



And the Winner Is... Lee Teng-hui

by Ralph A. Cossa

Taipei: "The KMT is still the biggest opposition party in the legislature." With these words, Kuomintang party chairman Lien Chan tried, unconvincingly, to put a positive spin on the former ruling party's disastrous showing in this weekend's legislative elections in Taiwan. Lien, who already had the distinction of being the first KMT presidential candidate ever to lose that race - finishing an embarrassing third behind President Chen Shui-bian and KMT renegade James Soong during the 2000 presidential race - has now presided over the unraveling of the KMT's 50 years of domination of the Legislative Yuan.

The big winner was President Chen's Democratic Progressive Party (DPP), which now holds 87 seats in the 225 member legislature (up from 65), outdistancing the KMT, which dropped to a mere 68 seats (down from 123 in the 1998 legislative elections, although this number had already shrunk to about 110 due to party defections after the 2000 presidential elections). James Soong's People First Party (PFP) also won big, more than doubling its seats (from 20 to 46), ensuring that Soong will remain a dominant political force. Both Chen and Lien immediately reached out to Soong, who seems in no rush to link up with either of them. In truth, significant elements in both the DPP and KMT would resist entering into a coalition with the PFP and Soong seems more interested in positioning himself for the next presidential election than he is in forming partnerships right now. At a minimum, we can expect to see some KMT defections to Soong, who still has many friends (along with some very bitter enemies) in his old party.

Numbers aside, the real winner may be former president Lee Teng-hui. His upstart Taiwan Solidarity Union (TSU) defied all predictions, winning 13 seats. The odds of a DPP/TSU coalition seem high, with the resulting 100 seats proving a solid base from which President Chen and the DPP can "flex our strength," according to one senior DPP official. The big question will be how much influence Lee will command behind the scenes and how this will impact cross-Strait relations - the only person the mainland seems to distrust more than President Chen is former President Lee.

Lee Teng-hui appeared to be a spent force after he was forced to resign as KMT Party Chairman following Lien's poor showing in 2000 - many accused him at the time of being a closet DPP/Chen Shui-bian supporter. When the TSU was formed this summer with Lee's obvious (and enthusiastic) backing, the KMT had little option but to expel their former standard-bearer from the party completely. But it is clear that Lee's departure has hurt the KMT more than it has deterred Lee. Taiwan's "chief troublemaker" (as the mainland sees him) has once again demonstrated that those who underestimate him do so at their own risk.

Meanwhile, it would appear that Beijing's strategy of trying to isolate and embarrass the DPP has backfired, as did the KMT's tendency to use cross-Strait relations as a domestic political tool. While no one wants a confrontation with the PRC, the KMT's attempts to cozy up to Beijing were apparently not well received in Taiwan, especially after China's Foreign Minister Tang Jiaxuan went out of his way during and after the Asia Pacific Economic Cooperation (APEC) ministerial meeting to insult both the Taiwan representative and President Chen personally. The KMT also failed to capitalize on Chen's poorly handled decision to boycott the APEC Leaders' Meeting (which immediately followed the ministerial meeting in Shanghai in late October). To make matters worse (from Beijing's perspective) the pro-reunification New Party won only one seat. It fell far short of the 5 percent of the popular vote required for government subsidies - the TSU, with over 8 percent of the popular vote, qualified easily.

The PRC will likely continue its "wait and see" approach vis-à-vis Taiwan, especially since Beijing is consumed with its own leadership transition issues right now. Chinese President Jiang Zemin, eager to preserve his own legacy, cannot afford to be seen as wavering from China's demand that Taiwan accept the "one China" principle as the basis for future negotiations. President Chen, whose initial olive branches toward Beijing were soundly rebuffed, appeared increasingly hesitant before the election to yield on this issue. While he will now feel politically more secure, one can be sure that the TSU (along with a sizable hardline element in his own party) will continue to reject any "one China" formulation, including the "one China, differing interpretations" model seemingly acceptable to the mainland and the KMT. Besides, Chen's first priority now must be to fix the economy; he can no longer blame the KMT for blocking needed economic (and political) reforms. As a result, no breakthrough in cross-Strait relations should be anticipated in the near term.

This is not to say that a compromise is impossible, however. I have argued for a new formulation, that states "there is only one China and Taiwan and the PRC are both parts of one China." This is somewhat similar to (but admittedly goes beyond) PRC Vice Premier Qian Qichen's formulation about "Taiwan and the mainland being part of one China." It is also not inconsistent with (although it falls short of endorsing) Lee Teng-hui's earlier controversial "special state to state" formulation. Neither side appears ready to accept such an approach today, suggesting that it may, in time, represent a good middle ground compromise solution.

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