

## *“Making Sense of Taiwan’s Legislative Elections”*

### **Panel Discussion featuring:**

**Yun-Han Chu** – Speaker, Academia Sinica in Taiwan

**Larry Diamond** – Discussant, Hoover Institution, Stanford

**Thomas Gold** – Discussant, UC Berkeley

**Ramon Myers** – Discussant, Hoover Institution, Stanford

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*12:00pm-1:30pm*

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### **[Larry Diamond]**

Thank you all for being on time and for joining us. As I think everyone in the room knows, Taiwan has come off another rather historic election season, in a year, in fact, in which there were two national elections. One for president, and then, at the end of the year, in the tri-ennial exercise, the election of a new legislative yuan. This was an election that went a little bit differently from expectations and has created a new, in a way, or reproduced a potential political stalemate in Taiwan. And to analyze the meaning of this legislative election in December of 2004 and where we are today in the evolution of democracy and political life in Taiwan, we have an excellent panel.

(There are some seats up front for those of you who are sitting in back. Feel free to come up here. There are actually several seats up here, interspersed.)

We have, we are delighted to have, from the new institute of political science at the Academia Sinica, one of its founding senior fellows, Dr. Yun-Han Chu, my long-time colleague from Taiwan who, as you know, is also professor of political science at TaiDa – National Taiwan University, and is the president of the Chiang Ching-Kuo Foundation. He is going to make a presentation from his high-tech powerpoint program on helping us make sense of Taiwan’s December 2004 legislative elections.

Following his presentation we’ll have two commentaries, one by our colleague from Berkeley. Our esteemed colleague from the momentary holder of The Axe – UC Berkeley, [laughter] at our annual football competition.

### **[Tom Gold]**

I carry it with me whenever I come back here.

### **[Larry Diamond]**

But he has no axe to grind today. Tom Gold is a professor of sociology at UC Berkeley; one of its leading scholars of China. And for many years, an observer of society and politics in Taiwan. He did observe the presidential elections last year and I know continues to follow the situation closely. He will be followed in commentary by my colleague at the Hoover Institution, senior fellow, Ramon Myers, and curator emeritus of the East Asia collection.

So Yun-Han, the floor is yours.

**[Yun-Han Chu]**

Okay, please enjoy your meal as I talk. Thank you Larry for your very nice introduction. It is always delighted to be back to Stanford. The place you know with such a very advanced intellectual depository of talent. And so I always find any session that I've attended on this campus was always very stimulating. Now, I'm going to basically go through my power point presentation. But I will actually, really save some time so that I will give enough time to my two discussants and so that I will also have ample time for a Q & A later on.

Ah, you know what, Larry? I just found out why the turnout rate of this recent LY election was so low – a record low by Taiwanese standards. You know, neither of you came up there during the elections. And this also, I believe is quite unusual.

**[Larry Diamond]**

Now I'm really feeling [inaudible].

**[Yun-Han Chu]**

I think people get really excited when we have many, many foreign observers around, but not this time. Anyway, I think the first thing you need to know about this election is that the turnout rate. ... um... whoops! This one doesn't work [referring to slide]. Anyway... it's made in China. Okay.

[laughter from the audience]

**[Ramon Myers]**

...And by a Taiwanese corporation.

**[Yun-Han Chu]**

That's right, that's right. Something I hastened to add. Okay.

They, technically, with a respectable turnout by your standards – 59.16%. But if you compare with the historical record – if you compare with the two previous wide elections... It was 68 and 66, from six and three years ago. There is quite a drop. And also if you compare that with the bar on the far right of the chart, it is almost a 21% drop from the presidential elections that were held in March of the same year. Which means that you're talking about 3.3 million people who came out to vote in the presidential election, but this time chose to stay at home instead. And I think this should really tell you something about this election. I would say that it had something, a lot to do with what I regard as the overplay of "blame politics." Which means that the two camps of Pan Blue and Pan Green blame on each other for the very poor performance of the economy, rising crime rate, unemployment, runaway fiscal deficit. Anything that, you know, that people are discontented with and who should be responsible for, you know, for this very unsatisfactory state of affairs. And the two camps blame on each other on the campaign trail. And also, not only that, and also this element of some dosage of what I call the "hate politics." The politicians from both pans really, you know, they point a finger at each other. The worst incident I can show you that Pan Blue is at one point calling President Chen a "Big Thief" who stole the election. They argue that there are sporadic flaws in the election last time and also they suspect that the shooting event was staged. And also they question the

legality of holding the true referendum vote in conjunction with the presidential election. But at the same time, Chen Shui-Bian and Pan Green also fought back with very nasty rhetoric. They accused Pan Blue of staging what they called a “soft coup.” Remember that after the March 20<sup>th</sup> election, hundreds of thousands of infuriated Pan Blue voters marched the streets and surrounded the presidential office and demanded a vote recount, even to invalidate the outcome of the election. Which is a thing that is quite staggering. It really reminds you of something which happened in Ukraine. In the recent times even though it didn’t get the same kind of Western media attention. But nevertheless, it was really a very dramatic confrontation and I would say was actually a turmoil for the system. But this time, even though both sides play this politics of “hate politics” and “blame politics.” I think that the voters really are fed up with politics. To some extent, the hyperactive mobilization had reached the point of saturation during the last weekend of the presidential campaign. During that time, if you followed the news of Taiwan closely, you know both camps mobilized at least 2.5 million from each camp to march in the streets. Now on Feb. 28<sup>th</sup>, Pan Green organized the Human Chain event. More than 2.5 million came out to form this human Great Wall stretching from the northern tip of Taiwan all the way to the southern tip. And a week later, Pan Green, also to show their solidarity, called out almost 3 million people to attend 30,000 major rallies around the country. So people’s, their passion, their excitement, have been really stretched to the point that some people really suffer a nervous breakdown. Psychiatrists have been getting a lot of patients during and around the elections to a historical level, to a hysterical level. I think, you know, that you cannot go on like that. Okay? And the campaign seems to never end. After the March 20 elections, you have the challenge from the opposition about the legality of the outcome of the election. They demand a vote count, they file lawsuits... So, you know, the political saga just lingers on.

But eventually, I think that enough voters become so disenchanted. They deplore that the leaders from both camps – Chen Shui-Bian on the one hand, Lien Chan and James Song on the other, didn’t really get the priorities right. They really hope that the politician leader would focus on the real issues: “something more looking for looking??? [not clear]” And tackle what they regard as the most urgent challenge that the country is facing right now.

Number one, you know, how to sustain the economic vitality. We have very sluggish economic growth, a job list/less and recovery... Sounds all very familiar, right? It’s right here. And we have runaway deficit. And also we witnessed a very, I would say, shocking trend. That is, a steady stream of capital outflow and land grants through all of Taiwan and into China. I think this really, you know, bothers people. But none of the political leaders really engaged in a debate on these issues. Instead, they just tried to get even with each other. So I think this probably explains what happened to the turnout rate.

Um, now if you look at the seats which came [inaudible], by the way if you run into some type, that’s my mistake. I tried to correct them here.

Um, basically, the composition of the parliament, the legislative yuan, was virtually unaltered. You have the same composition as before. Basically, the Pan Green is still... [referring to the chart] I marked the two parties belonging to the Pan Blue team and the Pan Green team. The TSU is the Taiwanese Solidarity Union. The DPP got

89 seats this time – two seats plus the ones that they got three years ago. But the TSU lost one seat. Okay, so you've got those, which means that they only control 101 seats in a 225-seat chamber. So they are basically at least twelve seats away from a majority. And that's a very tall order for them to steer the legislative agenda in any effective way. So the Pan Blue hold on to their majority, although by a very slim margin. But nevertheless, there are people who are labeled as "independent." The independents managed to retain their ten seats. And, if you look at their voting track record of those people who get elected as independent, a great majority of them, almost always stay with Pan Blue. Actually, out of the ten there are two that are actually current camp team members. They didn't get the official party nomination, but they will be part of the party [inaudible]. And so the remaining eight, I would say, probably five of them, you know, it's predictable, they will always stick to Pan Blue. So this is really a very tight [inaudible]. There is not much room to maneuver for Pan Green. So which means that this turned out to be a very big disappointment for President Chen.

If you remember, when he came into office, he was confronted with a very hostile parliament controlled by Pan Blue. And then, even after the 2001 election, he still have to confront with the position controlled parliament, which always try to compete with the executive branch over legislation priorities, they try to [inaudible; possible "confound"] everything the government tries to put through. And finally, you know he's coming into the remaining three years of his second term and he has to live with this. He has to live with the syndrome of a divided government. He has to live with the fact that Pan Blue will continue to dominate the parliament. And if he couldn't find a way to reconcile differences with Pan Blue, he really couldn't move anything meaningful forward. So this is really a very chilling reality that President Chen Shui-Bian has to live with.

Although you might argue that Pan Green didn't really lose the election at all. They maintained their existing seat ratio, and they even gained their control by one seat, even though it's not very meaningful. And also in terms of electoral votes, actually, there are some visible gains from a few years ago... and we see that last time the two parties, the DPP and the TSU, got 41% of the popular vote and this time they got 43%. So it's some improvement. But I would argue that this electoral gain is very so meager to be significant, or I should say, to be everlasting. You can really explain away this very marginal electoral gain in terms of the fact that the DPP is now the incumbent party. It controls the executive branch, controls the entire state apparatus. There are so many [inaudible], [inaudible] like who aren't interested in the increasing captain that formerly worked for the KMT. They could even [inaudible] apply for selective prosecution that could protect auditing to intimidate the local politicians who used to be affiliated with the KMT. And also this time the DPP really enjoyed a huge campaign budget. About two weeks before the December election, voters really are bombarded with a blizzard of TV advertisement. And especially live broadcasts of the [inaudible] rally. But I would say three out of four there stayed by the KMT. Which means they really have a lot of money to throw around. And so with all those advantages, in terms of [inaudible], overwhelmed the Pan Blue in terms of their spending, and also the power that comes with pork-barrel package and also the fact that if you really actually convert some fence sitter in the countryside to walk across the party line. So that 2% is not really very meaningful.

And what is most disappointing for the Pan Green this time, they ask, is during the presidential election they actually managed to virtually come close to a majority party. Although there are some people – about 2.5 people, about 5% people that during the last presidential election they cast an intentionally blank ballot or just an invalid ballot. But then there's a Pan Purple Alliance kind of movement going on, you know they were [inaudible]. You know they are not really happy with the choices. So that is, by itself, is very meaningful outcome, so I brought it back. Usually the figures you see is like 50/50, okay, but this is actually what happened.

But nevertheless, the 48%, that's the highest watermark the DPP has ever reached during their entire party life. It turned out to be not, you know, really something without much staying power. It pretty much, you know, comes down back to the regular support that they can count on. That's barely above the [inaudible]. So, the 48% that they got during the presidential election turned out to be a short-term phenomenon. And probably, you know, had something to do with the shooting advantage at the very last minute, you know, helped Chen Shui-Bian get a lot of seats. So that explains part of the reason why the Pan Green were very good candidates.

And also I think, one reason the Pan Green was so disappointed was that the expectation had been very high before the election. You know, they continuously gave out the very rosy projection. And also, actually, it's not just rhetoric; they echo those problems. So they nominate an extraordinary number of candidates in the race. In the end it turned out to be a mistake, a technical mistake. They simply over-nominated their candidates. Under our unique electoral system, that's marked with seats, a single non-transferable vote system. So voter not only have to choose which party to support, they have to identify a particular candidate from that party. So the candidate from the same party have to compete for the vote amount itself. So you have to, if you want to maximize your seats, you have to try to equalize the vote distribution among your own candidates to the full extent possible, so you don't waste any votes. Otherwise, you know, if there's one particular, very positive candidate who absorbs a lot of votes, he will definitely get elected, but then at the same time, at the expense of his colleague from the same party.

So in this context, there are many people who turn out to be the highest run-off candidate. They're almost there, but they lost. So all the votes they receive are, in a way, actually wasted. So that also counts for part of this setback. There are still twelve seats away from the majority.

And also you have to know why Chen Shui-Bian gets all the criticism after the election. As he was even pressured to resign from party chairmanship, and became the personal responsibility for this very disappointing outcome. Because he was so deeply involved in competing himself. He spent well almost six months on the road on the campaign trail. And he wanted to really respond to the issues and without actually extensive consultation with the other DPP politicians. For instance, he put on his floor the imperative of a voting referendum by the end of 2006 to ratify a new constitution; he moved that again onto the top of his agenda. And also he tried to lure some die-hard supporters away from the Taiwan Solidarity Union. He also put forward the proposal to change the name of all, any public entity or state corporation where the name of the entity still contained the word of either "China" or "Chinese." So part of the official de-Sinicization of Taiwan, but that create a lot of controversy.

But most importantly, I argue that a lot of voters don't consider those things that really address their real concerns. These are real symbolic issues, divisive issues, but on the other hand are quite empty, they don't really address their own concerns. But the president is so upset with this LY election. You know on the one hand, he really wanted to get himself out of this gridlock, this single undivided dominance. He really hoped that he can really have that working majority in the LY, and then he can push through all his legislative agenda.

But at the same time, since the Pan Blue defined this election as another referendum on the legality of the validity of the last election. And also, well before the election, the Pan Blue parliament set up the "Truth" commission, you know, tried to dig out what they believe is very suspicious surrounding behind the shooting event. Although the Truth Commission run into strong resistance from the executive branch - simply all the ministry refused to cooperate, and then, at the same time the DDP government sent this case to the justice counsel arguing that the very act of creating this body amounts to unconstitutionality. So you have these really very nasty political games going on. So Chen Shui-Bian is really very obsessed with this election. He hopes that the voters can speak out one more time and to certify that he is the "true winner" of last election, and to obstruct any Pan Blue attempt to reopen the case. But at the same time I actually think that is really, to some extent, blinding his own judgment. And also without extensive consultation with his colleagues, he wronged the campaign with not being very aggressive.

And the outcome of the elections also had many important implications for the Pan Blue camp. For Pan Blue, especially to actually to be able to retain their majority control of the LY is a happy surprise. This win gave the Pan Blue a critical breath space for what I regard as political reconnaissance. And at the same time, you can play a scenario that a lot of voters had feared before the election that, if Pan Blue suffered another [inaudible] it might not be able to ever get back on their feet again. Now, you know with this surprise win, you can at least revive the hope among Pan Blue voters that Pan Blue might still make a comeback in 2008. But at the same time they are strained within Pan Blue. The PFP and KMT, although both parties pledged for a full merger after the election, okay, but during the campaign, even though they're under the same team, the two parties from the same camp, they have to compete for electoral support itself. And PFP, you know, feel very frustrated in the sense that they cooperated with KMT in putting a seat on the total of nominees in each district. But in the end, the KMT actually gave the go ahead to some married party members who didn't get official nomination, but they get to race nevertheless in the end. So PFP didn't do very well, it's seats dropped considerably from the 46 that they had when they entered the race, and now they have to be content with 34. And most of the loss that PFP suffered turned out to be the gain of KMT. KMT increased their seats from 68 to 79. So that's really plain to see from this intra-camp or intra-block bickering. And Jim Song, the day after the election, hinted that he no longer considers for the merger that it's viable. And at the same time, the PFP realized that they should do something to be more assertive and they should not be taken for granted by the KMT. And besides, if you just look at the numerical position, you would immediately recognize that the PFP now really controls the critical swing vote. If they stay with KMT, the KMT will maintain the majority. If they join hands with the DPP when some critical vote comes, then they can tip the balance. And also Chen

Shui-Bian was so eager to break this logjam also recognized this new reality. So for the last, the whole month after the LY election, the two sides actually approached the other to forward a possible way for some kind of collaboration. And some Pan Green politician even floated the idea that we should nominate James Song to be the premier, to form a coalition nominate. Although it didn't turn out that way, and most likely Frank Hsieh [officially sworn in today 2/1/05 after being named to succeed You Xi-Kun as Premier on 1/25/05] will be nominated, would be appointed after just a few days from now. But nevertheless, the two sides, in a way, flirt with each other and KMT becomes really jealous. And then KMT said we want to reserve the deputy speaker of the parliament for the PFP. We want to welcome James Song back, and even welcome him to become the contender for the party chairman after Lien Chan steps down.

So PFP basically they want to get the most out of their shrinking numbers, proving that they *are* actually the critical minority to tip the balance. But obviously there are some limits to how far James Song can actually move from their existing position to meet the DPP halfway. Basically because most of the supporters for the PFP are what we call the "deep-blue" who are well committed to the idea of the "one China" or at least the want to preserve the status quo under our same constitution. So many PFP voters became really furious when they heard the news that James Song might reach out to DPP. And so voters from the PFP actually stormed many of the PFP candidates with protest phone calls and things like that. So it's not entirely impossible, but on the other hand, it's not really as foolish as some people might think. And when it comes to political secession within the Pan Blue camp, they are not scheduled to step down from party chairman by August this year. But on the other hand, there are not a single candidate that really works as a natural candidate for succession for Lien Chan. Wang Jin-Ping, one of the vice-chairmen, he will become the speaker of the parliament, and some people argue that it is inappropriate to be the party chair and the speaker at the same time. Ma Ying-Jiu was really hurt badly during some recent event assembly at some accident in Taipei. And people say that he has come to manage at home taking care of the city, he should not have any distraction. So it would not work as a possibility. Lien might be persuaded to stay on for several years before a natural candidate can emerge. Don't quote me on this, but it is my off-the-record prediction.

But I think the atmosphere has really changed after following the elections. I think the partition from both camps... the outcome prompts them to go through some soul-searching. They have to live with each other. The parity is right here. Neither side can impose its agenda on the other, and neither side should have some wishful thinking that they can somehow eliminate their rival. So basically, this is a bigger challenge for Chen Shui-Bian. This actually means that again he couldn't really have an entire say in policy formation. And he doesn't even have the freedom of who should be picked as premier. But now he has quite a few strong contenders to succeed him. You know, even Frank Hsieh, Taiwan's Vice President Lu, and You Xi-Kun... But the best that he can do, is try to hold off the syndrome of lame duck for as long as possible, and cool off the heat for intra-party succession as soon as possible.

And also he has to worry about his play in history. If he simply allows the gridlock in the parliament, and simply allows the stand-off in Taiwan strait to linger on, then he might be remembered as the president that leaves the office without any major

contribution. And people will remember his 8-year presidency as a big limbo domestically, and a big chill commercially. I think this is something he really has to worry about. And so that's why I think, he's now, on the one hand, he talks about the reconciliation among parties. He reached out to James Song, and also he promised that he will try to generate consensus on all the important political reform and also spending bill that weighs in the new parliament. At the same time he should show some flexibility in managing Cross-Strait relations. The truth, Taiwan and China just recently signed in the court, almost overnight, to allow the first ever, non-stop chartered flight during the Chinese Lunar New Year. Doesn't sound like much, right? But it's a major breakthrough, believe me. It virtually functions like a direct airline link. That has never happened before for the past fifty years. And it might be possible that the two authorities might extend this actual arrangement into a regular service. So that gives you some ray of hope.

And finally, I think, for the moment, Chen Shui-Bian is stuck at the public support for his ambitious plan to overhaul the constitution by the end of 2006. So that proposal will be shelved for the moment. He will probably just spend all his investment of political time and capital working on the one pending draft constitution amendment which was stopped by the parliament last August. This limited amendment would reduce the size of the LY by half, and also would make the switch from the current SMTV vote system to a two-ballot system. The great majority of this reduced size LY would be elected under a single-member plurality vote, and the remaining seats will be selected to a second ballot on the party [inaudible]. And this is regarded as very crucial to address the issue of [inaudible].

**[Larry Diamond]**

What will the balance be like?

**[Yun-Han Chu]**

80:20, roughly, is the ratio. But that also means we're going to have another national election around late May to elect the members of the ad-hoc national assembly. This will constitute a second stage for formally ratifying this draft constitutional amendment. This is a tedious process. So, starts with a  $\frac{3}{4}$  majority by the legislative yuan, and then wait for six months for public deliberation, and then they select seventeen to the actual national assembly, and finally, by the end of June, they have to formally ratify it or turn it down. This is a pretty critical amendment. So I think this is probably the limited political reform agenda that Chen Shui-Bian can really shoot down the hoop in the recent constitutional reform. So I think I have used up all my time. I will stop right here and listen to the discussants and later on open the floor to any questions.

**[Larry Diamond]**

Okay, the first discussant is Prof. Tom Gold.

**[Tom Gold]**

Well, thank you very much Larry, I am certainly very honored to have been invited to participate in today's panel with my old friends and old colleagues: Yun-Han, Ramon Myers, and Larry Diamond. Yun-Han is certainly one of my main teachers on trying to understand the intricacies of Taiwan politics. And from his tour de force

presentation today, you can see why he is possibly the number one talking head that everyone comes after to try to deconstruct what happens politically in Taiwan.

As was mentioned before, I was unable to attend the legislative yuan election this time. It's the first time since 1989 that I've been unable to attend. It was for family reasons; not a protest or anything. No boycott, and not because there's always something interesting to learn.

I just have a few comments, and I have more questions than anything else. So poor Yun-Han is going to try to eat and... he'll write these down. One issue that we've certainly gone around, over and over again, Larry Diamond and I in particular, is the question of, the issue of "democratic consolidation" in Taiwan. And I remember we were on a panel together in 2001 after the election, and there was some rancorous debate over whether this was a sign of a move towards consolidation or a move away from consolidation. I think, again, you certainly may want to chime in... But this really, I think, was a major step in the direction of consolidation. First of all, because the outcome was unexpected. And second, because the losers accepted the results, and have agreed to move on, as Yun-Han mentioned. Certainly compared to the presidential election earlier in 2004, which is still being contested by certain die-hards in the Pan Blue camp. So I think the fact that the participation rate was down, and Yun-Han explained certainly very many of the reasons there. I think that overall this represents a forward step.

One other issue that maybe you'd wanted to talk about before, and I think something else the election might have helped to address is the question of, that many people have raised, about a tendency towards a liberal democracy or populist authoritarianism in Taiwan. Certainly the use of ethnic or sub-ethnic conflict as a major political issue when I was there in March, and then I was there again in May, and again in November. Uh, this was an issue that when the election was opening in November when I was there, and this was one of the main issues that came up, the DPP is trying to play the ethnic card.

Um, the fact that, again you referred to this, the way that President Chen was trying to use his victory of the 2004 election, which was certainly not a mandate, but he was trying to use it to push these extremist positions with a variety of things. He talked about, especially, constitutional revision and steps towards independence.

There have been, I heard this was during the presidential election, and it's been ongoing, is a number of people trying to equate Chen Shui-Bian with Hitler and the DPP with the nazis. And I was surprised, certainly not honored, to have been invited to a one-day seminar that was held in Cupertino back in the beginning of December by a group of people called the Chinese-American Alliance for Democracy in Taiwan, and there may be some members of that group here today, which has been, which was founded after the presidential election in March last year. Which is just been a relentless criticism of what they see is a tendency towards nazi-ism and fascism in Taiwan. Talking, it was a promotion for a new book written in Chinese, coming out in English, that's called *The Future That Makes Us Tremble*. And this is part of what they were passing out, was a point-by-point comparison of Hitler and Chen Shui-Bian, with a swastika superimposed over the DPP flag. And I personally found this

offensive and nauseating, to say nothing of being historically inaccurate. But, I don't want to get myself all worked up again by talking about that.

Interestingly, ... unlike Larry. [Larry laughs] ...who never gets worked up. ...

But it's interesting, again, my experience there in March is that the most radical words and actions are coming from the Blues. The demonstrations in March, the demonstrations in September, and then you mentioned, also, during this most recent campaign. I mean, the demonstration against the arms sales in September, ongoing lawsuits, publications, and so on. Okay, but now let me throw a large number of questions at you. These are the questions I would have asked you in Taiwan had I been there, and so you've had some time to think about them.

Was this more a... some of these you've alluded to, but I'd like to see more elaboration. Do you see this as a vote *for* the Blues or *against* Chen Shui-Bian? Not even against the DPP, but against Chen Shui-Bian, the person. And Chen Shui-Bian, certainly, in his alliance with the Taiwan Solidarity Union, for some. Did or do the Blues have any ideas or initiatives whatsoever or are they just negative? "What Chen says, we oppose." Did the Blues have effective leadership or was it more a question of Chen's overconfidence? You talked about, there were some organizational skills, but you know, people talked about the KMT's organizational skills. If they worked this time, why didn't they work before, in the last couple of elections? Is it because Chen overplayed his hand which created an opening for these organizational skills? Or what? Was it Lien's leadership? Which is, ...I have to let my voice rise when I ask that question. [laughter] ...that was the source of the Blue win? So it's a question of: was it a Blue win or a Chen loss? And one issue which you referred to, and maybe again you can elaborate is: how much was this a vote on big issues of identity and nation-building, which is what China, I think, would have liked, relations with the PRC versus the bread and butter issues of welfare and economy... It may be too much detail to go into, but, what is the geographic breakdown of the...do you still see the same North versus [inaudible] in the South in terms of what's going on. And what about the Hakka? That's been an issue; certainly the identity politics. Because the Hakka don't want to be collapsed into the Taiwanese Hoklo, and there's certainly been a strong Hakka identity movement.

What about the role of overseas voters? As I mentioned, when I went to this meeting in December, it was a week before the election, and they were mobilizing people. "Get over there and vote! Don't just sit here and complain. Get over there and vote! Or else this fascist Nazi is going to continue to distort what goes on in Taiwan."

Does Beijing believe that its intimidation worked this time? Apparently, I think they do.

Some other questions on the future of the Blues. How do they explain their win and how might they build on it? Has the KMT been strengthened as a result of this election, or is it more a case of the DPP over-reacting in this case? Has the DPP been weakened, or has the KMT been strengthened? I mean, how would you balance these two?

You address the question over who will succeed Lien, ... And uh, you talked about why Wang and Ma sort of have some questions about them, having other things on their plate. But in your slide you said that they were “not ready.” What do you mean by “not ready?” What does it take to be “ready” to be chairman? And what do you see as the consequences of Wang versus Ma as the chairman next year of the KMT?

What do you see as Song’s next steps? Obviously, the PFP has become increasingly marginalized as you see here. Do you think there will be a slowdown in the DPP pursuit of KMT assets as result of this surprise? On the future of the Greens, according to my e-mail this morning, Hsieh was named the prime minister.

**[Yun-HanChu]**

Yes.

**[Tom Gold]**

Does this put him in a strong position to become the next presidential candidate for the DPP? I mean, do you see any difference, because he and Chen are not of the same faction? What about the future relations between the DPP and the Taiwan Solidarity Union, now that the TSU has lost a position to them? Do you see any other signs of going down the external divisions? Any other signs of relations with the PRC besides the direct flight? I agree that’s a major breakthrough, that’s probably not appreciated enough outside of the two sides of the Strait. But do you see any other trends? It’s very interesting, when I was in Beijing two weeks ago and CCTV 4 every evening has a long seminar. It’s a talk show on Taiwan. It was actually sophisticated; it was not just name-calling and mocking. This sort of arrogant approach that I find they usually take from the PRC. It was actually people knew what they were talking about. They certainly read the Taiwan press and monitor Taiwan chat rooms.

The anti-secession law which has been passed by the Standing Committee. The NPC, which will probably be passed in March at the NPC meeting. What effect might the election outcome have on that? That happened after, it was passed by the Standing Committee after the Taiwan election, but do you see how might that be [inaudible] the new LY.

Ah, that will probably give you enough to chew on? [laughter]

**[Larry Diamond]**

Thank you, Tom.

**[Ramon Myers]**

How many minutes do I have? Three? Four?

It’s always a pleasure to listen to my colleague, Chu Yun-Han. And even have an opportunity to talk after him and comment on him. But he certainly gave us a very nice systematic and overview of what happened in this recent election. And my comments will unfold something like this:

First, the term “democratic consolidation.” Whether or not this election contributed to that process in Taiwan. There are a variety of definitions of “democratic consolidation.” Some people regard it as, just simply as [inaudible] election laws and

accepting defeat, coming back and carrying on the good political struggle in an honest way. That's a perfectly good description, but I would think that we would want to also include something like efficient governance. In other words, as democracy spreads and deepens within a society, what we expect to see is adherence to law and institutions in place which give incentives for people basically to engage with each other in very impersonal exchanges rather than personal exchanges, where a lot of corruption takes place. So, we would expect to see some improvement in the efficiency of Taiwan's government if we're going to accept the premise that democratic consolidation is taking place. And certainly, for the last four years, if you want to evaluate the efficiency of the DPP's performances, the ruling government, the efficiency of government has been very, very bad.

At any rate, this election, this legislative yuan election, what is the larger significance of it? It seems to me that it will certainly depend upon how the two parties engage in what I call "political coalition building and practices." If indeed, enlightened members of these two parties can cooperate and can agree on the prioritization of problems, there is a good chance that some valuable things can be done by this new legislative yuan. One thing, would of course be, the cooperation to make some amendments to the constitution. I don't mean restructuring the constitution, which was the more radical agenda of Chen Shui-Bian's party when they were campaigning for the legislative yuan election. But clearly, once the national assembly is elected, the process can then take place in which coalition politics could produce some amendments. What might some of these be? Well, certainly you could lower the voting age, as many have suggested as an amendment. You could also agree on a run-off election if the winner doesn't get, say, 50% or more. There are a variety of these types of amendments that would increase or enhance the efficiency of the electoral process as well as governance itself. But, the way that society is now divided and the way that this election turned out, it's clear that we will not see radical restructuring of the party, which, of course, was what the radical part of the DPP really wanted to achieve. I think this is good for Taiwan, that it's good for peace across the Straits, and it's good for Sino-American relations. So in that sense, the significance of this election is quite enormous.

I think there, if there can be the cultivation or nurturing of political coalition building in the next session of the legislative yuan and in the process to reconvene the national assembly and let the fluids work. Some good things can be done.

On the other front, without constitutional amending, but looking simply at cooperation within the legislative yuan between the two solid blocks, one would hope that there would be discussions in which agreements would be reached to prioritize certain problems. And certainly those that have to be prioritized I think relate to the kind of economic change that in people Taiwan would like to have, and that would improve their welfare as well as the national security of the ROC. And that is to say, that if we're going to see good economic policies, then we have to pay attention to what really needs to be done in the economy. Some 12-13 years ago, the early 90's, the government then, at that time, was engaged in trying to create a new, productive market; a new, productive services sector. They wanted to make Taiwan the premiere services sector in the Pacific/Asia area. And this did not come to pass. Lee Tung-Hui's politics, and the way in which he took the party and took the country after 1996,

simply diverted attention and energy within the KMT to carry out that kind of very productive reform. It was not done.

This current party in power could go back and do that if it had the will and foresight to do it. Whether coalition politics, of course, is going to promote that kind of economic change is very questionable. I think given the way in which society is now divided in Taiwan, it's going to be very difficult for political coalition building to take place. But we should not ignore the pragmatism and the creativity of the Chinese in their political life. They can certainly form coalitions and get some things done if there's the will to do so.

This election certainly allows, I think, society to cool down; to have some good honest discussion about what our great future should be. And as we know the process we have seen in the last five years has been one in which the party in power has gone out of it's way to promote a style of activity and thinking that, I think, one would best call "local nationalism." And where this has been taken up eagerly by individuals, it's led to local nationalism plus the desire or the right, to secede from something called "Greater China." Now if this process continues in society, it will be very sad for Taiwan. One would hope that local nationalism could run its course. And if you want to define what I mean by "local nationalism," I mean, simply, a more intense identity with one's local roots, but a shared sense of one's history that would include social history as well as political history. And that kind of set of sentiments has produced now a belief that it's all right if it's within its own limits. But Taiwan nationalism of that kind, if taken too far to want to secede from China as well, then this puts the whole island as well as the region in great peril. And so one would hope that one of the great byproducts of this election, I hope, will be a dialogue in Taiwan society in which people explore exactly what it is that's needed to reconcile the conflicting visions that are now operating there. And in that sense, I think there is considerable hope if coalition politics can be nurtured in this next four years.

Thank you very much.

**[Larry Diamond]**

One observation I have is that, I think there is a very powerful link, this is speculation on my part, between the extreme negativism of the entire year of 2004. The Li Fa Yuan campaign, the whole fallout of the presidential elections, and the low turnout. You know, the one thing that mudslinging does, we know from American campaigns, and unfortunately, it often works. But the thing it is most successful at is suppressing voter turnout when you have a very negative campaign. Secondly, and most importantly on the question of democratic consolidation, I think that the 2004 presidential election was an enormous setback for democratic consolidation in Taiwan. Because most of all to my mind, the consolidation of democracy involves the consent, the formation, and deep routinization of consensus on the rules of the political game. And the debate in the aftermath of the election was really over the legitimacy of the election itself and of the person who took office. And the street action you had, enormous numbers of people that we're talking about, I think throws this into question.

Now I know that you and your colleagues are currently doing survey research to examine how people in Taiwan and various parts throughout East Asia are feeling

about their democracy and the degree to which they are attached to democratic principles and values. You might want to bring that in.

Okay, we have just a few minutes for questions and comments. Uh, yes?

**[Asian man in green shirt near the front left]**

I want [inaudible] ...

**[Another Asian man on the middle right side]**

May I ask a question?

**[Larry Diamond]**

If you'd like. [laughter]

**[AAMOTMRS]**

Um, actually, if you go to the very last line of Dr. Chu's presentation...

**[Larry Diamond]**

Yeah, I want to give you a few minutes. Why don't you call that up, so just to be clear?

**[AAMOTMRS]**

Yeah. I found that the second statement was the most interesting one from an American perspective, because it reminds us that the American government continues to be involved in Taiwanese politics. And in the future may choose to sacrifice American lives for the defense of Taiwan. And I wanted to ask something which may already be obvious to the three of you, but it's not clear to me and it may not be clear to other Americans. What is the compelling national interest we have in meddling in Taiwanese politics? And, two, what benefit do we get if we don't do it, if we don't meddle?

**[Larry Diamond interjects]**

Well there's two ways of looking at the question of meddling in Taiwan's politics. To be meddling in Taiwan politics by trying to encourage moderation and restraint on the part of the government in Taiwan? Or do we meddle by making a commitment to the defense of Taiwan if it's attacked without provocation? Which way do you mean meddling? [some laughter]

**[AAMOTMRS]**

Thank you sir. Meddling in terms of the second way; that is, sort of, if you're going to go out there, if you're going to involve yourself in the Taiwanese side of politics, and certainly Bush's name was brought up several times during the Taiwanese election both for the presidential election and later for the legislative election. Because, you know, the United States influences the outcome. And here, I mean, what do we get by being involved here and [inaudible].

**[Larry Diamond]**

Ah yes. Back there.

**[Chinese woman in back]**

Yes. I think, um, right on the last sentence on the sheet that's explained here. It's talking about the anti-secession law by China. Although the details have not been built on yet, I'd like to ask you officially three gentlemen, and also Dr. Chu, about the impact of this law that's going to destabilize the regional peace and security. And the President Bush, and I'd still like to bring up the U.S. President Bush's hope for his big ambition for democracy throughout world. What does this anti-secession law have to play in the future and also in the long-term future of this regional relation? How is this going to intimidate the people of Taiwan? How they are going to be able to vote and elect their own leaders freely, without any intimidation from military power or whatever consequences that the people of China have in mind.

**[Larry Diamond]**

Okay, thank you very much. Well, we have a lot on the table here, so it may take you a while to try and work through it.

**[Yun-Han Chu]**

Wow, well I wish I could swap the [inaudible] of this [inaudible] and go... [laughter]

Ah, but this also gave me the opportunity to underscore the message that I didn't have the time to do earlier. But first of all, I would argue that this election, the outcome of the election offers Taiwan a greater, and probably little overdue sobering moment for politicians to reflect upon their own excesses; to do some deep thinking. In that sense, it's a healthy thing that happened to Taiwan democracy. But I agree with Larry, that won't be enough to repair the damage that has already been done over not just the last presidential election, but I would say the entire four years.

The political struggle – I use the word “struggle”, not just contest, between the two camps has been so nasty. And also, out of such strong convictions, that the other side is really going to bring the best of their strong moral convictions. So anything they do to undermine the other side can be justified. So with little respect, due respect for rule of law and due process in the creation towards [inaudible].

And for that reason both camps really both regard each electoral contest as kind of “do or die” battle. It's a must win battle and “winning is” indeed, from their point of view, “everything.” And any party who has a poison grip on the state [inaudible] can abuse their power a lot to their party's advantage. And that happened during the campaign that unfortunately did not happen [inaudible].

So that's why, sometimes, the Pan Blue voters feel that their future is doomed if they lose the last stronghold in the parliament. And then Pan Green can move like a bulldozer to strip the KMT and Pan Blue of whatever remaining political seats?? they might still have and then they might have to live with a permanent Pan Green dominance in the Taiwan political landscape.

And the reverse, the mirror image anxiety also really overwhelmed the Pan Green voter. You remember that Pan Green and the DPP have been in opposition for so many years, and so they really want to composite?? [unclear] its shaky hull. And the real fear that if KMT makes a comeback, their fate would be doomed and they would be returned to the permanent minority for this LY. And that's a kind of anxiety that

really drives this passion and the campaign. And it's not really healthy; it's not a very healthy sign for democracy.

And, regarding whether this election is more a victory for Pan Blue or more like a defeat for the DPP, I would say that there is no winner in this election. You know if you study the statistics really carefully, this time, the extent of oversimplification you might derive that just from some simple calculation.

The last time Chen Shui-Bian got 6 million votes. And this time the DPP got only 4 million votes. So about 2.2 million people who came out to vote for him during the presidential election choose to stay home or switch their vote to the camp. Assuming that no votes actually were [inaudible].

And the same thing happened to Pan Blue. 1.8 million people came out to vote before who didn't show up. So this is really a large number of well [inaudible] ... so disenchanted and so turned off at this very negative, nasty campaign. So people who meant to come out to vote, are really the party [inaudible]. So which means that this is a more revealing outcome in the sense that both parties are probably home to their more reliable support. And give you a very accurate assessment underlying the partisanship among the electorate.

Which means that actually, neither side enjoy overwhelming domination in any way you look at it – north, south. In the South, usually, you know, it's labeled as Greenland, but actually, if you read the figures carefully, it's not the case. The KMT still manages to get at least 40%; sometimes 45% of the electoral vote in the South, in the deep South. At the same time the DPP can manage to get around 40% of the vote in the northern part of the country. So the case that you have a polarized, concrete, South vs. North [inaudible]... And the same thing you can talk about whether Hakka really are [inaudible] chauvinism. To some extent, it is true. But on the other hand, we shouldn't really overplay this consideration.

Now, with regard to the political succession, ... let me start with Pan Green. Obviously, Chen Shui-Bian hope that he can maintain some kind of equivalence among the contenders for the new leader of the party. And Frank Hsieh, the chance of being the head of the government, the premier, I think for him it is a very important challenge that offers him the rare opportunity to elevate himself to national prominence position. And he can gradually build up his own coalition. But at the same time, it is a very dangerous job. You have to take responsibility, take the blame. And, I don't think the DPP, again, doesn't control the big state agenda. You cannot get all the bills, and all the spending bills, ... he really, desperately needs support for a very effective performance. And also there are some fundamental elements that are working against a very robust rebound in terms of the economy, in terms of getting back to some kind of balance.

So it's difficult for any incumbent to be here; you know, to really satisfy the majority of the electorate. And also, I fear that since many business owners and also professionals, they become deeply disappointed and disenchanted of the last several years, they actually don't want to really invest their future in this society. So even in the recent months and weeks, we have some, I would say, more encouraging signs in terms of cross relations and this non-stop charter flight, and also there are signs that

the two camps finally have to grip with the reality that they have to live with each other and to try to reach out some kind of compromise. But none of this actually gives any jumpstart of the [inaudible]. I think it would take many, many extra efforts from both camps to revive that kind of confidence. So, in essence, the damage is already done. And the remedy on the table, from my point of view, is the dosage is not strong enough. And hopefully this estimate figure will last. I mean, will accomplish [inaudible] and not be problematic and inflexible when we come to cross-Strait. On that note, then, I really am a bit concerned with the forthcoming enactment of the anti-secession law. A lot of people refer that to be a time-bomb. Well, my hunch is that, the eventual content of that law won't be shocking. That's my hunch. Most likely that the PRC will simply write existing party announcement into legal statement and to make them even more binding, formally. But I would say, the underlying thinking is actually to try to avoid a deadly conflict. You know, to make their deterrence more credible, and to make the White House national security more serious about preventive diplomacy and preventive defense. I think that is the bottom line. Although they know the gestures and the welcome by many Taiwanese electorate, but, whether that will really destabilize the relationship, I think that remains to be seen.

**[Larry Diamond]**

Do any of you have anything you want to say?

**[Tom Gold]**

Ah, I'm not sure how much longer you want to go on.

The question of US national interest is an issue that goes on all the time, and I've been with a lot of political scientists in Taiwan discussing [inaudible] formations, I mean this is an issue to which in the U.S. many people read the Riot Act to the Ministry of Foreign Affairs in Taiwan and say, "What right do you have to compromise our relations with China, our relations with East Asia more generally? We've got the Iraq issue, we've got the North Korean issue, we need the Chinese help certainly on the North Korean issue. And here you are rocking the boat. You are being provocative, and when push comes to shove, you will continue to be provocative and it is not up to us to offer you any kind of assistance. And there are other people who say that, "Taiwan is a democracy. Look at all the good that they've done. The U.S. shares a role in the responsibility because of [inaudible] history of Taiwan, because Taiwan has become a democracy. And it's the argument that really hasn't got, I think there hasn't been much new [inaudible].

**[Ramon Myers]**

Yun-Han, your comments about the chief atmosphere in Taiwan and the negative fallout of this whole election, I found a little sad and terribly disconcerting, because, fully aware as I am that Taiwan's society has been dividing in the last four years, polarizing very badly, you brought home to me, I think, your last, particularly your last comment about when you have 2 million voters stay away, that there is some sort of deep, underlying, very bad feeling that many people have, bordering on the sense of wanting to withdraw from political life, perhaps. This is truly sad to see this sort of atmosphere evolving in Taiwan. And I just hope that somehow there can be a resumption of dialogue. But it's no good if you have leaders of the society speaking out, "If you don't love Taiwan, then get the hell out of here!" I'm seen a lot of that

sort of thing in the last two to three or four years. And this is really, truly, very bad news for any democracy to fall into this situation.

**[Larry Diamond]**

Okay, I'm afraid we're just out of time. But if you want to come up, you can ask them questions privately. I want to thank you all for coming. You've been very patient and very attentive. I want to most of all thank our colleague Chu Yun-Han. [applause] And I hope we can do this again.