

The Origins and Consequences of Electoral Reform in Taiwan

JOHN FUH-SHENG HSIEH

Taiwan adopted a new electoral system in 2005, and the new mixed-member majoritarian system was first used in the Legislative Yuan election of January 2008. As might be expected, the new system benefits the large parties, particularly the largest one, at the expense of the small parties. Indeed, the Kuomintang (KMT) emerged as the main beneficiary of the new system. And given the relative stability of the cleavage structure underpinning the party configuration in Taiwan, as long as the electoral system remains intact the KMT may continue to dominate Taiwan's electoral politics, particularly parliamentary elections, in the years to come unless something drastic (e.g., a split in the party) takes place.

KEYWORDS: single-member district plurality system; proportional representation; single nontransferable vote; mixed-member majoritarian system; national identity.

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In June 2005, Taiwan changed its electoral system for Legislative Yuan (parliament, 立法院) elections from the single nontransferable vote (SNTV) to the mixed-member majoritarian system

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*The author would like to thank Professors Ching-ping Tang and Shelley Rigger, as well as three anonymous reviewers for their helpful comments and suggestions.

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consisting of single-member district (SMD) plurality rule and list proportional representation (PR). Under the new system, there are 113 seats available, out of which 73 (64.6 percent) are elected from SMDs and 34 (30 percent) by PR. There are also six aboriginal representatives elected from two three-member districts using the old SNTV system. The new system was first used in the Legislative Yuan election of January 2008.

Different electoral systems affect election results in different ways. The purpose of this paper is to look into the reform process, in particular the implications of such a reform for the various political forces in Taiwan. In the first section, a few words will be said about electoral systems in general and how they affect the number of political parties. This will be followed by a section on the rationale for electoral reform in Taiwan. The third section discusses how electoral reform came about. In the fourth section, the results of the 2008 Legislative Yuan election will be examined. The puzzling behavior of the Democratic Progressive Party (DPP, 民進黨) under the new system will then be explored. The sixth section is a conclusion.

Electoral Systems and the Number of Political Parties

Most democratic societies have adopted either the SMD plurality system or PR for the election of their legislators. Under the former, each constituency elects only one representative, each voter can vote for only one candidate, and the candidate who obtains the most votes, not necessarily a majority of votes, gets elected. Under the latter, voters vote primarily for lists of candidates provided by political parties and the seats are distributed proportionally in accordance with the vote shares received by the parties. The former is common among Anglo-American countries, and the latter in Continental Europe and Latin America.

Although these are the most popular types of electoral rules, others do exist, and there are many variants of SMD plurality and PR systems. The SNTV, for example, in which each voter has only one vote in multimember districts, and those candidates with the most votes get elected, has been

used in Japan, South Korea, and Taiwan.

As is widely acknowledged in the literature, the SMD plurality system will lead to two-party competition, except for situations in which support for a third party or parties is concentrated in certain districts, as in the case of the Bloc Québécois in Québec, Canada, or when the dominant party is the Condorcet winner (the winner of any pairwise comparison) in different districts, as in the case of India's Congress Party in the old days. This is what William H. Riker formulated as Duverger's Law.¹

That such a system may lead to two-party competition has something to do with the fact that voters may be engaged in strategic voting. Since there is only one seat available, if a voter senses that his candidate is trailing behind two others, he may desert his candidate and vote for the lesser evil of the two leading candidates so as not to waste his vote and contribute to the victory of his least preferred candidate. However, this account focuses on a single district. If social cleavages cut across almost all districts nationally in a similar way, a national two-party system may develop. However, if social cleavages cut differently in different regions of the country, different two-party systems may develop in different parts of the country. This would produce a more-than-two-party system nationwide, as in the case of Canada.

Of course, this is not the only reason for the emergence of two-party competition under this system. It also "encourages parties which repeatedly lose to merge with each other so as to capture a combined total of votes larger than the total received by the party which repeatedly wins."² Politicians who are ambitious would, under normal circumstances, join one of the major parties—often just two—so as to achieve their dreams. Donors would similarly donate money to those who stood a good chance of winning. All these factors would normally converge to produce two-party competition in a district, and if social cleavages cut across almost all

¹William H. Riker, "The Two-Party System and Duverger's Law: An Essay on the History of Political Science," *American Political Science Review* 76, no. 4 (December 1982): 753-66.

²Anthony Downs, *An Economic Theory of Democracy* (New York: Harper & Row, 1957), 123-24.

districts in a similar way, a national two-party system may be formed.

Given the winner-takes-all nature of such a system, it often gives the large parties, particularly the largest one, huge bonuses (i.e., the degree by which their seat share exceeds their vote share in elections). This is what Maurice Duverger called the mechanical factor, said to contribute to the emergence of a two-party system under the SMD plurality rule.³

The PR system is very different. As long as a party is able to obtain a certain number of votes, it can gain seats. As a consequence, voters tend to stick to the party they prefer and parties/politicians tend to act likewise. A multiparty system may thus emerge. Nevertheless, it should be noted that electoral systems do not create parties. It is social cleavages based on class, religion, rural-urban differences, regionalism, environmentalism, and so on, that bring about the emergence of political parties.⁴ However, under the SMD plurality system, many parties may be wiped out if they are not large enough, but under PR, quite a few may survive. It is conceivable that, in some societies, social cleavages are aligned in such a way that only two parties emerge, then even under PR there will only be two major parties. Austria was such a case until recently. For this reason, Riker called the statement that PR is closely tied to multiparty systems Duverger's Hypothesis.⁵

SNTV is an interesting electoral system. It uses the plurality rule in the same way as the SMD plurality system does. The major difference between the two systems is that the former is applied to multi-member districts. Thus, the SMD plurality system and SNTV can be viewed as being on a continuum from SMDs to multi-member districts. Generally, if V stands for the total valid votes in a district and M for the district magni-

³Maurice Duverger, *Political Parties: Their Organization and Activity in the Modern State*, translated by Barbara North and Robert North (London: Methuen, 1954).

⁴Seymour M. Lipset and Stein Rokkan, "Cleavage Structures, Party Systems, and Voter Alignments: An Introduction," in *Party Systems and Voter Alignments: Cross-National Perspectives*, ed. Seymour M. Lipset and Stein Rokkan (New York: The Free Press, 1967), 1-64; and Russell J. Dalton, *Citizen Politics: Public Opinion and Political Parties in Advanced Industrial Democracies*, fifth edition (Washington, D.C.: Congressional Quarterly Press, 2008).

⁵See note 1 above.

tude (i.e., the number of seats available in the district) then any candidate who is able to garner $V/(M + 1) + 1$ votes will be assured of winning. For example, in an SMD plurality system, any candidate who is able to win half of the vote plus one cannot be defeated; in a two-member district, it is one-third plus one, and so on. Thus, the larger the district magnitude, the smaller the proportion of the vote needed to ensure winning.⁶ A minority group supported by, say, 20 percent of the population may be unable to win in an SMD, but may do reasonably well under SNTV, particularly in large districts.

In general, the SNTV system can attain a certain degree of proportionality. Although as in any other type of electoral system, the large parties, particularly the largest one, may enjoy some bonuses, these bonuses are generally not very large, and will be smaller in larger districts.⁷

Indeed, if all the political parties are able to nominate an optimum number of candidates and to allocate the votes evenly among their candidates, the results are equivalent to what may be obtained by PR's d'Hondt highest average system.⁸ Of course, not all political parties can achieve that all of the time, and the results under an SNTV system may thus be less proportional than those under a pure PR system. However, SNTV can still exhibit a certain degree of proportionality under normal circumstances.

It has been shown that under SNTV, the number of viable candidates who stand a good chance of getting elected (see more specific definitions in the following discussion) often converge to $M + 1$ which reflects the room available to candidates from, in particular, the small parties.⁹ Gary

⁶Cf. Arend Lijphart, Rafael Lopez Pintor, and Yasunori Sone, "The Limited Vote and the Single Nontransferable Vote: Lessons from the Japanese and Spanish Examples," in *Electoral Laws and Their Political Consequences*, edited by Bernard Grofman and Arend Lijphart (New York: Agathon, 1986), 154-69.

⁷Gary W. Cox and Emerson M.S. Niou, "Seat Bonuses under the Single Nontransferable Vote System," *Comparative Politics* 26, no. 2 (January 1994): 221-36; and John Fuh-sheng Hsieh, "The SNTV System and Its Political Implications," in *Taiwan's Electoral Politics and Democratic Transition: Riding the Third Wave*, ed. Hung-mao Tien (Armonk, N.Y.: M.E. Sharpe, 1996), 193-212.

⁸Gary W. Cox, "SNTV and d'Hondt Are Equivalent," *Electoral Studies* 10, no. 2 (June 1991): 118-32.

⁹Steven R. Reed, "Structure and Behavior: Extending Duverger's Law to the Japanese Case,"

W. Cox tries to generalize this by proving that if voters are able to coordinate their strategies, the $M + 1$ result may prevail; otherwise, the number of viable candidates may exceed $M + 1$.¹⁰ The former is called Duvergerian equilibrium, and the latter non-Duvergerian equilibrium. The distinction between the two types of equilibrium is that when there is a clear gap between the first and the second loser, voters will engage in strategic voting by deserting the second loser and all others trailing behind because a vote for any of those losers will be a wasted vote. Voters will thus vote only for the top $M + 1$ candidates. Moreover, a vote for the leading candidate(s) who is sure of winning is also wasted, so voters will turn to others on the top $M + 1$ list. As a consequence, votes will be concentrated among the top $M + 1$ candidates, and each of those will receive an equal number of votes. This is the Duvergerian equilibrium. However, if the gap between the first and the second loser (or others trailing behind) is not clear, voters may continue to vote for the second loser, the third loser, and so on, and the number of viable candidates may exceed $M + 1$. This is the non-Duvergerian equilibrium.

It should be noted that Cox's proof of Duvergerian and non-Duvergerian equilibria is based on voters' strategic behavior. If we are interested in the party system, we need to take into account the candidates' or parties' entry decisions and the cleavage structure of the society.¹¹

Generally, it can be expected that a multiparty system will emerge under SNTV if social cleavages provide enough space for more than two political parties. This is particularly true in large districts. And this is what happened in Taiwan.

British Journal of Political Science 20, no. 3 (September 1990): 335-56; John Fuh-sheng Hsieh and Richard G. Niemi, "Can Duverger's Law Be Extended to SNTV? The Case of Taiwan's Legislative Yuan Elections," *Electoral Studies* 18, no. 1 (March 1999): 101-16; and Richard G. Niemi and John Fuh-sheng Hsieh, "Counting Candidates: An Alternative to the Effective N (with an Application to the $M + 1$ Rule in Japan)," *Party Politics* 8, no. 1 (January 2002): 75-99.

¹⁰See note 8 above; and Gary W. Cox, *Making Votes Count: Strategic Coordination in the World's Electoral Systems* (Cambridge: Cambridge University Press, 1997).

¹¹Cox, *Making Votes Count*, chapters 8-11.

The Case for Electoral Reform in Taiwan

Prior to the reform, the system for Legislative Yuan elections was essentially SNTV, although some seats were reserved for PR. In the 2004 Legislative Yuan election, for example, there were 225 seats available, out of which 168 were elected from territorial districts, each representing a city or a county, or in the case of large cities or counties, a part of a city or county. Most of these districts elected multiple representatives except for four small counties which returned one each. With 29 districts, the average district magnitude was 5.79. There were also eight seats reserved for aborigines, elected from two at-large districts. Including the aborigine districts, there were 176 seats elected from 31 districts, and the average district magnitude was 5.68. There were also 49 Legislative Yuan members elected by PR, representing a nationwide constituency and the overseas Chinese communities. However, voters did not have a chance to vote directly on the lists presented by the political parties; they could only vote in the territorial districts mentioned previously. And the votes received by the candidates of each political party in all territorial districts were aggregated to form the basis on which the PR seats were allocated proportionally among those parties with at least 5 percent of the total valid vote nationwide. Since the PR seats constituted only a small proportion of the total seats available, and voters had no chance to vote directly on the party lists, their political consequences were minimal.

In an interesting article entitled "Structure and Behavior: Extending Duverger's Law to the Japanese Case,"¹² Steven R. Reed argues that there is a tendency toward $M + 1$ (where M is the district magnitude) viable candidates under SNTV. He finds this pattern, but he also detects that there is a relatively long learning process before the electorate eventually converges on $M + 1$.

Reed does not answer the question about the number of political parties. Instead, he focuses on viable candidates and shows that the larger the

¹²Cited in note 9 above.

Table 1
Hypothetical Distribution of Votes among Five Candidates

Candidate	A	B	C	D	E
% Vote	45%	35%	10%	7%	3%

district magnitude, the larger the number of viable candidates. This may serve as the upper limit for the number of parties in the *district*.

There is one serious problem in Reed's analysis of the $M + 1$ rule in Japan; that is, the indicator he uses to count the number of viable candidates is defective. The indicator he adopts is the effective number of parties, a popular measure for counting the number of political parties in a country:

$$P = 1/\sum v_i^2,$$

where v_i is the i^{th} party's vote share.¹³ Reed applies the same indicator to count the number of viable candidates, where v_i becomes the i^{th} candidate's vote share in a district. The problem with using this indicator to count the number of viable candidates is that, with the same distribution of voters, it does not vary with the district magnitude. Suppose that there are five candidates running in a district, and their vote shares are shown in table 1. The effective number of viable candidates is 2.93. If this is a single-member district, 2.93 would be too high since Candidate C is hardly viable. Even in a two-member district, C still does not look like a possible winner. And if this is a three-member district, 2.93 may be too low since D is not that far behind C and should probably be regarded as viable in this context.

In John Fuh-sheng Hsieh and Richard G. Niemi's works on Taiwan and Japan, the authors devise two different indicators to count the number of viable candidates, one based on the Duvergerian equilibrium and the

¹³See Markku Laakso and Rein Taagepera, "Effective Number of Parties: A Measure with Application to West Europe," *Comparative Political Studies* 12, no. 1 (January 1979): 3-27. We can also use s_i , standing for the i^{th} party's seat share, if we are interested in the number of political parties in the legislature.

Table 2
Number of Viable Candidates Relative to District Magnitude in SNTV
Districts in Taiwan's Legislative Yuan Elections, 1986-2004, and in the
SMDs in the 2008 Election

Year	Number of viable candidates			Number of districts
	$\leq M$	$M + 1$	$\geq M + 2$	
1986	36.4%	18.2%	45.5%	11
1989	17.9%	64.3%	17.9%	28
1992	20.7%	58.6%	20.7%	29
1995	17.2%	55.2%	27.6%	29
1998	13.8%	48.3%	37.9%	29
2001	20.7%	27.6%	51.7%	29
2004	10.3%	41.4%	48.3%	29
2008	1.4%	98.6%	0.0%	73

Note: M is the number of seats available in a district. Viable candidates are defined as those obtaining more than $[1/(M + 1)]/2$ of the valid vote in the district.

other on the vote received by the M^{th} candidate.¹⁴ Viable candidates are defined either as those winning at least $[1/(M + 1)]/2$ of the total valid vote in a district or as those receiving at least 70 percent of the vote obtained by the M^{th} winner. These two indicators are somewhat ad hoc, but they do make more sense in counting the number of viable candidates.¹⁵

In both studies, the authors find that in Taiwan and in Japan, votes do tend to be concentrated among the top $M + 1$ candidates, more so than is indicated by Reed's analysis, and the learning period is a lot shorter than that presented by Reed. Furthermore, district magnitude may be very large—as large as 17—in Taiwan. It is found that, in very large districts, coordination is indeed a serious problem, and the number of viable candidates often exceeds $M + 1$.

In tables 2-5, I update Hsieh and Niemi's analysis on Taiwan by including the data for the 1998, 2001, and 2004 Legislative Yuan elections.

¹⁴See Hsieh and Niemi, "Can Duverger's Law Be Extended to SNTV?" 101-16; and Niemi and Hsieh, "Counting Candidate," 75-99.

¹⁵The two indicators function somewhat differently. See the discussion in *ibid.*

Table 3
Number of Viable Candidates Relative to District Magnitude in SNTV
Districts in Taiwan's Legislative Yuan Elections, 1986-2004, and in the
SMDs in the 2008 Election

Year	Number of viable candidates			Number of districts
	M	M + 1	$\geq M + 2$	
1986	45.5%	18.2%	36.4%	11
1989	32.1%	42.9%	25.0%	28
1992	6.9%	51.7%	41.4%	29
1995	24.1%	41.4%	34.5%	29
1998	13.8%	37.9%	48.3%	29
2001	17.2%	20.7%	62.1%	29
2004	24.1%	27.6%	48.3%	29
2008	39.7%	60.3%	0.0%	73

Note: M is the number of seats available in a district. Viable candidates are defined as those obtaining more than 70 percent of the vote won by the Mth-place candidate in the district.

Table 4
Number of Viable Candidates by District Magnitude in SMDs and SNTV
Districts in Taiwan's Legislative Yuan Elections, 1986-2004

District magnitude	Number of viable candidates			Number of districts
	$\leq M$	M + 1	$\geq M + 2$	
M = 1	18.2%	78.8%	3.0%	33
(M = 1 in 2008)	(1.4%)	(98.6%)	(0.0%)	(73)
M = 2	20.8%	62.5%	16.7%	24
M = 3	30.4%	52.2%	17.4%	23
M = 4	17.4%	52.2%	30.4%	23
M = 5-6	17.2%	31.0%	51.7%	29
M \geq 7	13.5%	21.2%	65.4%	52

Note: M is the number of seats available in a district. Viable candidates are defined as those obtaining more than $[1/(M + 1)]/2$ of the valid vote in the district. The figures refer to the number of viable candidates in 1986-2004 except those in parentheses which denote the number of viable candidates in SMDs in 2008.

At the time of the 1986 Legislative Yuan election, the DPP had just been formed, and voters were not well-informed about the new party, not to mention the fact that it was still illegal and was treated with hostility by the media which was mostly controlled by the ruling Kuomintang (KMT,

Table 5
Number of Viable Candidates by District Magnitude in SMDs and SNTV
Districts in Taiwan's Legislative Yuan Elections, 1986-2004

District magnitude	Number of viable candidates			Number of districts
	M	M + 1	$\geq M + 2$	
M = 1	57.6%	42.4%	0.0%	33
(M = 1 in 2008)	(39.7%)	(60.3%)	(0.0%)	(73)
M = 2	29.2%	58.3%	12.5%	24
M = 3	30.4%	43.5%	26.1%	23
M = 4	4.3%	60.9%	34.8%	23
M = 5-6	10.3%	27.6%	62.1%	29
M \geq 7	3.8%	11.5%	84.6%	52

Note: M is the number of seats available in a district. Viable candidates are defined as those obtaining more than 70 percent of the vote won by the M^{th} -place candidate in the district. The figures refer to the number of viable candidates in 1986-2004 except those in parentheses which denote the number of viable candidates in SMDs in 2008.

國民黨). The 1986 election results did not conform to the $M + 1$ rule as indicated in tables 2 and 3. However, election results converged to $M + 1$ soon afterwards, showing that the learning period was quite short. However, as can be seen in these tables, election results began to diverge from the $M + 1$ rule in 1998. In a majority or at least a plurality of cases since 1998, the number of viable candidates has been larger than $M + 1$. A very important reason for this is that since 1998, the average district magnitude has increased from slightly over 4 to 5.68. The creation of many large districts leads to serious coordination problems for voters engaging in strategic behavior.

Indeed, the $M + 1$ rule works quite nicely in relatively small districts, and in districts returning five or more seats there is a dramatic increase in the number of viable candidates (see tables 4 and 5). That is to say, Duvergerian equilibria can be expected in smaller districts, but probably not in larger ones.

One lesson from this exercise is that there is room for small parties under SNTV, particularly in large districts. Given that Taiwan is a divided society—divided along lines of ethnicity and national identity—allowing

small parties that reflect various positions on either side of the dividing line to have some say in the political process may not be a bad thing.¹⁶ After all, it is better for these political forces to fight in the legislature than in the streets.

However, there are serious problems associated with this type of electoral system, too. These problems result mainly from intraparty competition in elections. In a six-member district, for instance, the KMT may sense that it is able to win four seats, and it will thus nominate four candidates. The DPP may believe that it has a chance of winning three seats, and may thus nominate three candidates, and so on. Since the vote shares of these two parties are, under normal circumstances, relatively fixed, it can be expected that candidates from the same party will compete against each other for the same pool of voters. In fact, this kind of intraparty competition is more often than not fiercer than competition between the two parties. As voters make their choices, they often first determine which party to vote for, and then pick one out of several candidates from that party. Since the platforms of these candidates are likely to be similar, voters need to rely upon other cues to make their choices, including personal connections, pork-barrel projects, or even vote buying. Elections may thus become very personalized. In addition, since each party, in general, wants all its candidates to win, and often needs to show impartiality among its own candidates, these candidates may have to turn to other sources of support to compete against their co-partisans. Factions, big businesses, or even gangsters may be dragged into the process. Corruption may thus sneak in. Moreover, because a candidate may need only a small portion of the vote in the district to get elected, he or she may choose to take extreme positions to attract the support of certain groups of voters. In this way, radicalization may become a constant feature of political life. This is what happened in Taiwan.

For these reasons, there have been popular demands for electoral reform in Taiwan for quite some time.¹⁷ The DPP won the presidency by a

¹⁶John Fuh-sheng Hsieh, "Institutional Design for a Mildly Divided Society: The Case of Taiwan," *Issues & Studies* 42, no. 1 (March 2006): 81-102.

¹⁷John Fuh-sheng Hsieh, *Zhengdang bili daibiao* (Party-list proportional representation)

slim margin in March 2004, and in August of that year the Legislative Yuan passed a constitutional amendment bill introducing a mixed system à la Japan, which was ratified by the National Assembly in June 2005.

Moving Toward Electoral Reform

As stated at the beginning of this paper, the new system contains both the SMD plurality rule and PR. Close to two-thirds of the seats are elected by the former, and about 30 percent by the latter. Given the predominance of the SMD plurality rule in the new system, it may be expected to benefit the two large parties (the KMT and the DPP) at the expense of the smaller parties who had a better chance of survival under the old system. At first, as might be expected, the small parties were reluctant to accept the new rule. However, under pressure from many social groups, including the one led by Lin Yi-hsiung (林義雄), a former DPP chairman who is well-respected in many different quarters of society, and given the fact that they were simply too small to block the reform measures, many of the small parties finally gave up the fight.

Actually, the SMD plurality rule is not new in Taiwan. It has been used in elections for executive offices for many years, including elections for the president, the provincial governor, county magistrates, city mayors, and township chiefs. In these elections, particularly those for high-level offices, only candidates from the two major parties stand a good chance of winning under normal circumstances, and the small parties have found it very difficult to run successful campaigns.

One caveat: the vote shares of the two major political camps—the pan-KMT camp consisting of the KMT, the People First Party (PFP, 親民黨), and the New Party (新黨) on the one hand, and the pan-DPP camp including the DPP, the Taiwan Solidarity Union (TSU, 台灣團結聯盟),

(Taipei: Lilun yu zhengce zazhishe, 1992); and Wang Yeh-lih, *Woguo xuanju zhidu de zhengzhi yingxiang* (The political consequences of our country's electoral system) (Taipei: Wunan, 1996).

Table 6
Vote Shares of Major Political Parties in Legislative Yuan Elections, 1969-2008
 (%)

	KMT	DPP	NP	PFP	TSU
1969	76.0				
1972	73.9				
1975	79.4				
1980	73.7				
1983	73.1				
1986	69.2	22.2			
1989	60.2	28.2			
1992	53.0	31.0			
1995	46.1	33.2	13.0		
1998	46.4	29.6	7.1		
2001	28.6	33.4	2.6	18.6	7.8
2004	32.8	35.7	0.1	13.9	7.8
2008 (Dist.)*	53.5	38.2		0.3	0.9
(PR)*	51.2	36.9	4.0		3.5

*Non-Partisan Solidarity Union (無黨團結聯盟) received 2.4 percent and 0.7 percent of the vote in the district and PR parts of the election, respectively.

and the Taiwan Independence Party (建國黨) on the other—have remained quite stable. The pan-KMT camp's vote share declined over the years, but it has stabilized at somewhere between 45 and 50 percent of the total valid vote while the pan-DPP camp has been able to gain over 40 percent recently (see table 6). This stability is a result of stability in the distribution of voters on the national identity (independence versus unification) issue which is the main cleavage underpinning Taiwan's party structure, and there is no particular reason to believe that it will change drastically in the foreseeable future.¹⁸ That is to say, the pan-KMT camp will most likely continue to be the larger of the two. If this is the case, then the espousal of

¹⁸John Fuh-sheng Hsieh, "Continuity and Change in Taiwan's Electoral Politics," in *How Asia Votes*, ed. John Fuh-sheng Hsieh and David Newman (New York: Chatham House, 2002), 32-49. See also John Fuh-sheng Hsieh and Emerson M.S. Niou, "Measuring Taiwanese Public Opinion on Taiwanese Independence," *The China Quarterly*, no. 181 (March 2005): 158-68.

Table 7
Vote Shares among Major Candidates in Presidential Elections

	1996	2000	2004	2008
KMT	54.00%	23.10%	49.89%	58.45%
DPP	21.13%	39.30%	50.11%	41.55%
3rd party or independent candidates	14.90% 9.98%	36.84%		

SMD plurality rule by the DPP was tantamount to political suicide because it may give a larger bonus to the KMT as exemplified by the cube law (see the following discussion). It would be interesting to discover, therefore, why the DPP was willing to accept such a system in the first place.

It seems that many DPP supporters falsely believed that their party's strength was on a par with that of the KMT, given the fact that they had won the presidential elections in 2000 and 2004, and that in 2004 the DPP candidate Chen Shui-bian (陳水扁) won over 50 percent of the total valid vote (see table 7). They may also have believed that their appeal to Taiwan sovereignty would eventually win the hearts and minds of a majority of voters on the island. Hence they may have thought that over time their strength would exceed that of the KMT.

That this belief was mistaken is apparent from the relative stability of the vote shares of the two major political camps over the years. The presidential elections of 2000 and 2004 were anomalies in the sense that, in 2000, the pan-KMT camp was split, and in 2004, the assassination attempt on Chen Shui-bian prompted a large sympathy vote that dramatically changed the electoral dynamics. It was risky to gauge the DPP's strength on the basis of these two elections.

In addition, Lin Yi-hsiung's campaign to end the state of disorder in the Legislative Yuan through a change in the electoral system proved to be too powerful for the DPP to resist. The dissenting voices within the DPP were simply silenced and the party finally accepted a new system that had the potential to hurt it badly.

The 2008 Legislative Yuan Election

The KMT made huge gains in the Legislative Yuan election of January 2008, winning 57 out of 73 seats (78.1 percent) with 53.5 percent of the vote in the SMD part of the election and 20 of the 34 seats (58.8 percent) with 51.2 percent of the vote in the PR part. In addition, the KMT also won 4 of the 6 aboriginal seats with 54.9 percent of the vote. This meant that it held 81 of the 113 seats (71.7 percent) in the new Legislative Yuan, and when seats held by the party's allies were taken into consideration it controlled three-quarters of the seats. In contrast, the DPP won only 13 seats (17.8 percent) with 38.2 percent of the vote in the SMD part, and 14 seats (41.2 percent) with 36.9 percent of the vote in the PR part.

There is a well-known rule in British elections called the cube law, according to which the ratio of seat shares of the two main political parties is the cube of the ratio of their vote shares.¹⁹ In the 2008 election in Taiwan, the ratio of vote shares of the KMT and the DPP in the SMD seats was 53.5 percent/38.2 percent = 1.4, but the ratio of seat shares between the two was 78.1 percent/17.8 percent = 4.4, well in excess of what the cube rule points to.

It was widely expected that the DPP would lose the election, but for it to lose by such a wide margin took many people by surprise. Indeed, in an overwhelming majority of the districts, there were two viable candidates, indicating that DPP candidates did reasonably well short of winning (see tables 4 and 5). Also, the convergence toward two viable candidates was even more pronounced in 2008—there were few districts with only one viable candidate and no districts with more than two—than in previous elections (see tables 4 and 5). This has a lot to do with the fact that under the old system, many small parties stood a good chance of winning, particularly in large districts, and therefore they may have nominated candidates in the few SMDs just to test the water. However, the new system was not kind to small parties, so we see a clearer picture of convergence.

¹⁹Rein Taagepera and Matthew Soberg Shugart, *Seats and Votes: The Effects and Determinants of Electoral Systems* (New Haven, Conn.: Yale University Press, 1989).

Given the sluggish economy and the rash of scandals involving high officials in the DPP government, it was not surprising that the DPP lost some ground to the KMT in terms of the popular vote in 2008. Under the SMD plurality rule, this often translated into a larger loss of seats for the party. The DPP was put at a disadvantage by the new electoral system, a major component of which was the SMD plurality rule.

Moderation vs. Radicalization

As noted earlier, the SMD plurality system is likely to produce two-party competition. Under normal circumstances, the two parties tend to move to the median voter position in order to attract more support.²⁰ Given that SMD plurality is the main system in Taiwan, it would be sensible for the two major parties, the KMT and the DPP, to move toward the center to enhance their popular support. Since the dominant cleavage underpinning the party structure in Taiwan is the national identity issue,²¹ we should expect the two parties to move to the median voter position on this issue. As the campaign unfolded, however, the DPP actually moved in the opposite direction, championing Taiwan independence and accusing the KMT and its allies of selling Taiwan to China. This may have appealed to supporters of Taiwan independence, but it was hardly an approach designed to attract voters close to the center. As has been shown time and again in surveys, a majority or close to a majority of voters support the status quo which is neither independence nor unification with mainland China.²² Therefore, the DPP's strategy appears to be politically suicidal, and the election results indicate that it was indeed odd, to say the least.

²⁰Downs, *An Economic Theory of Democracy*, chapter 8.

²¹John Fuh-sheng Hsieh, "Ethnicity, National Identity, and Domestic Politics in Taiwan," *Journal of Asian and African Studies* 40, no. 1-2 (April 2005): 13-28. Cf. Tse-min Lin, Yun-han Chu, and Melvin J. Hinich, "Conflict Displacement and Regime Transition in Taiwan: A Spatial Analysis," *World Politics* 48, no. 3 (April 1996): 453-81.

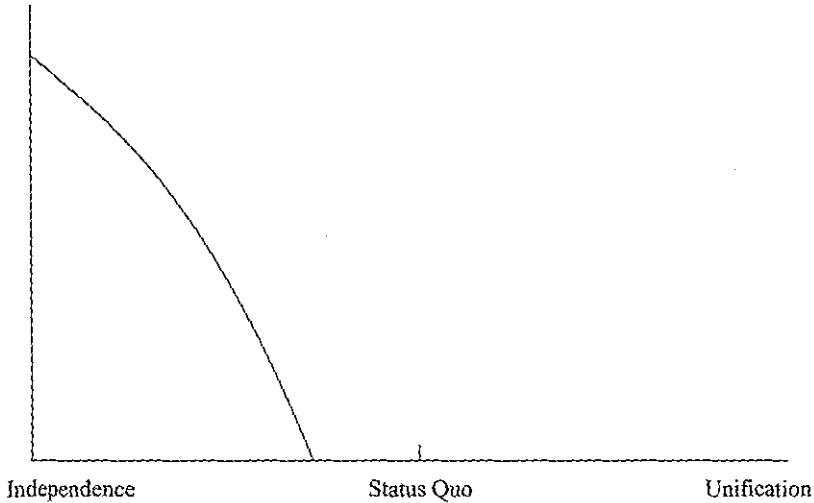
²²Hsieh, "Continuity and Change in Taiwan's Electoral Politics."

Why, then, did the DPP not act according to expectations? There are several possible explanations. One favored perhaps by many KMT supporters is that it was President Chen Shui-bian who pushed the DPP's campaign in that direction so as to portray himself as a hero of the independence cause. Since he and his family had been involved in many scandals, and he would most likely be prosecuted after leaving office, he could, by championing Taiwan independence, create an atmosphere in which any accusation against him could be seen as politically motivated. However, this fails to explain why he acted the same way during his own reelection bid back in 2004. At that time, he probably thought that he had no chance of winning, and instead tried to "educate" the electorate so as to expand the DPP's support base in preparation for another bid for the presidency in 2008 or 2012. Chen's stance during the 2008 Legislative Yuan election was consistent with his behavior in the earlier campaign.

A better explanation is that the DPP's extreme stance may have had something to do with the internal dynamics of the DPP itself. The DPP is a party that advocates Taiwan independence. Many of its supporters favor the complete separation of Taiwan and China to the extent that any other position, including the status quo, is unacceptable (see figure 1). We have no reliable data to indicate how many of the DPP's supporters are of this type. However, anecdotal evidence seems to indicate that they account for a large portion of the DPP support base. Consequently, it is impossible for DPP politicians to ignore this group of voters if they are to survive in intraparty competition.

The DPP has been the most democratic party in Taiwan in terms of how it nominates candidates for election. It uses a variety of nomination methods for various public offices, including primaries, polls, and so forth. For the 2008 Legislative Yuan election, a mixed system of primaries and polls was adopted. Which voters should be interviewed for the polls was a controversial issue in the party, and it was finally decided to include only those who might support the DPP candidates in the sample, thus enhancing the weight of fundamentalists in the nomination process. As a result, many moderate DPP politicians failed to be nominated. As might be expected, many of the radicals who were nominated could not

Figure 1
The Hypothetical Preference Profile of a DPP Supporter



compete with their KMT opponents. This contributed to the DPP's defeat in the election.

Conclusion

Electoral systems affect the relative fortunes of the various political forces in a society, and a change in the electoral system works in favor of some forces and disadvantages others. After Taiwan changed from the relatively proportional SNTV to the less proportional mixed-member majoritarian system, it was only to be expected that the large parties, particularly the largest one, would benefit at the expense of the smaller parties. When the two largest parties, the KMT and the DPP, united to push for the reform, the small parties found it very difficult to resist. The intriguing thing is why the DPP, as the smaller of the big two, actually initiated the reform. As discussed in this article, this can be attributed to the misperception of some DPP supporters regarding the relative strengths of the two

major political groupings in Taiwan and to internal dynamics within the DPP itself.

As it turned out, the DPP, albeit retaining its position as one of the two major parties, fared badly in comparison with the KMT. Given the relative stability of the social cleavage underpinning the party configuration in Tai-wan, as long as the current electoral system remains intact, it will be very difficult for the DPP to reverse this trend, particularly in Legislative Yuan elections. The KMT will continue to be the dominant political force in Tai-wan unless something drastic, such as a split in the party, takes place.

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