

SOME IMPLICATIONS OF THE TURNOVER OF POLITICAL POWER IN TAIWAN

On March 18, 2000, Taiwan's citizens voted the Nationalist Party (Kuo-mintang, KMT) out of office. The KMT, which had governed Taiwan for more than a half century, had created the Taiwan economic miracle, launched local elections, and initiated a democratic transition leading to national elections in 1996 and 2000. By a slim minority, however, voters elected the Democratic Progressive Party's (DPP) candidate, Chen Shuibian, as president of the Republic of China (ROC). The DPP—the most organized, well-funded, and vocal opposition party—had repeatedly challenged the KMT to make Taiwan democratic and prosperous for all, as it had promised. Since the 1996 presidential election, corruption had worsened in the KMT and its leaders had divided over the policies initiated by its chairman, President Lee Teng-hui.

In the eyes of many KMT members, President Lee was autocratic and did not democratize the party. He had avoided negotiating with Beijing's leaders and provoked them by advocating Taiwan's entry into the United Nations and expanding its international relations with other states. In July 1999 President Lee proposed that Taiwan should only have a special state-to-state relationship with the People's Republic of China (PRC), in effect taking Taiwan out of China's orbit. These and other actions by Lee led to Beijing's leaders terminating cross-strait

relations in 1999 and set off an intraparty power struggle in which one important leader, James Soong, left the party and ran in the March 2000 presidential elections. Chen Shuibian only narrowly defeated Soong.

The turnover of political power in March 2000 created a new situation in Taiwan and new challenges for the United States. The KMT had promoted the unification of Taiwan and mainland China according to the principles of Sun Yat-sen, the founding father of the ROC. The DPP, in contrast, had championed establishing a democratic Republic of Taiwan, independent of China. Having a pro-independence party rather than a pro-unification party governing Taiwan means that the U.S. government has a choice: either to restrain the DPP if it signaled a shift toward Taiwan's independence or to condone that action and risk a dangerous confrontation with the PRC. Would a pro-independence party even try to revive cross-strait negotiations?

In his May 20, 2000, inaugural address President Chen averred that he stood for peace, democracy, and human rights. He pledged that if the PRC did not use force to unify Taiwan and mainland China, his administration would not move toward independence.¹ As both regimes took a wait-and-see attitude, a new political era began. Nearly two years into the Chen administration, have there been any developments that might revive cross-strait negotiations, or will negotiations remain frozen for the near future? We see two evolving patterns of change that mean that the two regimes will not resume negotiations any time soon, a situation that can only increase tensions between Taiwan and mainland China and possibly damage Sino-American relations.

THE OLD VIEW

Between 1990 and 1993, a majority of Taiwan's citizens felt that the KMT administration should begin negotiating with the mainland on how to unify China. On October 1, 1990, President Lee took the first step, establishing the National Unification Council (NUC), made up

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of people from all parts of society, to draft the guidelines for China's unification.

Although the DPP refused to participate in the NUC, strong popular support for the NUC and its goals was demonstrated by the outcome of an important election on December 21, 1991,² wherein Taiwan's voters were to elect delegates for the Second National Assembly from candidates proposed by the competing political parties. The Second National Assembly would then revise the constitution of the Republic of China to promote Taiwan's democratization.

Voters were to choose between delegates representing the DPP, who wanted to radically change the constitution to create a Republic of Taiwan independent of China, or delegates from the KMT, who wanted only to gradually expand Taiwan's electoral process. (Several other political parties, representing only a small minority of voters, also ran candidates.) If voters elected the KMT delegates, it meant they endorsed the recommendations and guidelines of the NUC, which were strongly opposed by the DPP. This election thus served as a national referendum on Taiwan's negotiating a cooperative framework with mainland China.

On December 21, 1991, more than 70 percent of the voters chose KMT delegates, whereas only 20 percent chose the DPP. (Voter participation was roughly 68 percent.) Thus, an overwhelming majority of Taiwan voters favored a path of gradual democratic reform by endorsing the NUC and its guidelines for China's unification and encouraged the KMT administration to negotiate with the mainland under the principle of "one China." The meaning of "one China," however, was interpreted differently by Taiwan and the mainland.

Authorities in Taiwan maintained that one China should mean that the ROC, founded in 1912, has sovereignty over all Chinese territory despite having failed to impose its rule over the mainland since 1949. They further affirmed that "Taiwan is a part of China; the mainland is a part of China too." The Beijing authorities, in turn, did not officially define the meaning of one China in 1992 but affirmed that

“one China refers to the PRC and that Taiwan, after unification, will become a “Special Administrative Region” under PRC governance.

Despite differences in the meaning of one China, however, both sides agreed that they “seek to unify the country through their common efforts and adhere to the one China principle.” Both sides also agreed that the differences over the political meaning of one China would be set aside so as to discuss functional issues.

Moreover, according to *Renmin ribao* (People’s daily), the “Strait Exchange Foundation [SEF, which represented the Taiwan authorities] suggested expressing the ‘one China’ principle by word of mouth. Their officials informed the Association for Relations across the Taiwan Strait [ARATS, which represented the mainland authorities] in a letter of November 3, 1991, that each side express the ‘one China’ concept by oral statement.”³ That agreement made it possible for both sides to send representatives to Singapore on April 27, 1993, and set the agenda for negotiations.

As the negotiations took place, President Lee said very little about how Taiwan would encourage democracy in mainland China or about how unification could be promoted. Instead, he began using the vast resources of government to expand Taiwan’s international relations while repeatedly stressing the political separateness of the two regimes. His June 1995 visit to Cornell University to address alumni seemed innocent enough to Western observers. But to the Beijing authorities, because Lee had not mentioned cross-strait negotiations, President Lee was insincere.

From 1995 until the March 2000 election President Lee continued these same activities while insisting that Taiwan was a sovereign state and should be recognized as such by the international community. President Lee’s actions, as well as Beijing’s belligerence toward Taiwan, eroded the majority view supporting cross-strait negotiations under the one China principle, and Taiwan nationalism began spreading among the populace. (We define Taiwan nationalism as a shared belief that Taiwan has the qualifications of a sovereign nation; that it has a special

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state-to-state relationship with mainland China; and that its people have the ethnic identity of Taiwanese, not Taiwanese and Chinese.)

President Chen Shui-bian's election provided an opportunity for a return to the majority view of the early 1990s and the 1992 consensus regarding one China that had made cross-strait negotiations possible. But, like President Lee, President Chen tried to replace the old majority view by a new majority view supportive of Taiwan nationalism; however, he was more skillful at it than President Lee had been.

For example, President Chen agreed to talks with Beijing but without any preconditions, such as the one-China principle, forcing Beijing's leaders to rebuff his negotiation offer. President Chen then reminded Taiwan voters that the mainland regime did not care about the Taiwan people or respect their democracy, thus fostering citizen resentment that led to an embrace of Taiwan nationalism. At the same time, his actions informed the world, especially the United States and Japan, that a democratic Taiwan wanted to negotiate in good faith with the mainland authorities but that Beijing's stubborn behavior made that impossible.

THE TAIWAN NATIONALISM OF PRESIDENT CHEN

Less than a year into his administration, President Chen was quoted as saying that "we will never be caught in the framework and trap of one China,"⁴ in effect denying that one China existed but could be interpreted differently. Although Chen had pledged that he would not repeal the NUC or abrogate its unification guidelines, he never convened the NUC and seems to have no intention of doing so. In fact, he has warned the public that the NUC should not serve as a "totemic symbol" for Taiwan's people and blamed the KMT "for making the unification of China the only option" for Taiwan's future.⁵

Chen's administration used other methods to expunge the majority view of 1990–93 in an effort to promote Taiwan nationalism. In the early 1980s the Taiwan Bankers' Association had posted a huge placard in front of the Office of the President containing the Chinese ideographs

“Freedom and Democracy Will Unify China.” Early in President Chen’s administration that placard mysteriously disappeared. In March and May 2001 the Ministry of Defense ordered any posters on its facilities that proclaimed “national unification” or “restore Chinese culture”—testimonials to former President Chiang Kai-shek—be removed. The Office of the President made no comment.

On October 10, 2001, the national birthday of the ROC, President Chen did not mention the divided China problem or how it could be resolved by negotiating a cooperative arrangement based on a one-China principle. Instead, he appealed to Beijing’s leaders to “abandon obsolete and rigid thinking, raise their intellectual horizon in facing cross-strait relations in the twenty-first century, and consider themes such as humanitarianism to overcome the present impasse between the two sides.”⁶ There was no mention of how to solve the divided China problem.

President Chen’s appeal for negotiations with mainland China, if accepted by the Beijing authorities, would mean that they had agreed to a special state-to-state relationship to reflect the current separate character of the Taiwan and mainland China regimes. If Beijing’s authorities agreed to Chen’s call for negotiations of all issues except the divided China problem, the two sides could talk endlessly without ever reaching an agreement. Moreover, if negotiations continued long enough under Taipei’s rules, Taiwan nationalism easily could become the majority view and the Beijing authorities would lose all hope for China’s unification, with the only option left of resorting to force. For these reasons, Beijing has refused any negotiations with the Taipei authorities.

President Lee Teng-hui abolished elections for the Taiwan Provincial Government’s governor and assembly; the Chen government plans to do likewise for village and township elections. Those elections, launched in 1950 to teach the people how to use the ballot box and practice self-governance, were an important part of the experiment to expand democracy in Taiwan. In place of elections, DPP members will

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administer those communities. The Ministry of Interior justified this decision by claiming it would “save money, enhance efficiency, and eliminate local factions and ‘black gold’ [corrupt elements].” The opposition parties criticized this decision as a “setback for democracy” and an example of “white terror,” but the administration refused to budge.

Meanwhile, the Chen administration is trying to control the major state-owned banks and industrial, transport, and utility corporations, just as the KMT did when it held power. Fully aware of these tactics, the opposition parties have refused to bargain with administration officials. In response, President Chen calls them mean-spirited and harmful to Taiwan and says their reluctance to work with him is damaging Taiwan.

The new administration is also expanding the teaching of Taiwanese language, culture, and history and downgrading Chinese culture and history. These policies—initiated by former President Lee and continued by the Chen administration—affirm the primacy of Taiwan civilization, ignore China, and admire Japan’s colonial rule of Taiwan. The Ministry of Education has also printed new textbooks that emphasize Taiwan’s history at the expense of China’s and ordered public and private colleges to establish departments or institutes for the study of Taiwan literature. Minister of Education Ovid Tzeng announced on October 15, 2001, that he would encourage all national universities to establish departments and graduate institutes of Taiwan history.⁷

Japan’s treatment of women during World War II has been criticized throughout East Asia and the world but not by the Chen administration. Two senior consultants of President Chen’s, Hsu Wen-long and Chin Mei-ling, praised a cartoon book by the Japanese right-wing writer Yoshinori Kobayashi, in which one illustration portrayed Taiwanese women as volunteering to serve as sexual companions of Japanese soldiers because it helped their social advancement. Hsu and Chin have repeatedly stated their admiration for Japanese colonial rule in Taiwan and strongly condemned the arrival of the Nationalist troops and civil servants in 1945 as an “outside regime imposing colonial rule upon

Taiwan.” Their comments produced a great public furor, but President Chen defended them, declaring that, because Taiwan was a democracy, he would “defend to the death the freedom of speech” of his two consultants and others to speak their minds freely.

That the Chen administration favors a Taiwan republic was reinforced by the red-carpet treatment it gave a large conference in Taipei in March 2001. Called the Congress of Taiwanese, its participants called for creating a Republic of Taiwan and welcomed Chin Mei-ling as a hero. Some congress participants even took to the street, shouting that Taiwan must be independent of China. President Chen attended the meeting and in his opening remarks declared that he was the elected president of Taiwan instead of the Republic of China.

Opposition party leaders condemned President Chen’s remarks and actions as politically irresponsible and socially divisive. Even the DPP former chairman, Hsu Hsin-liang, urged President Chen to distance himself from the radical fundamentalists of his party who insist that Taiwan is not part of China.

POLITICAL FRAGMENTATION AND ECONOMIC DECLINE

To date, President Chen has refused to resume cross-strait negotiations according to the 1992 agreement of different interpretations of the one-China principle. Meanwhile, the opposition, including the KMT, New Party, and the People First Party (PFP), adhere to the majority view forged in 1990–93—that negotiations with mainland China should take place according to the one-China principle—but cannot agree on how to unify to confront the DPP. This clash of national visions has not only divided the DPP and opposition parties over how Taiwan should relate to mainland China but also has further divided the KMT and the DPP.

In a sign of further fragmentation, a new political party formed in 2001, the Taiwan Solidarity Union (TSU), which was vigorously supported by former President Lee and President Chen.⁸ The TSU’s chair-

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man, former Minister of Interior Huang Chu-wen, announced that the party would field thirty-nine candidates in the December 1, 2001, Legislative Yuan election. The TSU's manifesto proclaimed that it would "identify with Taiwan, devote itself to Taiwan and struggle for the future of Taiwan." The emergence of the TSU enabled Lee to reenter the political arena and bring with him some former KMT politicians. In late September 2001 the KMT finally expelled Lee from the party.

Meanwhile, KMT chairman Lien Chan and PFP leader James Soong have been unable to patch up their differences and unite against the DPP. Many KMT elite distrust Soong, and both leaders disagreed on the slate of candidates for the December 1, 2001, election as well as the presidential and vice-presidential candidates for the March 2004 election. Finally, neither leader has been able to articulate a vision of Taiwan's future.

Taiwan's economy has also deteriorated, mainly because of the economic slowdown in the West. In the first quarter of 2001, Taiwan's economic growth rate fell by 0.09 percent; by August it had declined by 4.2 percent, with unemployment at an all-time high of 5.2 percent.⁹ During 2001, manufacturing output fell and exports declined. Taiwan bank debt also increased, to as high as US\$60 billion, or 20 percent of current gross domestic product. As a result, consumer spending has sharply declined, as has business investment, although the government has spent NT\$4 billion of public funds to reverse the stock market decline.¹⁰ Not since the late 1940s have Taiwan's people felt so poor.

To respond to these developments, in August 2001 the Chen administration sponsored a three-day conference on Taiwan's economic relations with the mainland. Participants agreed that cross-strait economic relations must be expanded, but they could not agree on how to negotiate with Beijing. The Mainland Affairs Division could only recommend that "the government should quickly establish a consensus between the government and opposition to resolve differences over the 1992 consensus" and "consult with mainland authorities on direct links and other issues relating to the welfare of the people."¹¹

MAINLAND CHINA'S RESPONSE

As Taiwan's polity fragmented and its economy declined, President Chen emphasized better relations with the mainland authorities but without saying that those relations must be under the guise of a special state-to-state relationship. The president thus urged Beijing to expand the "three links" (*santong*) between Taiwan and China to bring economic benefits to both. Although Beijing had been eager to resume discussion about the "three links," it insisted that the matter was a "domestic air and maritime" issue rather than one of special "state-to-state" relations, as implicitly proposed by Chen's government. The Beijing authorities also suggested that airline and shipping companies on both sides of the Taiwan Strait should discuss the three links, but that proposal was rejected by the Taiwan authorities because they wanted an agreement that would reflect a special state-to-state relationship.

Meanwhile, the Beijing authorities have made a major concession regarding the meaning of one China, virtually adopting the one-China interpretation of the Taiwan authorities in 1992. For example, in July 2000, Vice Premier Qian Qichen told a group of Taiwan journalists that "one China" is "not exclusive" and later told a delegation from Taiwan's *United Daily News* that "the common divisor on both sides of the strait is 'one China.' Even Taiwan's Guidelines for National Unification had affirmed that view. One China does not mean the PRC," he continued. "Both the Mainland and Taiwan together make up one China." Qian repeated this interpretation at the National People's Congress on March 9, 2001, and again at the U.S. Asia Society in New York on March 21, 2001. The Taiwan authorities never officially responded to Beijing's new offer, believing it to be insincere. Ironically, the new PRC definition of one China is virtually the same as Taiwan's in 1992, which stated that "Taiwan is a part of China; the mainland is a part of China too."

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FURTHER DEVELOPMENTS

As Taiwan nationalism spread and the polity fragmented, public opinion was volatile. A Mainland Affairs Council public opinion poll in April revealed that popular support for the formula of “one country, two systems” had reached 16 percent, the highest in ten years.¹² (In the past support had wavered between 5 and 9 percent.) The percentage of those disliking the one-country, two-systems approach fell from 8.4 to 7.4. Those favoring the status quo but amenable to a gradual move toward unification increased to 24 percent; those favoring the status quo but eventually moving toward independence declined to 18 percent. If we aggregate those opting for the one-country, two-systems approach and the status quo group agreeing to eventual unification, nearly one-half are willing to support direct negotiations under the one-China principle. But this falls short of the national majority view in the early 1990s for the reasons alluded to above.

Shelley Rigger, an expert on Taiwan, contends that “while there are trends and forces propelling Taiwan towards closer ties with the mainland, there is little evidence that the key interests of the islanders cannot be met within the context of the status quo.”¹³ But if Taiwan nationalism and political fragmentation continue to grow, the status quo opinion proportion will contract because of a polarization between Taiwan independence and unification with the mainland.

Just as public opinion has shifted, so too have election results. In December 1, 2001, the DPP increased its Legislative Yuan seats from 70 to 87, and the new TSU party went from 0 to 13 seats, giving the two parties a total of 103 seats and 45.1 percent of the vote. The KMT-controlled seats declined from 110 to 68, the New Party (NP) seats declined from 8 to 1, and the People’s First Party (PFP), led by James Soong, increased its seats from 20 to 46 for a total of 115 seats (54.5 percent of the vote). A few years ago, the DPP struggled to transcend the ceiling of 30 percent of the popular vote but can now count on

around 40 percent. The two parties favoring Taiwan independence (DPP and TSU) still fall short of the Legislative Yuan majority of 113 seats. But there is no guarantee that the three parties, whose members formerly belonged to the KMT, will vote their 115 seats as a bloc. The DDP and TSU alliance could obtain support from the ten independent candidates who won ten seats in the Legislative Yuan, some of whom were defectors from other parties. Political bargaining behind the scenes will be intense.

In early January 2002 several new developments signaled that the de-Sinofication (*qu Zhongguo hua*) of Taiwan would continue under the Chen administration. First, the Government Information Office (GIO) announced that the ROC national anthem would continue to be played in theaters but that audiences no longer would sing the refrain. Second, the Chen administration also announced that ROC citizens would have Taiwan stamped in their passport along with the ROC. Finally, Executive Yuan secretary-general Chou I-jen announced that the government would try to restructure the Sunist-style government structure of five yuan, or branches, into only three yuan, eliminating the Examination and Control Yuans, leaving only the Legislative, Executive, and Judiciary branches of government.¹⁴

CONCLUSION

Since taking office in May 2000, the Chen administration has promoted Taiwan nationalism but without publicity, so as not to anger the mainland. The polity, moreover, has become more fragmented than at any time since Taiwan was returned to the Nationalist Government on October 25, 1945. The Chen administration thus has every incentive to negotiate with the mainland authorities only according to the principle of a state-to-state relationship that denies that Taiwan is part of China.

The mainland authorities continue to aver that the divided China problem can be resolved only if Taiwan agrees that Taiwan and the

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mainland are part of China. In a major concession, the mainland authorities have moved toward the one-China principle agreed to by the Taiwan authorities in 1992. But the Chen administration rejected that compromise, meaning that cross-strait negotiations have remained frozen for nearly two years. Until the Taiwan authorities accept the one-China principle or the mainland authorities abandon it, there can be no negotiations.

The current political fragmentation seems to be a price the DPP is willing to pay to build support for its message of Taiwan nationalism, interpreting it as a realignment of party politics. Meanwhile, according to recent election results and public polls, President Chen remains a popular, strong leader. Successfully blaming Taiwan's difficulties on the failure of the opposition parties to form a coalition on his terms, President Chen has also deflected Beijing's stubborn adherence to the one-China principle and its refusal to receive a high-level official of President Chen's choosing to the October 2001 Asian Pacific Economic Conference (APEC) in Shanghai by depicting Beijing's leaders as uncompromising and caring nothing about the Taiwan people.

If the opposition parties cannot come up with a strong, popular candidate in the 2004 presidential election, President Chen's policies and his current high approval rating with Taiwan's voters could ensure his reelection as president of the ROC, ensuring the advance of Taiwan nationalism, the de-Sinofication of Taiwan, and frozen cross-strait negotiations. The current and future leadership on the mainland will never agree to Taiwan moving out of the orbit of China, putting the two regimes on a collision course.

Our explanation of recent developments ignores the possible concatenation of long-term factors that are moving at glacial speed: expanding integration of the mainland China and Taiwan market economies; reorganization of the political opposition to form new coalitions and leaders; and the volatile citizenry who might support an "engagement" approach with mainland China because of its successful modern-

ization. This new dynamic could neutralize Taiwan nationalism and restart negotiations.

The recent political-ideological changes identified above reflect that a titanic struggle for the hearts and minds of the Taiwan people is underway in the first Chinese democracy. It is a struggle that cannot be understood in terms of wealth distribution, class structure, or social status. It is a struggle over ideas and passions that is dividing the Taiwan people and even splitting families. The real test for this young democracy's survival is whether tolerance and understanding of the different aspirations of the people on both sides of the Taiwan Strait can prevail and provide a settlement of the divided China problem.

Can enough of Taiwan's democrats insist that different visions of Taiwan's future coexist while engaging with mainland China under the one-China principle? That means having a dialogue between the Taiwan and mainland authorities to forge a new political partnership. That arrangement should preserve Taiwan's democracy and its current autonomy and assure Beijing's leaders and elite that Taiwan is still part of China, while both strive to develop a cooperative framework.¹⁵

Such a political partnership only can be established with the mutual affirmation of an equitable one-China principle in which both parties have equivalence and commit to the principle of equality under the sovereignty of a one China. The mainland authorities already have agreed to this interpretation of the one-China principle. The Taiwan authorities should now agree to negotiate under the same principle.

NOTES

1. Government Information Office (compiler), *President Chen Shui-bian's Selected Addresses and Messages (1): A New Era of Peace and Prosperity* (Taipei: Office of the President, 2001), pp. 8–17.
2. For the significance of this important election in Taiwan's democratization and the bitter campaign of fall 1991 over Taiwan's destiny—either to accommodate mainland China or to pursue an independent path—see Linda Chao and Ramon H. Myers, *The First Chinese Democracy: Political*