



# Taiwan Communiqué

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# 122

## Change *Taiwan* can believe in *President Barack Obama takes office*

On 20 January 2009, President Obama took office in Washington DC, heralding in a new period for the United States and its relations with the rest of the world. For Taiwan, the question will be whether there will be change the Taiwanese people can believe in. On the next few pages we will expand on this question.

The last few years of the Bush Administration were marked by a serious downturn in US-Taiwan relations, mainly caused by the fact that Taiwan – under former President Chen Shui-bian – had high expectations of US support for expanding Taiwan’s international space, but that the Bush Administration – wary of China’s increasing international clout – got itself bogged down in a negative tit-for-tat with the DPP Government on issues like Taiwan’s referendum to enter the UN under the name “Taiwan.”

The ascent of the Obama Administration is an opportunity for the United States to reverse this negative trend. This will not be easy: there are many other urgent issues on Mr. Obama’s plate: the Gaza crisis, Iraq, Afghanistan, not to mention the economic recession hitting countries around the world like a tsunami.

The situation is made more difficult by the fact that the Ma Administration in Taiwan is barreling ahead with its rapprochement with the PRC at the expense



**President Barack Obama**

of democracy, human rights and freedoms in Taiwan (see articles on pp. 3 - 12). The Ma government also seems oblivious to warnings that tightening economic ties with China risks dragging Taiwan down in China's deepening economic crisis.

## *What policies to pursue?*

Against this background it is difficult to predict what the Obama Administration's policies will be towards Taiwan specifically. It will continue to emphasize stability in the Taiwan Strait and counsel against rash moves, but this will increasingly have to be combined with an emphasis on respect for democracy, human rights and the rule of law, which – as indicated above – have eroded significantly over the past few months.

Since early November 2008, international human rights organizations such as Amnesty International, Freedom House, Reporters Without Borders and the Paris-based International Federation for Human Rights, as well as a group of prominent scholars and writers have issued a number of statements and reports strongly critical of the arrests and detentions of a number of present and former DPP officials, and the events surrounding the November 2008 visit of Chinese envoy Chen Yunlin.

While in its final days, the Bush Administration has hesitated speaking out on the deterioration of democracy and human rights and the erosion of the judicial system, the Obama team will hopefully be more principled on the issues of democracy and freedom, and signal the Kuomintang authorities its unhappiness with the developments.

In fact, in her 13 January 2009 remarks during her confirmation hearing before the Senate Foreign Relations Committee, Secretary of State-designate Hillary Clinton emphasized: *“Supporting democracy, economic development and the rule of law is critical for US interests around the world. Democracies are our best trading partners, our most valuable allies, and the nations with which we share our deepest values.”*

***Taiwan Communiqué comment:*** *We urge President Obama to redefine US policy towards Taiwan, and work towards acceptance of the island nation as a full and equal member in the international community. We urge his administration to do some more creative thinking which would help Taiwan gain international space and safeguard its position as a free and democratic nation.*

*All too often, previous US administrations have been given to a rote recitation of the anachronistic “One China” mantra, which, during the past decades, prevented Taiwan from joining the international family of nations. This in spite of the fact that the people of the island worked hard to transform it in the late 1980s and*

early 1990s from a repressive, authoritarian dictatorship claiming to represent China into a free, vibrant, and open democracy.

Mr. Obama's presidency represents the fulfillment of a dream for so many Americans, in particular in the black community. **The Taiwanese people also have a dream:** that they will be treated as equals by other nations around the world. They are tired of sitting in the back of the bus - or worse: not even being allowed on the bus at all. They want to "... carry forth that great gift of freedom and deliver it safely to future generations."

As Mr. Obama also said during his inauguration speech: "... know that America is a friend of each nation and every man, woman, and child who seeks a future of peace and dignity, and that we are ready to lead once more." We would also like to quote Mr. Obama's acceptance speech at the Democratic Convention in Denver, where he stated: "Enough to the outdated policies of the past." We hope he applies this to US policies towards Taiwan.

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## Taiwan's judicial system on trial

The past few months have seen a further erosion of human rights and democracy in Taiwan. The downward slide started in mid-October 2008 with the arrest and detention of a number of present and former officials of the DPP Administration, and worsened with the aggressive police behaviour during the visit of Chinese envoy Chen Yunlin in early November 2008 (see our reports in *Taiwan Communiqué* no. 121). Both developments were reminiscent of Taiwan's police state under the Kuomintang's martial law, which lasted from 1947 until 1987.

Below we summarize the developments from late November 2008 through mid-

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Taiwan's judiciary rope-dancing to the tune of the KMT government

January 2009, and give an overview of reactions to the judicial proceeding, both from inside Taiwan and by international observers. A second article focuses on the aftermath of the Chen Yun-lin visit, and the reaction in the US Congress.

## *The KMT's political vendetta*

In particular the handling of the cases of arrests and detentions of present and former DPP officials by the prosecutors and courts prompted protests and expressions of concern by observers inside and outside Taiwan.

On 11 November 2008, the **Presbyterian Church in Taiwan** issued an appeal in which it expressed “grave concern” about the series of arrests and detentions of present and former officials associated with the DPP, as well as the violations of human rights, freedom of speech and expression during the visit of Chinese envoy Chen Yunlin (see following story). The appeal, signed by TPC General Secretary Andrew Chang Te-chien, stated that the moves by the Ma administration towards closer ties with China were “*costly in terms of ... Taiwan's dignity and sovereignty as well as being a real threat to democracy in Taiwan.*”

On 13 November 2008, Professor Jerome Cohen – who served as President Ma's law professor at Harvard – published a commentary in the **South China Morning Post** titled “*Ties that Blind*”, in which he described how the improved cross-Strait relations had come at the cost of freedom and civil liberties in Taiwan.

Also on 13 November 2008, the Toronto-based **Taiwanese Human Rights Association of Canada** issued a strong statement. In it, it said “... *we are led to conclude that the KMT is abusing the justice system, Control Yuan, and media in Taiwan, using them as a tool of character assassination and a political settling of accounts with the (DPP) opposition.*” The Association referred to the Kaohsiung Incident of 1979, when “... *the KMT carried out a similar campaign to decapitate the opposition ... .. A campaign of vilification and dehumanization of the accused which was followed by a series of show trials.*”

On 26 November 2008, the normally-pro-KMT **China Times** published a hard-hitting editorial in which it stated that “*The abuse of power by the Chief Prosecutor and the Special Investigation Unit – in the examples of pretrial detention, selectively targeting one specific political group – could seriously undermine the rule of law that is the fundamental principle of a democracy.*”

On 5 December 2008, the Hong Kong-based **Far Eastern Economic Review** published a commentary by veteran East Asia reporter Julian Baum, in which Mr. Baum gave an extensive and wide-ranging exposé on the issue of fairness and balance in Taiwan judicial system. He concluded: *“The transparency and fairness of the process will be a test of the maturity of Taiwan’s democracy as it struggles to prove that its criminal-justice system serves the people, not the rulers.”*

Between 9 and 15 December 2008, former Canadian member of parliament and Secretary of State for Asia-Pacific **David Kilgour** visited Taiwan, and spoke at a Human Rights symposium in Kaohsiung. He deplored the arrests and detentions as well as police brutality surrounding the Chen Yunlin visit. He stated in an interview with the Taipei Times: *“I hope President Ma Ying-jeou .. will understand that democracy is more than having elections once every four years. Democracy is about things such as allowing people to protest peacefully.”* He added that Taiwan as a beacon of rule of law and democracy is “shining less brightly” and urged the people and government in Taiwan *“... to ensure that your hard-won democracy and dignity of all Taiwanese are strengthened, rather than focusing on appeasing the party-state in Beijing.”*

## *No fair trial for Chen Shui-bian*

Photo: Taiwan News

As we reported in the previous issue of Taiwan Communiqué, former president Chen Shui-bian was detained on 11 November 2008 under Taiwan’s draconian “pre-trial detention” rules. According to reports from Taiwan he was initially questioned for some 20 hours, first some seven hours by the prosecutors, and then – from 8 pm until 7 am the next morning – in front of a panel of three judges, which then decided to detain him at the Tucheng Detention Center near Taipei.



**Former President Chen during his brief release from prison in mid-December 2008**

Finally, after more than one month in detention, Mr. Chen was formally indicted on December 12<sup>th</sup> 2008 by the Supreme Prosecutor’s Office’s Special Investigation Unit

(SIU), along with his wife, son and daughter-in-law as well as ten former presidential aides and associates. The indictment charged Chen and his wife of illegally receiving or embezzling an equivalent of US\$14.7 million, some of which was sent overseas. Of that total, the indictment read, an equivalent of approx. US\$ 3 million was from the “state affairs” fund during his eight years in office from 2000 until earlier 2008.

In the early hours of the morning of the next day -- at 1:20 am -- a three-judge panel from the Taipei District Court ordered Chen released on his own cognizance, after a four-hour hearing. Initially the prosecutors accepted the decision, but changed their mind after strongly-worded criticism from a group of hard-line KMT lawmakers: they filed an appeal, which was rejected again by the District Court on December 18<sup>th</sup>. This prompted a barrage of accusations against the District Court from KMT officials including KMT caucus secretary-general Chang Sho-wen, who said that the presiding judge, Chou Chan-chun, should be replaced.

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**Judiciary pawns being moved by the hand of politics:  
"let's see ...who should be next?"**

After several hearings in the Taiwan High Court – to which the Special Investigation Unit had appealed – that was precisely what happened: in a highly-unusual move the District Court “voted” to remove judge Chou and appoint judge Tsai Shou-hsun as president of the three-member panel, which then decided – on December 25<sup>th</sup> – to put former President Chen back in detention.

The move prompted strong condemnations both inside Taiwan and abroad: in an editorial titled “Amateur hour justice follies”, published on 1 January 2009, the **Taipei Times** presented details of the sequence of events, and stated: “... independent observers could be forgiven for thinking that this crucial and complex trial is degenerating into an amateurish celebrity witch-hunt”, and added: “The reputation of top judicial officials is in jeopardy. Add to this the perception of a politicized Taipei District Court and little wonder the expression “kangaroo court” is beginning to do the rounds.”

In an editorial titled “Taiwan needs justice, not persecutions”, the other major English-language publication in Taipei, the **Taiwan News**, commented on 8 January 2009: “*What our society needs least of all is the pursuit of convictions through unscrupulous means that will leave in its wake even deeper divisions and suspicion that the KMT government is less concerned with upholding the democratic rule of law but is intent on ‘using the law to rule’ and recreate a new party - state.*”

In the same vein, a hard-hitting **Associated Press** newswire report of January 4<sup>th</sup> 2009, titled “Critics blast democratic erosion under Taiwan’s Ma”, quote professor June Teufel-Dreyer of the University of Miami as saying that it was “*reminiscent of Richard Nixon’s behaviour, as in ordering IRS investigations of groups he didn’t like.*” The Associated press presented details of how KMT lawmakers had interfered in the judicial process.

Finally, on 8 January 2009, New York law **professor Jerome Cohen** in a South China Morning Post commentary titled “Chen judges bungle their chance” asked poignant questions about the procedures followed by the prosecutors and the courts in the case against former president Chen, and strongly criticized both the switch in the presiding judges as well as the way the prosecutors’ actions have hampered Chen in preparing for his defense.

Prof. Cohen asked: “*At what point does the presumption of innocence become meaningless and the pre-conviction detention morph into punishment for a crime not finally proved?*” He concluded that the recent court proceedings have “mocked the promise” of fair proceedings and a vindication of the values of clean government.

## ***Scholars and writers reiterate concern***

The recent events also prompted a third expression of deep concern by a group of international scholars and writers. The group had first stated their concerns about the earlier arrests and detentions in an Joint Statement on November 4<sup>th</sup> 2008 (see Taiwan Communiqué no. 121 pp 14-15). This was followed by an Open letter to Justice Minister Wang Ching-feng, published in the Taipei Times on 2 December 2008:

This third statement came in the form of an Open Letter to president Ma Ying-jeou, dated January 17<sup>th</sup> 2009. The letter was published on 21 January 2009 in both the **Taipei Times** and **Taiwan News**. The full text follows on the next two pages:

*Dear President Ma,*

*We the undersigned, scholars and writers from the US, Canada, Europe and Australia, consider ourselves long-time supporters of a democratic Taiwan. We write to express our concern regarding the erosion of the judicial system in Taiwan during the past few months.*

*On two previous occasions we have publicly expressed our concerns to Justice Minister Wang Ching-feng, but the Minister's responses are troubling in their persistent failure to acknowledge that there even is a problem, and in their attitude of denial that the judicial process is flawed and partial. We trust that our raising our concerns with you as President will be treated as advice from international supporters of Taiwan's democracy who care deeply about the country and its future as a free and democratic nation.*

*First we may mention the fact that your administration has not yet acted upon recommendations – made both by Freedom House and Amnesty International – to conduct an independent inquiry into the events surrounding the visit of Chinese envoy Chen Yunlin, and in particular the police behavior and infringements on basic freedoms. The establishment of a scrupulously neutral commission is essential if there is to be a fair and objective conclusion on the disturbances that occurred during the Chen Yunlin visit.*

*Second, we are concerned about the legal proceedings in the case of former President Chen Shui-bian. The switch of the case from a three-panel court that released him on his own cognizance on December 13<sup>th</sup> to a court that subsequently re-incarcerated him on December 25<sup>th</sup> – both Christmas Day and Constitution Day – seems to have resulted from political pressure from KMT members of the Legislative Yuan. In his commentary in the South China Morning Post of January 8<sup>th</sup> 2009, Prof. Jerome Cohen presented details of such political interference in the judicial system, while the Associated Press on January 4<sup>th</sup> also gave incisive insights in the process that took place.*

*Third, we are deeply concerned by the widespread pattern of leaks to the media regarding ongoing cases – leaks, which because of their content and nature can only have come from the prosecutors' offices. As was reported by the Associated Press on January 4<sup>th</sup> 2009, prominent observers in Taiwan such as Prof. Wang Yeh-lih of National Taiwan University charge that these leaks come from prosecutors, who "...consistently violated the principle of guarding the details of investigations during the Chen case." This pattern of behaviour displays a distinct bias in the judicial system and a disregard for fair and impartial processes.*

*The lack of attention to professional judicial standards reached a new low with the skit by several prosecutors who satirized those whom they are prosecuting. We are disturbed by Minister Wang's defending this as "just for fun". Press agencies quote the Minister as saying: "It was just a play to help everybody relax. There's no reason to take it too seriously." In our view the actions by the prosecutors and the comment by Minister Wang display a lack of judicial professionalism and political neutrality.*

*We reiterate that any cases of alleged corruption must be investigated, and that if the defendants are found guilty in a scrupulously impartial process, they should receive just punishment after trial.*

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*We thus emphasize that the political neutrality of the judicial system is a fundamental element in a democracy. The examples mentioned above indicate that the investigative process has been conducted and sensationalized to the extent that both the right of the accused to a fair trial, and the presumption of innocence have been seriously jeopardized. Justice through the rule of law is essential to Taiwan's efforts to consolidate democracy and protect fundamental human rights.*



**"politics" nibbling away at the wooden legs of the judiciary**

*In addition to the harm done to the personas of those accused, the international image of Taiwan has suffered. A president of a country bears political responsibility for the conduct of his subordinates' actions, and we therefore urge immediate and decisive action to correct the severe flaws in the process that are staining the national honor, perhaps irreparably.*

*Taiwan's judicial system must be not only above suspicion but even above the appearance of suspicion of partiality and political bias. We appeal to you, Mr. President, to restore the credibility of the judicial system in Taiwan and ensure that your government and its judiciary and parliamentary institutions safeguard the full democracy, human rights and freedom of expression, for which the Taiwanese people have worked so hard during the past two decades.*

The letter was signed by 25 international scholars and writers, including Ambassador Nat Bellocci (former Chairman of the American Institute in Taiwan), Gordon G. Chang

(author, *“The Coming Collapse of China”*), Prof. June Teufel Dreyer (Univ. of Miami), Prof. Edward Friedman (Univ. of Wisconsin), Hon. David Kilgour (former member of Parliament and Secretary of State for Asia-Pacific), Prof. Bruce Jacobs (Monash University, Melbourne Australia), Prof. Stephane Corcuff (Univ. of Lyon, France), Prof. Peter Tague (Georgetown University), Prof. Arthur Waldron (Univ. of Pennsylvania), Prof. Michael Yahuda of George Washington Univ. and others.

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## The aftermath of the Chen Yunlin visit

### *Ma Administration rejects independent commission*

In the previous issue of Communiqué we presented the sequence of events surrounding the November 4-7<sup>th</sup> 2008 visit of ARATS chairman Chen Yunlin, which resulted in intense confrontations between a heavy-handed police force, and demonstrators expressing their opposition to the visit (*Taiwan Communiqué* no. 121, pp. 6-10).

On 20 November 2008, the New York-based **Freedom House** issued a press release in which it called on the Taiwan government to create an independent commission to thoroughly investigate the clashes between police and activists. Freedom House executive director Jennifer Windsor stated that *“A public investigation of the violence—which involved both sides—will send a critical message that the new government of President Ma Ying-jeou is interested in upholding the democratic values of transparency and accountability.”*

Photo: Taipei Times



**Police with long sticks at the Formosa Regent Hotel during the Chen Yunlin visit**

The press release also stated that *“The clashes reveal a need for police to undergo crowd control training that adheres to the standards used in other democracies”*, and added that *“the commission should also investigate claims that police are selectively enforcing the law.”* The statement concluded that the visit of Chen Yunlin and the recent arrests and detentions *“... are raising concerns that President Ma and his Kuomintang Party may rollback democratic freedoms.”*

On December 3<sup>rd</sup> 2008, the London-based human rights organization **Amnesty International** also issued a public statement, calling for “... *an independent inquiry into alleged excessive police force during November’s protests.*” Amnesty stated that some 200-300 civilians were injured, and that civil society groups reported “... *multiple claims that individuals suffered head injuries and broken fingers at the hands of the police during the protests.*”

However, the Ma administration rejected the calls as “unnecessary and inappropriate”, arguing that the police itself had conducted an inquiry and found that the police had acted properly. In fact, several of the police chiefs responsible for the excessive police force were subsequently promoted.

## “Wild Strawberry” students continue protest

In the previous edition of Communiqué we also described the initial stages of the sit-in by a group of National Taiwan University students calling themselves the “Wild Strawberries”, a reference to the “Wild Lily” student movement of 1989-91, which helped bring about democratization in Taiwan (*Taiwan Communiqué* no. 121, pp. 10-12).

Photo: Taipei Times

The “Wild Strawberries” continued to camp out at Freedom Plaza for the whole month of November through the weekend of 7 December 2008, when the sit-in culminated in a large-scale demonstration attended by some 4,000 people. The students staged a mock funeral of human rights in Taiwan, and portrayed Chinese envoy Chen Yunlin as the Chinese Emperor with Ma Ying-jeou as his subordinate in tow.



**Chinese "Emperor" Chen Yunlin with  
"servant" Ma Ying-jeou in tow**

After that weekend, a group of approximately 50 students continued their vigil, often rotating amongst themselves to attend classes and prepare for exams. However, in the night of 10 December 2008, the police moved in and forcibly removed the “Wild Strawberries” students from Freedom Plaza – ironically it was the night after International Human Rights Day.

In the early morning hours of 11 December 2008, more than 200 policemen with shields and sticks arrived at the Plaza and first evicted a group of some 100 Tibetan refugees, who

had been at the Plaza since two days earlier, urging the Taiwan government to grant them residence and work permits.

Then at 5:30 am, the police moved in on the remaining group of some 40 students, who sat down on the ground, interlocking hands and arms. After considerable pushing and shoving, the students were forced on several trucks and transported back to National Taiwan University.

According to reports from Taiwan, the police moved in when the encamped students started to assist the Tibetan refugees, providing them with warm clothing against the cold, tents, food, and other supplies. The police stated that the students were evicted “...because they had not applied for a permit under the Assembly and Parade Law” – precisely the same anachronistic law the students were trying to get changed.

## *Members of Congress write President Bush*

On 22 December 2008, just before Christmas, a bi-partisan group of fourteen members of the US Congress led by Congressman Scott Garrett (R-NJ) sent a letter to US President Bush, urging him to closely monitor the human rights situation in Taiwan.

In the letter they stated that “...the latest events appear to signal a disturbing erosion of civil liberties and human rights in Taiwan” and referred to the recommendations by

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international human rights groups such as Amnesty International and Freedom House to establish an independent Commission to investigate the charges of police excesses and infringement on human rights and freedom of expression during the visit of Chinese envoy Chen Yunlin. The Taiwan authorities have not responded to these recommendations.



### **President Ma Ying-jeou's judicial system**

The Congressional letter also refers to “... troubling news reports” about the arrests, detention and interrogation of more than a half-dozen members of the opposition

Democratic Progressive Party (DPP). The letter specifically refers to the handcuffing, arrest and jailing of former President Chen Shui-bian, despite the fact that at the time (Mid-November) he had not been even been formally indicted, and was not formally charged until mid-December. The letter concludes that “...many believe the allegations against the former President and against other officials of his party are politically motivated.”

In closing, the letter states: “We believe that a cordial cross-Strait relationship is conducive to the security and stability in the region. However, the advancement of that relationship should not come at the expense of the civil liberties and human rights of the Taiwanese people.”

It then refers to Section 2(c) of the Taiwan Relations Act which reminds us that “The preservation and enhancement of the human rights of all the people on Taiwan are hereby reaffirmed as objectives of the United States.” The signatories then urge the Ma Yin-jeou government to respect the basic freedoms and civil rights that Taiwan’s people have fought so diligently to achieve over the last half century.

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## **The Ma administration and the Taiwanese identity**

### ***A Trail of broken promises***

*By Professor Don Rodgers, University of Austin*

Given the importance of identity and cross-strait relations in Taiwan’s politics, some outside observers interpreted the pro-unification KMT’s electoral victories in 2008 as a signal that Taiwanese voters are increasing their Chinese identity and have a greater desire to move toward unification. Public opinion polls indicate that this interpretation is inaccurate.

In fact, recent survey data indicate an increase in the number of voters who identify themselves as Taiwanese first and a declining number who desire unification. Because Chinese identity is an essential component of KMT esteem and power, increasing Taiwanese identity presents a challenge to the KMT. The intriguing question, then, is how the KMT adapted to a changing political environment to achieve electoral success. Did the KMT abandon its Chinese identity and its goal of unification in favor of a localization strategy to win over the Taiwanese-identified voters?

In fact, the KMT did not abandon its essential Chinese identity. Nor did the voters in Taiwan adopt a more pro-unification stance. Instead, the KMT successfully reframed

its policies to achieve electoral success while still holding on to its Chinese identity. What do I mean by reframing? In political campaigns framing is used to highlight or encourage specific interpretations of “reality” while downplaying other interpretations.

In this instance, the KMT framed its connection to China in terms of economic cooperation and integration designed to improve the economic well being of the Taiwanese people, while downplaying its position on political unification. The KMT moved away from openly devaluing Taiwan’s unique political and cultural identity to devaluing the potential for Taiwan to prosper economically without China. This message resonated with Taiwanese voters who were anxious about Taiwan’s economy.

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**"Pinocchio" Ma Ying-jeou's election promises**

How did the KMT frame its policy? I do not have space in this article to provide an exhaustive list, but can provide a few examples. First, the KMT explicitly removed political unification from the table in Ma’s “3-nos” statement, which included “no negotia-

tion of unification” as the first component. Second, the KMT’s language focused on the idea of shared economic prosperity instead of political unification. An early example of the language used was contained in Lien Chan’s 2005 speech at Beijing University when he stated, “We should put the people first and give priority to the people’s well-being; this is supported by the all Chinese people, including the 23 million residents in Taiwan and the 1.3 billion on the mainland.”

Policy statements from the Ma-Siew campaign exaggerated problems with Taiwan’s economy and attributed blame to a failure to better integrate with China. For example a March 2008 policy paper argued that DPP policies “*made it impossible for Taiwanese businessmen to capitalize on business opportunities in Mainland China.*” A more recent example came from Wu Poh-hsiung’s in December 2008 when he stated, “*People across the Taiwan Strait share the same bloodline with the Chinese nation. It is natural for both sides to formulate ‘greater exchanges, greater developments,’ based on the Chinese Culture, leading to the creation of a cross-Strait ‘grand peace, grand prosperity.’*”

The KMT strategy of emphasizing shared prosperity over political unification was successful. Survey data indicate that the majority of Ma supporters voted for him based on economic interests, not based on the issue of Chinese identity. For example, a March 2008 survey by the Pan-Blue TVBS Public Opinion Poll Center reported that 50% Ma voters based their decision to vote for him on “The Economy” and 9% on the idea of a “Cross-Strait Common Market,” while only 1% voted for him based on the issue of “Cross-Strait Reunification/Taiwan Independence.”

In the same survey, when asked, “*What do you think Ma Ying-jeou should place as his first priority, now that he is President-elect?*” 57% of respondents stated “*The economy and bread and butter issues.*” These responses, supported in other surveys, indicate that ***Taiwanese voters supported Ma out of immediate economic interest, not out of an increased sense of Chinese identity or a desire to unify with China.***

Although the reframing strategy led to electoral success, it is not clear that it will garner sustained support. Once inaugurated, the Ma administration moved quickly to expand economic ties with China. Yet, although he is following through with his campaign promises, Ma’s popularity has plummeted. This can be attributed to the failure of these programs to generate immediate economic benefits to the Taiwanese voters and to the administration’s failure to competently address other pressing issues.

Another problem for the KMT is that the campaign promised to separate economic relations with China from controversial political issues. This is impossible because political actors in Beijing and Taipei, actors with very concrete political interests, are creating these economic agreements.

Regardless of the short-term agreements, the only acceptable outcome for Beijing is the eventual absorption of Taiwan. And although the KMT claimed that it was focused only on economic prosperity, it still emphasized the shared “bloodline,” and Taiwan’s need to be connected to China. The Taiwanese voters will tolerate some political opening to China only if it provides immediate and tangible economic benefit.

Therefore, because the Taiwanese voters did ***not*** provide Ma with a mandate to move toward political integration, the KMT ***must fulfill its campaign promises to increase Taiwan’s economic prosperity through closer ties with China while avoiding the impression that it is sacrificing Taiwanese sovereignty.*** The KMT was successful in promoting this possibility in its campaign rhetoric, but it is finding it almost impossible to accomplish in practice.

# Taiwan's economic concerns

## *China's economic tailspin; implications for Taiwan*

*By Gerrit van der Wees, editor, Taiwan Communiqué. This commentary was first published in the Taipei Times on 9 January 2009 under the title "Closer ties bring significant risks." Reprinted with permission.*

The Chinese economy is in a tailspin, and it would be wise for Taiwan to wake up to that fact. Recent indicators show that in November, China's exports fell for the first time in seven years – decreasing 2.2% — while imports plunged an astonishing 17.9%. In the meantime, Direct Foreign Investment decreased 36.5% from a year earlier, while the Producer Price Index dropped from 10% in August to only 2% in November.

All this is a strong indication that the goose that was presumably going to lay golden eggs for Taiwan is quickly shriveling up, and that the Ma Ying-jeou Administration's main argument for closer economic ties with China has disappeared in just a few months.

Back about a year ago, when China's economy was still barreling ahead at full steam, there were already warning signs that it was overheating and that – if it would continue – it would be in for a hard landing. Still, KMT Party candidates Ma Ying-jeou and Vincent Siew painted a rosy picture, saying that closer economic ties between Taiwan and China would generate jobs and investment opportunities.

Taiwan's own economy was chugging along at a respectable 5.7% growth rate, not bad for a developed, mature economy. We must remember that China's double-digit growth (11.4% at the time) was that of a developing economy, which was only at the initial stage of its growth. The Ma-Siew team thus compared apples and oranges.

Now fast-forward to the present: like in other countries, Taiwan's economy is being affected by the global downturn: growth is sagging to 2-3% in November, while according to statistics presented by the Directorate General of Budget, Accounting and Statistics, the unemployment rate rose to a five-year high of more than 4.6% in November, with the number of jobless exceeding half a million people. In December 2008, Taiwan's exports declined a staggering 41.9% from a year earlier.

In the meantime the Ma Administration is in blind pursuit of closer ties with China: on December 15<sup>th</sup> it formally started to implement the so-called "Three Links": air- and shipping links and direct postal services. While on the surface these appear to reduce tension between old adversaries, the practical effect is that Taiwan will be dragged along in the downward spiral of China's economic melt-down.

Instead of enhancing Taiwan's economy and the position of Taiwan's businesses, the closer links with China will leave Taiwan more vulnerable to dumping of Chinese goods, especially in the agricultural sector, while China's cheap labor will undercut Taiwan's workers in the already weakened traditional industrial sector.

It is particularly interesting to note the offer – announced at the mid-December 2008 CCP-Chinese KMT forum in Shanghai – that China will provide a total of some US\$ 19 bln. loans to Taiwanese companies operating in China and purchase US\$ 2 bln. worth of flat-panel displays. Taiwanese companies shouldn't hold their breath and have any high expectations, as this offer has all the appearances of a public relations move with little substance to follow.

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**The Ma government's economic chariot is not moving very much ...**

This was particularly evident in the events surrounding the visit of Chinese envoy Chen Yunlin in early November 2008.

So, instead of putting all its eggs in the China basket, Taiwan should diversify its risks, shield itself as much as possible from the Chinese economic meltdown, and strengthen its links with the US and Europe in particular, so as to have an advantageous starting position in important high-tech niches once the economy in the West perks up again.

Taiwan's economy still has significant strengths due to an innovative entrepreneurial class and a solid high-tech sector, especially in information technology and – thanks to the stimulus provided by the previous DPP-government – a good head-start in biotechnology and nanotechnology. These strengths should be leveraged in closer ties with similar industries in the US and Europe.

In the meantime, the Ma Administration needs to take steps to reverse the erosion of democracy, human rights and press freedom, to adhere to scrupulous neutrality of the judicial system, and to regain international respect for its advances in the areas of democracy and freedom. Only then will Taiwan's long-term viability as a free and democratic nation be ensured.

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## **Environmental concerns**

### ***Taiwan's endangered pink dolphins***

*By Christina MacFarquhar, Wild at Heart Legal Defense Association, Taiwan*

*Credit for picture: John Y. Wang, FormosaCetus Research and Conservation Group*

Taiwan's pink, humpback dolphins, known locally as "Matsu's Fish", swim with their dark grey calves in waters believed to be so dangerous that this small population was listed as "Critically Endangered" by the International Union for Conservation of Nature (IUCN) in August 2008.

Photo: John Y. Wang

Resident along a 200 km stretch of shallow, near-shore waters between Tainan County and Miaoli County on the west coast, their habitat is a maze of entangling fishing nets, the air they come up to breathe thick with pollutants, and the water in which they feed and breed churning with industrial discharge and starved of the fresh



**Mother and calf pink dolphins near Taiwan**

water and nutrients of now dammed and diverted rivers.

And while land reclamation continues to reduce the physical extent of their habitat, underwater noise from boat traffic, coastal construction, military sonar and airguns used for seismic surveys threatens to cause harm ranging from disorientation to deafness in these creatures, for which sound is essential to survival.

Some of the names given to individual dolphins by researchers reflect the survival challenges they face and their resilience in this hostile environment. "Survivor's" dorsal

region is believed to have been mutilated by fishing gear, while “Supermom” is known to swim great distances along the coast with her calf, seemingly against all odds.

Others have disappeared since their first recorded sighting in 2002 and in September last year “TW-36”, known so far only by an identification number, was seen wrapped in what researchers observed to be the lead-line of a gillnet, one type of fishing gear that conservationists are particularly keen to see removed from this strip of near-shore waters.

However, if help is on the horizon, it is being dragged down by almost as many obstacles as the dolphins themselves. Matsu’s Fish Conservation Union, an organization comprising six local conservation groups, has been lobbying for government intervention since its establishment in January 2007.

But although the harassment of dolphins and whales is illegal in Taiwan, government agencies responsible for regulating the various sources of harassment in these waters have responded slowly, if at all, to scientific reports documenting their plight, and generally with the view that sufficient action is being taken - or cannot be taken.

This may come as no surprise given the vast amount of public and private investment in the industrial zones along the west coast and further inland, where, developers argue, construction and expansion of factories are necessary if Taiwan is to maintain its place in hi-tech and petrochemical processing markets and boost GDP.

When it comes to competing values, the productivity of estuaries, not just in terms of dolphins but also fish and other aquatic life, appears to be no match for that of a new coal-fired power plant or a flat-screen factory – particularly when costs can be cut by going easy on pollution control.

If these developments continue to take place in and around humpback dolphin habitat at the current rate and with prevailing levels of environmental impact mitigation, bottom lines and national output may indeed grow. But before long there will be something very distinctive missing from the seascape.

Conservation and wildlife organizations in Taiwan are thus calling on the Ma Administration to take the following urgent actions:

1. Strictly enforce Taiwan’s conservation laws and officially declare the boundaries of the dolphin’s major habitat;
2. Ban gillnet fishing within the dolphins’ habitat, rather than opening up these already severely exploited coastal waters to trawlers as recently proposed; and
3. Stop large-scale, pollution-intensive development along the coast which affect the dolphins.

# Report from Washington

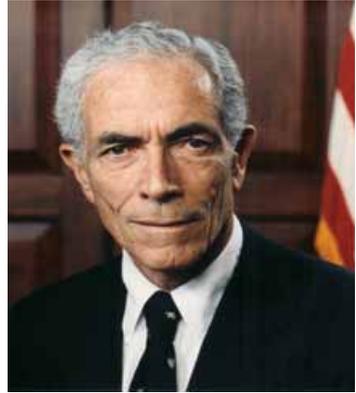
## *In Memoriam Senator Claiborne Pell*

By Thomas G. Hughes, longtime Chief of Staff to Senator Pell

In the early morning of 1 January 2009, Former Senator Claiborne Pell passed away at his home in Newport, RI at the age of 90. In the history of Taiwan's struggle for democracy, Senator Pell was one of the foremost American champions of human rights and freedom for Taiwan.

He was first exposed to the political realities of Taiwan, then known as Formosa, when, near the end of World War II, he was selected to be trained as a member of the military government which was to rule Formosa after it was liberated from Japanese control. In the end there was no American occupation But Senator Pell never forgot the lessons of his training in Taiwanese history and culture, and proved crucial 30 years later.

In the late 1970's and throughout the 1980's a growing group of Taiwan-born activists began to campaign in the US against the harsh martial law of the ruling Kuomintang government which had arrived in Taiwan from the Mainland after the War and ruled the native Taiwanese population with an iron fist.



**The late Senator Claiborne Pell**

They found an eager supporter in Senator Pell and a number of other activist Senators and Congressmen, including Senator Kennedy, and Congressmen Jim Leach and Stephen Solarz. Pell and the others increasingly protested the arrest and detention of the ruling party's opponents and the harassment and blacklisting of Taiwanese living abroad. Called in some circles the "*Gang of Four*", they demanded an end to martial law and the establishment of a democratic political system in Taiwan.

Among the many activists who met with Pell and his staff was a Taiwanese-American government meteorologist named Mark Chen (Chen Tang-shan), who later served as Taiwan's foreign minister under President Chen Shui-bian. Dr. Chen was one of the early leaders among overseas Taiwanese advocating freedom and democracy for their homeland. Pell was especially taken with Chen's quiet and persuasive manner and turned to him regularly for advice and information.

After hearing about Senator Pell's passing, Dr. Chen commented from Taipei: "*In my mind Senator Pell has been the real friend and supporter of Taiwan during the most difficult time that we were under. His strong and incessant voice supporting human rights and democracy for people in Taiwan made it possible for the then KMT government to lift martial law at last. I consider Pell the giant of democracy that made Taiwan free and strong. We shall always remember Pell as our best friend.*"

Pell played a central role in drafting the 1979 Taiwan Relations Act and in the effort to include strong language expressing US support for human rights in Taiwan. And, though it never became US law, Pell was the author of seminal language expressing US policy that "*Taiwan's future should be settled peacefully, free of coercion and in a manner acceptable to the people on Taiwan...*"

Eventually, thanks to the courage of the Taiwan people at home and in the US with the assistance of their American champions, the DPP opposition party was formed in 1986, martial law was lifted in 1987, political prisoners were released and blacklisted Taiwanese, including Mark Chen, were allowed to return home in 1992. The thriving democracy that is Taiwan today followed rapidly—and peacefully.

Senator Pell also had a clear vision for Taiwan's future: in a speech in 1989 he stated: "*Taiwanese independence is a question of when — not if.*" Claiborne Pell retired from the senate in 1997. After his retirement he at last visited Taiwan where he was warmly received by the democratically elected President Lee Teng-hui. He was subsequently decorated by both President Lee's administration and that of his successor, President Chen Shui-bian of the Democratic Progressive Party, one of the many groups that had been banned during martial law.

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## Book Review

### *A Biography of Taiwan's Statesman: Lee Teng-hui*

by Richard C. Kagan, Reviewed by Jerome F. Keating

One of the most difficult books to write is the biography of a living person; that difficulty is all the more magnified when the subject is famous, controversial and still very active. Dr. Richard C. Kagan professor emeritus in history at Hamline University accepted this challenge in taking on the biography of Mr. Democracy, Lee Teng-hui, Taiwan's

president from 1988 to 2000. Any serious student of Taiwan history must try to fathom Lee as well as his role in the stormy development of Taiwan's democracy.

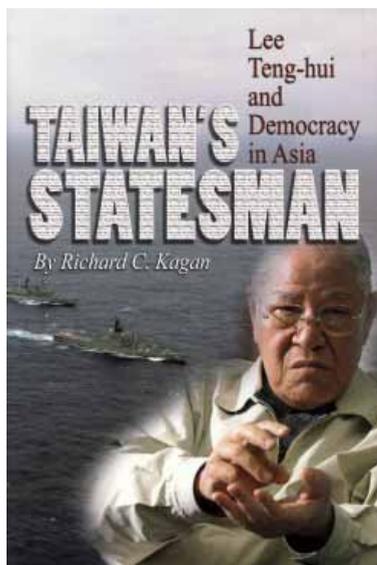
Kagan, no stranger to Taiwan's political scene understands this well. He was a student of the Stanford Center at National Taiwan University (1965—1967), and quickly got involved with political dissidents. Numerous trips to Taiwan followed until 1981 when he was formally “kicked out” and “black-listed.” After martial law was lifted, Kagan returned in the nineties and subsequently wrote a biography of Chen Shui-bian, then Mayor of Taipei and later president of Taiwan (2000—2008). This was only preparation for the more challenging task of trying to put a handle on Lee Teng-hui.

Kagan begins with an overview of Taiwan's often misunderstood and misinterpreted complex past. We see why Lee is not pro-China, the diverse influences in Lee's life from Zen to Christianity to Faust. And yet how even with these he remains an enigma.

Kagan frames this within Taiwan's Japanese past up through the “colonization” by the Chinese Nationalist Party (KMT) and Taiwan's frequent self-serving treatment by the United States. We see Lee not only as an individual and family man but a man caught in the rip tides of history. To

survive in such a milieu is one thing, but to also make the right timely choices as regards Taiwan's democracy is another. On numerous occasions, Lee could have done less and still satisfied his opponents, yet he did more. Why?

Fortune favored the Taiwanese born Lee with his tutelage under and support from Chiang Ching-kuo; he is appointed Mayor of Taipei (1978), Governor of Taiwan (1981) and selected as Vice President (1984). Yet as a Taiwanese with a Communist past, he is viewed with suspicion, distrust, and envy by many of the old guard KMT and plotted against. Added to that, he must bear the death of his son in 1982. Indeed, with such a history one wonders how Lee still became president. Lee manages to both survive and rise amidst the power struggles and games of the KMT one-party state. Yet Lee keeps his sense of self and is finally able to re-conceptualize Taiwan. Kagan attributes this to his sense of spirituality; others see it in Machiavellian terms but they do not explain the recurring question why Lee did more than he had to.



Does Kagan bell the cat and put a clear handle on Lee? Kagan will admit to its impossibility. From him we do nevertheless better understand the complexity of the man who came to be called Mr. Democracy, even if we are left with a “Quo Vadis?” question. Once the biography of a living person is published subsequent actions of the subject easily countermand and seemingly contradict the published text. For the biographer, he has no forum in which to respond, explain, or interpret.

Lee’s active life continues certainly to stir up controversy. Unlike Peng Ming-min, Lee has desired to remain a player in Taiwan’s history and not make the transition to an advisory role. Likewise Lee’s on-again, off-again support and/or denunciation of Ma Ying-jeou, Taiwan’s current president leaves many wondering if Lee has lost the direction of his own moral compass.

That being said, the strengths of Kagan’s work remain. We not only get Lee’s background but the continuing assessment and judgment from Kagan’s own rich background as he moves from a questioning skeptic to a supporter of Lee. The book is compact and is one that must be read several times to get its full appreciation. Kagan uses his appendices well providing previously classified documents that expound on the United States involvement with Taiwan.

Finally Kagan has the advantage of some eighteen plus hours of one-on-one interviews with Lee wherein he questions, clarifies and even challenges Lee on his actions. These interviews were done with the immediacy of Lee’s presidency still fresh in Lee’s mind; they provide invaluable insights and commentaries that later biographers, even if they personally interview Lee, will not have. Latter writers will be talking with a different Lee as age, nostalgia and the desire to leave a legacy can influence his thoughts.

In closing, Kagan reminds us of Lawrence Levine’s *The Unpredictable Past*. He acknowledges that with new yet-undiscovered information, there is the possibility that “Future generations will view Lee’s legacy differently than I do.” Lee like Abraham Lincoln of the United States will have many biographies but this is because of the complexity of the man, the crucial juncture of his presidency, and the increasing role that Taiwan plays in Asia. This, however, does not lessen what Kagan has brought to the table, instead it makes it all the more essential to examine fully what Kagan has said. .

The complete title of the book is *Taiwan’s Statesman, Lee Teng-hui and Democracy in Asia*, by Richard C. Kagan. Naval Institute Press, 2007, Annapolis. This work has also been translated into Chinese by Vanguard Press in Taipei with a new introduction and new pictures.

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