

# Introduction: the DPP in power

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*The transition of power from the KMT to the DPP in Taiwan has not been easy. Instead of bringing in a new way of thinking, it is noted that ideology is too ingrained for the new ruling party to make a break from it. Instead of providing a new form of governance, the DPP has proved to be inexperienced at coping with the intricacies of a modern democratic polity. Rather than building new state–civil society relations, the DPP has been unable to expand its outreach to segments beyond its traditional constituencies. Most painful has been the effort required to try to change the general mindset from confrontational to accommodative. The DPP went on to form a minority government and to challenge the still powerful now-opposition KMT in almost every important policy debate. Consequently, components for effective governance such as coordination, compromise, institution-building, etc., are rare stock. The inherent factional schism is hurting the party as virtues like coherence of policy, coordination of bureaucracies, and even channel of command are compromised. Ethnic incongruence seems to be aggravating the situation.*

The transition of power in Taiwan from one of the oldest and richest ruling parties, the Kuomintang (KMT, also known as the Nationalists), to a much younger and dynamic party, the Democratic Progressive Party (DPP), has been marveled at as evidence of further consolidation of democracy on the island of 23 million people. The changeover signifies that for the first time in Taiwan's history, a true 'native son' has been elected to the highest leadership,<sup>1</sup> a dream for many that has finally been fulfilled. The 'sad

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<sup>1</sup> 'Son of Taiwan' (taiwan zhi zi) was coined by Chen himself. See Chen, *Taiwan zhi zi: wode chenzhang lichen jinying chexue han kuojia yuanjing* [Son of Taiwan: The Days of Growing Up, Philosophy of Management, and the Future of the Country] (Taizhong: Chenxin Publisher, 1999). Lee Teng-hui is a native Taiwanese, but his 'nativeness' is somehow thought to be less than others as he was Japanese up until 22 years of age (when Japan controlled the island of Taiwan before the end of World War II). See, Chien-min Chao and Bruce Dickson, 'Introduction', in Bruce Dickson and Chien-min

history' legacy, lamented by some, of Taiwan being colonized first by the Japanese and then by the mainlanders (Chinese) has finally been put to rest. The regime transition was at first thought and expected to bring an end to plutocracy and inject new rules of law into the moribund political system that was inherited from the Nationalist government who themselves had found a new lease of life in Taiwan after suffering a humiliating defeat by the communists a half a century ago. A new era was ushered in with the DPP, at least many seemed to be convinced that it had.

A new era was indeed heralded, but not in the ways many had hoped. Instead of the DPP bringing in a new way of thinking, observers have just now realized how ingrained ideological beliefs are to the new ruling party. Instead of providing a new form of governance, the DPP has proved to be inexperienced and incompetent at coping with the intricacies of a modern democratic polity. Rather than building new state–civil society relations based on the populist appeals that the party had been crafting over the years in its long fight against the omnipotent KMT authoritarian regime, the DPP has not been able to expand its outreach to segments beyond its traditional constituencies such as the working class and the poor.

The country as a result of all of this has suffered its worst economic crisis since the end of World War II. A new wave of emigration is emerging as professional managers, accountants, engineers, technicians, and white collar civil servants are taking early retirement to join their businessmen compatriots in a migration tide heading to the west, mainland China, reversing the trend after World War II when refugees had been fleeing from behind the 'bamboo curtain' to seek better economic and political lives here on the island. Some estimate that a million Taiwanese are currently relocating themselves on the mainland along with US\$100 billion in venture capital accumulated over the past decade.<sup>2</sup> The DPP is facing unprecedented and daunting challenges that it had never before imagined.

### **From nation-building to state-building**

The experience demonstrated by the DPP has attested to the veracity of the importance of ideology in the process of democratic transition as is encapsulated by Samuel P. Huntington in his quest to theorize democratization.<sup>3</sup> Metamorphosing from an opposition movement that based its legitimacy on the overthrow of the 'regime from outside' in a revolutionary cause for nation-building, the party has had a

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Chao, eds, *Assessing the Lee Teng-hui Legacy: Democratic Consolidation and External Relations* (Armonk, NY: M.E. Sharpe, forthcoming).

<sup>2</sup> 'Taiwan's merchants vote with their feet', *China Post* (Taipei), (21 December 2001), p. 4.

<sup>3</sup> While describing the democratic transition, Huntington reinforces the importance of the ideology as a tool to legitimize the rule for an authoritarian regime. See Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991), p. 46.

dif. cult time in forsaking its previous culture and revving itself up to handle the more intricate task of state-building. The transition from opposition to ruling party means not only grabbing the lion's share in the redistribution of the political wherewithal, as many DPP politicians obviously craved for decades in the reflective slogan of chutaoti (a Taiwanese term meaning succeeding in becoming ones' own masters), but also a change of mindset from being confrontational to being accommodative; from oppositional to conciliatory.

The most humiliating experience for the new ruling party has been the softening of its previous shengzhupai (a sacred tablet) in building a new nation in the face of possible antagonistic reflexes from the PRC. However, in the twilight years before the end of the twentieth century the party started to change, abandoning its previous position in favor of a more pragmatic status quo theory.<sup>4</sup> After assuming the presidency, Chen Shui-bian made some encouraging statements to try to convince the leadership in Beijing that he was a realist who wanted to navigate a smooth tack across the treacherous waters of the Taiwan Strait. He demonstrated sincerity in pronouncing the 'five nos' policy upon inauguration, effectively ruling out the possibility of reshaping the island's configuration, according to his party's independence blueprint, under his stewardship.

The new president even went so far as to suggest that cross-Strait ties could work from economic and cultural cooperation all the way up to a future 'political integration'. He further pledged that under the ROC constitution, that 'one China' is not a problem. The new administration has also agreed to grant tourist visas to mainland Chinese students studying overseas. The infamous 'go slow, no haste' policy of former President Lee was annulled. As a result, Taiwan is set to open up its market wider to goods imported from the mainland as the two sides were simultaneously accepted into the World Trade Organization at the end of 2001. In preparation for direct transportation and commerce in what is known as the 'three transports links', a mini-version was implemented between the offshore, Taiwan-controlled island of Quemoy and its mainland counterpart city, Xiamen on the other side.

However hard he has worked at trying to woo the iron-willed leaders of Beijing back to the negotiating table, Chen has still refused to accept the 'one China with different interpretation' agreement that the two sides reached in a meeting in Hong Kong in 1992.<sup>5</sup> He still declines to acknowledge that he is Chinese. Before the crucial

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<sup>4</sup> See Chien-min Chao, "One Step Forward, One Step Backward: Chen Shui-bian's Mainland Policy," *Journal of Contemporary China* (forthcoming).

<sup>5</sup> Delegates of the SEF and ARAFTS met in Hong Kong in November 1992 in an apparent effort to iron out differences over the 'one China' issue in preparation for a summit between the two semi-official organizations. It was agreed that both sides would express the 'one China' issue orally according to

parliamentary election held in December 2001, Chen suggested that 'acquiescing to the 1992 agreement is tantamount to ending the sovereignty of ROC', a task he would never do. Alienation between the two sides seems to be growing even as their economies are heading towards an elevated level of integration.<sup>6</sup>

If confrontation is still an inalienable part of the strategy in dealing with the PRC, a similar oppositionist mentality is also discernible in the party's handling of domestic affairs. Chen admitted in an autobiography released before the parliamentary election that the 'party machinery is constructed to best serve the role as an opposition', in which confrontation is an essential part.<sup>7</sup> Instead of vying for a collaborative strategy by building some sort of coalition as a minority party normally does (the president in fact received less than 40% of the popular ballot in the 2000 election and the DPP party controlled less than one-third of the seats in the Legislative Yuan before the December 2001 election in which the party's share of seats there was augmented at 39%), the DPP went on to form a minority government (the appointment of General Tang Fei as the first premier was more a gesture to appease the military than the KMT), challenging the still powerful now-opposition KMT in almost every important policy debate. Even then, the military was as aloof as ever as Chen strenuously stressed in a recent move of reshuffling top military personnel that he would not violate the ethics of the military in the process.

The most notable cases of this unyielding policy by the DPP were the shortening of working hours at factories, the termination of construction of the fourth nuclear power plant, and the decision to audit the assets owned by the KMT. The most glaring one was the decision to abolish the fourth nuclear power plant that had started construction under the KMT government with roughly US\$3 billion in budget having already been spent. What was even more embarrassing for the KMT was that the decision was announced moments after their new chairman Lien Chan (its candidate against Chen in the 2000 election) went to meet with President Chen to advise against the abolishment. A similar story concerns the Meinon water reservoir in which the party gave in to pressure from a smattering of environmentalists at the expense of

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one's own interpretation and the historic summit meeting was thus held in April 1993. See Chien-min Chao, *Lianan huton yu waijiao jinzhu [Cross-Strait Interaction and Diplomatic Competition]* (Taipei: Yongye Publishing Co., 1992), p. 28. However, Beijing recanted by suggesting that no such agreement was reached, possibly after President Lee made a trip to Cornell University in June 1995. After the DPP won the presidency in 2000, Beijing reinvigorated its call for reverting to the agreement. The Chen administration, on the other hand, has been saying that there is no 'consensus of 1992', only a 'spirit of 1992'.

<sup>6</sup> Chien-min Chao, "Will Economic Integration between Mainland China and Taiwan Lead to a Congenial Political Culture?" *Asian Survey* (forthcoming).

<sup>7</sup> Chen Shui-bian, *Shiji shouhang: Zhendang lunti wubaitien de chensi [Premiere Voyage of the Century: Reflections on the First Five-hundred Days after Party-to-Party Transition]* (Taipei: Yuanshen Publisher, 2001), p. 192.

an otherwise popular project to conserve water sources in southern Taiwan. The DPP party does not seem to be able to rev down its engine from an oppositional mode to that of an accommodative mode. As a result, the relationship between the ruling party and the opposition KMT party has been unnecessarily hostile. (The KMT has its share of the same problem, too.)

The fact that President Chen chose to publish an autobiography chronicling his first 500 days in office was equally baffling. Rather than brandishing his records and achievements, he opted to criticize almost everyone, including his vice president, the chairman of the ruling party (Frank Hsieh), the DPP party itself, the opposition coalition, and the mass media. Even Lee Teng-hui, his mentor and supporter, was not exempt from accusation when Chen implied that the power transition was 'incomplete' and that the transition in the security apparatus was 'in name only, not in reality'. The real purpose of the publication, pundits on Taiwan politics seem to agree, was part of the same strategy of using provocative rhetoric and a victimized image that the party has been so accustomed to, to solicit votes for the forthcoming December parliamentary election. This was deemed ill-conceived for it contradicts his other strategy of building a 'national coalition' by portraying himself as being above partisan squabbling.

### **From mobilization to governance**

State crafting is no easy task and the new ruling party has proved to be ill-prepared for that, too. The long tradition of mobilizing the alienated and disadvantaged masses in the fight against the KMT and the inclination and elation of embracing certain segments of the masses have made it hard for the party to broaden its base of support. The party has not yet been able to break the ceiling of 40% of the popular vote received in election ballots and faces a quandary in alienating its loyal supporters when trying to overcome this obstacle. Consequently, components for effective governance such as coordination, compromise, institution-building, etc., are rare stock. The party seems to substantiate the generalization that it is easier to be a destabilizer than an institution-builder.

Like many opposition movements and parties that have been suppressed during a long reign of authoritarian rule, the DPP is highly fractured. The party was perennially divided over issues such as Taiwan independence and values of democracy. The fragmentation of power structures as well as ideology was a blessing to the party as it played upon that plurality to its advantage by contrasting itself cogently with the autocratic and centralist power structure of its opponent, the KMT. However, as a ruling party now, the inherent factional schism has begun to hurt the party as virtues like coherence of policy, coordination of bureaucracies, and even

channel of command are compromised. The party is so fractured that Chen Shui-bian himself complained publicly that factions are giving preference to self interests over national interests.<sup>8</sup>

Factional discrepancies have also been cited as possible reasons behind Vice President Annete Lu being constantly at odds with the president. It is not unusual that members of different DPP factions display distaste towards policies made by their own government, as heated debates have sprung up within the party on a number of big issues. Among these, the policy towards mainland China, the fourth nuclear power plant, and even whether to reform the party structure as well as the nation's constitution have all been subject to contention. Even Chen admitted astonishment about the timing of the announcement, made by his former Premier, Chang Chun-hsiung, to scrap the fourth nuclear power plant.<sup>9</sup>

When it was an opposition party, the DPP was well trained to destabilize the current governing order. It was easy for the then-opposition politicians to trek on the brink of the law, which was perceived by them as being 'elicit'. The ROC constitution was not even deemed legitimate, much less 'a basic law'. The fact that in so doing enabled them rare media attention reinforced their intentions. Upon winning the presidential office, the party had a hard time in rewinding their old habits back into working with the system or reforming it from within (as much as they want to). This explains partially why the party has been crying for a revision of the constitution even at this date. The president and his top aides have made it clear that the presidential system of the United States is the model to follow. This is a dramatic deviation from its past stand when the party pleaded with the KMT to faithfully abide by the letters of the constitution by implementing parliamentarianism when the Chiang family (Chiang Kai-shek and Chiang Ching-Kuo) was in control.

A lack of respect for legal and political institutions might also be accountable for the gridlock between the administrative and the legislative branches. According to the ROC constitution, the president is the head of the state, but not the supreme administrator. Therefore, in order to create an environment where the cabinet and the premier can carry out their duties faithfully and effectively, the partisan environment of the Legislative Yuan should be taken into consideration in the formation of a new cabinet. However, the president has made it clear from the beginning that a coalition government is out of the question.<sup>10</sup> The 'national coalition for stability' that he promised before the December 2001 legislative election turned out to be a campaign

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<sup>8</sup> Ibid., p. 192.

<sup>9</sup> Ibid., p. 158.

<sup>10</sup> The proposal for a 'national coalition for stability' turned out to be an election gimmick. Even then, Chen made it clear that he was not going to hand over the zhugequan (the power of forming the cabinet).

rhetoric, as the new cabinet formed after the election can hardly qualify as a 'grand coalition' as many had expected. The new premier, You Shi-kun, is the third premier in less than two years. This offers further evidence that there is a lack of stability in the new regime.

When it was the opposition, the DPP was long on politics and short on economics. The party is extremely capable of running effective elections and designing campaign strategies, so much so that its candidates have become almost mesmerized before crowds at rallies. However, when it comes to economic planning, setting interest rates and inflation, things related to state-running, and so on, the chips seem to be turned upside down for the DPP.

### **State and civil society relations**

As an opposition party, the DPP mobilized the under-privileged and sectors that were disenchanted with the regime and organized them for its cause. For the segments of voters beyond its mobilization, the strategies could be provincial and exclusive. However, as a ruling party the DPP has had to reverse that exclusive strategy and embrace a more inclusive tactic and expand its base of support beyond the traditional poor and blue-collar working class, yet two years after winning the presidential election, the party has not demonstrated that capability. An indication of its continued provincialism is that the party has not been able to break the 40% yardstick in polls. For the white-collar workers and the literati, sectors the party has had difficulty in converting, the misgivings are unquenched. The unprecedented economic recession since mid-2000 and the fact that the party has yet been unable to find a formula to calm the tensions over the Strait of Taiwan are the primary reasons for the party's failure to win over voters from the 'pan-blue coalition', a phrase which referred to the opposition coalition, the KMT, the PFP (the People First Party), and the New Party before pulverization at the December election. Consequently, sectarian divisions along the lines of ethnicity, education, and income are indeed perspicacious.

Among the social contradictions, ethnic incongruence seems to be aggravating. Those on the island that are considered mainlanders and those thought of as Fukienese (the majority) differ sharply on issues related to national identity and relations with mainland China.<sup>11</sup> The DPP's unyielding policy towards the mainland has heightened this apprehension along with the government's Fukienese ethnocentrism (as is witnessed in political appointments), which is a source of resentment for other ethnic groups. The ratio between Taiwanese and mainlanders in

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<sup>11</sup> Chao, "Will Economic Integration between Mainland China and Taiwan Lead to a Congenial Political Culture?" Asian Survey (forthcoming).

the cabinet has increased dramatically from about 55; 45 in 1993 to 95; 5 in 2001.<sup>12</sup> Whether the sectarian predilection and indeed the polarization will continue or even exacerbate are matters for concern.

### **Issues under query**

In this special topic section (together with part II in the next issue), John F. Copper and Shelley Rigger try to tackle the problems from a legal/institutional approach. Copper argues that the ambiguity innate in the constitution, albeit for the many rounds of revision in the 1990s, is to blame for the administrative–legislative gridlock. This constitutional design has contributed to an *annus horribilis* that Chen Shui-bian has found himself in for the first year in office, according to Rigger. Copper seems to reverberate the skeptics of western democracy by trumpeting Asian democracy in its stead. While echoing the same institutional flaws in the semi-presidentialism and the SNTV electoral system, Jaushieh Joseph Wu tries to paint a picture from a more comprehensive point of view. For Rigger and Wu, the confidence in Taiwan's path towards building a feasible and sustainable democracy seems to be beyond doubt.

Alexander C. Tan joins others in suggesting that bad politics is at least partially responsible for the biggest turnaround in Taiwan's economy for the worse. However, Tan challenges the two most important elements of development under the DPP—democracy and liberalization in the financial sector. While not negating achievements of the two, Tan contends that democratic decision-making is characterized by 'institutional sclerosis' caused by the rent-seeking behavior of interest groups and liberalization resulting in an 'oligopolization of the banking industry'.

Cross-Strait relations have been most blatantly the Achilles' heel for the new ruling party. Since taking the presidential oath, Chen seems to have been teetering and reeling in this respect, with Chien-min Chao digging into the ingrained factional tradition for answers. For him, the DPP since the early days has been dissected by two dominant views regarding the future of Taiwan. Furthermore, the collapse of the moderate wing has drastically swung the party to the radical end of the ideological spectrum.

Foreign policy surprisingly seems to be the only area in which the new administration is gaining credit. Comparing Chen with Lee Teng-hui,<sup>13</sup> Bruce Dickson gives high marks for the former in showing his capacity to be a helpful partner by taking a lower profile on several contentious issues, such as not to push for the sale of

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<sup>12</sup> Ibid.

<sup>13</sup> For Taiwan's foreign relations under Lee, see Chien-min Chao, 'Diplomacy under President Lee Teng-hui: a balance sheet', in Dickson and Chao, eds, *Assessing the Lee Teng-hui Legacy*.

the Aegis radar and anti-missile technology, and repairing some of the damage in Washington–Taipei relations that he had inherited. Chen was rewarded accordingly in a much pompous and ceremonious trip that he made to the United States in May 2001 en route to Latin America for a state visit. While Dickson insists that the basic tenets of US policy may stay unchanged, Taiwan–US relations have not been the same. At the same time, Dickson is critical of the US for not being able to come up with a policy in line with the changes that have taken place in Taiwan. Jiemian Yang elaborates in length about how and why George W. Bush's policy tilted towards Taiwan in the beginning of his term in 2001, before swinging back for a more neutral stand since the mid-air collision of US and PRC military airplanes over the skies of the South China Sea and the 11 September tragedy.