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# Taiwan's Democracy: Towards a Liberal Democracy or Authoritarianism?

Dafydd J. Fell

**Abstract:** This paper examines how Taiwan moved from being viewed as a model Asian democracy to one allegedly suffering from democratic reversal. The reasons for the declining domestic and international reputation of Taiwan's democracy are discussed. Lastly, some key political challenges facing Taiwan's democracy are outlined.

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**Keywords:** Taiwan, democracy, cross-Strait relations, political parties, elections

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## Introduction

During the late 1990s Taiwan was often touted as a best-case scenario of democratization. Despite internal national identity divisions, its authoritarian past and the military threat from China, Taiwan went through a remarkably smooth and peaceful democratic transition. During the Asian values debate in the 1990s Taiwan's President Lee Teng-hui (Li Deng-hui) took a clear position on the side of liberal democracy. Taiwan's first change of ruling parties through elections in 2000 was hailed as a historic landmark for Chinese democracy and signified that Taiwan was now potentially a consolidated democracy.

Taiwan's democracy went beyond just conducting free and fair elections. Compared to other new democracies, it had strong and institutionalized political parties. Moreover, in the competitive multi-party system there was intensive electoral debate over political issues. Content analysis of election advertising showed the issue-rich nature of political communication, and surveys revealed that voters were highly knowledgeable about party positions on core issue cleavages (Fell 2005: 18-27). This electoral debate did force the government to address key policy areas of concern to the general public, such as creating a more equitable welfare system, tackling political corruption and working on environmental protection. Taiwan also maintained its impressive economic performance during the transition period, surviving the Asian Financial Crisis of the late 1990s relatively unscathed. This explains why a number of scholars wrote in the immediate-post-2000 period in glowing terms of the health of Taiwan's democracy (Wong 2004; Fell 2005: 2). Liberal democracy seemed to be working in Taiwan.

This article has two main objectives: First, I examine why Taiwan's democracy has been viewed more critically since its two ruling party changes in 2000 and 2008. Second, I discuss the major challenges facing Taiwan's democracy and some potential methods of dealing with them.

## Negative Appraisals after 2000

The 2000 presidential election was won by the Democratic Progressive Party (DPP), a party that had been a legal entity for little more than a decade and had only local government experience. In contrast, the losing Kuomintang (KMT) (Guomindang) had governed Taiwan since the end

of World War II and claimed credit for guiding the island through both its economic and political miracles.

Initially the change in ruling parties was greeted with a wave of optimism at home and abroad. However, appraisals of Taiwanese democracy began to grow more negative less than two years into the DPP presidency. The island was hit hard by its first economic recession in many decades, with negative growth in 2001 and record levels of unemployment. Taiwan also experienced its first taste of divided government, with the presidency and executive branch DPP controlled, but the KMT maintaining a parliamentary majority. This contributed to frequent legislative gridlock and the perception of poor government performance.

At the same time that cross-Strait economic ties were booming, the political stalemate with China remained as tense as it was under Lee Teng-hui (Li Denghui). Inflexibility on both sides of the Taiwan Strait meant that cross-Strait talks were not resumed under the DPP. Despite Taiwan's remarkable democratic achievements, it remained as isolated as ever, still shut out of the United Nations (UN) and officially only recognized by a handful of countries. Moreover, after the change of ruling parties, China continued trying to squeeze Taiwan's already limited international space.

The assassination attempt on the DPP's presidential candidate Chen Shui-bian (Chen Shuibian) on the eve of the 2004 election was a key turning point. During the second DPP term (2004-2008), Taiwan suffered from a number of serious political crises that severely undermined domestic and international faith in its democracy. A commonly employed KMT rally slogan in this period was "Democracy is dead in Taiwan" (Huang and Su 2004: 1). In the aftermath of the disputed election KMT supporters and politicians resorted to using political violence. In one particularly infamous case an opposition politician used a campaign truck to try to ram through the gates of the Kaohsiung District Court (Wu 2004: 3). Political parties also moved towards increasingly polarized positions and previously consensual policies became politicized. One such instance was the lengthy struggle to gain legislative approval for a US arms-procurement package, an issue that had long held cross-party support. The delay in passing the arms bill not only served to divide Taiwan internally but also damaged Taiwan-US relations. Economically, there was a slight recovery after 2003, but the Taiwanese government was forced to contend with the widespread perception among its citizens

that the economy was declining and causing the island to fall behind its Asian rivals.

However, the most serious crisis that Taiwan's democracy faced during this period was the series of political corruption scandals that emerged after 2005. These scandals involved a number of leading DPP politicians, including Chen himself. In response, 2006 saw the huge anti-corruption Red Shirt demonstrations and attempts to impeach Chen. These developments, particularly in the DPP's second term, caused the population to lose trust in Taiwan's democratic institutions: In the 2006 East Asia Barometer (2009) survey, 41.2 per cent of Taiwanese respondents expressed dissatisfaction with how democracy was working in Taiwan. Even more worrying were responses to whether voters trusted key democratic actors. Only 31.5 per cent of Taiwanese respondents expressed holding trust in the president, 21.6 per cent trusted parliament, and an astoundingly low 17.6 per cent trusted political parties.

## The KMT Returns to Power

The KMT's landslide victories in the 2008 presidential and parliamentary elections brought a return to unified government. Ma Ying-jeou's (Ma Yingjiu) election was greeted with a similar degree of optimism to that seen when Chen first won in 2000. In the initial honeymoon period, Ma had high public approval rates. Moreover, his election helped to improve the reputation of Taiwanese democracy on the Chinese mainland. Taiwanese democracy under Lee and Chen was frequently dismissed as a joke by the Chinese Communist Party, which also verbally attacked the government for its tolerance of the Taiwan independence movement and political corruption. Such criticism from the Chinese government has been toned down in the new KMT era.

Ma's election should not be viewed as a defeat for Taiwan's independence or as a victory for Chinese nationalism. Although Ma's campaign did call for closer cross-strait economic ties, this was combined with an appeal to Taiwanese identity and an anti-corruption message. Ma's slogan of "No unification, no independence and no war" attempted to place the KMT at the moderate centre of Taiwanese politics. Naturally Ma's DPP rivals warned that a KMT victory would mean a return to authoritarian-era governance and that the KMT would sell out the country and move it towards unification with mainland China.

The new Ma administration has had the greatest impact on Taiwan's external relations. The term "external relations" refers to both Taiwan's international relations and its cross-Strait relations. For the first time in ten years, the semi-official cross-Strait negotiations have resumed, and agreements have been reached on a number of economic issues. Particularly notable developments have been the launch of regular flights between China and Taiwan and significant increases in the numbers of Chinese tourists visiting the island. A free trade deal known as the Economic Cooperation Framework Agreement (ECFA) was signed in June 2010. It is also hoped that Chinese students may be able to alleviate Taiwan's shortage of university students, and in the longer term optimists even talk of a cross-Strait peace agreement. Ma has taken a much more low-key approach to Taiwan's international space, in what the KMT calls its new "flexible diplomacy"; for instance, Taiwan has dropped its drive for full UN membership and now just campaigns to join certain, specialized UN bodies. Another feature is a so-called diplomatic truce, in which Taiwan has stopped trying to battle with China for formal diplomatic allies. Unlike Chen, Ma's administration hopes that closer cross-Strait relations will pay dividends for Taiwan's international space. Domestically, the KMT has been quite conservative compared to the DPP. In fact, other than a reorganization of administrative districts, there have not been any new domestic reforms of note in the first two years of KMT rule.

## Democratic Reversal under the KMT?

The sense of renewed optimism over the state of Taiwan's democracy that followed the KMT's return to power in 2008 was short lived. Public satisfaction with the performance of President Ma fell even more rapidly than that of Chen (TVBS Poll Center 2010). It has tended to hover between 20 and 30 per cent, reaching an all-time low of 16 per cent in August 2009. These are the kind of levels of public approval that Chen had for much of his second term. It is not surprising that the DPP has accused the KMT of reverting to authoritarian governing practices. Such claims are more than just sour grapes – Freedom House's 2010 *Freedom in the World* report downgraded Taiwan's civil liberties ranking from 1 to 2. This quote from the report reflects the increasing international concerns over the state of Taiwan's democracy:

In Taiwan, increased government efforts to enforce anticorruption laws were marred by flaws in the protection of criminal defendants' rights, and new legislation restricted the political expression of academics (Puddington 2010: 9).

Also reflective of this perception of democratic backsliding was US Senator Sherrod Brown's talk of Taiwan's democracy being "in peril" (Lowther 2009: 3). The idea of Taiwan moving away from liberal democracy has been reinforced by a string of remarks made by KMT leaders that praised Singapore's political system as something that Taiwan can learn from (Tseng 2008: 8).

## Explaining the New Sense of Pessimism over Taiwan's Democracy

So how could domestic and international views of Taiwan's democracy take such a negative turn after the optimism that followed Ma's election? A range of domestic and external variables have contributed to this change in perception. Like Chen in 2000, Ma's election campaign created unrealistic expectations of change, which meant it was almost inevitable that voters would soon become disillusioned.

Ma's administration was hit by the global credit crunch. This meant that his "6-3-3" election pledge of six per cent economic growth, three per cent unemployment and a 30,000 USD per capita income soon became an object of ridicule. In 2009 Taiwan once again suffered from negative economic growth, and unemployment reached its highest recorded level. There is also a widespread perception that the poverty gap is reaching unacceptable levels. It has become commonplace in the popular media to hear that Taiwan has become an "M"-shaped society, whereby the middle class is disappearing and upward mobility is no longer possible. It is ironic that while in opposition the KMT had mocked the DPP for blaming rising inequality and recession on global economic trends, but now that it is in power, the KMT has been using the same excuses. Although economic performance is not usually used to judge the quality of a democracy, Taiwan's recent economic problems have contributed to its citizens' growing pessimism over its political system. In fact, election results over the last two years suggest that economic voting is on the rise, as voters punish incumbents for perceived poor economic management.

One of the key election tactics the KMT employed to discredit the previous DPP regime was to accuse them of ineptitude in governance. However, the Ma administration has also suffered from a reputation of poor government efficiency, particularly in its handling of the Morakot typhoon disaster. It was in the aftermath of this disaster that Ma's public approval rate hit its record low of 16 per cent (TVBS Poll Center 2010). A symptom of this dissatisfaction with the government's performance came when Ma finally succumbed to public opinion and reluctantly dismissed his first premier and cabinet in autumn 2009 (Wang and Ko 2009: 1).

A notable feature of the new administration has been an attempt to clear up the political corruption cases left over from the DPP era, with a large number of former government officials investigated or indicted on corruption charges. Naturally the case with greatest media attention was the trial of the former president Chen Shui-bian (Chen Shuibian). At the first trial, Chen received a life sentence for corruption, money-laundering and misuse of state funds. While many of Chen's former supporters accept that he is probably guilty of some of the charges, frequent instances of judicial bias have undermined the legitimacy of the conviction. For example, prosecutors frequently leaked confidential information to the press, and there was obvious partisan interference in the selection of the presiding judge. There are also accusations, both domestically and internationally, that the KMT has been engaging in a witch-hunt against former DPP government officials. These problems were highlighted in a series of open letters to Taiwan's president and minister of justice, signed by respected scholars of Taiwan abroad, that criticized the judicial malpractice (*Taipei Times* 2009: 8). These instances of judicial bias were central to Freedom House's downgrading of Taiwan's civil liberties scores.

Another area of concern has been how the new administration handles political protests. This was particularly evident in the almost martial law-style handling of protests against the Chinese envoy Chen Yun-lin (Chen Yunlin) in November 2008. In an attempt not to upset their Chinese guest, the Taiwanese police forcibly confiscated Republic of China flags from protestors and even closed down a record store playing patriotic Taiwanese music near Chen's hotel. In response to the handling of the demonstrations, a new, student-led social movement known as the Wild Strawberry Student Movement emerged. Its main demand was a reform of the parade and assembly law provisions, which mandate police permission for any demonstration (Taiwan Wild Strawberries Movement 2010).



A number of the KMT's critics have claimed that closer relations with China are undermining Taiwan's democracy. For instance, US scholar Richard Kagan writes:

How can a democratic country be so blind as to seek close relations with a government that is one of the most authoritarian societies in the world? Who will benefit? Which is the likelier scenario—that China will force Taiwan to become less free, or that Taiwan will help China become more democratic? (Kagan 2009: 8).

Whether or not Taiwan's rapprochement with China and more low-key international approach have undermined both support for the government and the strength of Taiwan's democracy is still an open question. It is true that Chen Yun-lin's (Chen Yunlin) visits have incited quite large demonstrations; however, most of the initial agreements with China were fairly consensual. Public opinion in Taiwan on cross-Strait ties tends to be more moderate than that of its elites, thus a backlash is more likely if the government attempts to move too radically, for example if mainland Chinese labour is allowed to enter Taiwan. We need more empirical evidence in order to draw an accurate conclusion on the relationship between warmer cross-Strait ties and the quality of Taiwan's democracy. However, it is more likely that the Taiwanese share a sense of disappointment that cross-Strait economic liberalization was not the economic panacea that the KMT had promised while in opposition.

Another factor that has led to questioning the quality of Taiwan's democracy has been the KMT government's approach towards the media. Instances of particular concern included police violence against journalists during the Chen Yun-lin (Chen Yunlin) visit and government interference in Public Television Service, Radio Taiwan International and the Central News Agency. For instance, there were reports of the government placing pressure on Radio Taiwan International to stop news reports critical of the Chinese Communist Party (Shih 2008: 3). Such developments were criticized in reports from Reporters without Borders (2008) and Freedom House (2009). In fact, the *Freedom of the Press 2009* report saw Taiwan fall in its world ranking and press-freedom rating (Freedom House 2009).

## Looking to the Future: Democratic Challenges

As we look to the future, Taiwan's democracy faces a number of critical political challenges. How Taiwan deals with these challenges will deter-

mine whether it regains its status as a model Asian liberal democracy or moves closer to an authoritarian semi-democracy.

## Reform of the Electoral System

Taiwan's constitutional reforms in 2005 established a new electoral system which halved the number of legislators from 225 to 113 and replaced the old system of mainly multiple-member districts with single-member districts. The new system was first used in the 2008 legislative elections and contributed to the KMT's landslide victory. The KMT was able to win almost three-quarters of the seats with just over 50 per cent of the vote; the DPP gained less than a quarter of the seats with almost 40 per cent of the vote. This is in stark contrast to the relatively proportional distribution of seats to votes under the old system. Another drawback of the new electoral system is that it has limited the space for smaller parties. While third parties had won 15 to 20 per cent of the seats under the old system, they failed to win a single seat in 2008. Though the People First Party (PFP) won one seat and the Non-Partisan Solidarity Union (NPSU) won three seats, in practice both operate as branches of the KMT. For instance, PFP politicians were elected as KMT candidates in a number of districts and on its proportional-representation list. Similarly, the NPSU is no more than a loose grouping of politicians allied to the KMT, and the KMT chose not to nominate candidates to stand in districts contested by the NPSU. Thus Taiwanese voters are restricted in their political choices to only two parties. Another lesson of the post-2000 period was the need for presidential run-off elections where the leading candidate failed to gain over 50 per cent of the vote. This kind of reform could prevent a recurrence of the limited legitimacy from a president elected on less than 40 per cent of the vote. (This was the case when the DPP's Chen had won the presidency in 2000 with only 39 per cent, while two rival KMT candidates shared almost 60 per cent.) All three electoral system problems have contributed to a sense of political disenfranchisement among Taiwanese. Currently the KMT government has the ability with its legislative majority to start genuine and necessary political reform that could raise the proportionality of the system and actually strengthen the legitimacy of Taiwan's democracy. However, whether it has the will to do so is more questionable, as some of these constitutional reforms would not only be opposed by China but would also curtail the KMT's own domination.

## Reviving Political Consensus

One of the major successes of the Lee Teng-hui (Li Denghui) era was not only the ability to achieve radical and progressive political reforms but to do so in a gradual and consensual manner. Key manifestations of this were the constitutional conventions of 1990 and 1996, which set the tone for the constitutional reforms that made Taiwan's political institutions democratic. The ability to create cross-party consensus was largely lost in the era of polarization under the DPP and has not yet been revived under Ma. The KMT's current, overwhelming parliamentary majority allows it to ignore the opposition and public opinion. This has been particularly apparent in its handling of Taiwan's controversial relations with China and has contributed to the sense of political alienation in the opposition camp. The KMT should take opposing views into consideration, particularly in the case of policies related to Taiwan's external relations. The first step in this direction would be to establish a cross-party, consensus-seeking convention to examine cross-strait and international relations. Such a move, if successful, would strengthen the internal and external legitimacy of Taiwan's democracy. Recently we have seen mixed signals regarding the KMT's willingness to consider divergent opinions on these issues. Ma's recent televised debate with the DPP chairwoman over the ECFA was a positive move. However, the blocking of an opposition-proposed referendum on the ECFA revealed the limits of KMT flexibility. Of course the KMT's current majority allows it to continue to ignore dissenting views, but this will only serve to alienate the opposition further.

## Getting the Right Balance between Cross-Strait and International Relations

One of the greatest challenges for any Taiwanese government is to find the right balance between improving cross-strait relations and promoting Taiwan's international space. Taiwanese voters expect their government to strive for international recognition and dignity. However, if the international relations are pushed too far, China will perceive it as a move towards Taiwanese independence and cross-strait relations will deteriorate. (This is what happened in 1995-1996 when China used missile tests off the Taiwan coast to punish Lee Teng-hui (Li Denghui) for his US visit.) On the other hand, if cross-strait relations are prioritized it is possible that Taiwan's sovereignty and national security will be threatened.

The accusation that Ma's opponents have consistently made is that Taiwan's compromises to China have not actually brought any tangible international benefits to Taiwan and have set the nation on a course towards unification with China. Though this accusation may be exaggerated, Ma's regime has downgraded international relations compared to cross-strait relations. This was apparent in a recent survey that found only one per cent of voters could actually name the current minister of foreign affairs, while the mainland affairs council minister was one of the most well-known cabinet members (*Zhongguo Shibao* 2009).

While both the Lee and Chen administrations had placed priority on international recognition, Ma has argued that cross-strait agreements can help Taiwan expand its international space. For instance, he has stated that after signing an ECFA it will be much easier to begin negotiations with other states over free trade agreements. However, this linkage has recently been denied by Chinese officials.

After years of cross-strait stalemates and frequent threats of Chinese military invasion, the recently improved cross-strait relations have brought about a welcome reduction in tensions. However, Ma must move cautiously before signing on to more controversial cross-strait agreements, at least shelving such issues until domestic consensus is reached. Moreover, Taiwan must not neglect its international space. Thus it must ensure that it retains US support and international visibility. In short, for Taiwan's democracy to survive in the long term it needs both cordial cross-strait relations and external support.

## Diversified and Strengthened Party System

A strong democracy requires a diversified and strong opposition. Taiwan's opposition took a severe beating in 2008 and has taken a long time to recover: Under the leadership of the party's first female chairwoman, Tsai Ing-wen (Cai Yingwen), the DPP has gradually revived itself. It performed quite well in recent local elections and national by-elections, indicating that Taiwan is not moving towards a system dominated by one party. The DPP needs to re-create the kind of progressive anti-KMT alliance that it established in the 1990s in order to eliminate its reputation for corruption left by Chen Shui-bian (Chen Shuibian) and to find new political issues to campaign on and win new supporters. However, it does not yet look like a party ready to govern again. In other words, Tsai has been too cautious in her reforms. The last challenge that the DPP must face before it can once again become a viable, competitive party is

to find a more realistic set of China policies. Simply opposing China is not a feasible policy line for a ruling party in Taiwan. In the 1990s the DPP did hold successful China conferences that helped to set party policy. So far, Tsai has not had the courage to make this kind of move.

The KMT's parliamentary dominance means that it needs to reassure voters that it is not trying to revive old authoritarian methods and the party state. This requires dealing with some symbolic issues, but the KMT has the political strength to remove these relics of martial law. For example, the KMT's party flag is part of the national flag. Of course changing the national flag would be too controversial, but the KMT could change its party flag. In the most recent local elections there were again signs that the KMT was failing to clarify the division between party and state. For instance, the KMT directed military police – wearing KMT candidate campaign vests and caps – to perform crowd control at an opposition march during the 2009 elections (Hsu, Loa, and Mo 2009: 1). Another symbolic gesture towards authoritarianism under the KMT has been the renewed respect paid to former dictator Chiang Kai-shek (Jiang Jieshi). Under Chen Shui-bian (Chen Shuibian) the Chiang Kai-shek Memorial Hall was renamed the Taiwan Democracy Memorial Hall. After the KMT returned to power, Chen's attempt at transitional justice was reversed.

There is a high degree of dissatisfaction with the inability of both of Taiwan's leading parties to respond to public opinion. This is apparent in the alarmingly low levels of trust the Taiwanese have in political parties. Estrangement with mainstream parties is especially strong among younger voters. Shelley Rigger notes that:

young Taiwanese have little interest in the issue cleavages that provide the underlying logic for Taiwan's party system. This means that any party which can come up with ideas and strategies that mobilize young people has a chance to gain their support (Rigger 2006: 26).

What Taiwan really needs is more political options in the form of more viable political parties. For this to occur, in addition to the reformation of the electoral system, political entrepreneurship is needed. In other words, political stars are needed to find new cross-cutting issues to campaign on where the main parties have failed. Unfortunately, there are no signs of new political forces emerging to benefit from the current public dissatisfaction.

## Tackling Political Corruption and Creating A Fair Judicial System

Two final challenges for Taiwan's democracy are how to tackle political corruption and how to create a fairer judicial system. The corruption cases of the Chen Shui-bian (Chen Shuibian) era severely damaged Taiwan's political trust in its democratic institutions along with the international reputation of its democracy. Although the Ma regime has moved to clear up some of these DPP-era cases, it has been widely criticized for failure to follow judicial procedure and fairness. In the 1990s, KMT Secretary General Hsu Shui-teh (Xu Shuide) claimed that "the courts belong to the KMT" (*Taiwan News* 2008). Now the KMT is back in power, the party needs to promote genuine judicial reform to make sure that accusations of judicial bias are no longer justified.

Also, the KMT needs to clean up its own affairs. The seriousness of the corruption problem is evidenced by the series of KMT legislators that have had their 2008 elections disqualified due to vote-buying. Similarly, KMT politicians and supporters have dominated the vote-buying cases that are under investigation for the 2009 local elections (Huang 2009). Lastly, the KMT needs to deal with its party assets: This is the vast business and property empire that it accumulated under martial law, and that which gives the party a massive financial advantage in elections. Although the KMT has spoken of resolving its party-assets problem for a number of years, the party is still too reliant on these assets for campaign funds. Rather than selectively selling off these controversial assets, donating them to the state would be a more positive step in the direction of a level electoral playing field.

## Conclusion

Over the last three decades, Taiwan has gained a reputation for economic and political miracles. However, political developments since 2000 have eroded domestic and international confidence in the island's democracy. In this paper I have tried to explain the recent pessimism over its political system. The challenges that I suggest Taiwan's democracy faces today are a mix of new and old issues. In particular, I proposed that Taiwan needs to revise its electoral system, seek out political consensus, get a balance between cross-Strait and international relations, strengthen and diversify the party system, and create a fairer judicial system. A number of these challenges overlap with those raised by Shel-

ley Rigger in the late 1990s (Rigger 1998: 178-193). Whether Taiwan is able to maintain its status as a “beacon of democracy” will depend on how its voters and political elite deal with the key political challenges discussed here. Developments in Taiwan in the post-2008 period suggest that Taiwan’s political elite are not yet ready to embrace the kind of consensual politics that I have advocated here.

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