membership for Taiwan in state-members-only organizations (such as the UN and its affiliate agencies). More immediately, Ma's three noes articulate the core of a post-Chen policy on cross-Strait relations under a KMT government. To be sure, Ma's statement is more moderate than much of what Chen said and did, especially in his second term. Yet, it is not so far removed from the "Four Noes and One Not" that Chen offered in his two inaugural speeches to assuage concerns about his agenda: no declaration of independence; no change to the national title; no constitutionalization of former President Lee Teng-hui's description of cross-Strait relations as "state-to-state"; no referendum to change the status quo concerning independence or unification; and not abolishing the National Unification Council or the Guidelines for

National Unification. The KMT also supports the “1992 Consensus” between Beijing and Taipei, which accepts the notion of “one China” but allows each side to have its own “interpretation.” That is, to be sure, a contrast with the Chen administration’s mocking rejection of the “so-called consensus,” but it is hardly a commitment to movement away from the status quo of a *de facto* independent Taiwan.

Ma and the KMT, like Chen, Hsieh and the DPP, face constraints of Taiwanese public opinion. Unification commands only minimal popular support, and very few residents of Taiwan describe themselves as exclusively “Chinese.” In the 2008 campaigns, KMT candidates have had to play defense in ways that moved them toward more Greenish positions. They have had to try to rebut charges that they would sell out Taiwan to the PRC. When the DPP proffered a referendum on UN representation to energize its supporters for the 2008 presidential vote, the KMT proposed an alternative, calling for entry under flexible terms (including possibly under the official “Republic of China” name).

The obverse of continuity in “Green” electoral weakness in recent elections is that the DPP did not suffer serious erosion in its base in the 2008 legislative voting. The KMT supermajority in the new legislature does not reflect a mass exodus or defection of Green voters. The nearly 60-percent turnout was slightly below recent non-presidential elections. The share of the vote won by the DPP and its allies was in the 40-percent range that its candidates and slates ordinarily garner. It is roughly what Chen received when he won the presidency in a three-way contest in 2000. Chen’s reelection victory in 2004 is the exceptional case of a DPP absolute majority.

True, modest slippages in turnout and pan-Green share are causes for DPP concern, but the plummeting of the DPP share in parliament reflects the interaction of familiar vote distributions with an altered electoral system. This time, 73 representatives were selected in single-member districts with a “first past the post” or plurality system, 6 were picked to represent small aboriginal constituencies, and 34 were chosen by proportional representation among parties that received more than 5 percent of ballots on which voters chose a party. The proportional representation rules worked to the advantage of the two major parties, the KMT and the DPP. But the rules for the geographic and aboriginal constituencies systematically favored the KMT and its allies. Despite DPP efforts in recent years to cultivate support among Taiwan’s indigenous peoples, that small segment of the electorate, which is vastly over-represented with six seats, remains reliably Blue, giving all of its seats to the KMT and its allies in the January vote. Compared to the multi-member districts and single non-transferable vote system that governed previous legislative elections, the new geographic constituencies doomed many DPP candidates who previously had won seats as second or lower order finishers.

Ma faces another source of constraint in Taiwan’s often-divisive identity politics. As a “mainlander” (born in Hong Kong to parents who were not ethnically Taiwanese), he is all the more vulnerable to allegations that he may be too generous in accommodating Beijing.

Perhaps the most striking testament to the distance between current KMT positions and an agenda of unification or fundamental change to the status quo is the type of arguments DPP partisans have made during the 2008 campaigns. While they have targeted the KMT’s stated policies, they have directed much of the fire elsewhere: the KMT has a not-fully-revealed agenda of selling out to China; the KMT maintains an unredeemed--and probably unredeemable--excessive openness to accommodation and even unification; or the KMT simply cannot be trusted to be vigilant in protecting Taiwan’s interests, autonomy and international status and thus will fritter away essential elements of Taiwan’s stature and security through closer cross-Strait ties (especially in the economic realm), acquiescence in reduced international standing (for example, through accepting the 1992 Consensus), and so on.

Such fears among Taiwan’s Greens may be paralleled by unduly high hopes in Beijing. Having blamed so much of the cross-Strait problem on Chen and the DPP, China may have unrealistic expectations about what Ma can or will deliver to improve relations on terms acceptable to Beijing. Especially given apparent divisions within relevant policy circles and policy-shaping constituencies in the PRC, Beijing may fail to offer Ma--much less Hsieh, if he wins--the accommodations and inducements necessary for the next Taiwanese president to be willing or able to move forward on key cross-Strait issues.

More broadly, China of course can destroy moderation on cross-Strait and identity issues among Taiwan’s electorate. Beijing seems to have learned that missile launches (1996) and stern warnings of dire consequences (2000) backfire as means for influencing Taiwan’s presidential elections, but China’s recent use of carrots (offering pandas and trade) and indirect sticks (exerting pressure via Washington) still does not guarantee the electoral outcome Beijing desires or accommodating policies from Taipei. Indeed, if Taiwanese voters sense that China is succeeding in appearing benign, squeezing Taiwan’s international space and eroding Taiwan’s position in Washington, that perception may create, as it has at times under Chen, fertile ground for “Deeper Green” appeals in Taiwanese politics.

#### ... WHILE PROBLEMS WITH TAIWAN’S DEMOCRACY LIE ELSEWHERE

The difficulties with democracy in Taiwan lie in structural and systemic features of Taiwan’s democracy that the 2008 elections spotlight.

First, the DPP’s electoral weakness may threaten consolidation of a stable, responsible, and competitive two-party system in Taiwan. Partisan polarization in recent Taiwanese politics, use of divisive identity politics, and gambits that have roiled relations across the Strait and with the U.S. partly reflect the DPP’s difficulty in attracting the votes needed to win elections and its own internal divisions. Especially from the run-up to the 2004 presidential election through the run-up to the 2008

presidential election, Chen and the DPP have turned to international status-implicating referenda and related policy moves, and have cast voting “Green” as litmus test for loyalty to Taiwan, in large part because these tactics enhance enthusiasm and participation among core DPP supporters. Therein lies an admission that the party has not managed to convert the median voter and must rely on high turnout among the minority of the electorate that forms its base.

The DPP has not built a strong party structure at the local level and a grassroots party organization. This shortcoming has been costly. According to some insiders’ assessments, DPP candidates’ dismal showing in the geographic constituencies in the legislative elections partly stemmed from some of the candidates’ being opportunists with no real commitment to the DPP or its policies and principles, and having little popular support and too many unsavory connections in their localities.

At more elite levels too, intra-DPP politics has suffered from electoral dysfunction. While the KMT’s relatively opaque nominating process also produced its share of hacks and problematic characters, it appears to have been more centrally managed and conducted with an eye to electability. The DPP, in contrast, engaged in costly internecine bloodletting. Some leading DPP lights in the legislature were not even nominated. Prominent, moderate incumbents faced scurrilous charges of being “pro-China” and lost nomination battles to rivals with little political experience or a penchant for dirty tricks or alleged gangland ties. Promising DPP nominees surely damaged their chances with voters in the general election by remaining publicly loyal to Chen and his unpopular administration.

The political consequences of such problems have become more serious in Taiwan’s changed electoral environment. With single-member districts returning most of the legislature, second-place finishes and 40-percent vote shares yield far fewer seats than under the prior system with its many seats from multi-member districts. Analysts and participants offer several explanations for the DPP’s support for the constitutional amendments that brought these disadvantageous electoral rules for the DPP: the pressure on the DPP as the ruling party to find some way to satisfy popular demand to reform a legislature plagued by polarization, fragmentation, inefficacy and charges of vote-buying; the difficulty of crafting a reform package that the KMT-led legislative majority would accept; and a mistaken belief that the DPP could succeed under the new rules. Less explicable is why the DPP was so unable to achieve, or unconcerned with undertaking, the internal reforms, organization-building and candidate-recruiting measures needed to win under the post-reform electoral system.

DPP electoral weakness extends to the key arena where the party has enjoyed its greatest success: the nationwide direct election for president. The problem here has deeper roots than the recent legislative elections’ portent for the March presidential vote. The two DPP victories in presidential contests came under exceptional conditions. Chen’s first win, in 2000, followed a schism in the KMT and division of the 60-percent “Blue share” between Lien Chan and James Soong. While Chen won the 2004 election with a majority, his victory came with a razor-thin and disputed margin, with the considerable advantages of incumbency, against a notoriously weak KMT candidate (Lien), and in the aftermath of a failed assassination attempt that most credit with increasing turnout among pro-Chen voters. Hsieh will not benefit from such special circumstances in his contest with Ma.

The DPP also suffers from a resource deficit, although this has been closing. The KMT’s once-formidable fortune has withered, and reports indicate that the KMT liquidated assets for the 2008 campaign on a scale that will be hard to replicate. Still, the wealth gap has been significant and, as the party in control of both branches, the KMT would have new fund-raising advantages over a DPP which had lost the presidency and much of its share of parliament.

True, it is not certain that the DPP will lose the presidential vote. In recent Taiwanese presidential elections, formidable Blue leads have waned as elections have drawn near. Ma’s lead in the polls has been somewhat volatile. Hsieh’s campaign has begun in earnest only after the legislative elections. He may find a way to appeal to middle-of-the-road voters who have found Chen too radical. Or the DPP may be effective in generating high turnout among its core voters. As observers nearly unanimously see it and as some DPP insiders concede, the UN referendum was put on the March 2008 ballot largely for this reason. If DPP voters stayed home because of their distaste for the party’s candidates in their legislative districts in January, they may be willing to show up for the more appealing Hsieh-Su ticket. Typically, presidential elections draw stronger turnout than legislative elections, and high turnout generally has been good for the DPP. Despite frustration with gridlock during eight years of divided and partisan government, Taiwan’s voters may be amenable to DPP arguments against handing the presidency as well as the legislature over to the KMT. After all, memories of repressive, authoritarian one-party rule by the KMT are still relatively fresh in Taiwan.

Moreover, one election, or a pair of elections a few months apart, or even several elections over several years do not inevitably define a political system. The DPP might respond to its drubbing in the legislative elections and possibly similar fate in the presidential vote by reforming itself into a party that is more politically centrist, organizationally stronger at local levels, and more adept at fielding candidates with broad appeal. If the KMT holds the presidency as well as a supermajority in the legislature, that power will come with much responsibility and risk. Voters may quickly sour on KMT rule as well, especially if the economy fails to rebound, cross-Strait overtures are rebuffed or fail to deliver expected benefits, or corruption problems that have long dogged the KMT become politically salient.

Still, the 2008 legislative elections, predictions for the presidential election, and longer term patterns and trends in Taiwan’s electoral politics suggest that Taiwan may head for a single-party-dominant system rather than the two-party-dominant system toward which it had seemed to be moving. Taiwan’s democracy then would look more like Japan’s under Liberal Democratic Party hegemony and less like the U.S.’s or Britain’s. That would be a regrettable outcome from a perspective that

values democracy in the form of competition among candidates representing a range of views (including those reflecting much of the range of policy preferences and interests in society) who have meaningful chances of victory in contests for offices wielding real power. It would be a particularly problematic outcome for democracy in Taiwan, given the risk that a one-party-dominant system could durably exclude from meaningful influence the large minority of Taiwan voters with clearly “Green” preferences.

This also would represent a failure to achieve the stated aims of the recent constitutional and electoral reforms. They were presented to audiences at home and abroad as a means for consolidating a two-party system. This was to occur largely through the operation of Duverger’s Law, which holds that single-member constituencies with plurality or “first past the post” election rules encourage the emergence of two large parties that compete for the median voter. It was to occur also through the similar effects of a proportional representation system that sets a relatively high threshold for winning party-slate seats and thereby favors large parties with moderate platforms.

As this suggests, such a failure also would risk extending the pathologies of polarization that have beset Taiwan’s politics. A disempowered DPP and a dominant KMT are more vulnerable to temptations of mutual demonization, especially given the electorate’s demonstrated susceptibility to such tactics. Here, anecdotal evidence from post-legislative election conversations is moderately encouraging. Among KMT advisers and strategists, the anger and sense of the DPP’s illegitimacy in 2004 have given way to a sense that the DPP is a permanent and acceptable feature of Taiwan’s political landscape. Some of their DPP counterparts acknowledge that the KMT bogeyman portrayed in the recent campaign was badly overdrawn, being both factually inaccurate and tactically unwise.

Second, disillusionment in Taiwan and in Washington threatens the robustness of Taiwan’s still-young democracy. Surveys and studies show that Taiwanese are disconcertingly skeptical about the merits of democratic governance, and more so than their counterparts in other democracies in the region. They have many reasons for such pessimism: the polarized and strident politics of recent years, the fractious legislature (once famous for fistfights on the floor), the paralysis of eight years of divided government, the corruption scandals hitting both parties, and politicians’ and government’s inefficacy or disinterest in addressing economic and other issues of concern to voters.

Anecdotally, the 2008 campaigns seem to have heightened voter distaste for DPP hectoring about what it means to be a good or loyal Taiwanese and skepticism that the DPP-proposed referenda--one on pursuing the allegedly ill-gotten assets that have helped make the KMT so politically formidable, and another on Taiwan’s entry into the UN--and the earlier, now largely abandoned call for a new constitution are more than cynical vote-getting devices. The KMT may fare no better. Many voters assign it a large share of blame for the troubles with governance in Taiwan. The KMT’s use of referenda seems no less cynical, with its proposal for a law on prosecuting political corruption being transparently a response to the DPP’s referendum on KMT assets, and the KMT’s version of the UN entry referendum being an obvious tactical counter to the DPP’s proposal on the same subject. The KMT’s call for a boycott of its own anti-corruption referendum and clear backing away from its UN referendum can only add to voters’ sense of parties’ low respect for a recently introduced democratic institution. These are especially worrisome developments in a democracy that began barely two decades ago and that has been in institutional flux and under great partisan stress for much of its life.

This disillusionment with Taiwan’s democracy extends to Washington. With the forays on cross-Strait issues and pursuit of heightened international status for Taiwan that have angered Washington, Chen often has invoked Taiwan’s democracy and entwined democratic principles with his policy agenda. Chen has cast the “defensive” referenda of 2004, the constitutional replacement and reform initiatives that began in 2003 and the 2008 UN entry referendum as exercises of the Taiwanese people’s democratic rights and as key steps in the development of Taiwanese democracy. When the U.S. has expressed concern or opposition to such moves because of their adverse impact on U.S. foreign policy interests, Chen administration officials and sympathetic commentators have responded that the U.S. is showing insufficient respect for Taiwanese democracy or a lack of support for democracy more generally.

These have been risky tactics, given that Taiwan’s security depends overwhelmingly on Washington’s support and goodwill and that Taiwan’s standing with the United States depends on its democratic credentials and the appealing character of its democracy. It should be (and in some quarters is) a matter of great concern in Taiwan that the U.S. has altered the tone of its responses to Chen’s use of Taiwan’s democratic processes and invocation of Taiwanese democracy to pursue agendas that assert Taiwan’s international status, affect cross-Strait relations and address the cross-Strait status quo. In earlier rounds, official U.S. statements sought to walk a fine line, strongly defending the right of democratic Taiwan to hold referenda or to amend its constitution, but articulating U.S. opposition to Taiwan’s pursuing referenda or constitutional reforms with particular content that seemed to challenge the cross-Strait status quo. More recently, however, the U.S. position has grown more strident and sweeping, insisting that “bad” or “damaging” policies such as the DPP-backed UN referendum gain no insulation from U.S. criticism merely because they are pursued through ostensibly “democratic means.”

This deterioration of Taiwan’s standing--and the standing of Taiwan’s democracy--in Washington, the problematic developments in Taiwan’s democratic politics that have helped bring it about, and the broader impediments to the widely hoped-for emergence of a popularly legitimate, stable, two-party democratic system in Taiwan are major issues that are affected by Taiwan’s 2008 legislative and presidential elections. The prospects for improvement in cross-Strait and, in turn, U.S.-Taiwan relations after the end of Chen’s presidency are, of course, important as well. But those prospects are often

**misperceived and misestimated on all sides. And, in the longer term, those prospects themselves depend on how Taiwan deals with the structural and reputational challenges its democracy now faces at home and abroad.**

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