

TAIWAN DOMESTIC POLITICS
– POLITICAL CORRUPTION, CROSS STRAIT
RELATIONS, AND NATIONAL IDENTITY

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Stillwater, Oklahoma

2007

Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
MASTER OF SCIENCE
May, 2007

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TABLE OF CONTENTS

Chapter	Page
I. BACKGROUND AND METHODOLOGY INTO RESEARCHING TAIWAN DOMESTIC POLITICS.....	1
Introduction.....	1
Methodology and Scope	3
Origins on Taiwan's Identity	5
Taiwan under Kuomintang	6
II. ABIAN AS PRESIDENT AND GOVERNMENTAL REFORM.....	11
Issues Regarding the 2004 Presidential Election	16
Referendum.....	17
President is Shot.....	20
2004 Election Results	21
Political Scandals around the President	22
Government Reforms.....	24
III. POLITICAL CORRUPTION – A CONTROVERSY OVER BLACK GOLD	27
The Indictment	28
The KMT Black-Gold Exclusion Clause.....	31
The Future Path and Identity Formation.....	35

IV. PUBLIC POLLS AND IDENTITY CHANGE.....	38
New and Old Identities on Taiwan	38
The Meaning of Chinese.....	41
Government Initiated Name Alterations	42
China’s Reaction.....	49
Analysis.....	55
V. CONCLUSION.....	58
Governmental Reforms	59
Chen’s Years as President.....	59
Ma Ying-jeou’s Political Scandal	61
Identity Formation on Taiwan	61
Final Remarks	63
REFERENCES	67
APPENDIX A.....	70
APPENDIX B	73
APPENDIX C	76

LIST OF TABLES

1. Regimes of Taiwan and China.....	6
2. 2004 Legislative Yuan Election Results.....	15
3. 2001 Legislative Yuan Election Results.....	15
4. 1998 Legislative Yuan Election Results.....	15
5. Changes in the Taiwanese/Chinese Identity as Tracked in surveys.....	65
6. Changes in the Unification – Independence Stances of Taiwanese as Tracked in Surveys.....	66

LIST OF FIGURES

1. Republic of China Adds “Taiwan” to Cover of Passport.....	43
2. Chungwa Post Becomes Taiwan Post.....	44
3. 2:28 Stamp Bears the Name “Taiwan”.....	45
4. China Petroleum Company Changes Name to CPC, Taiwan.....	46
5. License Plate Name Change.....	47

CHAPTER I

BACKGROUND AND METHODOLOGY INTO RESEARCHING TAIWAN'S DOMESTIC POLITICS

Introduction

The social, political, and international identity of Taiwan, officially named as the Republic of China (ROC), has been a long disputed and controversial topic in which scholars, academia, and government officials have debated for the past six decades.¹ Mainland China, People's Republic of China (PRC) claims sovereignty over Taiwan claiming that there is only one China and Taiwan is part of that China. In 1972, the Shanghai Communiqué was issued. The document stated Beijing's "One-China Policy"; in which there is only one China and Taiwan is a fundamental part of that China. In order to normalize relations with PRC, countries are required to acknowledge this policy. As a result, Taiwan has lost international recognition over the years. Despite Taiwan's loss of international recognition in the 1970s, since 1949 when Chiang Kai-shek established his government in Taiwan, the Republic of China has always functioned as a state politically and structurally separate from the PRC.

The Republic of China, when originally established in Taiwan, was an authoritarian foreign regime from the mainland China. Mainlanders who were former military officials in Chiang's army assumed high level government positions. Martial law

¹ The Republic of China (ROC) refers to the political regime that has been in control of Taiwan from 1945 to present. Taiwan refers to the geographical location, the island and its surrounding territories, that are currently under dispute between the ROC and People's Republic of China.

was enacted from 1947 to 1987. In the 1980s, Taiwan began to undergo reform. Mainland officials were gradually replaced with native Taiwanese. Martial law was repealed in 1987 and restrictions on media, speech, and assembly were lifted. Multiple political parties became legally allowed to exist and national level political positions began to be popularly elected by the people. Taiwan has become a democratized nation, mainly, to establish the legitimacy of the Taiwan's government among its people and to establish legitimacy in the eyes of the international community.

Despite this fact, the future of Taiwan and its democracy is uncertain. Currently the status quo; neither unification with China, nor declaration of de jure independence is the policy accepted by most. However, this policy is not indefinitely sustainable. In recent years, China has shown patience through seeking economic incentives to entice the ROC, but it is not known how long China's patience will last. Washington's policy of "no forced unification" could be challenged should China choose to use force. The United States would be forced to decide between preserving a democracy, a core principle of the United States, or maintaining international stability across the Pacific. With no foreseen solution in the near future, the Taiwan issue remains a sensitive issue in cross-strait, pacific, and international affairs.

In order to gain a better understanding of current cross-strait relations, this thesis will examine domestic politics in Taiwan. Through better understanding the political parties, the political process, and peoples' perception of politics/national identity in Taiwan this author hopes to contribute to the ongoing research regarding Taiwan's identity, its political recognition/or lack thereof, and predict or, at least, highlight key variables that may influence the future of Taiwan and cross-strait relations. Some of the

questions that will be addressed in this thesis are: What is the current state of political affairs within Taiwan? What are the key factors and who are the key players that will impact the direction of cross-strait relations within the next five years? As an academic, political analyst, or government policy maker, what should be of most concern? Since Chen Shui-bian's election as Republic of China President in 2000, how have party politics and the functioning of government evolved? What trends can we expect to see in the upcoming Legislative Yuan elections in December and the Republic of China Presidential election in March 2008? Through examination of recent political developments within the ROC from 2000 to early 2007 the author hopes to better gauge where Taiwan will go in 2008 and the following years to come. It is impossible to predict with any real degree of accuracy the future of politics on Taiwan and the direction of the ROC democracy because of grave complexities within the international political atmosphere. Through careful examination, this thesis seeks to bring contributive research to the current state of the Republic of China on Taiwan, its people and political foundation. This thesis will pay particular attention to shifting identities on Taiwan and how social and political factors have played significant factors in these changes.

Methodology and Scope

Sources for this thesis were mainly derived from written literature materials using government documents, academic journals, newspapers, and other primary and secondary resources. The nature of this paper is to examine the current political developments in Taiwan. In order to do this accurately, obtaining and examining recent literature is critical. Other historical background of Taiwan ranging from 1662 to 2000 is also necessary to understand Taiwan's social and political development. For Taiwan's current

administration, the periods from 1945 to 1996 marked an important transition period for Taiwan's political development. Many authors have already heavily researched this area and the purpose of the study is not to give an overall historical background of Taiwan's political development, but rather to give a snapshot of political developments in Taiwan from 2000 to 2007. Other information that does not cover these dates may be included but only in brief detail where necessary. As information becomes more current, more emphasis will be placed on the information.

In addition to significant books the author looked for relevant academic articles in sixteen major Asian oriented journals in recent years. The author wanted to include human subjects to determine people's attitudes toward politics and national identity. However, due to time restraints and the complex nature of gathering accurate reliable surveys results in Taiwan, the author believes such research would be a good opportunity for a Ph.D. dissertation where people's attitudes could be examined over a longer period of time. This study will predominately rely on literature to draw its arguments and conclusion.

This author believes that, in general, people make choices based on rational thought. People look for solutions that benefit not only themselves but also those around them. Although there are positive-sum and negative-sum gain situations throughout the world, the author believes that there is more opportunity for positive-sum gain. Although a situation may not be seen as positive-sum gain, two parties or more may in fact reap benefits. In this paper, the author will demonstrate how Taiwan and China each have the potential to benefit from cross-strait relations regardless of any change in the status quo. This is not to say whether Taiwan or China should act unilaterally to change the status

quo; doing so might create an international disaster. Rather, it is to say that a gradual change in status quo in either direction could mutually benefit both Taiwan and China over the long-term. Rational decisions will also ensure the security and stability of a nation over time. This thought process will be used throughout the duration of this paper.

Origins on Taiwan's Identity

The inhabitants of Taiwan before 1624 were predominately made up of aboriginals, although today they only make up about 2.06% of Taiwan's population.² The aboriginals of Taiwan are often referred to *Austronesian* or also known as *Malayo-Polynesian* where the people and the language family group originate from Southeast Asia. In 1624, the Dutch came to set up their trade post and became the administrators of the island.³ The Dutch wanted the aboriginals to produce crops in mass quantity for sale; however, aboriginals traditionally would only grow what they needed and not grow anymore. The Dutch soon encouraged immigration of farmers from south China to produce cash crops. It was from this period that non-aboriginals, mostly Han Chinese began to immigrate to China.⁴

² According to 2006 National Statistics, the population of Taiwan was 22.8 million. In the same year the Taiwan aboriginal population was estimated at 471,000 people. Sources are from, National Statistics, R.O.C.(Taiwan). *The Republic of China Population by 5 Year Age Group Statistics* [posting on-line] (Taipei City, Taiwan: Ministry of the Interior, 2006, accessed 17 09 2006); available from <http://sowf.moi.gov.tw/stat/month/m1-06.xls>; Internet. And National Statistics, R.O.C.(Taiwan). *The Republic of China Aborigines Population Statistics* [posting on-line] (Taipei City, Taiwan: Ministry of the Interior, 2006, accessed 17 09 2006); available from <http://sowf.moi.gov.tw/stat/month/m1-06.xls>; Internet.

³ For discussion on the identity of Taiwanese and historical development of Taiwanese aboriginals see, Mellissa J. Brown, *Is Taiwan Chinese? the impact of culture, power, and migration on changing identities* (Berkeley and Los Angeles, California: University of California Press, 2004).

⁴ For listing of regimes in Taiwan see table 1.

Table 1.

Regimes of Taiwan and China			
Regimes in Taiwan		Regimes in China	
Dutch	1624-1661	Ming	1368-1644
Zheng*	1661-1683	Qing	1644-1911
Qing	1683-1895	Republican	1911-1949
Japanese	1895-1945	Communist	1949-Present
Nationalist	1945-Present		
*Zheng Chenggong was Ming loyalist and fled from the mainland to Taiwan.			

In 1661, Zheng Cheng-gong invaded Taiwan. When Zheng came to Taiwan the ethnic distribution changed dramatically since he brought with him 30,000 people mostly of Han Chinese.⁵ The Ming Dynasty was replaced by the Qing Dynasty in 1644. In July 1683, Admiral Shi Lang, former Zheng admiral who became a Qing admiral led 300 warships to capture the island. In September 1683 the people on the island surrendered peacefully.⁶ At the end of the Sino-Japanese War in 1895, Taiwan was ceded to Japan in the Treaty of Shimonoseki.⁷ Taiwan was under Japanese rule for 50 years until 1945 when Japan was defeated in World War II.⁸ Taiwan was then returned to China, which was under the administration of the Republic of China or Nationalist government at that time.

Taiwan under Kuomintang

In 1945, the Republic of China took control over Taiwan. On February 28, 1947 an incident occurred with a cigarette vendor who was accused of selling untaxed cigarettes. The agents began to confiscate her money and goods and the woman screamed in protest. The woman was struck down and a large crowd gathered in her support. This

⁵ Mellissa J. Brown, *Is Taiwan Chinese? the impact of culture, power, and migration on changing identities* (Berkeley and Los Angeles, California: University of California Press, 2004), 40-42.

⁶ Mellissa J. Brown, *Is Taiwan Chinese? the impact of culture, power, and migration on changing identities* (Berkeley and Los Angeles, California: University of California Press, 2004), 42-43.

⁷ Mellissa J. Brown, *Is Taiwan Chinese? the impact of culture, power, and migration on changing identities* (Berkeley and Los Angeles, California: University of California Press, 2004), 53-56.

⁸ For discussion on Taiwan identity formation and development of Taiwan during the Japanese colonial period see, Leo T.S. Ching, *Becoming "Japanese"* (Berkeley and Los Angeles, California: University of California Press, 2001).

incident led into a petition against the government. This incident is known as the February 28th Incident or 2:28 Incident and led to an escalation of events in which thousands were murdered. The event symbolizes the oppression of Taiwanese people by an authoritative regime.

However, the conflict continued to escalate and in March 1947 Chiang Kai-shek sent troops to Taiwan to stabilize the situation. In that month, Taiwan scholars estimate that 10,000 people were slaughtered. If this number includes the businessmen, scholars, and political advocates who were seized and done away with then the death toll would be estimated around 20,000.⁹ As Cheng-yi Lin points out, “White terror” as it is often referred to was used by the KMT to “suppress the Taiwanese democracy and independence movement and to control the society”¹⁰ Lin also adds that:

Taiwanese were politically socialized to support Taiwan’s eventual unification with China....Through politically screened teachers and the deliberate design of the school curriculum, the ROC government promoted China as the motherland as well as a Chinese national identity among Taiwanese.¹¹

From 1949 until 1987 Taiwan was under martial law. Shelley Rigger notes that, “martial law” not only gave the government broad powers to arrest and imprison dissenters, but also imposed a complete ban on the formation of new political parties, effectively enshrining the KMT regime as a one-party state.¹² Rigger also indicates that the government had control over mass media. Through political propaganda, the identity of being Chinese was reinforced in Taiwan by the Republic of China administration.

⁹ George H. Kerr, *Formosa Betrayed* (London, Great Britain: John Dickens & Co Ltd, 1966; reprint, Upland, CA: Taiwan Publishing Co., 2005), 256-310 (page citations are to the reprint edition).

¹⁰ Cheng-yi Lin and Wen-cheng Lin, "Democracy, Divided National Identity, and Taiwan's National Security," *Taiwan Journal of Democracy* 1, no. 2 (December 2005): 71-72.

¹¹ *Ibid.* 72.

¹² Shelley Rigger, *Politics in Taiwan* (New York, New York: Routledge, 1999), 22.

In 1949, Chiang Kai-shek's forces were defeated by the Chinese Communist Party and he and the remnants of the republican government fled to Taiwan. When Chiang Kai-shek arrived he established his government and planned for an attack to take back the mainland. This, however, never materialized. Up until the mid to late 80s, Taiwan's policy regarding the mainland remained unchanged. Sheng Lijun illustrates the ROC administration policy as follows.

Taiwan, under both Chiang Kai-shek and Chiang Ching-kuo, held a constant position that Taiwan was as much Chinese territory as mainland China and that there was only one China and that China was the R.O.C. not the P.R.C. this position began to change after Lee took office. In the late 1980s, Lee Teng-hui still proclaimed: "One China is the supreme principle". On 23 February 1988, he still insisted on a "one China policy, not a two Chinas policy". But in 1990, Lee raised the notion of "one China, two governments". His own words were "One country, two governments. This is a fact."¹³

In 1971 the Republic of China was replaced by the People's Republic of China in the United Nations. On January 1, 1979 the United States switched diplomatic relations from Taipei to Beijing. Afterwards other countries began to follow suit and Taiwan began to lose its international recognition.¹⁴ By the 1980s the KMT began to change its policy in an effort to find legitimacy of the regimes own existence, internationally as well as locally.

The KMT administration was originally made of mainlanders, former military officials in Chiang Kai-shek's army. The locals were mainly kept out of politics. However, as the mainlander generation grew older the KMT needed new blood to fill its ranks. Since the mainlander population only amounted to about 13% of the total island population the KMT had to draw more support from the local Taiwanese people.¹⁵

¹³ Sheng Lijun, *China's Dilemma The Taiwan Issue* (Pasir Panjang, Singapore: Institute of Southeast Asian Studies, 2001), 99.

¹⁴ U.S. Department of State. *Background Note: Taiwan* [posting on-line]. Washington D.C., United States: U.S. Department of State, 2005, accessed 25 09 2006. Available from <http://www.state.gov/r/pa/ei/bgn/35855.htm>

¹⁵ The differences between mainlanders and domestic Taiwanese are discussed in chapter four.

Steven E. Phillips adds that the KMT's fight to maintain legitimacy helped democratize the regime.

The regime's attempt to co-opt some islanders by allowing them to participate in the state and party enabled Taiwanese to take over the Kuomintang and the Republic of China from the inside. Hard authoritarianism shifted to soft authoritarianism, as Chiang Ching-kuo, who succeeded his father in 1975, realized that the old Cold War disciplines of one-party rule and limited political participation for Taiwanese were no longer viable. Domestic political reform and Taiwanization helped to bolster the regime's legitimacy in the face of growing international isolation.¹⁶

In 1986 the illegal Democratic Progressive Party was allowed to run in the National Assembly and Legislative Yuan elections. It marked the first true two party contests in Taiwan's history. A year later, Chiang Ching-kuo, Chiang Kai-shek's son, repealed martial law.¹⁷

During the 1990s Taiwan underwent some major changes to the constitution, government, and political format. Steve Tsang stated that during the 1990s Taiwan gradual evolution: "The Republic of China (ROC) on Taiwan has undergone, mainly over the last ten years, a process of transition from a developmental authoritarian dictatorship to a representative democracy."¹⁸ One of the first changes Tsang mentions was that, "In May 1992, the new National Assembly passed a number of constitutional amendments, including the decision to introduce popular elections for the positions of governor of Taiwan and mayors of Taipei and Kaohsiung."¹⁹ Taiwan was then considered to become a full democracy when Lee Tung-hui became Taiwan's first directly elected president in 1996.²⁰

¹⁶ Steven E. Phillips, "Identity and Security in Taiwan," *Journal of Democracy* 17, no. 3 (July. 2006): 60.

¹⁷ Shelley Rigger, *Politics in Taiwan* (New York, New York: Routledge, 1999), 126-130.

¹⁸ Steve Tsang and Hung-mao Tien, ed. *Democratization In Taiwan Implications for China* (Aberdeen, Hong Kong: Hong Kong University Press, 1999), 49.

¹⁹ *Ibid.*, 54.

²⁰ *Ibid.*, 15.

Although the ROC on Taiwan has become a democracy its status in the international community is in a constant debate. The ROC enjoys many freedoms and privileges that come with statehood yet with China's claims on the island; much of the country's international recognition is on the decline. Yun-han Chu states that, "Taiwan already enjoys de facto independence from mainland China; its internal debate is limited to the island's de jure independence."²¹ If Taiwan were to declare de jure independence it could cause an international conflict with China. Then again, if Taiwan were to reunify with China at its present state it is very possible that the people of Taiwan would lose many of their freedoms that they enjoy today. This thesis examines developments in Taiwan's domestic politics looking at political policy, constitutional change, government attitudes, and people's perception to gain a better idea of where the Taiwanese people see themselves, today, in the midst of status quo and attempt to gauge the direction Taiwan will head in the future. Chapter two discusses Chen Shui-bian's Presidency and governmental reform since 2000.

²¹ Yun-han Chu, "Taiwan's Unique Challenges," *The Journal of Democracy* 7, no. 3 (July 1996): 18.

CHAPTER II

ABIAN AS PRESIDENT AND GOVERNMENTAL REFORM

When Chen Shui-bian (陳水扁) became president of the Republic of China in 2000 it marked a major turning point in the island's history. It was just as remarkable as the 1996 Republic of China election when Lee Tung-hui (李登輝) was elected president. The 1996 election was the first popular election where the president was elected by the people. It also marked the first time that native Taiwanese (non-mainlander) held the most powerful position in the country.

¹ Chen Shui-bian's election to power marks a major trend occurring in Taiwan politics as it is one variable in Taiwan's shifting identity. Although Chen's victory was by a marginal percent it shows the willingness of the people to elect an official with a stance more geared toward independence even in the face of China's opposition. The increasing success of the DPP in national and local elections shows that the support for Taiwanese identity is growing in Taiwan; and new laws and constitutional amendments further enable the people to have a more direct say on political policy and identity formation.

The significant factor in Chen Shui-bian being elected to power was that it marked the end of the sixty-five year one party rule by Kuomintang and the first non-KMT politician elected to presidency. This signified the ROC's gradual evolution into a full democracy. Also pointed out by T.Y. Wang was that it was significant because, "it

¹ Shelley Rigger, *Politics in Taiwan* (New York, New York: Routledge, 1999), 174-177. See Also, Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 183-226.

was the first time that political power at the national level had been transferred peacefully from one political party to another.”² At Chen Shui-bian’s Inauguration speech he said the following:

I personally understand the significance of the alteration of political parties and of the peaceful transition of power lies not in a change of personnel or political parties, nor is it a dynastic change. Rather, it is the return of state and government power to the people through a democratic procedure. The country belongs to the people, rather than to any individual or political party. The government and its officials, from the head of state down to the ran-and-file employees, exist for the service of the people.³

Chen’s election to power was definitely a significant moment for democratic development on Taiwan. However, for Chen it also marked the beginning challenges ahead.

Although Chen Shui-bian won the presidency it was not by an overwhelming majority. In the 2000 Presidential election there were three candidates: Chen Shui-bian for the Democratic Progressive Party, Lien Chan (連戰) running for Kuomintang, and James Soong (宋楚瑜) running as an independent. Had Song run on the KMT ticket many predicted that Soong would have won the presidency. However, when he chose to run as an independent it created a split in the pan blue voters. Some voters stayed with the party and voted for Lien while others voted for Soong. This split in the vote resulted in Chen coming out on top. The final results on March 18, 2000 showed that Chen had received 39.3 percent of the vote. Soong came in second with a marginal 36.8 percent of the vote. Lien faired worst of all with only 23 percent.⁴ There was only a 2.5 percent difference in votes between Chen and Soong. Comparatively, 59.8 of the voters voted for a candidate that was not Chen. It just turned out that of the three, Chen had the best

² T.Y. Wang, "Cross-strait relations after the 2000 election in Taiwan," *Asian Survey* 41, no. 5 (Sep-Oct 2001): 716.

³ T.Y Liu, Shih-chung. *President Chen Shui-bian's Selected Addresses and Messages A New Era of Peace and Prosperity*. Taipei, Taiwan: Office of the President, 2001.

⁴ Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 230.

percentage. However, with only 39 percent of the vote and the runner-up only losing by such a small margin, Chen's victory, in essence, was only a small one. His job as president definitely would not be easy as he would still have to prove himself to the people that he could lead the country. In addition, his actions as president would be under heavy scrutiny since the opposition party (pan-blue) was in the majority at the time of Chen's election to power. In 2000, the KMT held 115 of the 225 Legislative Yuan seats maintaining a marginal but clear majority.⁵

Chen's first year as president was a difficult one. Chen's power base was weak in his first year. As mentioned earlier, he only has less than 40 percent of the vote. KMT's influence on other branches of government remained strong. The KMT also held the majority in the Legislative Yuan which limited Chen's ability to push initiatives through the legislature. The DPP only held about a third of the seats. Chen's administration was also inexperienced; "Many of Chen's advisers were young, idealistic, and lacking in administrative experience. Only a third of Chen's cabinet members were DPP members, and few of them had been public servants higher than the local level."⁶ Chen also had difficulty in fulfilling his campaign promises. Chen had promised a "3-3-3" program in which, "NT three thousand dollars [US \$91] per month to poor citizens over age sixty-five, exemption from medical expenses for children under age three, and loans at an interest rate of 3 percent for first-time home buyers."⁷ However, when Chen came into office he was faced with an increasing deficit from increases in expenditures for social services along with increased tax cuts over the past several years. In addition, the cost to

⁵ Yu-Shan Wu, "Taiwan in 2000: Managing the Aftershocks from Power Transfer," *Asian Survey* 41, no. 1 (February 2001): 45-46.

⁶ Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 231.

⁷ *Ibid.*, 231.

recover central Taiwan from the September 1999 earthquake proved arduous. Over two thousand people were killed and over eight thousand five hundred people were injured in the quake and more than 100,000 were without homes.⁸ Keeping Chen's campaign promises proved to be difficult.

Six months into Chen's presidency, problems for Chen worsened. The pan-blue made a motion to impeach the president. "The opposition tried to impeach him over the issue of a nuclear power plant that had been approved by the government before Chen became president. Chen cancelled the project."⁹ The impeachment was not successful which further divided political camps in Taiwan.

Chen hoped that things would improve by the next election. Improve they did. As illustrated in tables two through four, in the December 2001 Legislature Election the KMT lost nearly 45% of their seats from 123 seats down to only 68 seats.¹⁰ Two major factors played a roll in KMT's decline. First and most significant was James Soong's (宋楚瑜) decision to split away from the KMT party. When he did, he formed his own party with similar principles to the KMT that he named the People's First Party (PFP) (親民黨). The People's first party gained 46 seats that year. In addition to PFP, the politically affiliated KMT former President of Taiwan founded his own political party, radically different from the KMT named Taiwan Solidarity Union (TSU) (台灣團結聯盟). Taiwan

⁸ Lauren Chen, *President Lee announces emergency decree* [newspaper on-line] (Taipei, Taiwan: Taipei Times, September 26, 1999, accessed 2 April 2007); available from <http://www.taipeitimes.com/News/front/archives/1999/09/26/4033>; Internet. and Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 231. See also Jean-Pierre Cabestan, "Taiwan in 1999: A Difficult Year for the Island and the Kuomintang," *Asian Survey* 40, no. 1 (Jan-Feb 2000)175-177.

⁹ Ibid. and Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 231.

¹⁰ *Results of Recent Elections in the R.O.C.* [statistics on-line] (Taipei, Taiwan: Election Study Center, National Chengchi University, 2006, accessed 2 April 2007); available from <http://esc.nccu.edu.tw/eng/data/1993%7E2004eng.pdf>; Internet.

Solidarity Union differed from the KMT because of its pro independence philosophy. In fact, the TSU is skewed further towards independence than the DPP. Nevertheless, in the 2001 election TSU gained 13 seats which took away from the KMT total. The Democratic Progressive Party was also successful that year gaining a total of 87 seats in the legislature, nearly a 20% increase from the previous election. This made the DPP the

Table 2.

2004 Legislative Yuan Election Results			
Party	Votes	Seats	%
Pan-blue	4,540,694	113	50.22
KMT	3,190,081	79	35.11
PFT	1,350,613	34	15.11
Pan-green	4,228,141	102	44.86
DPP	3,471,429	89	39.56
TSU	756,712	12	5.33
Other	948,524	11	4.88
Total	9,717,359	225	100.00

Table 3.

2001 Legislative Yuan Election Results			
Party	Votes	Seats	%
Pan-blue	4,967,207	114	50.66
KMT	2,949,371	68	30.22
PFT	1,917,836	46	20.44
Pan-green	4,249,300	100	44.45
DPP	3,447,740	87	38.67
TSU	801,560	13	5.78
Other	1,211,348	11	4.88
Total	9,116,507	225	100.00

Table 4.

1998 Legislative Yuan Election Results			
Party	Votes	Seats	%
Pan-blue	4,659,679	123	54.70
KMT	4,659,679	123	54.70
PFT/TSU*	n/a	n/a	n/a
Pan-green	2,966,835	70	39.59
DPP	2,966,835	70	36.59
NP*	708,465	11	4.90
Other	1,700,850	21	9.30
Total	10,035,829		100.00

*PFT was not formed until 2000 and TSU was not until 2001 so their election results are not included in the 1998 election statistics.

*NP or New Party only had one seat and less than 1% of the vote in later elections so NPs statistics were included in the "other" section of preceding tables.

largest political party in the legislature; however, even with TSU they did not make the majority. The KMT along with PFP held the majority. Nevertheless, the 2001 election was a great victory for the DPP.

During Chen's presidency he proposed cutting the size of the Legislative Yuan in order to enhance efficiency and to save money. Chen also proposed legislation that would prohibit political parties from owning corporations and would force political parties to

surrender funds obtained illegally.¹¹ Perhaps the most significant proposal for Chen's future was when Chen proposed to have a referendum on the future of Taiwan. This referendum became a key political issue in the 2004 Presidential election.

Issues regarding the 2004 Presidential election

Unlike the 2000 Presidential Election there were only two candidates, Chen Shui-bian for the DPP and once again Lien Chan for the KMT. This time, however, instead of running against each other Lien and James Soong ran together on the same ticket. Soong ran as Lien's vice president in hopes of gaining KMT and PFP alliance (blue alliance) in an effort to prevent a repeat of the 2000 election.

In the 2004 Election Chen changed his strategy from targeting the median voters to rallying loyalist in the pan-green. Instead of targeting the moderate middle Chen chose to conjure up support for Taiwanese nationalism. Cal Clark argues the reasoning for Chen's logic as follows:

Candidates with a significant lead are not likely to challenge the status quo for fear of alienating current supporters. Conversely, those who are behind need to be aggressive and to "shake up the pot" in the hope of changing the dynamics of the election.¹²

According to a *China Times*, Polls on the March 2004 Presidential Election from February 2003 to the end of November the Pan-blue had a lead over the pan-green by a ten percent margin.¹³

¹¹ John F. Copper, "Taiwan: Consolidating its Democracy?," *China: An International Journal* 1, no. 2 (February 2003): 329-330.

¹² Cal Clark, "The Paradox of the National Identity Issue in Chen Shui-bian's 2004 Presidential Campaign: Base Constituencies vs. the Moderate Middle," *Issues & Studies* 41, no. 1 (March 2005): 70.

¹³ Finding reliable survey results is very complicated when relating to Taiwan domestic politics. For various reason such as political biases, small sample size, lack of representation of the population as a whole can skew results. *China Times* is a little more skewed towards the Blue than the Green so possibly the results reflect this. However, scholars do use these polls as a meter to gauge political development. Perhaps the most reliable political surveys come from Election Study Center of National Chengchi University. Chengchi University is know to be a KMT affiliated university, however, their surveys have been recognized as being valid and reliable with little bias. *China Times* Polls was obtained from the following source. Tun-jen Cheng and Da-chi Liao, "Testing the Immune System of a newly Born

Major issues for the 2004 election were national identity pro-unification versus pro-independence and constitutional reform. The economy was also an issue. However, “the DPP was able to inject national identity and statehood issues into the electoral campaign and use them to displace the economy as the most salient issue.”¹⁴ In the last ten to twenty years, national identity has always been a key issue of Taiwan politics.¹⁵ The idea of the referendum was to fulfill the promises of the government to hold referendums on major issues such as “the construction of Taiwan’s 4th nuclear plant, reforming the Legislature, and joining the [World Health Organization] WHO.”¹⁶ In order to bring about these changes the DPP proposed referendum legislation. The KMT originally opposed arguing that such legislation would cause political chaos in Taiwan. The people, however, never used this argument.¹⁷ KMT sensed mainstream oppositions and decided to pass its own version of a referendum law at the Taipei City Council. It was much more restrictive other versions enacted by the Legislature. Once the Legislature passed their referendum law the one produced for Taipei City was superseded.

18

Referendum

On November 27, 2003 the Referendum Law was passed and was put into law on December 31st. The law was a compromise between the two blocks. Pan-blue was able prevent voters to have any real direct influence on key issues such as national identity

Democracy: The 2004 Presidential Election in Taiwan," *Taiwan Journal of Democracy* 2, no. 1 (July 2006): 83-85.

¹⁴ Tun-jen Cheng and Da-chi Liao, "Testing the Immune System of a newly Born Democracy: The 2004 Presidential Election in Taiwan," *Taiwan Journal of Democracy* 2, no. 1 (July 2006): 84.

¹⁵ Cal Clark, "The Paradox of the National Identity Issue in Chen Shui-bian's 2004 Presidential Campaign: Base Constituencies vs. the Moderate Middle," *Issues & Studies* 41, no. 1 (March 2005): 61.

¹⁶ Michael Y.M., Kau, ed. *Direct Democracy Practices in Taiwan The Taiwan Referendum Act, Reports, and Analyses* (Taipei, Taiwan: Taiwan Foundation for Democracy, 2005), 27.

¹⁷ *Ibid.*, 27.

¹⁸ *Ibid.*, 27-28.

and major legislation bills. In order for the public to initiate a referendum they need at least 770,000 signatures. In order for the bill to pass there needs to be a turn out of 50% of the registered voters.¹⁹

However the Referendum Law includes Article 17 from the DPP's original draft law, which allows the President to call a referendum on national defense issues where national security is being threaten. Article 17 of the Referendum Law reads a follows.

When the nation is confronted by an external force that could be regarded as a threat of change of the nation's sovereignty, the president may, via a resolution of the Executive Yuan general meeting, propose a matter crucial to national security to the citizens for a referendum.²⁰

Chen's ploy for the 2004 election was to use a referendum to have the people to vote on issues regarding Taiwan's status. After the Referendum Law was passed he used his administrative power granted in Article 17 to hold a referendum. The referendum was scheduled to be on the same day as the presidential election.

The referendum known as the "Peace Referendum" that was held on March 20, 2004 had two main issues. One issue was should Taiwan strengthen its national defense and the other was should Taiwan engage in negotiations with China. The two issues were worded as follows.

Issue 1: The People of Taiwan demand that the Taiwan Strait issue be resolved through peaceful means. Should Mainland China refuse to withdraw the missiles it has targeted at Taiwan and to openly renounce the use of force against us, would you agree that the Government should acquire more advanced anti-missile weapons to strengthen Taiwan's self-defense capabilities?

Issue 2: Would you agree that our Government should engage in negotiation with Mainland China on the establishment of a "peace and stability" framework for cross-strait interactions in order to build consensus and for the welfare of the peoples on both sides?²¹

It was important for Chen and the DPP to hold the referendum on the same day as the presidential election in order to get enough voter turnout. As stated earlier in order for the

¹⁹ Ibid., 28.

²⁰ Ibid., 84-85.

²¹ Ibid., 2-3.

referendum to be valid it needs at least 50% of the total eligible voters to vote. In addition, the referendum needs a simple majority for the referendum to pass.

The results of the Peace Referendum are as follows: On Issue 1, there were 6,511,216 votes in agreement and 581,413 votes in disagreement. On Issue 2, there were 6,319,663 votes in favor and 545,911 votes against the referendum. In looking at these numbers alone there was a very high success rate with an 89% passage rate for Issue 1 and an 86% passage rate for Issue 2. The total eligible voting population was 16,497,746 people. Although very successful in the polls both issues failed to obtain the necessary votes needed to pass. Both issues need a margin of 50% to pass. Issue 1 has 45.17% and Issue 2 had 45.12% of the total voters.

The positive and negative factor of the Referendum Law is that it is difficult to make any changes to government policy, laws, and constitutional changes through public involvement because it requires 50% of the total eligible voting population. If one were to wish for the referendum to fail there are actually two options to defeat the referendum. One option is to vote “no” on the referendum. The other option is not to vote at all. Either way has the potential kill the bill. In the case of the peace referendum more green voters chose to vote on the referendum than did blue voters according to the polls. However, blue members and or those who disagreed with the initiative of the referendums also chose to vote not in favor although their numbers were considerably less than favor votes. In essence both blocks won. Pan-green was able to hold the referendum because of Article 17 of the Referendum Law and the vote on both issues was in favor of the referendum. On the other hand the KMT also won because they were able to make it extremely difficult for average citizens to make any major changes in policy and

legislation. As a result of the inclusion of Article 30, which stipulates the quorum requirement, in the Referendum Law even though people voted in favor of both issues it failed for failure of meeting the quorum requirement.²²

President Chen is Shot

Right before the presidential election on the afternoon of March 18th, President Chen Shui-bian and Vice-President Annette Lu were shot while in a motorcade in Tainan.²³ President Chen was wounded on the right side of his stomach and Vice-President Lu was wounded on her right knee. The president and the vice president were not mortally wounded; however, the timing of the assassination attempt created quite a controversy. The results on the Election Day showed that Chen had won and pan-blue supports felt that it was a scam to conjure up more support. Tun-jen Cheng and Da-chi Liao illustrate the controversy as follows.

The pan-Blue camp blamed a shooting incident on the eve of the election –the DPP candidate and his running-mate, Annette Lu, were shot but not fatally wounded –for “reversing” the expected outcome, and even contended that the election had been stolen at one point. The shooting incidence has caused tremendous dissatisfaction and doubt within the pan-Blue camp. To pan-Blue supporters, the shooting had occurred at too opportune a time, the scene of the shooting seemed to have been compromised, and the activation of the “National Security Protocol” had been used to unfairly prohibit too many military personnel – presumably more pan-Blue than pan-Green in their partisan preference – from casting their votes. Hence many pan-Blue supporters, from the moment that the shooting occurred, have not stopped seeking the “truth” about the incident.²⁴

Consequently, the shooting of the President and Vice-President remains a mystery. No suspects have been found, nor the weapon used, and as stated earlier the scene of the crime had been compromised.

²² Ibid., 88.

²³ Chieh-yu Lin, *President, vice president shot on campaign eve* [newspaper on-line] (Taipei, Taiwan: Taipei Times, March 19, 2004, accessed 16 March 2007); available from <http://www.taipeitimes.com/News/front/archives/2004/03/19/2003107015>; Internet.

²⁴ Tun-jen Cheng and Da-chi Liao, "Testing the Immune System of a newly Born Democracy: The 2004 Presidential Election in Taiwan," *Taiwan Journal of Democracy* 2, no. 1 (July 2006): 86.

Even among academics opinions vary greatly. Cal Clark argues that “[the] assassination attempt...almost certainly helped the pan-green ticket by generating a sympathy vote.”²⁵ Other authors such as Tun-Jen Cheng say that the shooting may have influenced the outcome but “whether it changed the direction of the vote is more difficult to ascertain.”²⁶ In reality the shooting may have influenced the results of the election but, if so, it is very difficult to determine to what degree if any that the incident changed the direction of the votes. Also, accusations as to whether the shooting was a political scam to gain more votes or whether it was an attack by pan-blue to eliminate the competition as it were remains to be seen. Currently there is not enough information to determine who, what, or the motivation of the attack. It appears to be a mystery that will not be solved anytime in the near future.

2004 Election Results

In the 2000 election Chen had won by 2.5% of the vote. The 2004 election was even closer with the margin of victory under 1%. “The gap between winner and loser was only 0.22% of the valid vote.”²⁷ The KMT demanded a recount as any political party would, considering the closeness of the gap between the winner and loser. Before the recount Chen had a margin of 30,000 votes. The final recount showed that he won by around 25,000 votes.²⁸ Chen had successfully beaten Lien and Soong a team that most people thought would be successful. Although the political polls were close Chen prevailed in the end.

²⁵Cal Clark, "The Paradox of the National Identity Issue in Chen Shui-bian's 2004 Presidential Campaign: Base Constituencies vs. the Moderate Middle," *Issues & Studies* 41, no. 1 (March 2005): 75.

²⁶Tun-jen Cheng and Da-chi Liao, "Testing the Immune... Ibid 86.

²⁷Laurence Whitehead, "Closely Fought Elections and the Institutionalization of Democracy," *Taiwan Journal of Democracy* 2, no. 1 (July 2006): 7.

²⁸Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Profile Taiwan* (Wanchai, Hong Kong: The Economist Intelligence Unit Limited, 2006), 7.

As for the 2004 Legislative Yuan Election the DPP was again able to maintain the majority. As shown in tables two and three the DPP was able to gain two seats to have a total of 89 seats. The KMT had a significant improvement of 11 seats increasing their numbers to 79 seats gaining most of their seats from the PFP. Over all pan-green gained 2 seats to have a total of 102 seats while the pan-blue still maintained the majority, however, losing one seat and bringing their total to 113 seats. Secondary parties lost out the most. The PFP lost 26% of their seats bringing their total to only 34 seats. The TSU also lost one seat resulting in a total of 12 seats. The 2004 Legislative Yuan Election further polarized political parties. This will prove for to be a heated battle for seats in the legislature as the number of seats will be halved in the 2007 election.

Political scandals around the President

May 2006, perhaps, became the most difficult point of Chen Shui-bian's career as president. It was at this point that Chen would be placed under allegations of political corruption. The Economist Intelligence Unit stated in November that "the president's approval ratings are now hovering around the lowest point since his election in 2000."²⁹

On May 24, 2006 Chen Shui-bian's son-in-law Chao Chien-ming (趙建銘) was taken into custody for insider trading. Allegedly Chao had released insider information regarding Taiwan Development Corporation stocks.³⁰ On December 28th Chen's son-in-law was sentenced to six years in prison for insider trading.³¹

Chen had also come under pressure for regarding special presidential allowances. Chen claimed that traditionally half of the allowance has been considered confidential.

²⁹ Ibid, 14.

³⁰ "Chao Chien-ming, father telling conflicting stories," *China Post*, 10 August 2006, accessed 18 February 2007. Available from Factiva.

³¹ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Report Taiwan* Wanchai, Hong Kong: The Economist Intelligence Unit Limited (February 2006), 14.

For these reason, receipts for government expenditures have not been shown to the public.

On November 8th, Chen replied to these accusations:

Mr. Chen responded to the allegations. He said that the funding system of the presidential office needed reforming, as previous presidents had not conformed to official accounting and auditing regulations either. The implication is that by providing false receipts to cover costs relating to confidential activities, he was merely following a precedent.³²

Upon completion of the investigation the Ministry of Audit announced that the first lady Wu Shu-chen was being indicted “over the misuse of public funds and for providing fraudulent receipts.”³³ According to the Taipei Times, “prosecutors had found that the Presidential Office had spent NT\$15 million of its special allowance expenditure purchasing Sogo Department Store vouchers.”³⁴

From June to November there were three different attempts to impeach the president over the political scandals and dissatisfaction over governmental performance. In August 2006, the former DPP Chairman Shih Ming-teh sent Chen Shui-bian a letter requesting him to resign. The letter stated, “For the sake of Taiwan and the DPP, I urge Chen to step down bravely. Only a truly brave warrior admits his mistakes and gives up what he holds dear.”³⁵ Shih urged the president to step down from his office and to stop defending himself and his family. The people rallied in Taipei and in other cities in Taiwan wearing red to draw support to impeach the president.

Government Reforms

³² Ibid., 7.

³³ Ibid., 14.

³⁴ Shih Hsiu-chuan and Rich Chang, "Chiu alleges Chen embezzled money from special fund," *Taipei Times*, 1 August 2006, accessed 18 February 2007. Available from Factiva. and Yan-chih Mo, "Protest turnout lower than expected; WET PARADE: Taipei police estimated that less than a third of the expected number joined the rally, with pan-blue bigwigs like Ma and Soong appearing beside Shih," *Taipei Times*, 10 September 2006, accessed 16 March 2007. Available from Factiva.

³⁵ Jewel Huang, "Presidential Office replies to Shih Ming-teh's letter; 'OLD FRIENDS': Presidential Office Secretary-General Mark Chen issued a guarded response to the former DPP leader's open letter demanding that the president quit," *Taipei Times*, 10 August 2006, accessed 18 February 2007. Available from Factiva.

From 2000 to 2007 there have been many reforms within the government regarding law and the constitutional amendments. As stated earlier in the chapter, one such change was the passage of the Referendum Law in 2003. The Referendum Law enables the president to hold a referendum on a national security issues. Chen Shui-bian took advantage of this law during the 2004 Presidential Election. The remainder of this chapter will focus on amendments in the constitution of the People's Republic of China on Taiwan.

In April 2000, amendments were passed to transform the National Assembly from a standing committee into an ad hoc body. The power of the Assembly to propose amendments to the constitution was transferred to Legislative Yuan. Essentially the National Assembly will meet only to approve a proposal made by the legislative Yuan such as a motion to impeach the president or vice-president, issues on Taiwan's territorial boundaries, and constitutional amendments.³⁶

In August 2004, there was another series of constitutional amendments. There were five main revisions. They are highlighted as follows: The number of the Seats in the Legislative Yuan was reduced from 225 to 113 seats. The term of office for the legislature was increased from three to four years. This is a welcome change because the older system made it more likely for a divided government.³⁷ In addition, a single-district two-vote system was implemented into the legislative election and finally the power to vote on constitutional reform was transferred from the National Assembly to the voters of Taiwan. These changes are found in Articles 1,2,4,5,8, and an addition was

³⁶ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Profile Taiwan* (Wanchai, Hong Kong: The Economist Intelligence Unit Limited, 2006), 10.

³⁷ Yun-han Chu, "Taiwan's Year of Stress," *The Journal of Democracy* 16, no. 2 (April 2005): 48.

made to Article 12.³⁸ The proposal was made on August 26th 2004, approved by the National Assembly on June 7, 2005, and were ratified by the president making this amendment the seventh revision of the constitution on June 10, 2005. Also in June the National Assembly met for the last time and transferred its power to impeach the president and the vice-president to the grand justices.

Perhaps the most significant amendment, at least in regards to current political developments to the constitution, is the one that deals with the Legislative Yuan. Over the past two constitutional revisions the power to the Legislative Yuan has been significantly increased and functions more like how a legislative body should act. Also with 225 members the Legislature was overly large and less efficient than the newly reformed 113 seat version. After the revisions, the next Legislative Yuan election is scheduled for December 2007. This election will be a battle that will go down in the history books. Major parties KMT, DPP, PFP, and TSU all have a lot at stake in this election. Since the number of seats is reduced to 113 there are not positions for everyone.

Potentially every seat is up for grabs and depending on how many seats a party obtains will determine who has the majority in the legislature. It will also have an impact on the 2008 Presidential election. These two elections combined will determine whether Taiwan's administration is more pro China should pan-blue win or more inclined toward independence should pan-green win. The development of the political situation between the KMT and the DPP is critical to identity development in Taiwan as the victors of

³⁸ *History of the Constitution of the Republic of China (Taiwan)* [government document on-line] (Taipei, Taiwan: Office of the President on ROC, 2006, accessed 2 April 2007); available from <http://constitution.president.gov.tw/en/law.htm>; Internet. And *The Legislative Yuan of R.O.C. History* [government document on-line] (Taipei, Taiwan: Legislative Yuan of R.O.C., 2006, accessed 2 April 2007); available from http://www.ly.gov.tw/ly/en/01_introduce/01_introduce_02.jsp?ItemNO=EN020000; Internet.

elections are the ones that determine political policy. Those who win the elections are most likely to initiate programs and policies that reflect the attitudes and wishes of their voting supporters. Since politics in Taiwan are highly motivated by national identity and relations with China, KMT victories or (pan-blue victories) will initiate a trend for a more positive appeal toward reunification and Chinese identity whereas DPP (pan-green) victories will push in the opposite direction for more pro-independence and a stronger nationalistic “Taiwanese” identity. The presence of political corruption has a major impact on shifting identities. As we have mentioned before, political policies are heavily influenced as to which party is in the majority of power. In the same sense, perception of political corruption has an equally significant factor on identity in Taiwan as such perception influences voting trends in Taiwan. This will in turn influence who will be in power to influence governmental policy. Chapter four discusses more in regard to national identity and will provide an indication as to how green or blue the path of Taiwan’s future may hold. Chapter four also indicates how the current administration, mostly motivated by the pan-green, has brought about identity change within the island. Chapter three discusses political corruption in Taiwan, another heated issue in Taiwan domestic politics and identity formation.

CHAPTER III

POLITICAL CORRUPTION

– A CONTROVERSY OVER BLACK GOLD

Along with the issue of national identity, political corruption is a heated issue in Taiwan. Political development in regards to the DPP and the KMT has a direct correlation to the issue of shifting identity. As mentioned in the previous chapter, whichever political party is in power has the ability to affect government policy and there for affect identity formation, so does political corruption or the perception of political corruption play a key roll in identity change. Corruption is a critical issue in Taiwan politics as the presence of and or perception of corruption influences voting trends in the favor of parties which are seen by the public as less corrupt. As the issue of corruption unfolds in this chapter, we will address that perception of corruption may hurt the success of the leading presidential candidate and his party on allocations of corruption and therefore possibly give the pan-green the leading edge in the 2007 Legislative Yuan and 2008 Presidential Election. Should such an event occur, it is reasonable to deduct that the new administration will continue the policy of the current administration to shift identity away from the mainland. Political corruption does and will continue to play a factor in identity formation in Taiwan.

In 2006, there were three attempts to impeach President Chen Shui-bian when his son-in-law and cabinet members were accused of insider trading and embezzlement. All

attempts failed to gain the necessary votes in the Legislative Yuan. Nevertheless, the presence of such scandals have hurt the President's and the DPP's image as have members of the pan-blue group. With political scandals abounding, it appeared that the DPP would not fair well in the Legislative Yuan Election in December 2007 and the presidential election of March 2008.

Ma Ying-jeou, the KMT's superstar, former Mayor of Taipei and KMT Chairman, looked very promising for winning the presidential election in 2008. Ma Ying-jeou is a charismatic, handsome, and popular politician who during his years in office worked to crack down on political corruption within the KMT party. He is against declaring de jure independence, wants to increase business ties with the mainland, and is the more popular candidate in Beijing. With the support of the pan-blue alliance it seemed difficult for other candidates to compete with Ma. However, in recent months, the tables have turned and the battle for the Legislative Yuan and the presidency has just become a little more difficult.

The Indictment

On February 13, 2007, Ma Ying-jeou was indicted for corruption charges for siphoning "special allowances" during his term as Taipei Mayor. Taiwan High Court Prosecutor Office spokesman Chang Wen-cheng told a press conference on the 12th that "Ma Ying-jeou is suspected of embezzling a total of NT\$11 million [US\$333,000], and he has been indicted on corruption charges,"¹ Ma had prior noted that if indicted he would step down as the KMT Chairman. On February 13th Ma officially announced his

¹ Hsiu-chuan Shih, "Ma asks corrupt mayor to step down; NO DOUBLE STANDARD: The KMT chief said that the Keelung mayor must step down after his conviction for corruption, while Hsu Tsai-li vowed he would not quit," *Taipei Times*, 28 September 2006, accessed 16 March 2007. Available from Factiva.

resignation as KMT Chairman. Within two hours of his resignation, Ma also announced his bid for president in 2008. Ma was quoted at KMT Headquarters, "At this moment, when democracy has been mortally wounded, when social justice does not prevail, I hereby solemnly declare that I will turn anger into strength without hesitation, and enter the 2008 presidential race."²

Ma's indictment and bid for presidency has created a great controversy regarding Ma's character and the credibility of the KMT Party. Ma's image of clean fighting corruption within the government has become tainted through himself being blamed for misusing government funds. Chang Wen-cheng said that from December 1998 to July 2006 Ma deposited approximately half of his special monthly allowance just around the figure of US\$ 5,151 directly into a personal account.³ Prosecutors found that Ma still had \$338,673 of the special funds in his and his wife's bank account.⁴ Chang also noted, "Ma's monthly salary was about NT\$150,000, but he deposited NT\$200,000 into his wife, Chou Mei-chin's, bank accounts every month."⁵ For this reason prosecutors said they believed Ma used the public funds for private purposes.

When prosecutors questioned Ma, he indicated that he understood that mayoral allowances were supposed to be used on public affairs. Prosecutors concluded that Ma understood keeping the money in a private account was illegal and therefore Ma intentionally had taken the money. If convicted Ma would face a minimum of seven years in prison. The official investigation into Ma's mayoral allowance is scheduled to begin on

² Ibid.

³ Note: For the purpose of this paper all monetary amounts will be illustrated in U.S. dollars. The exchange ratio is as follows: 1 US\$ = 33NT\$. NT\$ stands for New Taiwan Dollar. (US\$ 5,151 = NT\$ 170,000)

⁴ Rich Chang and Yan-chih, Hsiu-chuan Shih, "Ma indicted, quits as KMT chair; 'MR. CLEAN' GETS DIRTY," *Taipei Times*, 14 September 2007, accessed 18 March 2007. Available from Factiva.

⁵ Ibid.

April 3, 2007.⁶ If a conviction were to come out before next year's presidential election, it could seriously affect Ma's and KMT's chances at the presidency in 2008. The controversy regardless of the results could hurt the outcome for the pan-blue. Already in Taiwan, the Ma scandal has become a hot topic in politics and society.⁷

What makes this topic so controversial is a combination of two factors. First, Ma has been considered a clean politician, one who fights corruption, not one who takes part in corruption. Being convicted would hurt him at the core of his political career. The heart of this political fiasco involves a word commonly known in Taiwan as Black Gold (黑金). The term is used to describe illegal actions of money laundering by politicians or government officials. The KMT has been historically known for using its political power to illegally obtain funds.⁸ In recent years, political scandals regarding black gold, misuse of public funds, have impinged on major political parties and individuals including the president, his aides, and even his wife. More so than during the early years of the Republic of China, politicians are being held accountable for their actions.

Political corruption has a heavy influence on how citizens choose to cast their votes. The Economist Intelligence Unit states the following regarding political corruption perception within Taiwan:

The perception of corruption has played a part in Taiwan's elections since democratization began in the 1990s. In 2000, a split in the KMT allowed the DPP under Mr. Chen to form the first non-Nationalist administration. Although disarray among the Nationalists at the time proved the decisive factor, the DPP attracted support from swing voters' discontent with the KMT's lack of responsiveness to public concerns over graft [black gold] after 50 years of rule. The KMT was

⁶ "Taiwan opposition leader Ma goes on trial next month," *Agence France Presse*, 13 March 2007, accessed 16 March 2007. Available from Factiva.

⁷ Ibid.

⁸ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Report Taiwan* Wanchai, Hong Kong: The Economist Intelligence Unit Limited (February 2007), 15. See also, Denny Roy, *Taiwan a political history* (Ithaca, New York: Cornell University Press, 2003), 184.

perceived as corrupt and arrogant by some of its own supporters, who voted for the DPP as a protest against their own party.⁹

The black gold scandals over DPP members and the president have hurt the image of the DPP last year. However, with recent developments the KMT is put back under the spotlight for corruption allegations. Ma, having been known as a “clean politician” is fighting to preserve his image but that task may prove more difficult than perceived.

The KMT Black-Gold Exclusion Clause

As stated earlier, the KMT has a history of black gold corruption. In order to improve the KMT’s image the party began a crackdown on corruption within the party. The biggest attempt to counteract black gold was on August 19, 2005 when the KMT passed the KMT black-gold exclusion clause (排黑條款) and added it into their party charter. Ma Ying-jeou was a key figure in the development and establishment of the clause. “The black gold exclusion clause was formulated by the Central Standing Committee and revised under Ma's chairmanship to state that any party member who is indicted should be suspended.”¹⁰ The basis for this movement was based on the people of Taiwan’s dissatisfaction with political corruption. According to Dafydd Fell, political corruption was ranked third among the list of social problems considered significant by most Taiwan voters.¹¹

The Black Gold Exclusion Clause is stated in Chapter 12 Discipline, Awards and Punishment of the KMT Party Charter. The clause that is of particular interest in this

⁹ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Report Taiwan* Wanchai, Hong Kong: The Economist Intelligence Unit Limited (November 2006), 15.

¹⁰ Rich Changand, Ibid.

¹¹ Dafydd Fell, "Success and Failure of New Parties in Taiwanese Elections," *China: An International Journal* 3, no. 2 (Sep. 2005): 226.

study is Article 43 since it is related to crimes and punishments. The article states the following:

Any party member who violates the Organized Crime Prevention Act, Hoodlum Prevention Act, Narcotics Prevention Act, Guns, Ammunition and Knives Control Act, Money Laundering Prevention Act, Corruption Punishment Act, Presidential and Vice Presidential Election and Recall Act, or incites a riot, uses the threat of forces, or commits election bribery under the Public Officials Election and Recall Act, commits election bribery under the Farmers' Association Act or Fishermen's Association Act, commits a sexual crime cited under Article 2 of the Sexual Violations Prevention Act, becomes involved in the sex trade of children or juveniles under the Child and Juvenile Sex Trade Prevention Act, or commits homicide, aggravated injury, robbery, misappropriation, fraud, perjury, blackmail, or kidnapping for ransom under the Criminal Code, having been convicted by a court of justice, whether final or not, shall forfeit the right to take part in the party primary, nor shall he/she be nominated by the party; nor may he/she stand for elections for members of committees or delegates to party assemblies at various party headquarters; These restrictions shall not apply to party members accused of any of the violations listed above but acquitted in a final ruling prior to the holding of primaries or registration for elections.¹²

The part of this clause that is most significant is, "having been convicted by a court of justice, whether final or not, shall forfeit the right to take part in the party primary, nor shall he/she be nominated by the party; nor may he/she stand for elections for members of committees." According to the party charter politicians become ineligible to be nominated by the party if they are convicted by the first level court. In legal procedure, they are entitled to appeal, and might be able to have the initial verdict changed. However, even though they are acquitted by the final verdict according to the party charter they are not eligible to become nominated.

A guilty verdict before the 2008 election would be what would hurt Ma publicly and legally according to the party charter. Ma would become ineligible to be nominated by the KMT for the 2008 presidency as the charter currently states. In all likelihood, there is a great possibility that a verdict won't be reached before the time of the election.

However, should such instance occur and if Ma still chose to run for presidency, it would

¹² *Kuomintang Party Charter* [party charter on-line] (Taipei, Taiwan: Kuomintang, 2006, accessed 16 March 2007); available from http://www.kmt.org.tw/EN_category/eng_category4.html; Internet. To see the full version of the KMT Party Charter Chapter 12 please see Appendix B.

mean that he would have to run as an independent against the KMT candidate. Such a situation could cause a similar KMT split as did in the 2000 presidential election. When James Soong (宋楚瑜) chose to run as an independent against the KMT candidate Lien Chan (連戰); it created just enough of a divide to give Chen the winning victory.¹³ A repeat of the 2000 election is the last thing KMT wants to see happen.

On the same evening of Ma's indictment the KMT Central Standing Committee, the highest decision making body within the KMT, decided to repeal the Black Gold Exclusion Clause so as to prevent Ma from being ineligible for the party's president candidacy in 2008.¹⁴ In addition, "The party is further planning to amend a regulation that suspends the membership of a person convicted of corruption in a first trial, in June, in an effort to retain Ma as a presidential candidate for the party in next year's presidential election."¹⁵ Ma may be able to run on the KMT ticket for presidency but there is no telling how much doing so may hurt Ma or the KMT.

KMT's action to annul the clause, which was originally introduced under Ma's Chairmanship, seems to contradict the very purpose of having the clause. It may send a message to the public that, "Yes, rules do apply to KMT and its members, that is, when it is convenient to do so."¹⁶ Previous members of the KMT who violated the clause such as Hsinchu County Commissioner Cheng Yung-chin (鄭永金) and Legislator Chang Chang-tsair (張昌財) may have their membership reinstated. If the KMT further amends their regulations in June to not suspend membership to the party until a conviction is

¹³ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Profile Taiwan* (Wanchai, Hong Kong: The Economist Intelligence Unit Limited, 2006), 6.

¹⁴ Rich Changand, *Ibid.*

¹⁵ "Ker takes a swipe at the 'outdated' KMT," *Taipei Times*, 17 February 2007, accessed 16 March 2007. Available from Factiva.

¹⁶ This is the author's interpretation of the KMT's choice to repeal the exclusion clause.

made after appeals, then the former Keelung Mayor Hsu Tsai-li (許財利) may also technically be eligible to reapply for membership into the party. Mr. Hsu was convicted for corruption in September 2006 for using his political power to sell a plot of land to the Keelung City Government bus department. “Ma, who was party chairman at the time, urged Hsu to resign.”¹⁷

In addition to Mr. Hsu, Ma Ying-jeou has condemned other politicians for political corruption, particularly Chen Shui-bian. In 2006, Chen Shui-bian faced a series of political corruption charges within his inner circle. During this period Ma was an advocate for Chen to step down from his office. Ma was quoted in the Central News Agency English News regarding a TV talk show violence incident saying, “everybody hopes President Chen steps down, but the goal should never be pursued by violent means.”¹⁸ In addition when asked in an interview regarding the Chen political scandal Ma responded by saying, “We don't feel pride in the President anymore. When he loses the confidence and respect of the people, there is no way for him to lead the country.”¹⁹ The premise for losing confidence and respect was based on Chen being accused of the scandal. Ironically on February 13th, Ma Ying-jeou was accused of essentially the same thing; and although Ma did keep his promise, of stepping down as the KMT Chairman should he be indicted, he turned around and said he would run for president in 2008.

¹⁷ Hsiu-chuan Shih, *Editorial: Ma tosses out his trump card* [newspaper on-line] (Taipei, Taiwan: Taipei Times, 16 February 2007, accessed 10 March 2007); available from <http://www.taipeitimes.com/News/editorials/archives/2007/02/16/2003349266>; Internet. Also see, Hsiu-chuan Shih, "Ma asks corrupt mayor to step down; NO DOUBLE STANDARD: The KMT chief said that the Keelung mayor must step down after his conviction for corruption, while Hsu Tsai-li vowed he would not quit," *Taipei Times*, 28 September 2006, accessed 16 March 2007. Available from Factiva.

¹⁸ Deborah Kuo, "KMT CHAIRMAN CONDEMNS TV TALK SHOW VIOLENCE," *Central news Agency English News*, 2 August 2006, accessed 16 March 2007. Available from Factiva.

¹⁹ Zoher Abdoolcarim and Natalie Tso, "10 Questions For Ma Ying-jeou," *Time International Asia Ed* 17, no. 168 (17 July 2006) accessed 16 March 2007. Available from Factiva.

When the KMT Central Standing committee repealed the black-gold exclusion clause there was no major opposition by the Ma camp. Of course should Ma be successful in the 2008 election, both the KMT and Ma would benefit from this move in the short-term by regaining control over the administration. However, should voters see this move as a return of corruption things will not bode well for KMT and Ma, should he run as the party's presidential candidate in 2008. Wu Po-hsiung, the acting KMT chairman after Ma stepped down, was questioned whether or not Ma's indictment was the leading reason for the KMT to repeal the clause. He replied that it wasn't repealed specifically to favor Ma; however, he admitted that Ma's indictment did create a "sense of crisis."²⁰ Meanwhile when a Democratic Progressive Party Caucus Ker Chien-ming was asked of his impressions of Ma declaring his candidacy immediately following his indictment he replied, "It is like ... a thief declaring he would like to become a police officer when he gets arrested."²¹

The Future Path and Identity Formation

With the recent political scandals within the DPP the up coming Legislative Yuan and presidential election looked like it might not be a very good year for Taiwan's pro independence party; however, with recent allegations against Ma Ying-jeou and questions revolving around the integrity of the KMT this may boost support for the pan-green. This year when the Legislative Yuan decreases its number of seats from 225 to 113, stakes are particularly high for both sides of the spectrum. The next two elections will have a major impact on the next four years of Taiwan's development as it will decide

²⁰ Ibid.

²¹ Flora Wang and Hsiu-chuan Shih, "Parties react to indictment with bluster; DEVIL OR ANGEL? : Politicians were quick to judge yesterday, either condemning Ma as a criminal receiving his just desserts or labeling him a victim of 'political oppression'," *Taipei Times*, 14 February 2007, accessed 18 February 2007. Available from Factiva.

which party will be in charge of the administration, who will be the majority in the legislature, and will greatly influence government policy regarding China and cross strait relations potentially for the next four years. This year along with national identity, national security, relations with China, and social welfare, political corruption will be a critical issue that politicians will have to address. How these politicians respond to political corruption in Taiwan and within their own parties will be monitored and will ultimately be held accountable by the voters since their votes will be the final deciding factor of who takes power at the end of 2007 and early 2008.

Perhaps the former mayor of Taipei, also former Chairman of the KMT, Ma Ying-jeou is best to have comment on the future of politics in Taiwan. The following is a quote from Ma when asked how he cracked down on political corruption within the KMT.

We have set up a "clean government" commission to monitor our officials. When I was justice minister more than 12 years ago, I cracked down on corruption and vote-buying. I have a reputation for being clean and impartial, [and] we know that how clean we are determines our future.²²

Mr. Ma couldn't have said it better than himself, "How clean we are determines our future." The perception of corruption in Taiwan politics will have a significant factor in determining the upcoming elections. Ma, as well as other politicians, will have a difficult battle ahead with not only having to address the right key issues but also having to balance personal and party perception. Although in recent years we have seen an onslaught of political corruption accusations it is a significant improvement compared to the early years of the ROC administration. Nevertheless, how political corruption in Taiwan is perceived by the people will highly influence the results of major elections. How people vote will determine which party takes control of the Legislative Yuan and

²² Zoher Abdoolcarim and Natalie Tso, " 10 Questions For Ma Ying-jeou," *Time International Asia Ed* 17, no. 168 (17 July 2006) accessed 16 March 2007. Available from Factiva.

the presidency. Those elected into power will further influence identity formation on the island by: adapting policies in favor or against mainland reunification, influencing revisions of educational textbooks, and will set the stage for the next four years of cross-strait relations. Chapter four discusses, in greater detail, the current ROC administration attempts to redefine Taiwanese identity or to at least to distinguish differences between the PRC and the ROC.

CHAPTER IV

PUBLIC POLLS AND IDENTITY CHANGE

Since the early 1990s, the Republic of China on Taiwan has been undergoing a gradual, but radical change in identity and self-perception. Part of this transformation has come about through government efforts to distinguish the nation's identity from that of the mainland and efforts to gain recognition in the international community. Because of PRC's policy toward the ROC, the ROC is banned from most international organizations that require statehood for membership. According to the *2006 National Defense Report* all these factors have, "aggravated the people in Taiwan to feel antipathy towards the PRC administration."

¹ Another part comes from generations of the old Taiwanese and new Taiwanese living and intermarrying together on the island and developing a new concept of what it means to be Taiwanese.

New and Old Identities on Taiwan

To begin, let's identify what we mean by "old" and "new" Taiwanese. Traditionally, "old Taiwanese" refers to *bensheng ren* (本省人) and "new Taiwanese" refers to *waisheng ren* (外省人).² *Bensheng ren* means those originally from the providence or Taiwan. It refers to those Chinese that came to Taiwan between 1624 up

¹ *National Defense Report The Republic of China* (Taipei, Taiwan: Ministry of National Defense, R.O.C., 2006), 40.

² Mellissa J. Brown, *Is Taiwan Chinese? the impact of culture, power, and migration on changing identities* (Berkeley and Los Angeles, California: University of California Press, 2004), 7-13. Here in referred to as "Brown."

until 1945. It also includes the original inhabitants of the island, the aboriginals.

Waisheng ren refers to those Chinese who came from the mainland to Taiwan after 1945, generally speaking these people are the soldiers of the Republic of China (China) that came to occupy Taiwan after it was returned to China when Japan lost WWII as well as remnants of Chiang Kai-shek's Nationalist government and military officers when they fled China to Taiwan after their defeat by Mao Zedong (毛澤東) and the Chinese Communist Party. Between 1945 through 1949, around one to two million of these *waisheng ren* or "mainlanders" of the national government permanently moved to Taiwan. This group of people made up roughly 13% of the Taiwan population while the native Taiwanese or *bensheng ren* made up around 85% of the population.³

Regardless of the majority of the population being *bensheng ren*, the *waisheng ren* were the ones who maintained control of all central government affairs. So from the 40s to the end of the 70s there was significant difference between the two peoples. However, as years passed the *waisheng ren* intermarried with the local native Taiwanese as well, as the older generation that came from China slowly began to pass away. Their children whether a mixture between *waisheng ren* and *bensheng ren* or simply *bensheng ren* were born and raised in Taiwan with their connections to China growing distant. The people gradually began to identify themselves as Taiwanese.

Taiwanese is a name that relates to those who came from Fijian Providence prior to 1945 who speak Minan also know as Taiwanese. Traditionally, in order to be considered Taiwanese it was thought that one must be able to speak Taiwanese. Now since the differences between *waisheng ren* and *bensheng ren* have become less and less

³ Kilbinder Dosajh and Duncan Innes-ker, ed. *Country Profile Taiwan* (Wanchai, Hong Kong: The Economist Intelligence Unit Limited, 2006), 5.

and the attitude toward what it means to be Taiwanese has changed, people now tend to consider themselves Taiwanese if they are born in Taiwan. Although speaking Taiwanese is also a characteristic to identify one as Taiwanese the protocol for identifying one as Taiwanese has changed somewhat. *Waisheng ren* are traditionally considered unable to speak Taiwanese; however, even they and other *bensheng ren* see their descendants as having Taiwanese identity.

Threats from the PRC have also contributed to the Taiwanese Identity. In March 1996 prior to the first direct presidential election, the PRC conducted live military exercises off the coast of Taiwan's shore as an attempt to influence the outcome of the presidential election.⁴ Their attempts had the opposite effect as their unfavored candidate; Lee Tung-hui was elected as president. In a public survey conducted by The Election Study Center of National Chengchi University, shortly after China's test it was found that the number of Taiwanese who identified themselves as Chinese dropped dramatically.⁵ Equally so prior to the 2000 Election the PRC issued a White Paper declaring that if Taiwan further delayed negotiations for unification that would provide justification for China to invade Taiwan. Furthermore, on March 16th, days before the election, China's prime minister, Zhu Rongji, warned the Taiwan people not to elect people who favor independence referring to Chen Shui-bian.⁶ Ironically, China's statements may have helped Chen gain the necessary marginal votes needed for victory.

Andrew Peterson paints a vivid picture of a social trend evolving in Taiwan over the past several decades.

⁴ Brown, *Ibid.*, 239-240.

⁵ See table 5 on page 65. Sources were obtained from *Results of Recent Elections in the R.O.C.* [statistics on-line] (Taipei, Taiwan: Election Study Center, National Chengchi University, 2006, accessed 2 April 2007); available from <http://esc.nccu.edu.tw/eng/data/1993%7E2004eng.pdf>; Internet.

⁶ Brown, *Ibid.*, 240.

As new generations of people with no ties to the mainland rise to power, Taiwan is growing further and further from China. The ethnic ties that once bound the futures of the two sides are aging, while the political divide continues to grow between them. Independence is no longer just the dream of anti-mainland ethnic Taiwanese; many now see it as a natural outcome of Taiwan's democratic growth. With the comfortable majority in support of the status quo now shrinking, ignoring these developments is neither prudent nor wise, and adjusting to them will require more than minor changes in U.S. policy. Taiwan's next generation does not see its future in China.⁷

Although the premise of this thesis is not to argue that Taiwan is set on de jure independence, rather the identity of the Taiwanese people is constantly evolving. How the people saw themselves in the past and how they see themselves today has been changing. Looking at table six we can see that since 1992 to 2006 the public opinion regarding the most popular decision was to maintain status quo and decide what to do at a later date.⁸ While attitudes toward independence versus unification have not changed drastically, there has been a gradual decreasing trend in pro-unification as their attitudes to maintaining status quo and move toward independence has increased gradually.

Take a second look at table 5. It is clear that there has been a significant increase in Taiwanese identity from 1992 to 2006. In 1992, 45% of the people saw themselves as Chinese. In 2006 that number increased to 44%. Conversely association with Chinese identity dropped from 26% to 6.2%. Identity of being both Taiwanese as relatively remained constant at 44%. While people still associate themselves as both Chinese and Taiwanese the Taiwanese identity has increased greatly.

The Meaning of Chinese

However, a word of caution; there are many different interpretations of the word Chinese. As for the Election Study Center's surveys the word they use to refer to Chinese

⁷Andrew Peterson, "Dangerous Games across the Taiwan Strait," *The Washington Quarterly* 27, no. 2 (Spring 2004): 28.

⁸ See table 6 on page 66. Source was obtained from *Changes in the Unification Independence Stance of Taiwanese as Tracked in Surveys by Election Study Center, NCCU (1994-2006)*. [statistics on-line] (Taipei, Taiwan: Election Study Center, National Chengchi University, important political attitude trend distribution 2006, accessed 2 April 2007); available from <http://esc.nccu.edu.tw/eng/data/data03-3.htm>; Internet.

is *chungguo ren* (中國人). *Chungguo ren* can mean the following, “one who comes from China, but more often it refers to those whose nationality is the Peoples’ Republic of China.” Another word for “Chinese” *chunghwa minzu*(中華民族) in China the term refers to “all those of the Chinese nation” as it was by the KMT.⁹ However, the word *chunghwa minzu* outside China is a term which generally means ethnic Chinese or those coming from Han decent. Moreover, there are different terms in which English identifies as “Chinese” and from those words there can be very different interpretations as to their meaning.¹⁰

Up until the late 70s, the Republic of China asserted itself as the legitimate government of all of China. After the United Nations recognized the PRC and the US and other major nations switched diplomatic relations from Taipei over to Beijing, the Kuomintang could no longer claim that they were the legitimate government over the mainland. Even so many of the governmental organizations still retained names that reflected the countries past. Today the Republic of China is more frequently known in the international community as “Taiwan” than the “Republic of China.” Although the official name of mainland China is the “Peoples’ Republic of China” many people have confused the Republic of China for China because of the word “China” in the official name.

Government Initiated Name Alterations

As part of the Taiwan government’s efforts to reduce confusion and, in this author’s opinion, in an effort to assert the nation’s own identity and sovereignty into the

⁹ Brown, *Ibid.*, 22.

¹⁰ According to the Election Study Center’s survey 44% of Taiwanese see themselves as Taiwanese and another 44% percent of Taiwanese see themselves as both Taiwanese and Chinese while the population that sees themselves as only Chinese is on a sharp decline. It would be interesting to do a study that looked into how Taiwanese interpret the word “Chinese” and how they relate that word to their own identities. Such a study would help further understanding of Taiwan’s complex identity struggle.

international community on September 1, 2003 Taiwan issued new passports with the name “Taiwan” printed on the cover, see Figure 1. Although there may have been some political motivations behind the name change it was mainly done for practical reasons.



According to Minister of Foreign Affairs Eugene Chien (簡又新), his ministry decided on the change because foreign immigration officials and air carriers often mistake "Republic of China" for "People's Republic of China," China's official name, which often causes trouble for passport holders from Taiwan.¹¹

Figure 1. Republic of China Adds “Taiwan” to Cover

The Taiwan government has also made other moves to change names within the government that have reference to China. On February 12, 2007 the government officially changed its name from “Chunghwa Post Company” (中華郵政) to “Taiwan Post Company” (台灣郵政).¹² This has been met with great controversy within Taiwan as the name change trend has been pushed by the pan-green while pan-blue is in opposition of the name change. Former KMT Party Chairman Ma Ying-jeou vowed that if KMT won the 2008 Presidential election that this party would “restore the words of Republic of China.”¹³ The argument for the name change is the same as the reason for the passport name addition and that is to avoid confusing Taiwan for the mainland China. Overseas postal workers have often confused the Republic of China for being the

¹¹ "Taiwan' passport doesn't impact US," *Taipei Times*, 15 June 2003, accessed 6 April 2007. Available from Factiva.

¹² Hsiu-chuan Shih, " Name-change controversy: Ma vows to reverse stamp move; STAMPED OUT: The KMT chairman said that if elected president, he would put a stop to issuing stamps labeled with 'Taiwan' because they will 'only cause more confusion'," *Taipei Times*, 13 February 2007, accessed 18 February 2007. Available from Factiva.

¹³ Ibid.

mainland. Figure two shows the before and after photos of the post office. The photo on the right shows the before, and the photo on the left shows the after.¹⁴



Before (ChunghwaPost)

After (Taiwan Post)

Figure 2.Chunghwa Post Becomes Taiwan Post

On February 28, 2007 the Taiwan Post came out with their first, ever stamp with the name Taiwan on it.¹⁵ All previous stamps bore the name “Republic of China.” The stamp that was issued is particularly significant because it commemorates the 2:28 Incident of those who were murdered because of the oppressive Nationalist government. The 2:28 Incident also bares symbolism for Taiwan self governance, self-determination, and independence. It commemorates the day that the Taiwanese people revolted against an oppressive regime. In figure three, a picture of the stamp is shown on the right. The building in the picture is of the Taipei 2:28 Memorial Museum. The picture on the right is an example of the old stamps with the name of the “Republic of China” showing on the front.

¹⁴ *Taiwan Post official name change 台灣郵政 正名揚牌* [newspaper on-line] (Taipei, Taiwan: Dajiyuan 大紀元, 13 February 2007, accessed 3 April 2007); available from <http://www.epochtimes.com/b5/7/2/13/n1621591.htm>; Internet.

¹⁵ Hsiu-chuan Shih, " Name-change controversy: Ma vows to reverse stamp move; STAMPED OUT: The KMT chairman said that if elected president, he would put a stop to issuing stamps labeled with 'Taiwan' because they will 'only cause more confusion'," *Taipei Times*, 13 February 2007, accessed 18 February 2007. Available from Factiva.



Figure 3. 2:28 Stamp Bears the Name “Taiwan” (Shown on the right.)

Other companies which bore the word “China” in their name have been going through or considering the name change process. On the same day as Chunghwa Post’s name change, China Petroleum Company, CPC (中国石油), formerly owned by the ROC Government, changed their to CPC, Taiwan (台灣中油)¹⁶ This was so that people confuse the company with mainland. CPC’s original name the word *chungguo* (中國) in it, which by most people is interpreted to be mainland China. The new name still bares the character *chung* (中) in its name but that is because some other company already had the name Taiwan Oil (台灣石油).¹⁷

¹⁶ Shu-ling Ko, "Pro-independence group says Ma unfit to be president," *Taipei Times*, 14 February 2007, accessed 18 February 2007. Available from Factiva.

¹⁷ See figure 4. Note “after” picture was obtained from the following source. *Taiwan Abian says he hopes the new name of CPC, Taiwan reflects reality* 台灣中油揭牌扁：追求名實相副 [newspaper on-line] (Taipei, Taiwan: Dajiyuan 大紀元, 13 February 2007, accessed 3 April 2007); Available from <http://www.epochtimes.com/b5/7/2/13/n1621617.htm>; Internet.



Before

After

Figure 4. China Petroleum Company Changes Name to CPC, Taiwan

Another case in which Taiwan is going through a name change trend is with its license plate identification. This case in particular has received less attention from the media. However it is intriguing all the same. Perhaps the reason behind less media attention is because instead of changing the name from China to Taiwan or adding the name Taiwan, in this incident the name is simply removed. When Chiang Kai-shek established his government on Taiwan, it was intended only to be temporary. At least in the psychological sense, to preserve the ROC as the legitimate government of all of China, Chiang established the capital in Taipei and dubbed Taiwan a “province” of China. Along with having Taiwan as a province a position was created to govern the province.¹⁸

In Taiwan, there are three different types of license plates in regards to location. The two largest cities, Taipei and Kaoshiung, have their names on the top of the license plates. Everywhere else the license plates read Taiwan Province, *Taiwan shen* (台灣省). When one reads the plate in Chinese it is very common for one interpret the plate as Taiwan belonging to the mainland. However, this year the ministry of Transportation has

¹⁸ U.S. Department of State, *Background Note: Taiwan* [posting on-line] (Washington D.C., United States: U.S. Department of State, 2005, accessed 25 09 2006); available from <http://www.state.gov/r/pa/ei/bgn/35855.htm>; Internet.

stopped producing plates with the words “*Taiwan shen.*” Instead the plates are being produced with no name at all only the license number, see figure five.¹⁹ In doing so it may also gradually erase impressions that Taiwan is part of China.



Figure 5. License Plate Name Removal

Currently the Taiwan government is going through an anti-Chiang Kai-shek campaign trying to remove his name and image from government and public sectors. On March 13th Kaoshiung City removed a statue of Chiang Kai-shek in front of the Chiang Kai-shek Memorial Hall. This came about by an administrative order issued by Kaoshiung Mayor Chen Chu (陳菊) of the Democratic Progressive Party. As a result, “the Chiang Kai-shek Culture Center was renamed Kaohsiung City Culture Center.”²⁰ The name change did not require approval from the city council. The decision to change the name and remove the statue has put political parties in the pan-blue and pan-green at odds against each other. More than 400 police officers were called to maintain order while the city removed the statue.

¹⁹ Please note that the green color plate represents motor cycles that have 50 cc engines. White plates represent bikes with engines larger than 50 cc. The colors do not have any relation to the name change. Automobiles along with motorcycles as of January 2007 no longer show “*Taiwan shen*” on the plates.

²⁰ Flora Wang, "KMT, DPP at odds over Kaohsiung's CKS center," *Taipei Times*, 15 March 2007, accessed 16 March 2007. Available from Factiva.

The Chiang Kai-shek Culture Center was renamed in the midst of a controversy; meanwhile, in the state capital another battle has been begun over the name and status of two major historical markers the Chiang Kai-shek Memorial Hall and Sun Yat-sen Memorial Hall. The political drive behind the name change campaign is “to replace the China-related symbols of the old regime with distinct Taiwanese emblems and to redefine the role of the late dictator.”²¹ The DPP wants to change the name of the Chiang Kai-shek Memorial Hall to “National Taiwan Democracy Memorial Hall.” Prior to the name change they plan to dismantle the artistic walls that surround the complex.

In order to go through with the name change as planned, the Memorial Hall must have a decrease in its status from third-level administrative unit to fourth-level administrative unit. According to Chu Nan-hsien, director general of the Ministry of Education’s (MOE) Department of Social Education said that for a name change in any third-level administrative unity requires an “organic statutes” to be drafted and submitted to the Legislative Yuan. Administrative unity fourth-level authority to change names is left to the Cabinet. In order to downgrade the hall from three to four the existing “Organic Statues for Management of the Chiang Kai-shek Memorial hall” must be abolished. To do so first the MOE’s Law and Regulation Commission and then the Cabinet must approve the petition and then the Legislative Yuan would be asked to

²¹ Hsiu-chuan Shih, " KMT calls on disgruntled employees to attend demo," *Taipei Times*, 13 March 2007, accessed 16 March 2007. Available from Factiva.

nullify the statutes.²² On March 31, 2006 the KMT had a rally in front of the Memorial Hall in protest against the name-change campaign to change the name of the hall.²³

On another note, the Ministry of Education is making plans to change the content that students study in their textbooks. Traditionally, history books focused most of their attention on mainland history. Now Ministry is radically changing how Taiwanese children will study history. The Ministry wants to focus on more relevant issues to Taiwan. According to the Central News Agency, "Information on Taiwan will be increased to 50 percent of material presented in local social studies textbooks by 2008 under a Ministry of Education program to deepen understanding of Taiwan."²⁴ Up until now, students studied more regarding China's long historical past than historical topics relating to Taiwan.

China's Reaction

In recent years China has seen Taiwan as trying to avoid, delay, and or even prevent unification with the mainland. The relationship between China and Taiwan is bitter sweet. Politically, relations between government to government are "officially" non-existent as tensions over affirming or disaffirming the One-China Policy keep dialog to a minimum. China has set a hard line policy for negotiations. China encourages dialog but only on its terms. The ROC on Taiwan has not been so responsive in China's efforts of persuasion and has, thus, created tension between the two parties.

²² "DPP seeking to downgrade memorial halls," *China Posts*, 10 March 2007, accessed 16 March 2007. Available from Factiva. DPP seeking to downgrade memorial halls The China Post Staff 10 March 2007 2007/3/16

²³ *KMT ready to rally against a anti-Chiang moves Mo Yan-chih* [newspaper on-line] (Taipei, Taiwan: Taipei Times, 31 March 2007, accessed 31 March 2007); available from <http://www.taipeitimes.com/News/taiwan/archives/2007/03/31/2003354665>; Internet.

²⁴ "Education Ministry Wants More Taiwan Content in Textbooks by 2008," *Central News Agency English News*, 9 September 2004, accessed 20 09 2006. Available from Factiva.

The One-China Policy has caused setbacks for the ROC government as nations have chosen to normalize their relations with the PRC, and in doing so must sever official relations with the ROC. Regardless of this fact, the ROC today still enjoys de facto sovereignty completely independent of Beijing authorities. China fears one day that the ROC might declare independence and, therefore, has taken whatever precautions it can to prevent such actions.

Perhaps the most recent and significant action China has taken to prevent de jure independence on Taiwan is the establishment of the Anti-Succession Law. On March 14, 2005 the People's Republic of China enacted the Anti-Succession Law.²⁵ Previously China had issued threatening statements, ran military test off the coast of Taiwan, and blocked Taiwan's entrance into international organizations which require statehood as membership. This time it turned its policy toward Taiwan into legislation creating a legal base to argue its legitimacy to prevent Taiwan from declaring independence and the use of force if necessary.

The article maintains China's stipulation that there is only one China and Taiwan is part of that China. China encourages peaceful reunification. However, should the possibilities of peaceful reunification be exhausted China reserves the right to use force. The majority of the document seems to have a positive tone where China encourages dialog, exchange, and promotes fundamental interest of both parties of the strait. However, in Article 8, it specifies that should all efforts of peaceful reunification be exhausted or should Taiwan unilaterally act as to declare independence then China

²⁵ Cheng-yi Lin and Wen-cheng Lin, "Democracy, Divided National Identity, and Taiwan's National Security," *Taiwan Journal of Democracy* 1, no. 2 (December 2005): 81.

reserves the right to use force to preserve the nation's sovereignty. Article 8 reads as follows.

In the event that the Taiwan independence secessionist forces should act under any name or by any means to cause the fact of Taiwan secession from China, or that major incidents entailing Taiwan secession from China should occur, or that possibilities for a peaceful reunification should be completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity.²⁶

According to international protocol, states are not supposed to be aggressors. If one nation attacks another then the international community can use sanctions, or in a worst case scenario, use military force as a form of deterrence against the aggressor. This is a case in which state is against state. If the conflict is a domestic dispute international protocol becomes more complicated. Since the aggressor is the state, in essence, acting out punishment against its own citizens the international community has, theoretically, less room to act since any interference with the state in question would be an infringement on the states sovereignty. There are causes such as state sponsored genocide where the international community can intervene. As a general rule, states do not interfere directly with other state internal affairs. This rule is not always kept; but it is a norm that states try to follow, if for any reason, because states do not want other states to become involved in what is considered a domestic matter.

China has or is trying to make Taiwan just that, a domestic affair; and in China's opinion it rightfully should do so. Should China ever choose to invade Taiwan, China could argue that this is a domestic affair in which we are following our law to solve the problem. This is a domestic affair so, therefore, there should be no interference from outside parties.

²⁶ For the full version of the Anti-Secession Law see Appendix A. Shun-jie Ji, "China Anti-Secession Law: A Test to Party Politics in Taiwan," *Views & Policies* 1, no. 4 (June. 2005): 20-24.

The United States' official policy on the One-China Policy is strategic status quo or in other words no unilateral change in status for or against unification by China or Taiwan. China's decision to make its policy into law was seen by the United States as a policy nonproductive to the cross strait relations. In March 2005 when Condoleezza Rice visited China, she described the legislation as unhelpful in reducing cross-strait tensions and that any unilateral moves would increase not decrease tensions.²⁷

US lawmakers also showed concern over such legislation that gives legal backing into an invasion of Taiwan should Taiwan move toward independence. Shun-jie Ji explains that, "The US House of Representatives voted 424-4 in favor of a resolution warning that the anti-secession law alters the status quo in the region, and thus is of grave concern to the US."²⁸ Although the US does not support Taiwan officially declaring independence neither does it condone unilateral actions by China to force or threaten Taiwan into reunification.

China's issuance of Anti-Secession Law may have not helped in Beijing's overall objective of reunification. Historically, when Beijing puts pressure on Taiwan the people have reacted conversely to Beijing's wishes. This was seen when President Lee was elected in 1996 and then again in 2000 and 2004 when Chen was elected and reelected as president. The choice of China to make its policy into law has not been received warmly by the Taiwanese people. Although the legislation states that it wants to pursue peaceful reunification the policy in itself is hostile allowing very little room for negotiations.

²⁷ Shun-jie Ji, "China Anti-Secession Law: A Test to Party Politics in Taiwan," *Views & Policies* 1, no. 4 (June. 2005): 8.

²⁸ Shun-jie Ji, "China Anti-Secession Law: A Test to Party Politics in Taiwan," *Views & Policies* 1, no. 4 (June. 2005): 8.

According to Soochow University professor Lo Chih-cheng popular opinion in Taiwan has a major impact on how Beijing decides its policies.

Popular opinion in Taiwan has also played more of a role in deciding the attitude and policies Beijing adopts in dealing with Taiwan. If the legislature continues to be led by the pan-blue alliance, then Beijing will continue to hope. If the Democratic Progressive Party (DPP) loses next year's election, Beijing will be even more confident.²⁹

Equally so, the United States also plays an important role in the development of cross-strait relations.

Although political relations between Taiwan and China are in considerably poor condition economically speaking there relationship couldn't be better. China is Taiwan's largest trading partner. Logically it makes sense. The two countries are extremely close; both countries speak the same language. "Taiwanese who travel to the PRC have an advantage over other foreign investors – they can speak directly with people in China without going through interpreter."³⁰ Taiwan has a large supply of intellectual input where as China offers cheap and affordable goods. Trade between Taiwan and China is good and it is on the rise. Between 2005 and 2006 trade between Taiwan and China increased by 18.2% in one year. Taiwan's leading number of exports is to China as \$43 million dollars. Hong Kong, also part of China, came in second at \$34 million. The US was third at \$29 million. Conversely, Taiwan's greatest number of imports came from China, second, from Hong Kong, and third the US. According to the Taiwan Affairs Office of China's State Council, total trade between the countries was over US \$100 billion in 2006.³¹

²⁹ Changqing Cao, "'Anti-Secession' Law has the opposite effect," *Taipei Times*, 16 March 2007, accessed 16 March 2007. Available from Factiva.

³⁰ Brown, *Ibid.*, 249.

³¹ "Education Ministry Wants More Taiwan Content in Textbooks by 2008," *Central News Agency English News*, 9 September 2004, accessed 20 09 2006. Available from Factiva.

Regardless of whether Taiwan becomes independent or reunites with China, Taiwan needs to have a positive working relationship with China. As noted by Eric Grove, “Taiwan’s economic development relies on foreign resources. Consequently, Taiwan has to ensure the security of its lifeline at sea and to expand its diplomatic reach and status in international society.”³² In part of this statement means that Taiwan needs to have a national defense and must protect her territory, but also in part it means Taiwan needs to foster positive foreign relations among surrounding countries to insure security around the perimeter of the island. As Yun-han Chu states about Taiwan’s unique challenges as do many authors, there is “No long-term solution to the crisis of state legitimacy is yet in sight.”³³ The relationship between Taiwan and China is a complex and ever evolving issue in which both sides appear to have no certain agreement. Taiwan’s identity, like any other country, is ever evolving. Taiwan was once an authoritarian state in which it has evolved to become a full democracy where its people decide on its leaders.

In regards to the development of a state and national identity, Cheng-yi Lin and Wen-cheng Lin have an important observation. “It is important to note that identity is not innate, but rather acquired, and that national identity does not exactly correspond with ethnic identity.”³⁴ Although China claims that Taiwan is an interacted part of China, other nations such as Malaysia, Singapore, and Indonesia with Chinese populations claim their identities as being Chinese while maintaining no claims that their nationality is tied to the mainland. People, not genetics, determine a nation or sovereignty. A large

³²Eric Grove. “A Comprehensive Assessment of Taiwan’s Sea Power” found in Martin Edmonds and Michael M. Tsai, ed. *Taiwan's Maritime Security* (London, Great Britain: RoutledgeCurzon, 2003), 129.

³³ Yun-han Chu, "Taiwan’s Unique Challenges," *The Journal of Democracy* 7, no. 3 (July 1996): 24.

³⁴ Cheng-yi Lin and Wen-cheng Lin, "Democracy, Divided National Identity, and Taiwan’s National Security," *Taiwan Journal of Democracy* 1, no. 2 (December 2005): 73.

percentage of Taiwan's heritage may come from China but that doesn't mean that its heritage also determines its destiny. Like Taiwan there was a time the Chinese Communist Party the founders of the Peoples' Republic of China fought for their right to exist. Previously, the Chinese Communist Party (CCP) was considered a renegade regime in which the CKS saw as a threat equal to that of the Japanese invaders to the Chinese nation state.

It took persistence, perseverance, and a will of the people for the CCP to exist. As Mao Zedong retreated on the long March he gained support from local people Mao's regime strengthened. Mao gained so much support that he was able to overthrow the Nationalist and establish the Peoples' Republic of China. A once renegade regime became the legitimate political entity of an entire nation. This is not to say that Taiwan can or should use force to assert its own identity but rather through the will of the people regimes, sovereignty, and nation states are made and destroyed. In the same sense the future of Taiwan lies in the hands of its people. As we have seen, the tendency for independence has been increasing in Taiwan. China still has the potential for reunification, but strategies it has used in the past have only hurt cross-strait relations. If China wishes to woo Taiwan back into her arm, China must revamp its strategy and push for more economic and social exchanges that benefit both the people of China and the people of Taiwan.

Analysis

Identity in Taiwan is gradually shifting. This phenomenon is occurring because of a variety of factors such as: the ROC's attempts to preserve its existence/enhance the islands political regimes recognition in the international community. Intermarriage

between mainlanders and local Taiwanese, their offspring and mainlander offspring being born and raised in Taiwan contribute to Taiwanese identity. Since 1949, the Republic of China has been functioning completely independent from China. This long separation from the Mainland and Taiwan has contributed to shifting identities. Although previously in educational textbooks “Chinese” identity served a primary factor. Now studies specifically relating to “Taiwan” are growing in priority.

The issue of Chinese identity is an increasingly perplexing issue. What does it mean to be Chinese? Can one be both Taiwanese and Chinese? Previously in this chapter, we discussed that the word “Chinese” can have varying meanings relating to, originating from the mainland China, ethnic Chinese, and of having PRC citizenship. How do the people in Taiwan view themselves? If they believe they are Chinese what does it mean to them and to what degree do they see themselves Chinese? Is this idea of being Chinese adaptable or a fixed concept? The concept of being Taiwanese was once considered of having origins from southeast China and the ability to speak Minan. Now an increasing population sees being “Taiwanese” as having ROC citizenship. In regards to Chinese identity on Taiwan, there is much debate over how the population perceives this issue. The Election Study Center has indicated that the number of people responding to surveys on identity is declining further complicating the issue. Nevertheless to have a better understanding of identity formation on Taiwan more studies need to be conducted.

If the current administration is successful in their name changes/ additions/omissions then this too will contribute to identity change as fewer and fewer references to the mainland will be prevalent. The omission of “*Taiwan shen*” on license plates is one indicating factor that the island is inching away from the identity of being

subjective part of the PRC. Whether this trend will continue will largely be up to people of Taiwan and will also be determined by their reactions to PRC and US interpretations of their actions. In addition, the upcoming Legislative Yuan Election and the ROC Presidential Election will be a major determining factor the identity development as the people will essentially approve or disapprove the current identity shifting trend which is presently going on with the current administration. Voting green will indicate a tendency for approval of an increasing Taiwanese identity where voting blue will indicate a tendency for a more conservative perspective and or leaning more toward pro-reunification.

CHAPTER V

CONCLUSION

Many scholars have said that there is no foreseen solution to the Taiwan Strait crisis. This is an accurate statement since the future of Taiwan depends on politics in Beijing, Washington, and Taiwan. Historically, Taiwan has been an island nation where the residents on the island never had a direct say in government affairs. Since the 1980s Taiwan has begun to evolve to become a full fledged democracy where major positions in the ROC government are elected by the people and where more than one political party compete in elections. Although major biases in mass media still do exist; people have free access to information and are allowed to voice their opinions for and against the government. Governmental Reforms, Chen's years in office, political corruption, and popular opinion have all contributed to Taiwan's shifting identity.

Governmental Reforms

In regards to governmental reform, the first major change came about when the Kuomintang allowed the illegal opposition political party, the Democratic Progressive Party, to come into existence. Nineteen eighty-six was the first year that the DPP was allowed to run in National Assembly and Legislative Yuan elections, marking the first true two party contests in Taiwan's history. In 1992, the National Assembly passed a number of constitutional amendments which included having popular elections for mayors of Taipei and Kaohsiung and the position of Taiwan governor. In 1996, the

Republic of China had its first popular presidential election which signifies the ROC's transition into a democracy.

Since 2000, the ROC has experienced many other governmental and constitutional reforms. In 2000 and in 2004 the government of Taiwan experienced a series of constitutional reforms, the most important of which came during the Seventh Revision in 2004. The seventh revision of the constitution included reducing the number of legislative seats from 225 to 113, changing the term of the legislature from three to four years, installing a single-district two-vote system in the legislative election, and the abolishment of the National Assembly. The power to vote on constitutional amendments was transferred from the National Assembly to the voters of Taiwan while the power to impeach the president and Vice President was transferred to the grand justices.

In 2003 the Referendum Law was passed. It requires an extremely large number of signatures to start an initiative, and in order to have the referendum pass requires that half of the registered voters vote with majority in favor of passing the referendum. The Referendum Law gave the power to the President to hold a referendum on national defense issues where national security is being threatened. President Chen Shui-bian used this law to his advantage as he held a referendum on national security during the 2004 Presidential election. Although the majority who voted on the referendum was in favor of the issues, the referendum failed because it failed to have 50% of the eligible voting population vote on the referendum.

Chen's Years as President

Chen Shui-bian's first years as president of the ROC met with great difficulty. Although marked as the first president to be elected from a non- Kuomintang party, he

won only be marginal percentages ahead of the opposition both in 2000 and again in 2004. When Chen first took office his cabinet lacked experience in high level government positions so the transition was rough. Because of an economic slump and a devastating earthquake that shook Taiwan in 1999 Chen was unable to fulfill his promises of better social services. Chen also faced a series of impeachment attempts by opposition camp and even within his own party. The most difficult time for Chen was when his son-in-law was accused and later convicted on insider trading, while his wife and presidential aides were accused and indicted for money laundry. Despite all of the attempts to impeach the president, all attempts have failed. As for the indictment of First Lady Wu Shu-chen the case is still pending. Chen's struggles as president is one example which exemplifies strong political divide within Taiwan over national identity and relations with China. Although Chen won by only a marginal percentage in his elections, it shows that people in Taiwan are interested in ideas other than reunification.

Along with national identity, political corruption has become a key issue in domestic politics and identity change. Just as things for the DPP were looking bleak for the 2008 Presidential Election a new scandal has taken attention off of Chen and the DPP and focused it back on the KMT; particularly the 2008 presidential hopeful Ma Ying-jeou. Ma Ying-jeou, former Mayor of Taipei and former KMT Chairman declared this year that he would run for the 2008 presidency. Ma announced his candidacy on the same night that he was indicted for siphoning funds, also known in Taiwan as "black gold," from his mayoral allowance while he was Taipei mayor. It was estimated that he took over US \$330,000 during his years as mayor from 1998 to 2006.

Ma Ying-jeou's Political Scandal

Ma, who was popular with the people, was considered the leading candidate for the 2008 election. During his earlier years of his political career as justice minister, Ma cracked down on political corruption and vote buying. Ma was considered to be a clean politician.

In the KMT Party Charter there is clause that is referred to as the Black-Gold Exclusion Clause. It was added to the party charter in 2005 as an effort to crack down on political corruption within the party. Any party member convicted by trial for crimes stated in the charter become ineligible to be nominated by the party for elections. Ma's camp played a major role in the adoption of the clause' However, on the very night of Ma's indictment the KMT Central Standing decided to repeal the clause. Although officially the KMT claims that the repeal of the clause was not done specifically for Ma, Ma's indictment did create a matter of urgency. Currently Ma and the KMT are under heavy scrutiny, Ma, for his scandal, and the KMT for their hasty action to repeal the Black Gold Exclusion Clause. These two affairs could cause the party and Ma to lose the 2008 Election; and equally detrimental, there are few successful candidates for the next, very critical, Legislative Yuan election scheduled to be held in December 2007. Should such an even occur, it is reasonable to deduce that identity in Taiwan will continue move in a direction less focused on the mainland.

Identity Formation on Taiwan

Traditionally in Taiwan there was a great divide between the *bensheng ren* (native Taiwanese) and the *waisheng ren* (mainlanders). The mainlanders were seen as an oppressive regime not considerate of the local natives. While the *waisheng ren* lived in

Taiwan they intermarried and had children. The older generation of the Chinese that came from China between 1945 and 1949 has been dying out; the younger generation has replaced them in governmental position. Once it was believed that in order to be considered Taiwanese one must be born in Taiwan and speak Minan, also known as Taiwanese. Today that image of being Taiwanese has expanded. While people still believe that one should be able to speak Taiwanese to consider themselves Taiwanese, it has also become acceptable to consider one as Taiwanese as long as their nationality is from Taiwan. Children of *waisheng ren* once considered as an outsider are now welcomed within the Taiwanese community.

In 2003, much to China's displeasure the Republic of China added the word "Taiwan" to the face of its passport. Although this was seen by China as a move toward independence Taiwan argues that the move was done to stop confusion at international airports where Taiwanese citizens were often confused as mainland China citizens. However, recently the government, specifically the Chen administration and the Democratic Progressive Party, have been working to remove references within the government and corporations in Taiwan that have the word "China" in their names. Historical landmarks with references to Chiang Kai-shek have also been targeted. Advocates of the anti-Chiang Kai-shek Campaign argue that Taiwan does not want to honor a dictator who brought oppression on Taiwan.

Currently in Taiwan, maintenance of status quo is the most popular policy among the people. However, there has been an increasing trend for support of pro-independence versus pro-unification. This can also be seen as voters have continued to elect pro-independence tilted candidates in elections. Since 1986, the Democratic Progressive Party

has been gradually gaining support in every election. Between the two parties the DPP and KMT, the DPP is more so seen as a party for the people of Taiwan, whereas, the KMT has to prove that its loyalty is to the people and not to China. However, since both parties do not have an overwhelming majority of support from the public, both parties will have to fight for votes in the upcoming elections.

Final Remarks

The saga of the ROC on Taiwan is an ongoing struggle as it searches for identity. China fights for reunification, and the United States pleads for stability in the Taiwan Straits. The next determining phase in Taiwan's path for the next four years rests upon the Legislative Yuan Election in December 2007 and the Presidential Election in March 2008. National identity and political corruption will play key issues in these elections. These elections will determine which party is in control of key governmental organization and will, therefore, be the ones making official policy. If KMT is successful then China can hope for reunification. If the DPP takes the lead then China's wishes will be indefinitely delayed. The Olympics will also be a significant variable since all eyes will be on China in 2008. This will make it difficult for China to act harshly against Taiwan or act in an unfavorable manner. In 2008, a new US President will be elected, and the kind of policy the administration chooses to adopt will have an effect in the Straits.

With the political scandal surrounding Ma, it seems likely that the KMT will not do as well in the Legislative and Presidential elections as previously expected. Of course political scandals could emerge regarding Democratic Progressive Party members. The current forecast 2007 and 2008 will be difficult years for the KMT. In regards to the Legislative Yuan there will still be a large political divide between pan-blue and pan-

green; green may gain a few more seats this year, well, that is in relation to the new downsized 113 seats of the Legislative Yuan. Meanwhile, national identity will continue to strengthen. This will, most likely, not be a sudden increase in “Taiwanese” identity but a slow process like we have seen in prior years.

As to whether Taiwan will declare independence or reunify with China, no certainty prevails at this point in time. However, should Taiwan ever reunify with China it will not be within the near future. Regardless of whether Taiwan becomes independent or reunifies with China both countries will have to learn to live as neighbors. As Yung-ming Hsu notes possibility for reunification still exists.

The people of Taiwan might have a sufficient incentive for unification with China once the Mainland has achieved an acceptable level of democracy and a reasonably even distribution of wealth.¹

However, Hsu also adds that currently China is not in the political or social economic condition to give Taiwanese incentive to seek reunification. China’s insistence on having the right to invade Taiwan should Taiwan declare independence does not help China’s cause either. It is the recommendation of this author for China to use soft power, as China has done in the past few years, not hard power to persuade Taiwan. Anything other than soft power will only fuel Taiwan’s desire for self-actualization and reinforce ideas of de jure independence. Ultimately the people of Taiwan will have the final say in affirming or disaffirming their own sovereignty. Much of this will be dependent on who is elected to power, constitutional amendments and laws, how the Taiwanese people perceive themselves and their relation to China. Identity formation on Taiwan will be critical in determining the outcome.

¹ Yung-ming Hsu, “U.S.-China-Taiwan Relations after the National Unification Council and the National Unification Guidelines “Ceased to Function”,” *Views & Policies* 2, no. 4: 12.

Changes in the Taiwanese/Chinese Identity of Taiwanese as Tracked in Surveys
by the Election Study Center, NCCU (1992~2006)

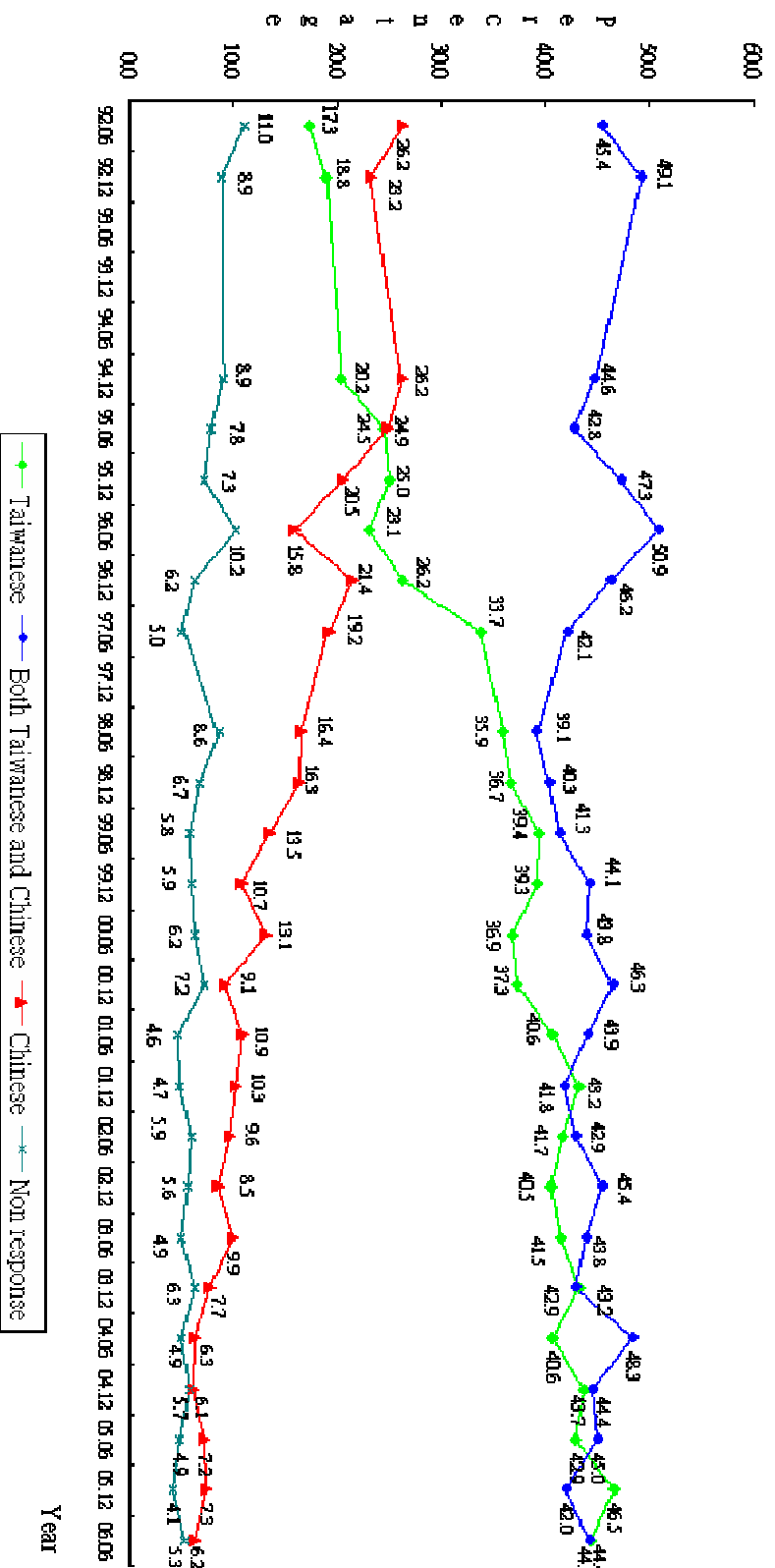


Table 5. <http://esc.nccu.edu.tw/eng/data/data03-2.htm> sources: Election Study Center, N.C.C.U., important political attitude trend distribution

Changes in the Unification - Independence Stances of Taiwanese as Tracked in Surveys
by Election Study Center, NCCU (1994-2006)

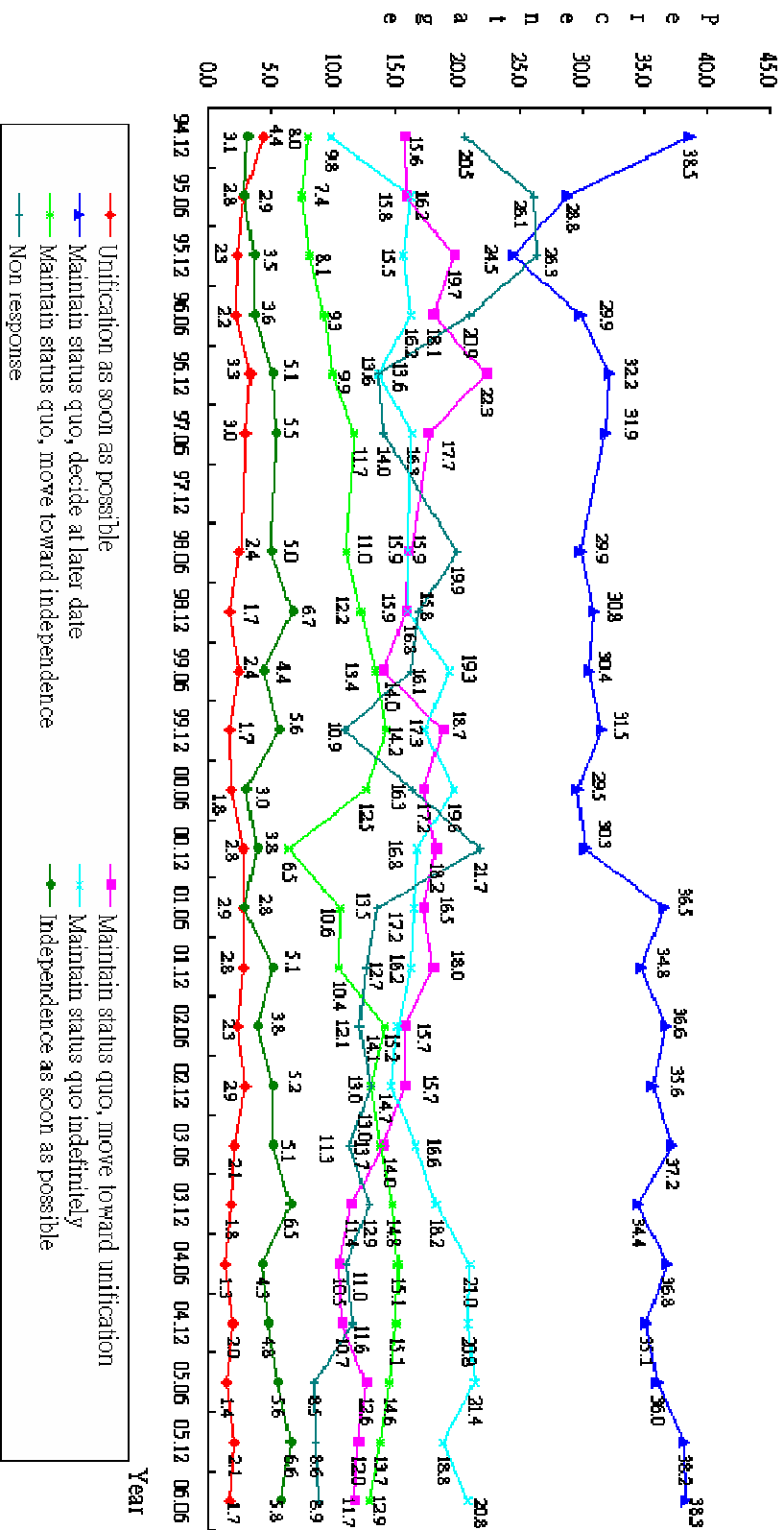


Table 6. <http://esc.ncu.edu.tw/eng/data/data03-3.htm> sources: Election Study Center, N.C.C.U., important political attitude trend distribution Table

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APPENDIX A

Anti-Secession Law

Adopted by National People's Congress
China Daily, Mar. 14, 2005

The Anti-Secession Law, adopted at the Third Session of the Tenth National People's Congress of the People's Republic of China on March 14, 2005, is hereby promulgated and shall go into effect as of the date of promulgation.

Hu Jintao

President of the People's Republic of China
March 14, 2005

The following is the full text of the Anti-Secession Law adopted at the Third Session of the Tenth national People's Congress on March 14, 2005:

Anti-Secession Law

(Adopted at the Third Session of the Tenth National People's Congress on March 14, 2005)

Article 1

This Law is formulated, in accordance with the Constitution, for the purpose of opposing and checking Taiwan's secession from China by secessionists in the name of "Taiwan independence" promoting peaceful national reunification, maintaining peace and stability in the Taiwan Straits, preserving China's sovereignty and territorial integrity, and safeguarding the fundamental interests of the Chinese nation.

Article 2

There is only one China in the world. Both the mainland and Taiwan belong to one China. China's sovereignty and territorial integrity brook no division. Safeguarding China's sovereignty and territorial integrity is the common obligation of all Chinese people, the Taiwan compatriots included.

Taiwan is part of China. The state shall never allow the Taiwan independence secessionist forces to make Taiwan secede from China under any name or by any means.

Article 3

The Taiwan question is one that is left over from China civil war of the late 1940s. Solving the Taiwan question and achieving national reunification is China's international affair, which subjects to no interference by any outside forces.

Article 4

Accomplishing the great task of reunifying the motherland is the sacred duty of all Chinese people, the Taiwan compatriots included.

Article 5

Upholding the principle of one China is the basis of peaceful reunification of the country. To reunify the country through peaceful means best serves the fundamental interest of the compatriots on both sides of the Taiwan Straits. The state shall do its utmost with maximum sincerity to achieve a peaceful reunification.

Article 6

The state shall take the following measures to maintain peace and stability in the Taiwan Straits and promote cross-Straits relations:

- (1) to encourage and facilitate personnel exchanges across the Straits for greater mutual understanding and mutual trust;
- (2) to encourage and facilitate economic exchanges and cooperation, realize direct links of trade, mail and air and shipping services, and bring about closer economic ties between the two sides of the Straits to their mutual benefit;
- (3) to encourage and facilitate cross-Straits exchanges in education, science, technology, culture, health and sports, and work together to carry forward the proud Chinese cultural traditions;
- (4) to encourage and facilitate cross-Straits cooperation in combating crimes; and
- (5) to encourage and facilitate other activities that are conducive to peace and stability in the Taiwan Straits and stronger cross-Straits relations.

The state protects the rights and interests of the Taiwan compatriots in accordance with law.

Article 7

The state stands for the achievement of peaceful reunification through consultations and negotiations on an equal footing between the two sides of the Taiwan Straits. These consultations and negotiations may be conducted in steps and phases and with flexible and varied modalities.

The two sides of the Taiwan Straits may consult and negotiate on the following matters:

- (1) officially ending the state of hostility between the two sides;
- (2) mapping out
- (3) steps and arrangements for peaceful national reunification;
- (4) the political status of the Taiwan authorities;
- (5) the Taiwan region room of international operation that is compatible with its status;

(6) other matters concerning the achievement of peaceful natural reunification.

Article 8

In the event that the Taiwan independence secessionist forces should act under any name or by any means to cause the fact of Taiwan secession from China, or that major incidents entailing Taiwan secession from China should occur, or that possibilities for a peaceful reunification should be completely exhausted, the state shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity.

The State Council and the Central Military commission shall decide on and execute the non-peaceful means and other necessary measures as provided for in the preceding paragraph and shall promptly report to the Standing Committee of the national People's Congress.

Article 9

In the event of employing and executing non-peaceful means and other necessary measures as provided for in this Law, the state shall exert its utmost to protect the lives, property and other legitimate rights and interests of Taiwan civilians and foreign nationals in Taiwan, and to minimize losses. At the same time, the state shall protect the rights and interests of the Taiwan compatriots in other parts of China in accordance with law.

Article 10

This Law shall come into force on the day of its promulgation.

APPENDIX B

KMT Party Charter Chapter 12 Discipline, Awards and Punishment

Article 42

Party members who observe the Three Principles of the People and the Party Charter, adhere to the party platform, obey party resolutions, enhance party interests, uphold party honor, perform well in their duties, and contribute well, shall be awarded by the relevant body in charge. Rules governing this shall be set out separately.

Article 43

Party members who commit any of the following acts shall be considered to have violated party disciplinary rules and shall face disciplinary action:

1. Violate the Three Principles of the People, the Party Charter, policy platform or any resolution passed by the Party.
2. Defame the Party' s reputation.
3. Form a clique within the Party, which leads to the disruption of party unity.
4. Slander the Party and in doing so harm the Party' s interests.
5. Become a member of another political party or parties.
6. Leak important confidential information.
7. Without the consent and authorization of the party' s Central Standing Committee, accept an offer of a political appointment by a ruling party other than this Party.

Any party member who violates the Organized Crime Prevention Act, Hoodlum Prevention Act, Narcotics Prevention Act, Guns, Ammunition and Knives Control Act, Money Laundering Prevention Act, Corruption Punishment Act, Presidential and Vice Presidential Election and Recall Act, or incites a riot, uses the threat of forces, or commits election bribery under the Public Officials Election and Recall Act, commits election bribery under the Farmers' Association Act or Fishermen' s Association Act, commits a sexual crime cited under Article 2 of the Sexual Violations Prevention Act, becomes involved in the sex trade of children or juveniles under the Child and Juvenile Sex Trade Prevention Act, or commits homicide, aggravated injury, robbery, misappropriation, fraud, perjury, blackmail, or kidnapping for ransom under the Criminal Code, having been convicted by a court of justice, whether final or not, shall forfeit the right to take part in the party primary, nor shall he/she be nominated by the party; nor may he/she stand for elections for members of committees or delegates to party assemblies at various party headquarters; These restrictions shall not apply

to party members accused of any of the violations listed above but acquitted in a final ruling prior to the holding of primaries or registration for elections.

Article 44

Party members who violate disciplinary rules shall be disciplined accordingly in the following manner:

1. Receive a reprimand.
2. Have their party duties suspended.
3. Be suspended of their party rights and privileges
4. Have their membership revoked.
5. Be expelled from the party.

During primary elections for the party chairmanship, committeemen, National Congress and assemblies of all levels, or primary elections for public office, any party member who commits any of the following violations shall be disciplined accordingly in one of the ways stated above. If the violation is serious, he/she shall be disqualified immediately from participating in any election.

1. Using campaign activities, such as stumping or a signature drive, as a cover to incite a riot which results in the disruption of election order.
2. Hindering the election process on purpose; using the threat of violence against workers in the performance of official duties.
3. Pleading, making deals with, or giving bribes or other improper interests to candidates, or persons who are qualified to be candidates to encourage them to give up their election campaign or to engage in certain campaign activities.
4. Colluding with party members who have voting rights by pleading, making deals, or giving bribes or other improper interests to encourage them not to exercise their voting rights or to exercise their voting rights in a certain way.
5. Intending to influence the election result of a candidate by spreading rumors or disseminating falsehoods detrimental to the public or others through the use of words, graphics, recording, video images, speeches or any other methods.
6. Intending to hinder or disrupt voting or vote counting by withholding, destroying, hiding, exchanging or taking away forcefully ballot boxes, ballots, voter registers, voting report cards, tabulated vote counting tally reports, tabulated voting statistics, or instruments used in marking ballots.

Article 45

The words and deeds of elected officials of both the executive and legislative branches as well as political appointees affiliated with this party should serve as a model for the rank and file of the party. The rules regarding the assessment of the aforementioned shall be stipulated by the competent organizations.

Article 46

When party members violate party discipline, the party headquarters to which the party member belongs, or the higher party body shall conduct an inquiry and decide on disciplinary action in a manner prescribed as follows:

1. Disciplinary action requiring a reprimand shall be carried out after a resolution has been passed by the committee of the party headquarters concerned, or of the higher party body.
2. Disciplinary action requiring suspension of party duties, or party rights and privileges shall first be decided on by the organization in charge and then forwarded to the Central Discipline Committee for review and execution.
3. Disciplinary action requiring revoking of party membership shall be executed after a resolution has been passed by the Central Evaluation Committee.
4. Disciplinary action requiring the expulsion of the party member shall be first decided after a resolution has been passed by the Central Discipline Committee, and then approved by the Central Standing Committee for execution.

Party members who receive disciplinary action may appeal to a higher party headquarters. Rules regarding the reporting, reviewing, appeal and execution of a disciplinary case, and the procedures regarding the reinstatement of party membership, party rights and party duties shall be set out separately.

Article 47

Party headquarters at all level shall set out discipline committees. They shall be responsible for the study and formulation, control, and evaluation of the work of the Party; the supervision, censure and review of disciplinary cases; and the inspection and auditing of Party finances. Members of discipline committees shall be appointed by higher-level party headquarters.

APPENDIX C

Key Vocabulary

Major Political Parties in Taiwan

Democratic Progressive Party (DPP) (民主進步黨)

Chinese Nationalist Party or Kuomintang (KMT) (中國國民黨)

People's First Party (PFP) (親民黨)

Taiwan Solidarity Union (TSU) (台灣團結聯盟)

Key Party Members in KMT

Ma Ying-jeou (馬英九) Former Party Chairman

Lien Chan (連戰) Former Party Chairman

Wang Jin-pyng (王金平) President of the Legislative Yuan

Wu Po-hsiung acting chairman after Ma

Key Party Member in DPP

Chen Shui-bian (陳水扁) President

Premier Su Tseng-chang (蘇貞昌)

DPP Chairman Yu Shyi-kun (游錫堃)

Frank Hsieh (謝長廷) former premier

Annette Lu (呂秀蓮), Vice President

Important Political Figures

Shih Ming-the (施明德) Former DDP Chairman, causes Chen trouble

Chao Chien-ming (趙建銘) son-in-law of President Chen Shui-bian

Chiang Kai-shek (蔣介石)

James Soong (宋楚瑜)

Lee Tung-hui (李登輝) First popularly elected president and first native Taiwanese president

Key Terms

Black Gold (黑金),

KMT black-gold exclusion clause(排黑條款)

Taiwan High Court's Black Gold Investigation Center

Central Election Commission (CEC) (中央選舉委員會組織)

VITA

Jason Hunter

Candidate for the Degree of International Studies

Master of Science

Thesis: TAIWAN DOMESTIC POLITICS – POLITICAL CORRUPTION, CROSS
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Scope and Method of Study:

This thesis examines domestic politics of Taiwan with a particular focus on periods from 2000 when Chen Shui-bian was elected as president to 2007. Sources for this thesis were mainly derived from written literature materials using government documents, academic journals, news papers, and other primary and secondary resources. The author wanted to include human subjects to determine people's attitudes toward politics and national identity however due to time restraints and the complex nature of gathering accurate reliable surveys results in Taiwan such information was not included.

This author believes that in general people make choices biased on rational thought. People look for solutions that benefit not only themselves but also those around them. Although there are positive-sum and negative-sum gain situations throughout the world. The author believes that there is more opportunity for positive-sum gain. Although a situation may not be seen as positive-sum gain two parties or more may in fact reap benefits. Through better understanding the political parties, the political process, and peoples' perception of politics/national identity in Taiwan this author hopes to contribute to the on going research regarding Taiwan's identity, its political recognition/or lack there of, and predict or at least highlight key variables that may influence the future of Taiwan and cross-strait relations.

Findings and Conclusions:

In this paper, the author will demonstrate how Taiwan and China both have the potential to benefit from cross-strait relations regardless of any change in the status quo. This is not to say whether Taiwan or China should act unilaterally to change the status quo, doing so might create an international disaster, rather it is to say that a gradual change in status quo in either direction could mutually benefit both Taiwan and China over the long-term. Rational decisions will also ensure the security and stability of a nation over time. Through political and social motivating factors the people of Taiwan are undergoing a gradual shift in identity.

ADVISER'S APPROVAL: Yonglin Jiang
