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## Taiwan's Democracy Under Chen Shui-bian

*Kharis Templeman, Larry Diamond,  
and Yun-han Chu*

On March 20, 2000, Chen Shui-bian was formally inaugurated as president of the Republic of China, or Taiwan. His assumption of power marked several historic firsts. It was the first peaceful transfer of power in the island's history, and it ended more than fifty years of continuous rule by the Chinese Nationalist Party, the Kuomintang (KMT). It was also a triumphant moment for Chen's Democratic Progressive Party (DPP), Taiwan's principal opposition party since the inception of competitive politics. Having started in the 1970s as a motley collection of regime opponents with widely divergent goals, the DPP had been transformed into a party committed to and capable of winning popular elections.

Eight years later, on May 20, 2008, Chen Shui-bian left office under much less happy circumstances. A cloud of ethics issues hung over his head, and he was soon detained and then convicted of corruption charges. His once-ascendant DPP was defeated, divided, and demoralized, having lost the presidency while retaining less than a quarter of the seats in the legislature. A resurgent KMT recaptured full control of the central government, as Ma Ying-jeou won the presidential election in a landslide, with his party picking up 72 percent of the legislative seats under a new, more majoritarian electoral system. In many ways, the KMT appeared, at the end of the Chen era, to be more dominant than at any point since Taiwan's transition to democracy.

The first transfer of executive power is a crucial time for democratic consolidation, opening new opportunities for positive reforms that were previously blocked by the old elite, as well as generating new challenges as everyone adjusts to the new distribution of power and different roles in

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the political arena. The chapters in this book explore various aspects of this process of reform, adjustment, and conflict during the eight years of the Chen Shui-bian presidency.

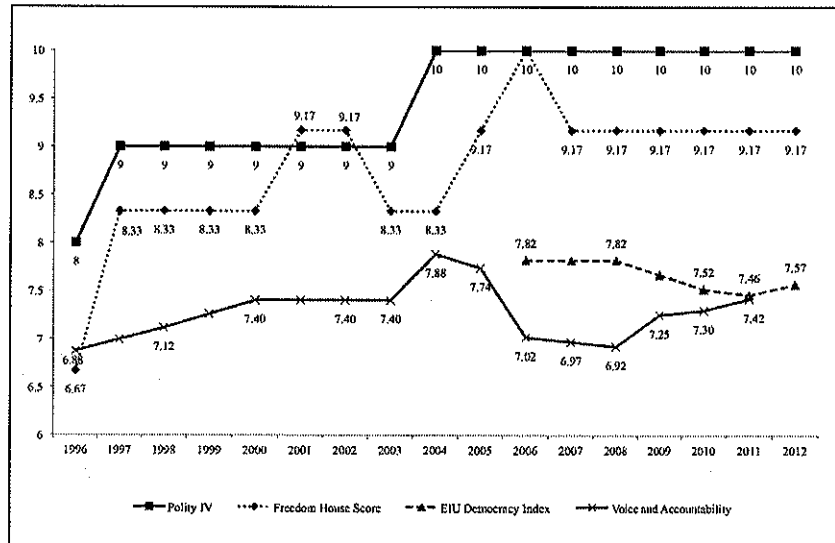
### Taiwan's Democracy in Comparative Perspective

By any measure, Taiwan has become one of the most liberal and robust democracies in Asia. Since it completed its transition to democracy with a free and fair direct election of the president in 1996, Taiwan has continually been rated by Freedom House as a “free” country, with a liberal score of at least 2 on each of the 7-point scales of political rights and civil liberties (where 1 is most free and 7 is most authoritarian). After standardizing four different democracy measures (including the average Freedom House score on political rights and civil liberties) on a scale of 1 to 10, there is a relatively consistent picture in which Taiwan has more or less sustained over the past decade and a half the democratic progress it made in the 1990s. In 2004, Taiwan's score on the Polity IV scale of democracy rose to the maximum score of 10 and has remained there since. Its standardized Freedom House score rose to about 9 in 2000, with the election of Chen Shui-bian, and has essentially remained there since, though with some oscillation within categories. Although *The Economist* magazine's Democracy Index and the World Bank's voice and accountability measure show somewhat lower scores of about 7.5, they both have remained relatively steady for a number of years. The overall data suggest that democracy in Taiwan has been consolidated—and as a relatively liberal democracy, too—as Figure 1.1 shows.

Since Freedom House began releasing its subcategory scores in 2005, Taiwan's performance on the different dimensions of political rights and civil liberties has also been relatively consistent. From 2005 through 2013, Taiwan scored a 10 or 11 (and since 2008, consistently an 11) out of 12 on electoral process; consistently a 15 out of 16 on political pluralism; and a 9 (and since 2009, a 10) out of 12 on functioning of government (which includes control of corruption). On the four categories of civil liberties, two scores held more or less constant (associational rights at 11 out of 12 and individual rights at 13 out of 16) and two declined slightly after 2008 (freedom of expression, from 16 out of 16 to 14 in recent years, and rule of law, from 15 to 14 out of 16). Overall, political rights have varied from 34 to 36 out of 40 total points and civil liberties from 51 to 55 out of 60 points.

These various data show that Taiwan is not a perfect democracy. During the Chen Shui-bian era, Taiwan's democracy was challenged on several

Figure 1.1 Democracy indicators for Taiwan, 1996–2012



Sources: Polity IV Dataset; Freedom House; *Economist* Intelligence Unit; World Bank World-wide Governance Indicators.

Notes: 1. Freedom House Score = Political Rights + Civil Liberties (2-14); 2. The original Freedom House scores are inverted and standardized on a 0-10 scale; 3. The data for the following years are missing and replaced with the mean value of their neighboring years: EIU Democracy Index (2007, 2009); World Bank Voice and Accountability (1997, 1999, 2001).

fronts, which are detailed in this book, and it has continued to face challenges since. In fact, *The Economist* lists Taiwan as a “flawed democracy,” ranking not only behind many European third-wave democracies but even (quite implausibly, in our view) behind India and South Africa.<sup>1</sup> Taiwan’s democracy could and should be less corrupt and more accountable, with more protection for not only the rule of law but also individual and associational rights. Yet, when the metric is not the ideal or the performance of the older, mostly liberal Western democracies, but rather the performance of other third-wave democracies, Taiwan has been doing quite well. Only in the European Union and in Chile and Uruguay are there such democracies with somewhat higher levels of political rights and civil liberties.

During the presidencies of Chen and his successor, Taiwan has been one of the three most liberal democracies in Asia, with an average score on the twin Freedom House scales of at least 2 since the completion of the transition in 1996, and a score of 1.5 (or better) since 2004. Only the other two industrialized democracies of Asia—Japan and South Korea—

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have done as well (see Table 1.1). On the total category scores for political rights and civil liberties, Taiwan clusters closely with Japan and Korea on political rights and is slightly more liberal than South Korea on civil liberties. Taiwan trails slightly on political rights and lags a bit further behind on civil liberties when compared with three of the most successful democracies of Eastern Europe and Latin America—the Czech Republic, Poland, and Chile. Overall, the quality of democracy in Taiwan is about as high as anywhere in Asia but not as high as in the most successful third-wave democracies.

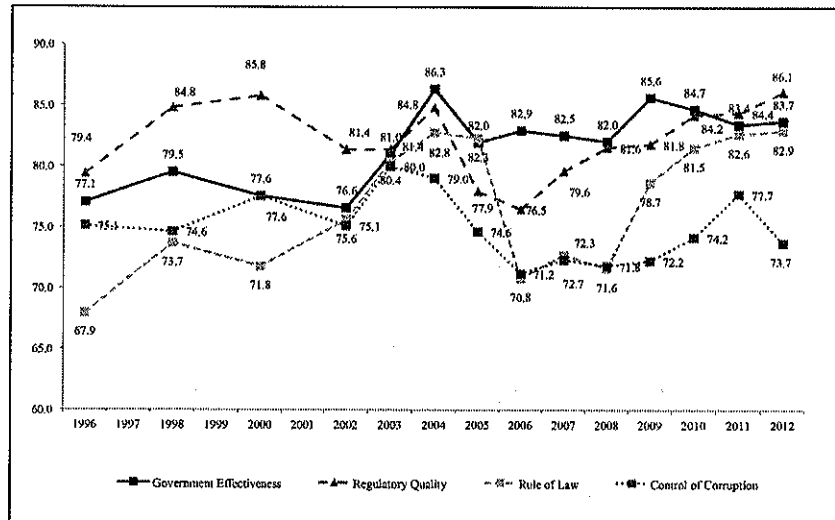
A somewhat more volatile picture emerges upon examination of the quality of governance in Taiwan over time. Since 1996, the World Bank Institute has produced annual measures of six dimensions of the quality of governance. Here, we examine the four measures having to do with the quality of the state: government effectiveness, regulatory quality, rule of law, and control of corruption.<sup>2</sup> Overall, governance has improved notably in Taiwan since the transition to democracy was completed in 1996, but the trend has been far from linear. In general, the four measures of state quality improved between 1996 and 2000 (the final term of President Lee Teng-hui) but then declined notably during the second term of President Chen Shui-bian. Reflecting the scandals of Chen's last years in office, the decline was particularly sharp in rule of law and control of corruption. During the first term of President Ma Ying-jeou, each measure rebounded. By 2012, the rule of law reached its peak level of 2004, at about the 83rd percentile globally, but the improvement in control of corruption was weaker. Regulatory quality traced a similar trajectory, dipping sharply in Chen's second term and then rebounding by 2012 to its peak level from the year 2000, the 86th percentile globally. Government effectiveness remained more stable between 2004 and 2012, oscillating between the 82nd and 86th percentiles (see Figure 1.2). In sum, throughout its democratic years, Taiwan has manifested relatively

**Table 1.1 Average Combined Scores on Political Rights and Civil Liberties in East Asian Democracies, 1996–2012**

	1996	2000	2006	2012
Taiwan	2.0	2.0	1.0	1.5
Japan	1.5	1.5	1.5	1.5
South Korea	2.0	2.0	1.5	1.5
Mongolia	2.5	2.5	2.0	1.5
Indonesia	6.0	4.0	2.5	2.5
Philippines	2.5	2.5	3.0	3.0
Thailand	3.0	2.5	3.0	4.0

*Source:* Freedom House

Figure 1.2 World Bank Governance Indicators, 1996–2012



Source: World Bank, Worldwide Governance Indicators, interactive data set, <http://info.worldbank.org/governance/wgi/index.aspx#reports>

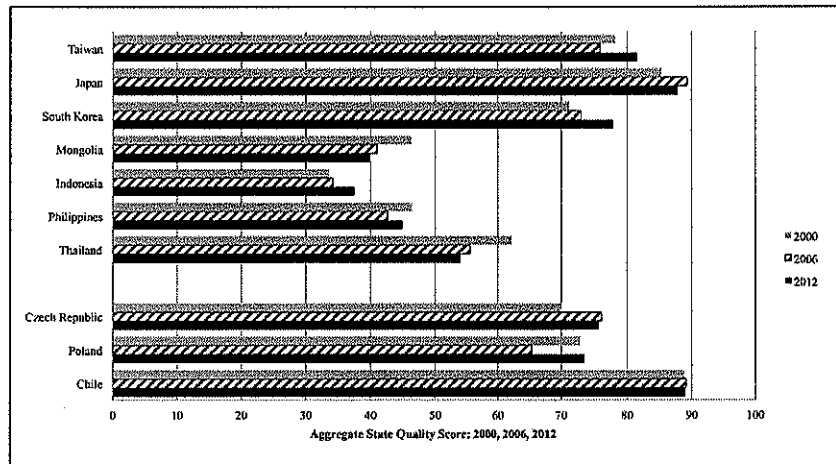
good governance, though it deteriorated during the latter years of Chen Shui-bian's presidency and then improved under the presidency of Ma Ying-jeou.

Taiwan's quality of governance compares favorably with most other East Asian democracies, trailing only Japan and performing slightly better than South Korea and markedly better than other East Asian democracies. Figure 1.3 traces the trends since 2000 in the average level of the four measures of governance, which we summarize as "state quality." As shown in another recent study, the quality of governance in Taiwan has been more or less equal to that in most of the better-governed third-wave democracies of Europe and Latin America, among which only Chile and Spain have done slightly better.<sup>3</sup> By 2012, governance in Taiwan had surpassed even that in the Czech Republic and Poland, not to mention the less economically developed democracies of East Asia, as shown in Figure 1.3.

What has all of this meant for economic performance in Taiwan? Since the transition to democracy was completed in 1996, Taiwan's economic performance has generally been good, with the exception of two short periods of economic contraction—2001, the first full year of Chen Shui-bian's presidency, and 2008–2009, when Taiwan's economy fell victim to the global financial crisis. For most of Chen's presidency, economic

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Figure 1.3 State Quality in East Asian Democracies, 2000–2012

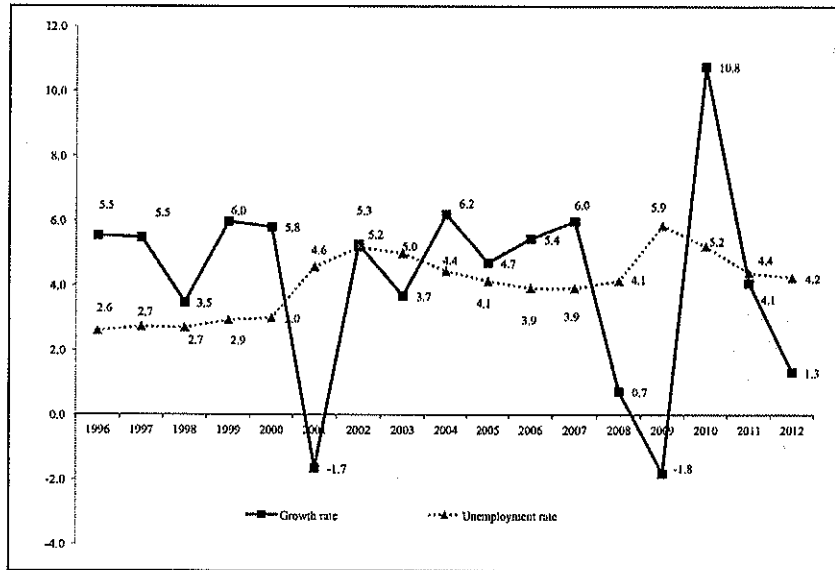


Source: World Bank, Worldwide Governance Indicators

growth was quite respectable—well above 4 percent—for a maturing economy. Because of the global recession, however, economic performance during Ma's first term was much more volatile. Figure 1.4 shows the trends in economic growth and unemployment from 1996 to 2012. Unemployment has been much more stable since 2000, in the range of 4 to 5 percent. From 2000 to 2012, economic growth in Taiwan averaged 3.9 percent annually, considerably better than Japan, better than the Czech Republic and Poland, not as good as Korea and Chile, and well behind Malaysia and Singapore (Figure 1.5). Like most emerging-market or newly industrialized countries to which it might be compared in Asia, Europe, and Latin America, Taiwan's economic growth rate slowed markedly (by about a third) in the 2000s, as compared with in the 1990s.

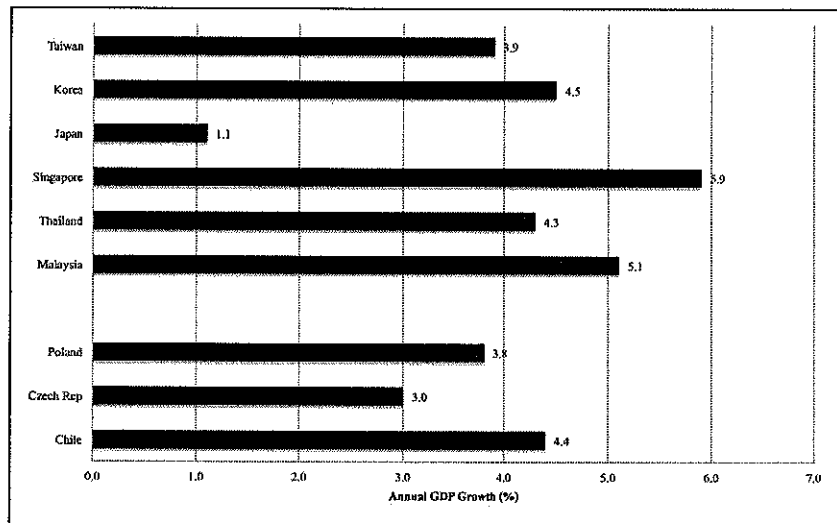
Finally, we can assess the health and performance of democracy in Taiwan through the eyes of its own citizens. Chapters 4 and 5 examine trends in public opinion in Taiwan, but here we briefly put this in comparative perspective. As shown in Table 1.2, satisfaction with the way democracy is working in Taiwan declined sharply between 1996 and 2001, probably reflecting the severe divisions around the election of Chen Shui-bian and then the decline in economic performance early in his term. However, democratic satisfaction then improved in each of the following two surveys, and by 2010 it had reached, and even slightly exceeded, the level in 1996, with a little more than two-thirds of the public reporting satisfaction. Similarly, the proportion of the public perceiving Taiwan's political system to be more or less fully democratic

Figure 1.4 Taiwan's Annual Gross Domestic Product Growth and Unemployment Rate, 1996–2012



Source: Directorate-General of Budget, Accounting and Statistics, Executive Yuan, Republic of China

Figure 1.5 Average Annual Percentage Growth in Gross Domestic Product, 2000–2012



Source: World Bank; Directorate-General of Budget, Accounting and Statistics, Executive Yuan, Republic of China

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increased significantly between 2006 and 2010, from 50 to 60 percent. As Table 1.3 shows, these levels generally compared well with the other democracies of East Asia. Explicit support for democracy as the best political system has been somewhat more equivocal in Taiwan, at least on some measures, than in other democracies in the region. Nevertheless, the trend across the three surveys, from 2001 to 2006 to 2010, has shown a steady increase in democratic support. Moreover, Taiwan roughly equals its two liberal democratic peers, Japan and South Korea, and all three together far exceed other Asian publics in the extent of rejection of all authoritarian alternatives to democracy. Roughly three-quarters of the population in each of these three countries reject all three authoritarian regime options posed to them: rule by a single strongman, one-party rule, and military rule.

Despite some fluctuation, popular rejection of authoritarian rule has become more entrenched in Taiwan over time. Repeated surveys show that none of the principal nondemocratic regime alternatives has appealed much to the public. As with the democracy support measures, rejection of authoritarianism became more emphatic with each new survey in Taiwan,

**Table 1.2 Overall Assessment of Democracy: Taiwan and East Asia, 1996–2011**

Country	Survey Year	Satisfaction with the Way Democracy Works in the Country	See the Country to be a Full Democracy, or a Democracy with Minor Problems
Taiwan	1996	67.2	—
	2001	53.4	—
	2006	56.5	50.2
	2010	68.3	60.8
Japan	2007	45.2	56.1
	2011	55.8	61.6
South Korea	2006	46.8	59.2
	2011	59.5	66.6
Philippines	2005	37.0	45.4
	2010	47.1	55.7
Thailand	2006	79.0	78.3
	2010	79.1	67.2
Mongolia	2006	63.5	58.3
	2010	47.5	50.9
Indonesia	2007	58.9	41.4
	2011	56.9	47.1
Average	2005–2007	55.3	55.6
	2010–2011	59.2	58.6

*Source:* Asian Barometer.

*Notes:* Satisfaction = “very” or “fairly” satisfied. The other response alternatives in the last column are “a democracy with major problems” and “not a democracy.”



**Table 1.3 Support for Democracy in East Asia: Taiwan in Comparative Perspective, 2001–2011**

Country	Survey Year	Agree Democracy Is Always Preferable	Want the Country to be Democratic	Think Democracy is Suitable for the Country	Believe Democracy Is Capable of Solving Society's Problems
Taiwan	2001	40.4	72.2	59.0	46.8
	2006	47.2	83.4	67.9	54.8
	2010	49.9	84.9	73.8	59.4
Japan	2007	62.2	88.8	75.2	65.9
	2011	61.7	71.8	71.9	68.5
South Korea	2006	43.2	94.4	78.0	54.2
	2011	65.6	82.2	82.4	70.2
Philippines	2005	50.4	69.4	55.2	55.6
	2010	54.2	62.1	62.1	55.3
Thailand	2006	73.0	84.9	82.7	66.5
	2010	68.3	85.5	85.5	75.5
Mongolia	2006	39.7	94.4	84.4	77.0
	2010	48.4	97.0	87.7	74.6
Indonesia	2007	64.3	86.4	79.8	76.2
	2011	58.6	72.0	71.4	70.0
Average	2005–2007	54.3	86.0	74.7	64.3
	2010–2011	58.1	79.4	76.4	67.6

Source: Asian Barometer.

Notes: The "Want" question used the following question in Wave II: *To what extent would you want our country to be democratic now?* (with 1 meaning completely undemocratic and 10, completely democratic). The following question was used in Wave III: *Where would you want our country to be in the future?* (with the same scale). We calculate the aggregative percentages of 6 and higher.

another sign of deepening democratic consolidation. However, the strength of popular objection to nondemocratic rule varies from one regime alternative to another, depending on the country's political legacy. In Taiwan, single-party rule and civilian dictatorship were historically viable options, in contrast to military rule, which is thus always the most widely rejected alternative.

### The Legacy of the Chen Shui-bian Era: A Closer Look

The Chen Shui-bian era left a complicated legacy for Taiwan. On the positive side, his two terms coincided with significant and probably irreversible moves away from Taiwan's authoritarian past. As shown in Figure 1.1, the quality of democracy improved by three different measures during the first few years of his presidency. The mere fact that he was the first non-KMT president to hold office was a crucial step on the road to a

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consolidated democracy. The DPP's presence in the presidential office accelerated the process of differentiating the ruling party from state interests and resources, which had long been opaquely intermingled under the previous KMT regime. Chen's presidency also generated new impetus for reform of the military, police, judiciary, and other legacy institutions from the martial law era, and it strengthened the role that civil society organizations played in formulating national policies. In addition, the era coincided with a continued expansion and deepening of the norms of critical speech and vigorous public discourse, providing a stark contrast to the continued and increasingly sophisticated state censorship in the People's Republic of China (PRC). Elections, too, were often close and fiercely contested, yet were among the fairest and best-administered in all of Asia—the scourge of vote buying that had tainted many elections in the 1990s had become less effective and less prevalent and was prosecuted more consistently by the Ministry of Justice.

On the negative side of the ledger, Taiwan's economy was significantly weaker during the Chen years than in any period during the previous four decades. Recessions hit in 2001 and 2008, wage growth for the median worker remained stagnant, and unemployment among college graduates rose significantly. Interpreting this slowdown in growth and assigning responsibility for it are difficult tasks: economic growth inevitably decelerates as countries reach advanced levels of development, and Taiwan's heavily export-dependent economy typically suffers during recessions in the United States. Nevertheless, by the end of the Chen era, the widespread impression in Taiwan was that the island's economy had underperformed, especially relative to peer states such as South Korea and Singapore; the KMT presidential candidate, Ma Ying-jeou, built his successful campaign around this theme. What is certain is that a wide array of economic reforms languished during the Chen years, while the DPP administration devoted a great deal of time and energy to a controversial national referendum law, a quixotic bid to win UN membership, and an effort to draft a new constitution that antagonized both the United States and the PRC and ultimately went nowhere. The one set of constitutional reforms adopted during Chen's time in office created a more powerful but smaller and more majoritarian legislature—a decidedly mixed outcome for the island's democracy.

In addition, media coverage of politics and public discourse in Taiwan became more polarized, frenzied, and scandal driven than ever. Taiwanese politics increasingly took the form of a permanent election campaign: political rhetoric became more inflammatory and contentious, as President Chen resorted to ethnic and identity appeals to try to shore up his support, and the KMT and its splinter parties repeatedly challenged the political

legitimacy of the DPP administration and its policies. Relations with the People's Republic of China were also fraught with challenges from the day President Chen took office, though two-way trade continued to expand rapidly, as did investment by Taiwanese in mainland ventures. These relations became much worse after Chen's narrow and controversial reelection in 2004, to which Beijing responded by adopting its own provocative Anti-Secession Law, which threatened the use of "non-peaceful means" against Taiwan. Thus, for most of Chen's presidency, cross-strait relations remained at a standstill. Relations with the United States also became increasingly strained during the latter half of Chen's tenure, particularly over the DPP's repeated efforts to jettison the state's symbolic ties to mainland China.

Finally, Chen's legacy is badly tarnished by the series of corruption scandals that erupted in his second term, as well as his subsequent conviction and imprisonment. In 2006, Chen's son-in-law, wife, and several close personal aides were indicted for embezzlement of public funds, and Chen himself was accused of embezzlement, bribery, and misappropriation of a special diplomatic fund for personal expenses. The revelations sapped public support for the Chen administration, fueled intense hostility from the KMT and much of the island's media, and further eroded public trust in government institutions. In response, the KMT-led opposition demanded Chen's resignation; when it did not come, they initiated multiple recall motions in the legislature, supported large anti-Chen street demonstrations, and, in general, refused to cooperate with the DPP-led government. Although DPP legislators united to block the recall motions from passing, many party members became openly critical of the president as well. By the time Chen Shui-bian left office, his approval rating was well under 20 percent, and he was widely reviled among the public.<sup>4</sup>

Nevertheless, appraisals of the Chen Shui-bian era have been disproportionately colored by the scandals that embroiled his last years in office and by his subsequent imprisonment. The ugly headlines and incendiary political rhetoric of the era have overshadowed subtler but more important political changes that occurred, both good and bad, in Taiwanese politics and society.

### **Focus of This Book**

The chapters that follow explore many of the key developments that make up this complicated legacy. Together, they cover four major aspects of Taiwan's democratic development:

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- Elections, the party system, and public opinion
- The performance of democratic institutions
- State-business and state-civil society relations
- National security and cross-Strait relations

### *Part 1. Politics and Public Opinion*

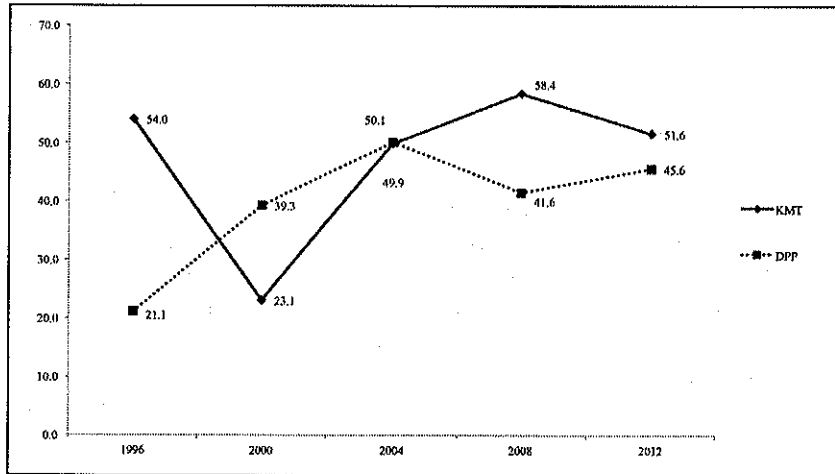
The chapters in the first section of the book cover elections, the party system, and public opinion during the eight years of the Chen Shui-bian administration.

*Elections and the Party System.* Chen Shui-bian's election as president ushered in a new era of party realignment and greater partisan electoral competition at all levels of government. The election that brought Chen to power in 2000 was a turbulent and unpredictable affair. The stage was set for a competitive contest when President Lee Teng-hui was term-limited out of office, sparking a battle within the KMT to succeed him. The KMT member with the best combination of name recognition and personal popularity was James Soong, the former governor of Taiwan Province. Yet President Lee openly opposed Soong's nomination, instead favoring the sitting vice president, Lien Chan. Lee's preferences won out, and the KMT duly put forward the less popular Lien as its presidential nominee. In open rebellion, Soong declared his own independent campaign for president in July 1999, and the race was on. In the presidential election in March 2000, Chen Shui-bian came out on top but won only 39.3 percent of the vote. Soong polled close behind, winning 36.8 percent. And Lien Chan, the KMT's official nominee, came in third, winning an extraordinarily low 23.1 percent—the worst performance by a KMT presidential candidate in Taiwan's history (see Figure 1.6). As a result, Chen took office as a minority president who owed his victory to a serious split among KMT supporters.

Chen's victory was followed by a period of upheaval in the KMT and a significant realignment of Taiwan's party system. Soong attempted to capitalize on his strong showing in the election by forming his own party, the People First Party (PFP), which more than a dozen sitting KMT legislators joined. President Lee Teng-hui was forced out of his role as chair of the KMT, and shortly after turning over the presidency to Chen, Lee founded his own party, the Taiwan Solidarity Union (TSU), taking another chunk of KMT members with him.

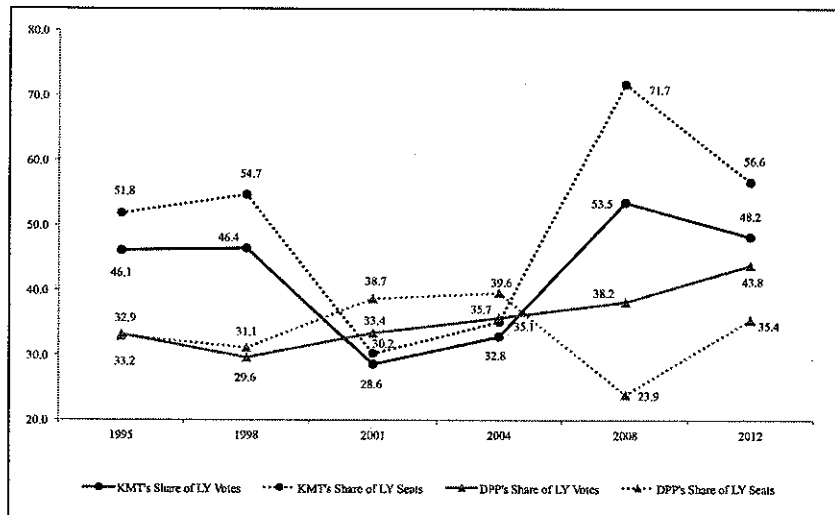
One can get a sense of the dramatic effect the 2000 election had on the party system by looking at the legislative election results. Figure 1.7 shows the district-level vote shares of Taiwanese political parties from

Figure 1.6 KMT vs. DPP Share of Presidential Vote, 1996–2012



Source: Central Election Commission, Republic of China

Figure 1.7 KMT vs. DPP Vote and Seat Share in Legislative Elections, 1995–2012



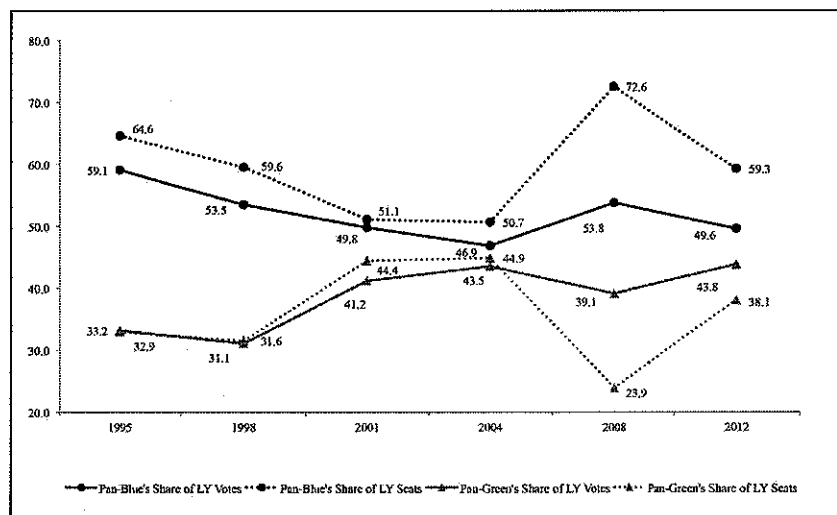
Source: Central Election Commission, Republic of China  
 Note: LY—Legislative Yuan.

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the first fully contested legislative elections in 1992 through 2012. The fragmentation of the KMT's support base following the 2000 presidential election is immediately apparent: in the 2001 legislative election, the upstart PFP and TSU both demonstrated that they were viable parties able to win a significant share of the vote. Rather than two significant parties, Taiwan now had four. From their founding, the TSU was allied with the DPP, and the PFP, with the KMT—groupings that quickly became known as the Pan-Green and Pan-Blue camps, respectively—so-called for the primary color of the leading party in each. Following the 2001 election, control of the Legislative Yuan was closely split between the two rival alliances (see Figure 1.8). Together, the KMT, PFP, and a single New Party legislator formed a shaky coalition with a nominal two-seat majority.

This period ended with the 2004 presidential election. Putting aside their falling-out in the previous campaign, Lien Chan and the KMT successfully negotiated to have Soong join the party's ticket as the vice presidential candidate, with Lien running a second time in the top slot. Because the two together had won 60 percent of the vote in the 2000 election, this immediately made them the favorites in 2004, and Chen faced an uphill battle to retain power. Polling throughout the months leading to the March 20, 2004, election consistently showed the Lien-Soong ticket ahead, with their lead ranging from 5 to 15 percent, though some polls showed the race tightening in the last few weeks. The

**Figure 1.8 Pan-Blue vs. Pan-Green in Legislative Elections, 1995–2012**



Source: Central Election Commission, Republic of China

campaign was thrown into confusion the day before the election, when President Chen and Vice President Annette Lu were shot and lightly wounded during a campaign rally. To the credit of Taiwan's electorate and institutions, the election went ahead the next day, and voting and ballot counting proceeded relatively smoothly.

The final tally showed a surprising, razor-thin victory for President Chen—50.11 percent, compared to 49.89 percent for the Lien-Soong ticket, a margin of about 29,500 votes out of almost 13 million cast. Although Chen won reelection, his victory was controversial from the moment it was announced. For one, the Pan-Blue camp immediately raised suspicions about the March 19 shooting incident, suggesting that it had been staged to win President Chen sympathy votes and to prevent military and security personnel from going to the polls by putting them on high alert. Pan-Blue protesters held large rallies in several major cities and in front of the Presidential Hall, and Lien Chan publicly called the election results unfair, raising questions not only about the assassination attempt but also about the number of invalid votes cast: over 300,000, or more than 10 times Chen's margin of victory. A recount of all ballots cast eventually shrank the difference to about 23,000 valid votes but did not change the result.

As Shelley Rigger reviews in Chapter 2, the narrow and contested result of the 2004 election produced new strains on Taiwan's democracy, roiling both party camps and leading to a new era of partisan warfare over even mundane issues, which ended only with the DPP's defeat in 2008. Sizable elements of the Pan-Blue camp never accepted the result as legitimate. For his part, President Chen took a more confrontational approach toward national identity issues at the beginning of his second term, proposing a China-to-Taiwan "name rectification" campaign and a new constitution and attempting to rally what seemed to be a rising tide of Taiwanese nationalism to the DPP. The DPP appeared to many observers, especially to party elites themselves, to be on an inexorable ascent, fueled by steadily increasing public support for a separate and independent Taiwan.

As Rigger documents, however, this view turned out to be a misreading of public opinion. While Taiwanese *identity* was indeed rising among the electorate, support for *formal independence* was not: the majority of the public continued, instead, to endorse the option of maintaining the cross-strait status quo and increasing economic exchanges with the PRC. As a consequence, the next legislative election in December 2004 produced a setback for the Pan-Green camp, which had overestimated its electoral support and nominated too aggressively. Although the DPP retained its position as the largest party, the Pan-Blues together won enough seats to consolidate their majority in the Legislative Yuan. In hindsight, the 2004

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presidential election was a high-water mark for the Pan-Green camp: it is the only time to date that the DPP has ever won a majority in an islandwide election. The next three years saw a significant decline in the party's fortunes. Cooperation between the Pan-Blue majority in the legislature and the DPP-controlled Executive Yuan was rare even before the first of the corruption scandals involving President Chen broke in 2006. For the rest of his term, Chen Shui-bian was under political siege, and the DPP was on the defensive. The DPP itself was wracked by factional conflict between its more moderate and fundamentalist wings, which the fundamentalists aligned with President Chen largely won; the slate of candidates the party put up in the 2008 legislative elections included many ideologues with little appeal outside a narrow segment of deep Green supporters.

By 2008, the DPP had been sapped of much of its popularity, and its defeat in both the presidential and legislative elections seemed inevitable. Rigger argues that every conceivable variable pointed in the direction of a large KMT victory. Ma benefited from the incumbent party's poor performance, the population's weariness with gridlock, the KMT's powerful local organizations, the voters' longing for economic recovery, and Ma's own personal popularity. Especially important was the cascade of scandals that broke in Chen's second term, robbing the DPP of its image as a corruption fighter. From the viewpoint of party competition, Rigger asserts, the outcome of the 2008 presidential election indicated that the KMT had successfully repositioned itself to be more responsive to public opinion, whereas the DPP had not made the same shift and still attempted to "lead" public opinion toward its Taiwanese nationalist ideology.

The 2008 election for the Legislative Yuan also marked a significant break from the previous electoral patterns. Starting in 2008, a fundamental difference was the electoral system. Through the 2004 election, Taiwan had used the unusual and widely criticized single nontransferable vote (SNTV) system to elect its legislature. SNTV features multimember electoral districts in which voters cast a ballot for a single candidate, and multiple candidates win a seat. This system has well-documented shortcomings, particularly in its effects on political parties: It increases the incentives for intraparty competition for votes, encourages the development of factions within larger parties, and tends to reward candidates who stake out relatively extreme positions over more moderate ones. In addition, for parties and voters, it creates difficult coordination problems that are not present in most other electoral systems. A reform movement to replace the SNTV system gained steam during the Chen years, and over the objections of the smaller parties, the DPP and KMT eventually approved a switch to a mixed-member parallel system—one of the only significant institutional reforms to pass with both major parties' support during the Chen Shui-bian era.



Under the new electoral system, about 65 percent of legislators are elected from single-member districts, 5 percent from special aborigine districts elected using SNTV, and the rest from proportional representation using a closed national party list. At the same time, the size of the legislature was cut in half, from 225 members to 113. The reform had the effect of making Taiwan's electoral system significantly more majoritarian, putting the smaller TSU and PFP at a tremendous disadvantage. What the DPP did not anticipate—though a number of political scientists did—is that it would also dramatically reduce the DPP's representation in the legislature after the 2008 election. Despite capturing more than 38 percent of the district vote, the DPP won only 24 percent of the seats in the legislature, as compared to the KMT's 72 percent of the seats with only 54 percent of the vote. The electoral reform thus presents two puzzles: Why did the DPP perform so poorly under the new system? And why did the party support changing to an electoral system that so badly damaged its own short-term electoral prospects?

Jih-wen Lin takes up these questions in Chapter 3. Using district-level election returns, he argues that the DPP would have won about 40 percent of the seats under the old system had it been in place in 2008, and the KMT would have won, at most, 55 percent. The reason for the new system's disproportionality was the lack of safe seats for the DPP: in relatively few districts did the party have a clear majority of supporters. By contrast, the KMT enjoyed majorities in a large set of districts in northern Taiwan, the east coast, the offshore islands, and the aborigine constituencies, where the DPP's support was weak or nonexistent. The switch to single-member districts thus increased the structural bias in legislative elections in favor of the KMT. On the second question, Lin argues that the DPP misread the trends in popular support in the electorate at the time of the reform. The party expected rising Taiwanese identity to translate into greater partisan support for DPP candidates and, thus, an advantage in majoritarian elections. Moreover, the DPP had generally fared better in single-member races for county and city executives than it had in multi-member races, including winning an outright majority for the first time in the 2004 presidential election. As a consequence, it significantly overestimated the number of district seats it was likely to win under the new system, expecting that a more majoritarian electoral system would help it consolidate the non-KMT vote behind its own candidates and allow it to become the majority party in the legislature.

*Trends in Public Opinion.* The conventional story of public opinion in the Chen Shui-bian era is that Taiwan became significantly more polarized around the "national question": should Taiwan seek independence, pursue unification with the mainland, or retain the "status quo" for the foreseeable

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future? That is certainly the impression one gets from looking at the media and public political discourse of the era. Yet public opinion data suggest a more complex story. In Chapter 4, Eric Chen-hua Yu argues that there is, in fact, only weak evidence of increasing polarization on this question during the Chen era. Yu draws a distinction between “polarized” opinion, in which large blocks of citizens support positions that are diametrically opposed and distant from one another, and what he terms “divided” opinion, in which citizens identify strongly with different political parties but do not actually support positions at the ideological extremes.

Yu finds that the association between partisanship and policy preference is actually relatively weak, especially for Pan-Green supporters. Moreover, the increasing partisan acrimony in the Chen era is a result, he argues, not of greater ideological polarization among the electorate at large but of a re-sorting of political elites into the two major groups based on their policy preferences: the party camps are more neatly divided on the national question, but the public has not become noticeably more polarized. Yu’s empirical findings suggest cause for optimism about Taiwan’s democratic consolidation: the Taiwanese public is actually not any more divided on the unification/independence issue than prior to the Chen era, and a large majority of the electorate continues to support maintaining the status quo in cross-strait relations.

Nevertheless, survey data also provide some reason for concern. As Yun-han Chu, Min-hua Huang, and Yu-tzung Chang discuss in Chapter 5, support for democracy and perceptions about the quality of governance in Taiwan are strongly colored by partisan affiliation. Drawing from two waves of the Asian Barometer Survey collected in 2006, during the Chen administration, and 2010, when the KMT’s Ma Ying-jeou was president, the authors find that strong partisans of each camp rate the quality of governance significantly lower when the other party is running the government. More concerning, strong partisans also demonstrate significantly less support for democracy when the other major party is in power. Chu, Huang, and Chang argue that the long-standing divisions over Taiwan’s “national question” have aggravated the normal tensions between winners and losers present in all democracies, attenuating popular support for democracy among the losing camp and posing a long-term challenge to Taiwan’s democratic consolidation.

### *Part 2. Democratic Institutions in Action*

One of the greatest uncertainties at the beginning of the Chen era was how executive-legislative relations would function. According to the Republic of China (ROC) constitution, the Legislative Yuan is responsible

for lawmaking, including approving all government budgets, whereas the Executive Yuan is responsible for implementation. The two bodies are arguably the most important democratic institutions in Taiwan. Thus, an assessment of government performance necessarily begins with an examination of the relationship between the two. In Chapter 6, Shioh-duan Hawang examines the evolution of this relationship since Taiwan's transition to democracy, identifying three distinct periods of government: first, unified KMT control before the election of Chen Shui-bian as president in 2000; second, divided government from May 2000 until January 2002, when the DPP controlled the presidency but held less than a third of the seats in the Legislative Yuan (LY); and third, severely divided government from February 2002 through January 2008, when the Pan-Blue coalition controlled a narrow majority in the legislature.

Hawang examines variation over the three periods in different legislative functions: lawmaking, control of the LY agenda in the Procedure Committee, and budgetary outcomes. By several measures, as expected, she finds executive-legislative relations to be most cooperative in the first period, under unified KMT control. In the second period, the Pan-Blue majority in the legislature made more frequent use of its ability to freeze or cut government budgets. The third period, in Chen Shui-bian's second term, appears, by most measures, to be the most antagonistic: the legislature initiated many investigations of the executive branch, blocked more than 80 percent of government-requested bills, and issued a large number of budget resolutions, limiting the way that government funds could be spent. Hawang's study confirms the impression that, by the end of the Chen era, relations between the Pan-Blue majority in the Legislative Yuan and the DPP-controlled Executive Yuan reached a level of dysfunction and discord unprecedented in ROC history.

The ROC constitution also gives special judicial and supervisory roles to two other institutions—the Judicial Yuan and the Control Yuan. In Chapter 7, Wei-tseng Chen and Chia-hsin Hsu investigate whether the promise of greater independence and robust supervision of these institutions over the other branches of government—what they term “horizontal accountability”—was realized during the Chen years. They evaluate the two institutions on four dimensions of accountability: independence, supremacy, technical capacity, and political accountability. Taiwan has made the most progress, they argue, in establishing the independence of these two institutions. The Judicial Yuan engaged in the investigation and prosecution of difficult, high-profile corruption cases during the Chen administration, including indicting the first lady and other prominent politicians of both political camps. The picture is less impressive with respect to supremacy, however: the ultimate power of the Judicial and

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Control Yuans to compel enforcement of their legal decisions was limited, as government officials frequently ignored decisions by the two bodies. Moreover, the Control Yuan became a victim of partisan acrimony and was effectively moribund by 2005: the Pan-Blue majority in the Legislative Yuan refused to act on President Chen's nominees, and as a result, the body was left vacant through the end of Chen's second term. Prominent members of the judiciary were also threatened and salaries were cut by hostile legislators in response to unfavorable decisions.

Chen and Hsu argue that most judges were highly competent in their fields and frequently attempted to find compromise decisions that would tamp down partisan conflict. Nevertheless, the judiciary's institutional capacity as a whole was uneven during the Chen years, as judges struggled to issue consistent, high-quality legal decisions. Rulings in defamation cases were particularly problematic and often appeared to be influenced by political considerations. The courts also continued to wrestle with the tension between asserting their legal independence and responding to demands from social and political groups; in their struggle to navigate heightened partisanship, they largely abandoned efforts to remain politically and socially accountable. Overall, Chen and Hsu find that horizontal accountability in Taiwan significantly increased during the Chen Shui-bian era, though the lack of enforcement of judicial decisions and the effective suspension of the Control Yuan were worrisome developments.

In Chapter 8, the final chapter in this section, Yun-han Chu considers the status of constitutional reform at the end of the Chen Shui-bian era. The ROC constitution has been amended seven times since the Lee Teng-hui administration but still lacks the broad-based legitimacy enjoyed by constitutions in fully consolidated democracies. Chu argues that there have been two types of limitations in crafting a fully legitimate constitution: structural constraints and constraints resulting from the strategic choices of key players orchestrating constitutional change. Structurally, the international challenges of cross-Strait relations and sovereignty, the domestic problem of conflict over national identity, and the lack of a core commitment among domestic elites to the rule of law and constitutionalism have all presented formidable obstacles to the creation of a widely accepted permanent constitution. Strategically, elites orchestrating change have engaged in pact making over comprehensive constitutional reform, often driven by hidden agendas, short-term calculations, and improvised compromises. As a result, the extensive revisions have still not produced elite or public consensus as to what a final, acceptable, and fully legitimate constitution would look like.

The Chen years continued this pattern of proposed constitutional revisions for short-term political gain. At the beginning of Chen Shui-bian's

second term, he made adopting a new “Taiwanese” constitution a top priority in a bid to strengthen his legitimacy after his highly contentious victory in the 2004 election. But pressure from the United States undercut Chen’s efforts to rally his base behind the proposal, which appeared hopelessly unrealistic. In March 2006, Chen was forced publicly to admit respect for the status quo and the futility of the constitutional reform campaign.

Chu argues that the 2008 election outcome had the effect of halting the momentum of Taiwanese nationalism and temporarily suspending the debate over constitutional change. Instead, since the end of the Chen administration, there has been a new realization in Taiwan that the ROC constitution, however flawed, is here to stay, because the constitution is now hard to amend in practice. Chu notes that the ROC constitution represents a set of institutional and symbolic arrangements that relates organically to the realities of Taiwanese society, including its political legacies and complicated cross-Strait relations. He also advocates the idea that the constitution merely requires fine-tuning. Some changes are necessary, such as preventing the election of a minority president with a weak popular mandate, but radical change would ultimately do more harm than good.

### *Part 3: State-Society Relations*

The third group of chapters explores various aspects of state-business and state-society relations during the Chen years.

One of the most positive aspects of this era was the creation of new space for civil society organizations to participate in governance. As Chang-ling Huang details in Chapter 9, civil society became an increasingly important channel for nonelectoral representation during the Chen Shui-bian era. The Executive Yuan had long made use of government commissions to serve as a forum for public discussion of regulatory policies. Traditionally, these commissions consisted only of government and business representatives; during the Chen years, however, they began to include representatives of civil society and to take on a more participatory role in developing policy. Huang examines three cases of confrontation between state and civil society organizations that played out in these commissions. The first focuses on the efforts of the civic members of an Executive Yuan commission on human rights to stop the Executive Yuan’s instatement of a fingerprint requirement for state identification cards (IDs). The second case focuses on the actions of feminist advocates to stop the imposition of a new mandatory three-day waiting period for abortions. The third case tells the story of how members of an environmental

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commission boycotted their own meeting, sitting in front of the executive building to call attention to their lack of enforcement power and their inability to change environmental assessment practices.

Starting in 2001, the Chen administration created more commissions with more members, meetings, and interactions with other branches of government such as the Ministry of Foreign Affairs. Nevertheless, civil society organizations remained severely understaffed and underfunded, hindered by a large imbalance in resources and power when compared with the state. During the Chen years, the importance of ensuring the second-order accountability of civil society in Taiwan also became more apparent. Given the level of some nongovernmental organizations' (NGOs') cooperation with the government, there was an increasing need to ensure that NGOs were properly representing the people they claimed to be helping. Nevertheless, the increase in government engagement with civil society is one of the most positive legacies of the Chen Shui-bian era.

In addition to the increase in space for civil society, the Chen era was also noteworthy for the rising power of an independent, aggressive, and diverse media to influence and constrain state actions. Yet during the Chen Shui-bian years, it became increasingly apparent that the media's role in Taiwan's democracy was not an entirely positive one. As Chien-san Feng explores in Chapter 10, greater press freedom did not lead to an improvement in the public discourse or the accuracy and impartiality of news sources. Instead, newspapers, magazines, and especially television became increasingly sensationalized, scandal driven, and hyperpartisan. Although the media played an important watchdog role, they were not a neutral arbiter and did not have strong nonpartisan credibility with the public. Feng identifies three reasons the media largely failed to serve as a trusted, impartial source of information for Taiwan's citizenry: the legacy of decades of authoritarian control, a regulatory agency with neither the motivation nor the capacity to effectively monitor media, and the increasingly deep partisan divides within society. Chen Shui-bian's election offered considerable hope for improvement in the media environment on the island, and some progress was in fact made during the Chen years—for example, the KMT's financial and political stranglehold over television was loosened, and the number of Hakka- and Taiwanese-language television stations multiplied. The development of public service TV, however, was mostly disappointing. During his 2000 presidential campaign, Chen promised to expand public broadcasting, but after an initial burst of activity, the media reform movement remained stalled through most of Chen's time in office.

Feng argues that the Chen administration could have done much more to improve the media environment by working with civil society to

implement higher-quality public television programming and revising outdated regulatory practices. For instance, government support for the public Taiwan Broadcasting System remained inadequate, and the Chen administration failed to win passage of laws that would regulate the media market and force media companies to operate more democratically and transparently.

Nevertheless, one positive effect of the more liberalized media environment was to raise the costs of political corruption, which by the late 1990s pervaded many corners of the central government. During the Cold War, the KMT regime developed and refined a classic form of state corporatism that gradually evolved into a system of party- and state-led capitalism. These clientelist networks and the attendant “black gold”—the combination of political corruption and organized crime—actually expanded in the wake of democratization, as Lee Teng-hui consolidated power in the Presidential Office and the KMT came under increasing electoral pressure. The ruling party became more reliant on clientelist practices as it incorporated and controlled large businesses, which in turn distributed funds to buttress the KMT's candidates in elections.

As James W. Y. Wang, Shang-mao Chen, and Cheng-tian Kuo detail in Chapter 11, the victory of Chen Shui-bian in 2000 upset the system, sparking frenzied efforts by KMT elites to defend their business interests. President Chen's top priority was to destroy party- and state-business networks while preserving the strong state. To this end, Chen replaced KMT appointees in big state-controlled businesses with DPP appointees. In Chen's first term, most of these appointees had technical expertise, and some state-controlled enterprises even showed improved efficiency and increased profits as a result. The KMT's party-controlled businesses, by contrast, fared poorly, turning into a liability for the party and eventually being sold at fire-sale prices. The KMT also sold its prominent headquarters directly opposite the Presidential Hall and moved to a more modest building a couple of miles away. The DPP had less immediate success ending patronage in local organizations, including the important county-level farmers' associations that had long served as key distribution points for resources to KMT-linked local factions. But Chen eventually managed to weaken KMT links to these associations as well by appointing DPP members to lead many of them.

State-business relations changed for the worse in President Chen's second term, however. Corruption in state-controlled enterprises surged, as he replaced many business advisers with less-qualified, pro-independence political appointees. Whereas under the KMT, corruption had taken place primarily at the institutional level, by the end of the Chen era, the authors argue, it had shifted to the level of individuals. One of the many

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ironies of this period is that the KMT began to advocate for increasing government transparency and tightening lax oversight procedures that it had routinely benefited from during its long time in power. As Wang, Chen, and Kuo note, the corruption scandals of Chen's second term demonstrated the continuing weakness of institutions of horizontal accountability and transparency in Taiwan—weakness that may have contributed to Taiwan's slower rate of economic growth during the Chen years.

One intriguing question is why the Chen administration, for the most part, failed to take over the KMT's extensive clientelist networks for its own political use. Chin-shou Wang takes up this question in Chapter 12, detailing both how the KMT system of patronage functioned and why it became largely defunct after the DPP's rise to power. As Wang notes, the clientelist system relied, to a surprising degree, on aspects of authoritarian rule to sustain it, including the lack of a viable opposition party, the absence of electoral competition between local factions, firm party-state control over the judiciary, the deep penetration of the state intelligence apparatus into local politics, and the absence of meaningful freedom of the press. Once these features of the regime changed, the system became unstable and ultimately unsustainable. Wang's analysis suggests that the DPP's attempts to replace the KMT's system with its own were doomed to failure from the start, because the same conditions that allowed the DPP to win power worked to constrain the party once it held the presidency.

### *Part 4: National Security and Cross-Strait Relations*

Beyond the headlines, subtle but fundamental changes took place within the Taiwanese state during the Chen years. The reform of the security sector is at the top of this list. Taiwan had been under martial law for almost forty years; when that law was formally lifted in July 1987, the regime had an extensive domestic security apparatus that operated entirely beyond the reach of elected officials. A number of significant steps were taken during Lee Teng-hui's presidency to put security agencies and the military more firmly under democratic control. These steps included abolishing the Taiwan Garrison Command and ending the prosecution of civilians in military courts. Nevertheless, when Chen Shui-bian came to power, there remained serious concerns about how the military would respond to a new, non-KMT president whose party officially supported Taiwanese independence from China.

As Yi-suo Tzeng describes in Chapter 13, the legacy of KMT party control over the security forces presented a different kind of challenge for democratic consolidation in Taiwan at that moment. The pressing concerns



about improving military professionalism, establishing the primacy of civilian over military leadership, and delegitimizing the idea of the military as an independent actor in domestic politics, as faced by many other young democracies, were less central in Taiwan. The relentless external threat posed by China led to an outward defense posture, which in turn contributed to the development of a strong tradition of military professionalism. In addition, the KMT's dense hierarchical party structure and system of political indoctrination had ensured that the military and intelligence agencies, though highly professionalized, were also fully subordinate to the party's top leadership. Thus, similar to many postcommunist countries with a history of party- rather than state-controlled armies, Taiwan faced a legacy of civilian politicians manipulating the security apparatus for partisan ends. Instead of getting the military out of politics, the challenge in Taiwan was getting politics out of the military.

President Chen's accession to office hastened efforts to "nationalize" the armed forces—that is, to transfer military loyalty and duty from party and national leaders to state and society. Tzeng notes that this nationalization policy helped the military avoid becoming too entangled in civilian political disputes, and despite a handful of controversies, the armed forces were generally effective at establishing and maintaining their standing as fully professionalized, nonpartisan, and democratically accountable institutions.

The picture is more mixed with respect to the intelligence agencies, however. By the end of the Chen administration, the procedures for domestic eavesdropping and other sensitive activities had still not been fully regularized, and the collection, distribution, and employment of intelligence for domestic political purposes, including in election campaigns, remained a significant concern. Nevertheless, Tzeng concludes on a positive note, arguing that the norms of political neutrality and accountability to civilian leadership have become well established in Taiwan and that a fully depoliticized and institutionalized security sector is no great way off.

Perhaps the most difficult challenge of the Chen Shui-bian era was managing relations with the People's Republic of China, which were strained even at their best. Chen's first election win in 2000 came as a shock to Beijing, which scrambled to develop a policy response to the rise to power of the pro-independence DPP. For his part, President Chen started his administration on a moderate note, promising in his inaugural address to uphold what quickly became known as the "Four Noes and One Without": provided the PRC expressed no intention to use military force against Taiwan, Chen would not (1) declare independence, (2) change the title of the country, (3) include the doctrine of special state-to-state relations in the ROC constitution, or (4) promote a referendum on

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unification or independence. In addition, the “One Without” was a pledge not to abolish the National Unification Council, a long-standing body set up in 1990 to promote reintegration of the Republic of China with mainland China. Yet by the end of his presidency, Chen had made public statements or taken actions that undermined all of these pledges.

Throughout his presidency, Chen’s political space to maneuver in cross-Strait relations was quite limited. He faced three major structural constraints. The first was his limited popular and legislative support. Chen took office as a minority president, with over 60 percent of the electorate having voted for somebody else. Thus, he could not persuasively claim to have received much of a mandate to implement significant changes in cross-Strait ties. During Chen’s first term, portions of the KMT publicly questioned his legitimacy to take unilateral actions even in domestic arenas, most notably with his appointment of a DPP premier. Moreover, Chen never succeeded in winning a legislative majority for his own party and, instead, had to face an uncooperative and often openly hostile Pan-Blue coalition in the Legislative Yuan for his entire time in office. As a consequence, the legislature effectively blocked most of his attempts to reshape cross-Strait policies.

Second, Chen was under some obligation to pro-independence activists in his own party. Many DPP members were committed to an ambitious nation-building project, including the active strengthening of a separate Taiwanese identity, and they expected the president to deliver on their long-cherished nationalist goals. Thus, Chen received consistent pressure to undertake controversial but mainly symbolic steps to change the names of the country and adopt a new constitution. When these steps appeared out of reach, supporters pushed a “name rectification” campaign to remove “China” from the formal titles of state-owned enterprises and government bodies. As Chen’s support among the public at large deteriorated in his second term, he came to rely more and more heavily on the support of “deep Green” pro-independence legislators and activists to fend off impeachment attempts.

Third, Chen faced serious constraints on his freedom of action in foreign policy from both the People’s Republic of China and the United States. The PRC steadfastly promoted its own unification project, and the United States remained committed to preserving the status quo in the Taiwan Strait and was wary of any steps that would provoke a reaction from Beijing and further complicate US-PRC relations. Thus, cross-Strait relations during the Chen years were deadlocked, caught between a Taiwan leader motivated for domestic reasons to pursue greater distance from the mainland, a Chinese leadership determined to oppose even symbolic steps to expand Taiwan’s diplomatic space or drop links to the regime’s Chinese past, and a US administration concerned about the actions of both.

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Yet, despite this set of diplomatic face-offs, cross-Strait economic relations deepened during the Chen years. In Chapter 14, Tse-kang Leng demonstrates how the economic factor in cross-Strait relations has grown in importance through the last three Taiwanese administrations and how it has, in turn, changed Taiwan's domestic politics. Leng focuses on continuity and change in Taiwan's policy toward the so-called three links—direct commercial, postal, and transportation links with the PRC. In addition to the ideological clash over fostering closer ties to China, Leng notes there is also an important, and underappreciated, cleavage between more isolationist, protectionist-oriented groups and proglobalization ones in Taiwan that does not map neatly onto partisan divisions.

*Taiwan's Democratic Future*

In the years ahead, Taiwan's democracy will likely continue to be buffeted by many of the social and political stresses and institutional contradictions that plagued it during the Chen Shui-bian era. The presidency of Ma Ying-jeou, Chen's successor, resolved some of these challenges but neglected or exacerbated many others: deep social divisions and frustrations over rising inequality, the pace and direction of cross-Strait relations, trade liberalization more generally, and other economic and quality-of-life issues all appear to have little prospect of a swift, clear resolution in the near future. Yet the test of democratic consolidation is not whether democracy is able to fashion societal consensus around clear policy directions or even, for that matter, around effective policies. Rather, democratic consolidation requires a durable consensus on the institutional rules of the game. Through two transfers of power, an intensely disputed 2004 election, the scandal-plagued second term of Chen Shui-bian, and the surprising recurrence of legislative gridlock during Ma Ying-jeou's presidency, democracy in Taiwan has faced stressful tests. It may not have passed them with flying colors, but it has endured. Few people in Taiwan today would support a return to authoritarianism in order to resolve current political conflicts. Taiwan's democracy must improve in its functioning if it is to meet the expectations of its citizens and the demands of an increasingly competitive regional and world economy. But as it draws toward the end of its second decade, there can be little doubt that Taiwan's democracy is consolidated.

**Notes**

1. This is mainly because of relatively low scores on political participation and political culture, as well as the different way in which this index weights certain factors—in contrast, to, say, Freedom House.

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2. Each of these four indices reflects diverse sources of perceptions and assessments. Government effectiveness captures the quality of public services, policy formulation and implementation, and the professionalism and neutrality of the civil service. Regulatory quality measures the government's ability to formulate and implement sound policies that facilitate private-sector development. Rule of law measures not only the extent of crime and violence but also the quality of contract enforcement, property rights, the police, and the courts. Control of corruption is self-evident. Voice and accountability was examined in Figure 1.1 as a measure of democracy.

3. Larry Diamond and Gi-Wook Shin, "Introduction," in *New Challenges for Maturing Democracies in Korea and Taiwan*, eds. Larry Diamond and Gi-wook Shin (Stanford, CA: Stanford University Press, 2014). See in particular Figure I.1.

4. For instance, a TVBS poll taken between May 9 and May 13, 2008, just before President Chen left office, recorded an approval rating of only 13 percent, with 69 percent disapproving.