

**Democratic Consolidation or Electioneering Nationalism?**  
**The 2004 Taiwan Presidential Election and Its Implications\***

By

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## **Introduction: Election, Democratic Deepening, and Strategic Implications**

The year 2004 is the year of elections. While the race to the White House, with the possible subsequent change of personnel and policy directions regarding Iraq and the war against terror, is certainly important, the election dramas belong in Asia – home of several important “third-wave” democracies, to use Harvard scholar Samuel Huntington’s term.<sup>1</sup> India, Indonesia, Malaysia, the Philippines, South Korea, and Taiwan all have national elections to replace their executives or legislators.<sup>2</sup>

All these elections are doubtless landmark events in the evolution of democracy in that important world region where more than half of the mankind reside and where the U.S. seeks to advance its interests and values. However, only Taiwan’s (or Republic of China, or ROC, as it is officially known) March 20 presidential election and first-ever nationwide referendum entail high-stake international consequences involving two nuclear giants – the United States and the People’s Republic of China (PRC, or China).

Whereas Taiwan President Chen Shui-bian campaigned on a distinctive “Taiwan identity” and direct democracy as steps to deepen Taiwan’s democracy, China equated Chen’s electioneering with Taiwan independence, which it had vowed to crush with force. The U.S. eagerly sought to defuse a military conflict in the Taiwan Strait at a time when its resources were stretched thin by Iraq and the anti-terror war.

This article analyzes the election results and discusses the election’s implications for Taiwan and the larger triangular relationship among the U.S., China, and Taiwan and stability in the Taiwan Strait. A brief review of Taiwan’s democratization is in order.

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<sup>1</sup> Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman, OK: University of Oklahoma Press, 1991).

<sup>2</sup> A calendar of worldwide elections in 2004 can be found at the International Federation of Election Studies’ (IFES) *Election Guide*, <http://209.50.195.230/eguide/2004.htm>.

The 2004 election and referendum marked an important milestone in Taiwan's young democracy, which began in the late 1980s and early 1990s. In 1992, for the first time, all members of the Legislative Yuan were elected by the constituencies in Taiwan. In 1996, incumbent President Lee Teng-hui of the Kuomintang (KMT) won the first direct popular presidential election in the shadow of China's saber-rattling, which was opposed by the U.S.'s show of force. In the 2000 presidential election, Chen Shui-bian of the pro-independence Democratic Progressive Party (DPP) won with only 39.3% of the votes (thanks to a split in the KMT) and ended the KMT's 55-year rule in Taiwan.

The 2004 election marked only the third time that Taiwan voters chose their head of state. The prospect for Chen's reelection appeared bleak in 2003. Rather than facing a divided opposition as in 2000, this time Chen faced a united Pan-Blue ticket, consisting of Lien Chan, Chairman of the KMT, who polled 23.1% in 2000, and James Soong, Chairman of the People First Party (PFP), who garnered 37.6% in 2000 (see Table 1).

**Table 1: Presidential Elections Vote Shares by Parties**

	<b>1996</b>	<b>2000</b>	<b>2004</b>
<b>KMT*</b>	54.0	23.1	49.9
<b>DPP</b>	21.1	39.3	50.1
<b>Others</b>	24.9	37.6	

\* 2004, KMT-PFP alliance

Source: Taiwan Central Election Commission figures.

Moreover, the performance of his novice administration, ranging from the economy, to cross-strait relations or international space, was largely mediocre. Initially the Chen administration blamed the intractable opposition and the downturn in international markets for his problems. However, as time went on, voters became less sympathetic with his claims. The Pan-Blue's election strategy thus sought to capitalize on Chen's weakness and present itself as a more experienced alternative.

Chen's reelection bid appeared to suffer a further blow when U.S. President George Bush publicly rebuked him in front of the visiting Chinese Premier Wen Jiabao on December 9, 2003. Bush declared:

The United States government's policy is one China, based upon the three communiqués and the Taiwan Relations Act. We oppose any unilateral decision by either China or Taiwan to change the status quo. And the comments and actions made by the leader of Taiwan indicate that he may be willing to make decisions unilaterally to change the status quo, which we oppose.<sup>3</sup>

Chen had called for a "defensive referendum" on relations with China to be conducted on the same day of the presidential election as a precedent for deciding on a future new constitution in 2006, which will be promulgated in 2008. China viewed his proposal as a dangerous precursor to declaration of Taiwan independence. The U.S. also feared that the situation could become out of control and sought to rein in Chen.

Consequently, most analysts, including the respected *Economist Intelligence Unit*, wrote him off, and most polls, except the DPP internal polls, predicted a Pan-Blue win.

However, the resilient Chen proved everybody wrong. He won a second term by a mere 0.2% (50.1% vs. 49.9%), or 29,518 votes out of a total of 12.91 million votes cast (the voter turnout was 80.3%).<sup>4</sup> The Pan-Blue challenged the results on the street and in the court. They questioned the suspicious circumstances surrounding the election-eve shooting incident, which slightly injured Chen and his running mate Vice President Annette Lu, and the large number of ballots counted as invalid.

Most analysts believe that a court-ordered recount will reaffirm the results. But how can Chen's improbable victory be explained?

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<sup>3</sup> The White House, "President Bush and Premier Wen Jiabao Remarks to the Press," available at <http://www.whitehouse.gov/news/releases/2003/12/20031209-2.html>.

<sup>4</sup> Central Election Commission (Taiwan) figures, <http://210.69.23.182/cec/index.php>.

## Explaining the Improbable?

Chen's victory in 2004 was significant. Whereas critics argued that his victory in the last election was due to luck and lacked mandate, he now received a majority in a two-way race. When Lien and Soong joined hands in early 2003, polls showed Chen trailing by 15-20%. Yet, as the election ended, he gained 10.8%, or 1.49 million, more votes than last time. What explain his dramatic comeback?

The most important reason was that Chen ran an excellent campaign. His strategy focused on appropriating the so-called Taiwan identity (or Taiwan-first consciousness) [*taiwan zhuti yishi*] and controlling the agenda. Table 2 shows that a clear cultural revolution has occurred on Taiwan's political scene during the past decade – contemporaneous of Taiwan's democratization. More and more people identify themselves as “Taiwanese” or “both Taiwanese and Chinese.” Between 1992 and 2003, those who identified themselves as “Chinese” dropped from 26.2% to 7.7%, whereas those who identified themselves as “Taiwanese” rose from 17.3% to 43.2% -- all-time high and even higher than “both Taiwanese and Chinese” (Table 2).

**Table 2: National Identity Distributions (percentages)**

Select poll dates	I am Taiwanese	I am both Taiwanese and Chinese	I am Chinese	Missing Data*
Jun 1992	17.3	45.4	26.2	11.0
Jun 1996	23.1	50.9	15.8	10.2
Jun 2000	36.9	43.8	13.1	6.2
Dec 2001	43.2	41.8	10.3	4.7
Dec 2003	43.2	42.9	7.7	6.3

\* Missing data include “do not know,” “no response,” etc.

Source: National Chengchi University Election Study Center data.<sup>5</sup>

<sup>5</sup> See You Ching-hsin, “Several Observations After the 2004 Presidential Election,” <http://iir.nccu.edu.tw/pdf/paper2004.htm>, accessed May 9, 2004.

In other words, in Taiwan, the process of democratization [*minzhu hua*] has been accompanied by a cultural movement -- indigenization [*bentu hua*]. Cultural practices such as the increased emphasis of Taiwanese, rather than Chinese, history and geography in textbooks, the increased use of Minnan in daily discourse and political campaigning, and other moves aimed at desinification [*qu zhongguo hua*], such as the so-called *zheng-ming* [rectification of name] campaign, as well as a shared memory that was partially shaped by the PRC's intimidation and oppression, all gave rise to a new identity -- Taiwanese (which naturally saw "Chinese" as the opposing "other") -- that became the psychological foundation for a nascent new nation -- Taiwan -- an "imagined community," to use Benedict Anderson's analogy.<sup>6</sup>

Chen's strategy reflected his understanding of two basic premises: (1) The 2004 election is not just about democratic consolidation; it also marks a step forward in nation-building. (2) The electorate supports the party that embodied this Taiwan identity.

Chen believed that the DPP's 1999 Resolution on Taiwan's Future [*taiwan qiantu jueyiwen*] captured the sentiment or awareness of most people on Taiwan and the main ideas of the document have become mainstream values in Taiwan. Many of his actions appeared to have been guided by the resolution.

The resolution maintains that as a result of Taiwan's political reform and democratic elections since the mid-1980s, to which the DPP has contributed, Taiwan "has in reality already become a democratic independent country." It asserts that Taiwan is a sovereign independent state whose territory extends only to Taiwan, Penghu, Jinmen,

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<sup>6</sup> Benedict Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (London and New York: Verso, 1991).

Mazu, and associated islands and their adjacent waters. “Taiwan, although its name is the Republic of China according to the current constitution, does not belong to the PRC” and “any alteration of this separate status must be decided by all the inhabitants in Taiwan through a referendum (*gongmin topiao*).”<sup>7</sup>

Having established his party as a “Taiwan-first” party and branded the Pan-Blue as “China-first,” Chen seized the agenda from the opposition: “one country on either side of the Taiwan Strait,” referendum, new constitution, etc.; they all served to reinforce the Taiwan identity. The incumbent behaved more like a permanent campaigner.

Superior strategy notwithstanding, Chen’s campaign methodically worked to increase the votes for him and assigned numerical targets to the various regions on Taiwan’s political map. In geographic terms, victory requires (1) doing well in Southern Taiwan – the DPP’s traditional stronghold, (2) holding up in northern and central Taiwan – the Pan-Blue’s stronghold, and (3) making inroads into the Hakka communities. As it turned out, among Taiwan’s 25 local administrative divisions (counties / cities), the Pan-Blue won 13 (but many sparsely populated), and the DPP won 12 (including several most populous counties). Since the electoral system of Taiwan’s presidential election is first-past-the-post in the entire country as one single constituency, rather than the American-style electoral college, the more populous counties and cities that went to the DPP’s column helped catapult Chen to victory.

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<sup>7</sup> DPP, *Resolution on Taiwan’s Future* (in Chinese), obtained via <http://www.dpp.org.tw/>; also available at <http://www.future-china.org.tw/links/plcy/dpp/dpp19990509.htm>. Interestingly, the resolution also expresses the hope that “Taiwan and China should, through wide-ranging dialogues, seek deeper mutual understanding and reciprocal cooperation in trade and economics so as to establish a framework for peace that can help achieve long-term stability and peace between the two sides,” an idea he expounded in his May 20, 2004 inauguration speech.

In contrast to the superior strategy and charismatic candidate of the DPP campaign, the Pan-Blue suffered from weaker candidates (Lien was 69 and Soong was 61 – in contrast to the 53-year-old Chen, and many voters saw them as more interested in regaining power than enacting reforms), uncoordinated campaign organizations, and platforms that failed to excite imagination. For example, the Pan-Blue chose not to publish a white paper on cross-strait relations for fear of being attacked as pro-China by Chen. The Pan-Blue could never get traction on the identity issue with the voters.

Another factor was that as a result of former President Lee Teng-hui's joining the Taiwan Solidarity Union (TSU) – a DPP ally, he brought with him some of his 2000 supporters, who now voted for Chen.

Finally, there was the unexpected X-factor. In 2000, the last-minute endorsement by Dr. Lee Yuan-tse, a Nobel laureate and President of Academia Sinica, added 3-5% of the votes for Chen. This time, the election-eve shooting appeared to have swung quite a few “sympathy votes,” which might have accounted for the margin.

Meanwhile, the two controversial referendums<sup>8</sup> failed, as they did not reach the legal quorum (50% of all eligible voters). However, among those that picked up the referendum ballots, about 92% voted yes. Although the defeat of the referendums reduced Chen's luster somewhat, he gained by establishing an important precedent. The

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<sup>8</sup> The precise wordings of the referendums are: (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?” (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?”



defeat also gave Beijing partial victory, because the referendum, which Beijing feared would set a precedent for declaration of Taiwan independence, did not materialize.

### **Implications of the Election**

The election entails far-reaching implications for both Taiwan's domestic politics and external relations. The electioneering secured an improbable victory, but also a deeply divided society and a very nervous international community. Taiwan's young democracy is tested. That the Pan-Blue has not accepted the finality of the election casts a shadow over Taiwan's democratic consolidation in that it raises the question of whether democracy has become "the only game in town" in Taiwan.<sup>9</sup>

However, the domestic impact of the election may not be fully felt until after the December 2004 Legislative Yuan elections. As Table 3 shows, the KMT's seat shares have steadily declined over the last five elections. The DPP currently enjoys a plurality in the legislature and is expected to gain more seats (Table 3). If the DPP-TSU alliance enjoys a comfortable majority, it will certainly reduce the gridlock that is said to hamper DPP performance. This majority may even enable amendments to the Referendum Law<sup>10</sup> to permit the adoption of a future constitution through referendum, rather than the legislature.

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<sup>9</sup> For more extensive theoretical treatment of democratic consolidation and case studies, see Larry Diamond, Marc F. Plattner, Yun-han Chu, and Hung-mao Tien, *Consolidating the Third Wave Democracies* (Baltimore: The Johns Hopkins University Press, 1997).

<sup>10</sup> Although the idea of referendum was a DPP initiative, the Referendum Law passed on November 27, 2003 was based on the KMT version, which placed such high thresholds for the exercise of this right that it became practically impossible. The only exception was the so-called "defensive referendum" under Article 17, which the President could initiate when the country faced imminent threats to its sovereignty.

**Table 3: Legislative Yuan Seat Shares After Elections (Percentages)**

	<b>1989</b>	<b>1992</b>	<b>1995</b>	<b>1998</b>	<b>2001</b>
<b>KMT</b>	60.8	53.0	46.1	46.4	28.6
<b>DPP</b>	28.3	31.0	33.2	29.6	33.4
<b>NP</b>			13.0	7.1	2.6
<b>PFP</b>					18.6
<b>TSU</b>					7.8
<b>Others*</b>	10.9	16.0	7.8	17.0	9.1

\* Small parties and independents

Source: Central Election Commission data.

The Pan-Blue alliance, formed to defeat the common enemy, faces uncertain future. Will Lien and Soong step aside in favor of younger leaders such as Taipei Mayor Ma Ying-jiou and Legislative Yuan Speaker Wang Chin-ping, who stand a better chance against the DPP? Will the KMT and the PFP merge as one party? Although Lien recently announced such a proposal, many rank-and-file KMT members opposed it for fear that a union with the PFP might drive “the Light Blues” (moderate Taiwanese leaning toward the KMT) to the TSU or the DPP.

In the medium run, the concern is whether Chen, now with a majority of voters behind him and free from pressure for reelection, may push ahead his constitutional referendum proposal as his legacy.

This prospect causes deep concerns for the U.S., China, and other countries in the Western Pacific, such as Japan, that it may trigger military actions by the PRC, which in turn will most likely lead to U.S. military intervention.

In the most explicit exercise of “preventive diplomacy” regarding Taiwan, the U.S. got tough with Taipei in the weeks prior to Chen’s inauguration on May 20, impressing on it that it is not moving toward independence, or risk losing American

support.<sup>11</sup> Assistant Secretary of State for East Asian and Pacific Affairs James A. Kelly warned, “Our efforts at deterring Chinese coercion might fail if Beijing ever becomes convinced Taiwan is embarked on a course toward independence and permanent separation from China, and concludes that Taiwan must be stopped in these efforts.” He also said that the U.S. strongly supports Taiwan’s democracy, but does not support Taiwan independence. “A unilateral move toward independence will avail Taiwan of nothing it does not already enjoy” and could destroy Taiwan’s hope for the future. Kelly also characterized PRC’s strong statements as “empty threats” as “irresponsible.”<sup>12</sup>

On May 17, the PRC’s Taiwan Affairs Office (TAO) issued a stern statement, warning that China would “thoroughly crush” any plot to split Taiwan from China but also dangling incentives, such as three links, military confidence-building, and Taiwan’s “international space” – all under the “one China” principle.<sup>13</sup> The U.S. condemned the bellicose language of threat of use of force, but also noted the positive elements.<sup>14</sup>

All eyes were on Chen’s inaugural speech – to heal domestic wounds, repair relations with the U.S., and reach out to China.

In his May 20 inaugural speech, “Paving the Way for a Sustainable Taiwan,” President Chen addressed many of U.S. concerns and moved to ease tensions with

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<sup>11</sup> Susan V. Lawrence, “Taiwan – Bush to Chen: Don’t Risk It,” *Far Eastern Economic Review*, May 20, 2004, p. 28.

<sup>12</sup> James A. Kelly, “Overview of U.S. Policy Toward Taiwan,” testimony at the U.S. House International Relations Committee, April 21, 2004, <http://www.state.gov/p/eap/rls/rm/2004/31649pf.htm>.

<sup>13</sup> “On the Eve of May 20, the CCP Issued Formal Statement” (in Chinese), *The China Times*, May 17, 2004.

<sup>14</sup> Press Briefing by Scott McClellan, White House Spokesman, May 19, 2004, <http://www.whitehouse.gov/news/releases/2004/05/print/20040519-8.html>.

China.<sup>15</sup> Stressing peace, reconciliation, and the need for pragmatic steps to improve ties between the two sides, the speech was in sharp contrast to the harsher tone Chen adopted in the months before his narrow March reelection. Instead of fulfilling his pledge to replace Taiwan's constitution, enacted in 1947 in China, with one he would seek to have sanctioned by referendum in 2006, he proposed a constitutional reengineering project, which would be aimed at improving governance and would exclude issues related to sovereignty, territory, or independence. Saying he would "not exclude any possibility" concerning future relations, he reaffirmed the "principles and pledges" unveiled in the 2000 inaugural speech – implying a continuation of the Five Noes policy, provided China refrains from the use of force. The U.S. calls Chen's remarks "responsible and constructive," which create "an opportunity" for Taipei and Beijing to restore dialogue.<sup>16</sup>

In its first official response to Chen's speech, China's TAO spokesman Zhang Mingqing said that Beijing would pay more attention to what Chen actually does than what he says. Zhang also accused Chen for failing to recognize the one China principle; hence, the root cause of tensions in the Taiwan Strait has not been eliminated.<sup>17</sup>

Right after Chen won reelection, gloom permeated Beijing's agencies dealing with Taiwan affairs. Many government-linked scholars argued that reunification could henceforth only be achieved through non-peaceful means. Premier Wen recently disclosed that China was "seriously considering" enacting a Unification Law, which

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<sup>15</sup> An English text is available at <http://www.gio.gov.tw/taiwan-website/4-0a/20040520/2004052001.html>.

<sup>16</sup> The White House, Statement by the Press Secretary, May 20, 2004, <http://www.whitehouse.gov/news/releases/2004/05/20040520-21.html>.

<sup>17</sup> "TAO: The Key is to Watch What Chen Will Do in the Future," and "TAO: Chen's Speech Replete with Connotations of Independent Nation," *China Times*, May 24, 2004.

would legally mandate the use of force if Taiwan is perceived to be permanently separating from China. Despite these strong words, China seems to feel that its strategy of enlisting the U.S. to rein in Chen has achieved results. Thus, China will not take any immediate military action. For the foreseeable future, China's main concern will be to prevent Taiwan from declaring independence [*fang du*], rather than accomplishing unification [*cu tong*]. However, its policy of using military modernization to put pressure on Taiwan will continue.

### **Conclusion: Continued “Muddling Through”?**

The geopolitical tensions caused by Taiwan's democratic exercise belies the fact that each side of the U.S.-China-Taiwan triangular relationship, while professing the utility of maintaining “the status quo,” pursues a different version of the concept.

China interprets the status quo to mean that there *is* only one China and Beijing owns sovereignty over Taiwan. Deploying missiles against a “renegade province” is an exercise of “sovereign right” – an “internal affair” that no other nations can interfere.

Taiwan's DPP sees the status quo as Taiwan is already an independent nation that has never been ruled by the PRC. The first referendum serves to express the popular will, deepen Taiwan's democracy, and has nothing to do with declaring “independence” it already possesses.<sup>18</sup>

To regain U.S. control over cross-strait relations, James Kelly asserts that the U.S. does not support unilateral moves that would change the status quo “*as we define it*” (emphasis added):

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<sup>18</sup> Vincent Wei-cheng Wang, “Taiwan and the Status Quo,” *New York Times*, February 17, 2004, p. A22.

For Beijing, this means no use of force or threat to use force against Taiwan. For Taipei, it means exercising prudence in managing all aspects of cross-strait relations. For both sides, it means no statements or actions that would unilaterally alter Taiwan's status.<sup>19</sup>

Although the U.S. has *acknowledged* the position of the two sides of the Taiwan Strait (the 1972 Shanghai Communiqué) or the Chinese position (the 1978 normalization communiqué) that Taiwan is a part of China, the U.S. has carefully avoided stating its own position regarding Taiwan's status since the early 1950s, when President Truman dispatched the Seventh Fleet into the Taiwan Strait and declared that Taiwan's status was unsettled.

The obsession with maintaining the status quo, without taking into account new realities on the ground (e.g., Taiwan's democratic development and new national identity), exemplified by Kelly's formula, reflects a desire to continually *manage*, rather than resolve, the Taiwan issue.

However, U.S. policy makers must realize that self-determination is often the natural external extension of democracy. Taiwan's elections as a nation-building process will continue. While the hitherto equating democratization with Taiwanization and desinification portends adverse security implications, Taiwan's identity-formation is a work in progress, in which "Chineseness" can play an integral part. This requires Beijing to differentiate between "cultural China," which Taiwan can be a part, and "political China," which Taiwan can also belong – but only through free choice.

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<sup>19</sup> Kelly, "Overview of U.S. Policy Toward Taiwan," see note 12.