

Taiwan's Domestic Politics and Cross-Strait Relations
Talk by
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Taiwan will hold elections for the Legislative Yuan on Saturday, but today I wish to speak on a different subject. That is, I wish address talk about the broader impact of Taiwan's politics on cross-Strait relations.

And when I say politics, I am more interested today in looking at publics and institutions rather than leaders. Leaders, of course, play a critical role in politics. They can shape institutions and publics. And I happen to believe that the goals that some ascribe to Taiwan's leaders are not their real goals. Specifically, opposing one country, two systems and promoting a Taiwan identity does not necessarily mean that one's objective is the permanent separation of the island from China. But, as I said, my focus is elsewhere. I will address three subjects;

- The emergence and content of a Taiwan identity;
- The dynamics of an opposition party in democratic transition; and
- The dysfunctional elements of the current political system.

Identity

I begin with the issue of identity. The mental constructs that people bring to politics – identity – can be very powerful, more powerful sometimes than economic interests or observable social and cultural characteristics. Moreover, political identities do not always form naturally. They are often invented, the result of a political and social experience.

Strong group identity is not a new phenomenon on Taiwan. Yet the one that is relevant today is the identity formed as a result of oppressive Kuomintang (KMT) rule, beginning in 1945.

At that time, the people of Taiwan welcomed the resumption of Chinese rule and were happy to see the Japanese go. Very quickly, however, the Nationalist government alienated the Taiwanese. The first year of Nationalist rule (1946) brought inflation, unemployment, replacement of Taiwanese government employees with mainlanders, food and housing shortages, and a deterioration of public health. Taiwanese hostility grew apace, and some Taiwanese summed up the situation by drawing analogies to two animals unpopular in Chinese culture. They said that “the dogs [the Japanese] had left, but the pigs [mainland Chinese] had come.”

But it was brutal repression rather than mere incompetence that hastened the Taiwanese shift in consciousness to the idea that they and the mainlanders were really two different peoples. The indiscriminate violence with which the Nationalist government put down the February 28th incident created a profound bitterness.

Worse was to come. Whereas the KMT's response to 2-28 had been rather ad hoc, the “white terror” that began in 1949 was more systematic.

The KMT also limited political freedoms and electoral contests for power. The press was subject to censorship and new political parties and opposition activities were banned, all on the grounds that a civil war was still on. Elections were conducted at the lower levels of the political system, but Taiwanese representation at an island-wide level was severely restricted, on the grounds that the Taipei government was the government of all of China and had to reflect that fact in representative institutions.

The KMT reinforced its political monopoly with policies that affected the broader population. Some were designed to make good Chinese subjects out of Taiwanese who had been supposedly poisoned by decades of Japanese colonial rule. The educational system was employed to inculcate a Chinese identity, and the first tool was a rigid insistence on the use of Mandarin Chinese as the language of school life. Yet that requirement became a source of alienation. Mandatory military service for young Taiwanese men had a similar effect.

Social arrangements in the first three decades of KMT also reinforced the sense of difference between Mainlanders and Taiwanese. In Taiwan cities ethnic differences dictated where people lived, who they associated with socially, who they married, whether they got jobs in the government (mainlanders) or in business (Taiwanese). Ethnic and class lines were strongly correlated.

Some Taiwanese soon translated their harsh experience of KMT rule into the claim that their homeland was a separate country and culture. The logic went something like this: If our rulers treat us so immorally, then we cannot belong to the same nation. If what we are experiencing at the hands of our rulers is what it means to be Chinese, we cannot be Chinese. The Mainlanders of the KMT are outsiders and we are subject once again to colonial rule.

I am describing, you understand, the way some Taiwan people thought. These same people were anxious—even paranoid—that there were traitors in their midst, Taiwanese who might sell out the island's interests to the KMT.

Moreover, it is important to understand that this nationalist Taiwanese identity was relatively new. As Alan Wachman notes, "The cultural identity of Taiwanese appears to have been 'invented' in reaction to the efforts of the mainland elite to make residents of Taiwan cleave to the Chinese motherland, its culture, and its people."

Moreover, scholars like Wachman have found that generation and identity were correlated. Older mainlanders and Taiwanese each had a stronger sense of their respective identities. Younger generations were more confused. As a result, some people on Taiwan now see themselves as solely Chinese; some as solely Taiwanese; and some as both.

As repression was dismantled in the late 1980s, you can imagine what happened. The seeds of Taiwan identity that the KMT had sown and were germinating under ground quickly flowered. A pride in being Taiwanese grew to rival Chinese identity. Public interest in Taiwan's past and distinctive cultural character increased.

Moreover, this new identity flourished even as economic ties with China did and the island experienced several bouts of "mainland fever." I think this was partly a hangover from the bitter past. Increasingly, it reflects a belief in some quarters that economic interdependence threatens Taiwan's vital interests.

Lee Teng-hui, for example, saw a value in strengthening a Taiwan identity as a bulwark against a too easy accommodation with China. He promoted the idea that all people on Taiwan were bound by a common attachment to the island where they lived and the common yet conflicted experience of the last five decades.

It was necessary, Lee said, to strengthen this sense of attachment in order to prevent a new tragedy at the hands of the PRC. He therefore ordered the revision of textbooks to end the past exclusive attention to China and include more material on Taiwan's history, geography, and so on.

What has been the extent and impact of Taiwanese identity? From the 1990s on, there has been extensive polling on levels of identification with Taiwan and China. These surveys have found a clear trend toward a stronger and exclusive Taiwan identity and a decline in an exclusively Chinese identity. Also, a significant share of those polled say they are both Chinese and Taiwanese, and right now there is a contest for first place between this mixed identity and the exclusive Taiwanese one.

To be sure, Taiwan political leaders have sought to exploit and foster this growing Taiwan identity. They play on the fear of outsiders and of traitors in our midst that that is part of the native identity. But they are not creating a phenomenon that did not already exist. They are, to an extent, responding to what was already there.

There has been another cause of this shift from an exclusively Chinese identity to a more Taiwanese mind-set. That is a series of actions by the PRC that made Taiwan more insecure and resentful, such as the missile exercises of March 1996 and blocking a broader international role.

Thus, if it was KMT outsiders who stimulated the formation of a Taiwan identity in the first place, it was primarily PRC outsiders who have intensified it since the early 1990s. Conversely, China, by taking the right actions, can strengthen more of a Chinese identity.

Does Taiwan identity translate into a desire for independence and so complicate cross-strait relations? A number of scholars—Alan Wachman, Christopher Hughes, Rwei-Ren Wu, and Shelley Rigger, for example—conclude it does not. Different kinds of identification are at play: provincial, nationality, citizenship (ROC versus PRC), and policy preference. There is no necessary correlation between Taiwanese national/cultural identity and the policy preference of independence or a rejection of unification. It does not mean a demand for a separate nation-state.

The polls that try to assess what outcome Taiwan residents most desire indicate consistently that a majority of people prefer the status quo over unification or independence. That may be, but I think these polls are not terribly good measures, even the more sophisticated ones. Terms are usually not defined. What after all is the status quo (particularly one that is not static)? And what does "unification" mean? Is it only one country, two systems? Moreover, the consequences of this outcome or that one are usually not spelled out. Would people favor independence if it meant war? Most polls don't go that deep.

To sum up, Taiwan identity is both complicated and malleable. Whether Taiwan nationalists are correct that their homeland is a separate country is immaterial. What is important is that a significant share of the population believes that Taiwan is an object of identification distinct from (but necessarily exclusive of) China, and that the relevant outsiders are perceived as a threat to that sense of identity. And the PRC is now the most relevant outsider, whose actions can help shift the balance among identities.

Taiwan political leaders do exploit these sentiments, for example by trying to make China an issue during campaigns or questioning the loyalty of those who favor a measure of accommodation with China. But Taiwan identity would remain a force whatever politicians do, and in spite of the impact of economic ties.

Finally, Taiwanese consciousness does not necessarily translate into a drive to legal independence. But it does constitute a powerful bulwark against acceptance of the PRC's one country, two systems formula.

The DPP and the Politics of Opposition

Let us turn now to the Democratic Progressive Party, which was formed in 1986 and grew out of a movement called the *dangwai*, which means “outside the party,” that is, outside the KMT. *Dangwai*/DPP figures worked to challenge the KMT’s power monopoly, risking and often losing their political freedom in the process. They, more than any other force, were the voice of Taiwan identity.

Operating in an authoritarian system that began to liberalize in the late 1980s, the *dangwai*/DPP faced serious strategic and tactical dilemmas. Regarding goals, should it focus on democratization or independence? On tactics, should it focus on winning seats in the Legislative Yuan and then criticize the regime from within the system, or should it seek to mobilize a mass movement and challenge the KMT in the streets? Each view had its adherents and rationale.

As a result, the *dangwai*, and DPP that was formed from it in September 1986, has always been split into factions that reflect divisions over strategy and tactics. To address these differences and to resolve contests over leadership, the *dangwai*/DPP had to develop a decision-making structure that could forge consensus through a complicated process of consultation and bargaining. The results of subsequent elections usually serve as a pragmatic test of whether they should be continued or modified.

When, in the early 1990s, Lee Teng-hui pushed through reforms to have full, Taiwan-based elections of the Legislative Yuan and the National Assembly and to elect the president by direct popular vote, the way was now clear, at least theoretically, to gaining power through elections.

Yet where to position the party concerning Taiwan independence remained an issue the DPP. That goal, of course, had been part of the defining ethos of the movement. So the party engaged in a protracted, multi-stage debate over whether to emphasize independence as the goal or to focus on process and preserving the freedom of the Taiwan people to make the choice about their future.

A key point came in 1991, when the New Tide faction got agreement to emphasize independence as a DPP’s goal but the party did badly in the next election. Thereafter, the focus has been more on process.

Why did this evolution of DPP thinking on Taiwan independence occur? Why did it move away from rigid adherence to principle of the party’s true believers and in a more pragmatic direction? I would argue that it was a response to political realities.

That is, the DPP decided that it would never gain power if it did not adjust its position on independence to suit the middle of Taiwan’s electoral spectrum. This did not mean that the views of the party’s “fundamentalists” were totally ignored. But nor were they allowed to consign the DPP to being a permanent opposition.

There were other issues that the DPP sought to exploit during the 1990s: Taiwan’s limited international space; KMT corruption; cross-Strait dialogue. Concerning economic relations with the mainland in particular, it sought to adopt a moderate stance.

One big story of the 2000 presidential election, therefore, was the DPP’s movement to the political center, to reassure Taiwan voters that a Chen Shui-bian administration would not place Taiwan’s security or prosperity at risk. This was not the main reason for Chen’s victory—that was the split in the KMT. But it was not a trivial one either.

Winning power was one thing. Using it was another. Both the DPP and the KMT had a hard time adjusting to the reversal of roles imposed that the presidential election of 2000 imposed.

For a DPP that was ruling at the national level for the first time, some problems were very practical. The party lacked a pool of leaders who were able to take over and run the many agencies of the central government. Also, the DPP and its allies have yet to gain a majority of seats in the legislature. The former rulers – what we now call the pan-Blue – have therefore been able to frustrate Chen's agenda.

The bigger problem was that DPP "fundamentalists" did not give Chen strong support. They resented the fact that he had picked outsiders to fill many ministerial positions, instead of giving them to DPP figures. They complained that Chen did not consult them properly in the formulation of policy but then expected all DPP legislators to support those initiatives.

And they feared that he would be a trimmer on policy towards China. They had tolerated his pre-election movement toward the middle because they wanted him to win. When, after winning, they saw him continuing to accommodate Beijing, Washington, and business interests in favor of closer integration with the Mainland, they became even more anxious.

Similarly, the parties opposing Chen had a hard time adjusting to being out of power. Perhaps because they felt that they were Taiwan's rightful rulers, the KMT and the PFP cooperated with Chen only when failure to do so would hurt their standing with the public (as was sometimes the case on economic policy).

The difficulties Chen faced in exercising power—and a lack of policy achievements—created problems when it came time for him to retain power by seeking re-election.

His threshold problem was within his own party. Chen believed that his base was insecure and he had to focus on its mobilization. The party rank and file was unhappy with his failure to meet their expectations and threatened to sit out the 2004 election. Those expectations were excessive and unrealistic, but that is a common phenomenon in a party that had never been in power. Thus, Chen's effort in 1999, 2000, and 2001 to stake out a position that was more centrist than the views of the DPP base came back to haunt him in 2002, 2003 and 2004. The danger he saw was not that DPP supporters would vote for the opposition, but they would not vote at all.

Therefore he understandably played up traditional party themes of a new constitution and the use of referenda, which were part of the "independence plank" of the 1991 party charter, to decide major policy issues. Moreover, he sought to provoke Beijing into a display of anger that would drive wavering voters into his camp.

Beijing, of course, feared that a new constitution enacted through a referendum was the functional equivalent of a declaration of de jure independence. The Bush Administration worried that his initiatives would provoke China and foster higher tensions and instability.

Given the Chinese anxiety and the apparent lesson of the 2000 election—that a party like the DPP had to move to the center to win elections—Chen's strategy in 2003-2004 seemed quite risky. He did, of course, play up some centrist themes. More importantly, he may have understood public opinion better than experts thought, but not because the public was suddenly in favor of independence.

That is, the Taiwan public was growing frustrated with the operation of the political system, particularly the paralysis in the Legislative Yuan. Chen's call for direct democracy through referenda and a complete overhaul of the governmental structure struck a responsive chord at the same time that it gratified the DPP faithful.

In the end, Chen pulled victory from the jaws of defeat. Far behind in the summer of 2003, he pulled even by the end of February 2004. The pan-Blue was able to rebound and according to some polls was widening the gap again in the week before the election. The precise impact of the March 19th shooting on the result remains unclear. But the high court that conducted the recount recently announced that Chen and Lu did beat Lien Chan and James Soong by around 25,000 votes.

The main reason for the election outcome was that the pan-Green (the DPP and the Taiwan Solidarity Union) fought the campaign better than the pan-Blue—even though Chen Shui-bian had few achievements to show for his first term and the pan-Blue was united this time. The pan-Blue, on the other hand, did a fairly bad job in the campaign. It lost the election as much as Chen won it.

The result does indicate that support for the pan-Green is growing. In 2000, Chen got 40 percent of the vote. In the 2001 legislative elections, the DPP and TSU got around 45 percent of the votes cast for party candidates. This time, Chen and Lu got 50 percent. Over a million people who voted for various pan-Blue candidates in 2000 (one in thirteen) voted for Chen in 2004, a remarkable shift. It will be interesting to see what percentage the pan-Green scores on Saturday.

Yet because the pan-Blue almost won despite a poor campaign, Chen Shui-bian's March victory may actually overstate the core support for pan-Green objectives. And because of Taiwan's economic dependence on the mainland, there may be limits to the further growth of Green sentiment. So whether the 2004 results foreshadow a continuing surge of sentiment for *de jure* independence is not so clear.

Also, keep in mind that the DPP's electoral successes do not eliminate the divisions within the party on fundamental priorities. Should it pursue the goal of Taiwan independence or promote political reform and secure a permanent majority? Will constitutional revision focus on good government or on adopting provisions that bear on sovereignty?

In his inaugural address, Chen Shui-bian moderated his position on these issues, much to the dismay of his fundamentalist or "dark Green" supporters. And it appears that China might be prepared to tolerate constitutional revision that does not touch on sovereignty. So the debate within the DPP is liable to continue, and China will continue to watch.

It is interesting to ask how this debate between different wings of the DPP—between dark Greens and light Greens—would have played out had China been willing to engage Chen in 2000 when he first came into office and was clearly interested in making progress on cross-Strait relations. Personally, I believe that Beijing's decision not to engage, in the expectation that he would be a one-term president, was a strategic error and shaped the dynamics within the DPP thereafter. That is, Beijing strengthened the hand of the dark Green forces that it most feared. If it had engaged Chen instead of frustrating him, he might have had more reason to stick with a centrist strategy and less incentive to replay fundamentalist themes.

A Dysfunctional Democracy?

I wish to turn now to broaden the issue of how well Taiwan political institutions reflect the popular will and the resulting impact on cross-Strait relations. Among other things, how well would those institutions make choices concerning the island's future if a choice ever came?

The traditional DPP anxiety was that unrepresentative institutions might approve a "bad" agreement with Beijing. One reason, therefore, for their focus on self-determination. A more

recent concern is that the current government system is institutionally incapable of approving a "good" agreement.

Even modest changes in the framework of cross-Strait relations require public support. For example, existing law requires that the Legislative Yuan approve any agreement with the PRC germane to the execution or enforcement of government or public authority. Any agreement that would require changes in laws would, of course, require legislation.

Some of the Taiwan system's defects stem from the electoral system for legislative seats, with its multi-member districts and single, non-transferable vote. This system, to my mind, fosters a number of pathologies,

First of all, it can foster fragmentation of political parties. It forces candidates of one party to compete against themselves. As a result, both the KMT and the DPP are divided into factions. Each has suffered splintering as individuals unhappy with the direction of their party decide to leave and set up their own operation. Fragmentation also complicates any effort to reach consensus on public policy.

The SVMM system also encouraged personality-based politics. Because candidates from each party are competing amongst each other for some of the same votes, they had to find ways to distinguish themselves. So they emphasized symbolic issues and their personal qualities over policy views (and denigrate the character of their rivals). Voters' party identification tended to be relatively weak as a result. Candidates also had to create their own base of campaign resources to supplement whatever they get from their parties. Once elected on the basis of their own efforts, they are not very beholden to their party leadership.

Third, the SVMM system has encouraged some degree of *radical politics*. Since a legislative race could be won with a fraction of the votes, candidates had the option of positioning themselves on the end of the political spectrum and appealing to voters with more extreme, ideological views.

As the result of a constitutional amendment passed by the legislature in August but still awaiting ratification, Taiwan will switch to more of a single-member district system. But the pathologies of the current system are likely to persist for some time. Japan made a similar shift about a decade ago, and the sorting out into a two-party system is only now occurring.

Reinforcing the impact of the electoral system are more fundamental defects in the constitutional and institutional structure. Taiwan's system is rather like the French system, with both a president and a premier. But Taiwan has not yet developed the mechanisms that the French have to mitigate the problems of *cohabitation* between two power centers.

The checks and balances between the executive and the legislature are not evenly distributed. The president may appoint the premier without securing the Legislative Yuan's approval, but he does not have the power to veto legislation that he does not like. He may only dissolve the legislature after it exercises its right of a vote of no confidence in the premier.

The Taiwan system functions at least adequately when the same party controls both executive and legislature *and* can, through the exercise of party discipline, coordinate inter-branch relations from behind the scenes. When government is divided, as it has been the last four years, the result can be gridlock.

The legislature itself has a number of problems. As noted, party discipline has been weak because the electoral system dictates that individual legislators rely on their own efforts to get elected. Once they do, their incentive is to promote their individual popularity rather than public support for the party with which they are affiliated. Corruption and conflicts of interest are common. The institution does not encourage policy specialization and expertise as the committee

and seniority systems do in the U.S. Congress. Legislation is developed on the basis of coordination among party caucuses and smaller ad hoc groups. As a result, only those bills that command broad consensus secure passage, and no-one is accountable for the result. Obstructionism is relatively easy.

In addition to these political obstacles to decisive action, there is the fact that if there were ever a proposal to resolve the conflict with the PRC, at least some of the actions would require not the passage of bills by the Legislative Yuan but constitutional amendments. The process by which constitution revision occurs is changing, and we can talk about the details in the question period if you like, but the key point is that it requires a consensus among most of Taiwan's political parties *and* their ability to make sure that their members would vote in favor of it. Given the near parity among the Blue and Green camps, any amendment under the current constitution that a significant element of the population opposed would be unlikely to secure passage.

Electoral, institutional, and constitutional factors in this somewhat dysfunctional democracy make it easier to block initiatives than it is to get them through the system. That power in the legislature will likely remain evenly divided between Blues and Greens and somewhat polarized only reinforces this reality. Constitutional revision—a shift to single-member districts and Chen Shui-bian's good governance agenda—may produce a more responsive and effective political system over time, one that better reflects the popular will.

Under the current system, however, it is difficult to push initiatives through the political system, even if there is broad public support for them. I believe that Taiwan needs to strengthen itself economically, militarily, diplomatically, and psychologically. But it is difficult to do so if the political system is often in a stalemate. More hypothetically, even if the PRC were to make Taiwan an objectively good offer, would the political system be prepared to take "yes" for an answer?

Conclusions and Implications

Let summarize my conclusions:

First of all, Taiwan identity is a major obstacle to a one country, two systems solution. The bitter experience of Taiwanese after 1949 at the hands of the ruling Kuomintang fostered a hostility towards outsiders and, for some, a resistance to any association with China at all. For most, however, Taiwan identity does not necessarily dictate a drive to *de jure* independence.

Second, as the Democratic Progressive Party, the DPP, has made its transition of opposition party to ruling party, it has been wracked by tensions between its traditional ideological impulses and the imperatives of gaining power, retaining power, and exercising power. These tensions, in turn, complicate the task of outside parties (the PRC and the United States) to assess where the party is going.

Third, for a variety of constitutional and institutional reasons, that same democratic system is inclined toward fragmentation, non-centrist views, and gridlock. That is, the pathologies of the political system make it hard to and make tough choices. It also reduces the possibility that Taiwan would approve a good offer from the PRC, if it were ever made.

What implications flow from these conclusions?

First of all, taken together, these factors—identity, the DPP's struggle with its position as a ruling party, electoral dynamics, and institutional problems—suggest that the default position of the Taiwan political system on cross-Strait issues will be to do nothing.

Second, the PRC has undermined its own objectives by paying too little attention to the Taiwan public and its role in politics. It should not be surprising that Beijing has been slow to understand the dynamics of Taiwan's democratic system. But it will help itself if it works to make positive appeals to the Taiwan public.

Third, if done right, constitutional revision and other kinds of political reform could remedy some of the dysfunctional elements of the current system.

Fourth, Taiwan leaders have a very complicated task as they seek to manage relations with China and the United States as they seek to win and retain power – as all democratic leaders do. It is as if they are playing three games of chess at one time, with the moves that they make on one board affecting what happens on the other boards. Indeed, the games are probably different but they still influence each other. Not an easy task.

Finally, I think we should step back to recall who is really important here. It is, I believe, the people of Taiwan, in all the complexity that this term encompasses. It includes:

- Mainlanders, Minnan people, Hakka, and aborigines;
- Those who see themselves as Chinese, Taiwanese, or both;
- Those who think they want independence, unification, or the status quo (whatever those terms mean);
- Those who think Taiwan must survive through economic interdependence with the Mainland and those who don't; and
- Those who are deeply engaged in politics and those who are apathetic – but still deserve to have their interests represented.

Lee Teng-hui once spoke of the sorrow of being Taiwanese, and there was something to what he said. For a number of decades, the population of the island did not really have a say in their future. Others made the decisions, including the United States. Those who tried to assert a say sometimes lost their freedom.

It is only in the last decade or so that the people of Taiwan have gained more of a say, through the emergence of a democratic system. And that is as it should be. But that raises the question of the quality of Taiwan's political system and how well its leaders and institutions reflect the popular will and deliver good policies.

This is not a trivial issue when it comes to Taiwan. China exists and Taiwan must make choices about China. To not make a choice is to make a choice. To make a bad choice will likely bring profound and permanent consequences. But choices will be made through a political process. We can only hope that that political process will make choices that reflect as well as possible the popular will, and that the Taiwan people will have the sort of good democracy they richly deserve.