

## Narrative Description:<sup>1</sup>

## **Executive Recruitment:** Competitive Elections (8)

Taiwan's sovereignty is not universally recognized and is the subject of a long-standing dispute with the People's Republic of China. The Republic of China (Taiwan) was established in 1949 as a refuge for the defeated mainland government of the Kuomintang (KMT) led by Chiang Kai-shek. The KMT instituted an authoritarian one-party state on Taiwan and continued to rule under martial law until 1987. Chiang Ching-kuo took over control of the government in 1975 upon his father's death and began to institute a democratization program that began to replace the older generation KMT "politicians-for-life" (upon their death) with a new generation of Taiwan-born politicians. On July 14, 1987, President Chiang lifted martial law, which had been in effect since the KMT takeover of Taiwan in 1949. President Chiang died on

<sup>&</sup>lt;sup>1</sup> The research described in this report was sponsored by the Political Instability Task Force (PITF). The PITF is funded by the Central Intelligence Agency. The views expressed herein are the authors' alone and do not represent the views of the US Government.

January 13, 1988, and the executive office passed to Vice President Li Teng-hui; President Li became the first native-born Taiwanese president. In April 1991, the state of (civil) war with the mainland was officially ended and the Temporary Provisions that had created the executive-dominated state in Taiwan were rescinded. It was at this point that Taiwan began its transition to an effective multi-party electoral system. Although the KMT continued to dominate elections through the 1990s, its generational power base was slowing passing away and its domination was eroding under the challenges of Taiwan's increasingly strong entrepreneurial class. Taiwan's first open and competitive presidential vote took place on 23 March 1996, with the incumbent President Li winning just 54% of the vote. The Democratic Progressive Party continued to improve its position as the main opposition party to the KMT through the 1990s and, finally, in March 2000 presidential elections, the MCT candidate, Chen Shui-bian, won the presidency by a close margin in competitive, free, and fair elections that featured a three-way race in which the KMT party candidate ended a distant third. This election brought the first transition of executive power from one party to another in Taiwan and marked an end to the KMT's 51 years of continuous rule. Multi-party politics were further consolidated when the MCT became the largest party in the legislature as a result of December 2001 elections.

Incumbent President Chen was narrowly reelected in March 2004, winning the electoral contest by just over 30,000 votes. The opposition candidate challenged the results of the election, requesting a recount and petitioning the High Court for nullification. The recount reduced, but did not reverse, Chen's margin of victory while the High Court ultimately rejected the opposition claim that the poll was marred by electoral irregularities and the "staged" assassination attempt on President Chen prior to the polling. Demonstrations, impeachment procedures, and charges of corruption initiated mainly by the KMT opposition seriously limited the effectiveness of President Chen's second term. In October 2006 President Chen survived an attempt by parliament to force a referendum on his rule. This was the second attempt by the KMT, who held a slim parliamentary majority with several smaller parties, to force a referendum. In response to this policy defeat, the KMT organized a campaign of large demonstrations in November 2006 in a further attempt to force the resignation of President Chen; although disruptive, these also had little effect on government policy. President Chen gave assurances that his administration would not press for the island's independence during the remainder of his term; however, he claimed he could not stop his party's effort to gain UN membership.

The Nationalist Party (KMT) candidate, Ma Ying-jeou, beat the Democratic Progressive Party's Frank Hsieh in the March 2008 presidential election, ending eight years of Democratic Progressive Party rule. Prior to these elections, in January 2008, the KMT won a landslide victory in parliamentary voting, winning over 72% of the seats.

## **Executive Constraints:** Executive Parity or Subordination (7)

The Republic of China (Taiwan) is emerging from a long period of autocratic rule characterized by very limited constraints on executive authority. The original 1947 constitution provides for a system of five governing bodies consisting of executive, judicial, examination (supervise examinations for entry into public office), and control (investigate and impeach executive authorities) bodies (yuans) and headed by the legislative body. This system was immediately abrogated by the declaration of a state of emergency and imposition of martial law that were not rescinded until 1987 (martial law) and 1991 (state of emergency imposed in response to the "communist rebellion" on the mainland). With the legalization of political parties in 1987 and establishment of competitive elections in the 1990s, this system provides for a number of effective constraints on the executive authority by other branches. The president's powers include initiating legislation, commanding the military forces, representing the nation in foreign relations, and declaring war and peace. The cabinet is headed by a prime minister who is appointed by the president with the consent of the legislature. A July 1997 constitutional amendment granted the legislature the power to impeach the president with a three-fifths vote and dismiss the Cabinet (Executive Yuan) with a noconfidence vote, as well as the power to change government policy whenever necessary (effectively merging the control yuan with the legislature); it also granted the president the power to dissolve the legislature. In 2000 the legislative Yuan absorbed the authority of the National Assembly which had been empowered to amend the constitution. The judiciary is constitutionally independent but corruption and political influence remain serious problems. In 2000, the new MCT-led Government made efforts to eliminate corruption and to diminish political influence over the judiciary.

In May 2005 the President's MCT party won the majority of seats in the National Assembly; a elected body that is empowered to revise the constitution. In one of its first acts, the National Assembly

decided that future amendments to the constitution would have to be decided by popular referenda. This change in the constitutional amendment process increased fears by China, the US and the KMT that Taiwan would call for a national referendum on independence from mainland China. While the KMT opposed the new constitution, nonetheless, in an effort to avoid being branded as anti-reformist, they agreed to the constitutional referendum process only on the condition that <sup>3</sup>/<sub>4</sub> of all members of parliament must first approve it. Moreover, they were effective at including an amendment which stated that all referendums would require a "yes vote" of at least 50% of the entire electorate to pass.

## <u>Political Participation</u>: Institutionalized Open Electoral Competition (10)

From 1949 to 1987, Taiwan operated as an authoritarian regime based on martial law and ruled by the KMT refugees from mainland China; KMT political elites held their seats in the national legislature for life. Under the limited reforms initiated by President Chiang in the early 1980s, the KMT old guard was gradually replaced by new elites born in Taiwan and opposition parties began to form despite being formally banned under the martial law that had been in effect since 1949. Legislative elections held on December 6, 1986, were the first to include candidates representing an organized opposition party, the Democratic Progress Party (MCT); MCT candidates won 12 seats in the Yuan. In 1987, the government formally lifted the ban on parties. Legislative elections held on December 2, 1989, were the first to allow opposition parties and the MCT increased its share to 21 seats, just over the twenty-seat threshold for parties to initiate legislation. On April 30, 1991, President Li officially declared the end of the "period of Mobilization for the Suppression of the Communist Rebellion" (ending the state of war with the mainland) and repealed the Temporary Provisions, which had effectively abrogated the constitution and concentrated political power in the executive office. It was around this time that the issue of Taiwan independence began to be promoted by a faction within the MCT. Elections to the legislative Yuan, held on December 19, 1992, were the first in which all seats were filled through the electoral process. The two major parties that dominate Taiwanese politics (KMT and MCT) are durable and inclusive. A third major party, the People First Party (PFP), was formed in March 2000 following the impressive showing of independent reformist candidate James Soong in the March 2000 presidential election; the PFP captured nearly 20% of the seats in the December 2001 legislative elections. The MCT became the largest party in the legislature as a result of the 2001 elections, eclipsing the KMT for the first time in history. The peaceful transfer of power from KMT to MCT in 2000 (executive) and 2001 (legislative) represented a large step forward in the country's democratic consolidation. Current political divisions regard the future status of the island, notably its sovereignty and relationship to mainland China. In apparent frustration over the long-standing impasse with the mainland China government, in an address over a satellite link to a conference of activists for Taiwanese independence in Japan in August 2002, President Chen called for legislation to allow the people of Taiwan to vote in a referendum on independence from China.