

Lessons of Defeat: A Comparison of Taiwanese Ruling Parties' Responses to Electoral Defeat

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In the last decade Taiwan has witnessed two changes in ruling party through elections. First, in 2000 the Kuomintang (KMT) was defeated by the Democratic Progressive Party (DPP) in the presidential election. Then after eight years of DPP rule, the KMT regained control of central government in the parliamentary and presidential elections of 2008. This study compares the two parties' reactions to disastrous defeat. Have the parties learned the lessons of defeat by responding with rational reforms? In addition to this comparison, I assess the effectiveness of the KMT's reforms in contributing to its return to power. Although the DPP's fall from power is only just over a year old, this study can offer some insights into whether one can expect the DPP to recover sufficiently to offer a serious political challenge to KMT domination.

Key words: elections, electoral defeat, party change, political parties, Taiwan

Lessons of Defeat

A rational political party would be expected to respond to severe electoral defeat by analyzing the causes of its setback and carrying out reforms to address its weaknesses. Nevertheless, political parties react differently to defeat. Some parties set out on radical reform programs of their organization, campaign strategies, and issue positions. By contrast, others react in a manner that appears to be highly irrational, maintaining issue positions seemingly at odds with the median voter or leaving candidate nomination mechanisms untouched. In other words, some parties seem to fail to learn the lessons of defeat. The way a party reacts to defeat will have a critical impact on its future development. For if a party fails to correctly diagnose the causes of its defeat and conduct necessary reforms, it is unlikely to recover its ruling party status.

In the last decade, Taiwan has witnessed two changes in ruling party through elections. First, in 2000 the Kuomintang (KMT) was defeated by the Democratic

1 Progressive Party (DPP) in the presidential election, ending the KMT's unbroken
2 ruling party status that stretched back to the late 1920s. Then after eight years of
3 DPP rule, the KMT regained control of central government in the parliamentary
4 and presidential elections of 2008. This study compares the two parties' reactions
5 to disastrous defeat. In other words, I am interested to examine what kind of
6 reforms were implemented following their post-defeat postmortems. Have the
7 parties learnt the lessons of defeat by responding with rational reforms? In
8 addition to this comparison, I assess the effectiveness of the KMT's reforms in
9 contributing to its return to power. In comparing the two parties' reactions to
10 defeat I attempt to shed some light on why one sees distinct post-election
11 responses. Although the DPP's fall from power is only just over a year old, this
12 comparative study can offer some insights into whether one can expect the DPP
13 to recover sufficiently to offer a serious political challenge to KMT domination in
14 the next decade.

15 16 **Lessons of Defeat in a Comparative Perspective**

17 Comparative studies have shown that even in mature democracies parties
18 often do not respond rationally to apparent signals from electoral results (Norris
19 & Lovenduski, 2004, pp. 85–104). Recent British political history abounds with
20 cases of leading parties reacting to electoral setbacks by moving in the opposite
21 direction of public opinion, often with disastrous consequences in the subse-
22 quent election. Following its defeat in the 1979 British general election and a
23 public opinion shift toward the political center, the Labour Party faced the next
24 general election in 1983 with a far more leftist policy package than it had four
25 years earlier. One observer even described the 1983 Labour manifesto as being
26 "the longest suicide note in history" (Mann, 2003, n.p.). The resulting defeat that
27 Labour suffered was even more overwhelming than in 1979 and was followed by
28 two more Conservative victories before Labour regained power. More recently,
29 the British Conservative Party has also shown seemingly illogical responses to its
30 loss of office in 1997. A number of studies have revealed how it misjudged public
31 opinion in the subsequent elections of 2001 and 2005, when it concentrated its
32 appeal on the party's core voters rather than on the political center that tends to
33 win British elections (Norris & Lovenduski, 2004, pp. 85–104; Seldon & Snowden,
34 2005).

35 Party scholars have suggested a variety of frameworks for explaining how
36 and why parties respond to electoral defeat. A number of writers have stressed
37 factors that actually encourage continuity in parties rather than change. For
38 instance, Budge (1994, pp. 443–467) has stressed the anchoring role of ideology
39 in promoting inertia in party issue positioning. Similarly, Harmel and Janda
40 argued that established parties are conservative organizations averse to change,
41 as "decisions to change a party's organization, issue positions or strategy face
42 a wall of resistance common to large organizations" (1994, p. 261). Political
43 scientists have offered a range of explanations for post-election party change.
44 For example, some have explained the change according to the party type or
45 dominant party goals. Müller and Strøm (1999) distinguished between the
46 policy-, office-, and vote-seeking party, according to which objectives the party
47 prioritizes. Thus the latter two types are more flexible in reforming issue

1 positions than the more ideologically rooted policy-seeking party. Lilleker and
2 Lees-Marshment (2005) applied political marketing concepts to reach quite
3 similar conclusions. They distinguished between the market-, sales-, and
4 product-oriented parties. The market-oriented party will respond to defeat
5 by improving its use of market intelligence to design a political product that
6 is based on the desires of the target groups in the electorate. Parties adopt-
7 ing the sales-oriented approach will not adjust the product but instead try
8 to improve the quality of marketing to better persuade voters to buy a poli-
9 tical product that is based on the party's own core values. Last, after electoral
10 setbacks the product-oriented party will simply continue laying out its party
11 policies and just assume that voters will eventually realize its ideas are the
12 best.

13 Political studies have also shown how a combination of internal and external
14 variables affect patterns of party change. Harmel and Janda noted that "party
15 change does not just happen," and that change tends to come from two inner
16 party factors: leadership change and a change in dominant factions, plus an
17 external stimulus for change, such as electoral defeat (1994, p. 261). Other studies
18 have given greater emphasis to either internal or external variables. For instance,
19 Budge (1994, pp. 453–454) has stressed the role of responding to electoral defeat
20 in explaining policy shifts in the British Conservative party since 1945. By con-
21 trast, Harmel and Tan (2003, pp. 409–423) have argued that change in the domi-
22 nant faction is a greater promoter of party change than either leadership change
23 or electoral defeat.

24 With the abundance of public opinion polling data available to contemporary
25 political parties, it is not surprising that studies have increasingly stressed the
26 way that parties respond to public opinion trends, or what Stimson has referred
27 to as "policy moods" (1991). Similarly, Adams, Clark, Ezrow, and Glasgow
28 (2004, pp. 589–610) have argued that parties appear far more likely to adjust
29 policies when public opinion is shifting away from them than in response to
30 actual electoral setbacks. Nevertheless, evidence from the British Conservative
31 Party reveals that even where the party has sufficient evidence from polls and
32 election results that it is located far from the median voter, it may fail to shift
33 back toward the center. Norris and Lovenduski suggested that the key expla-
34 nation is "selective perception," whereby party leaders misinterpret evidence of
35 opinion trends according to their own existing convictions (2004, pp. 88–90).
36 Moreover, Bale (2006) raised two further possible hypotheses: first, that even if
37 party leaders are aware of policy moods they may decide the costs of reform in
38 creating inner party divisions are too great, and second, that the leadership is
39 too weak to enforce the necessary reforms required to make the party electable
40 again.

41 Another method of explaining party change comes from the school of historical
42 institutionalism (Collier & Collier, 1991). In other words, decisions made at a
43 critical historical juncture can set a party on a trajectory of institutional develop-
44 ment that may be difficult to reverse. Thus for instance, the reforms conducted
45 under Neil Kinnock played a path-dependent role in the subsequent rise of New
46 Labour in the 1990s (Heath, Jowell, & Curtuce, 2001, p. 120). In short, political
47 science offers a broad range of frameworks to explain parties' continuity and
48 change in response to electoral defeat.

Taiwan's Party and Electoral Systems

Taiwan's parties are worthy of attention for scholars of comparative party politics. As compared with many new democracies, Taiwan has a relatively institutionalized party system and parties. In contrast to the frequent party splits and mergers seen in cases such as Japan and South Korea, Taiwan's party system has been more stable, with the same leading parties in the most recent legislative election in 2008 as in the first multiparty election of 1986 (Fell, 2005a, 2008, pp. 49–84; Rigger, 1999). Moreover, the parties have developed many of the hallmarks of institutionalized political organizations in mature democracies, with strong mass party identification and consistent policy positions.¹ Last, Taiwan represents the sole example of a Chinese multiparty democracy in which elections can result in a change in ruling party.

Following the lifting of martial law in 1987, Taiwan made a rapid transition from a one-party state to a multiparty democracy. By 1996, all major political offices were subject to direct election, including the presidency, parliaments (National Assembly and Legislative Yuan), and local executives (county magistrates and city mayors).² Taiwan used quite distinct electoral systems for different types of elections (Hsieh, 1996, pp. 193–212). The parliamentary elections were conducted under the single nontransferable vote in multiple member district system. Tables 1 and 2 show that prior to 2008 this system tended to produce results similar to proportional representation systems, with little difference between parties' vote and seat shares. By contrast, the local executive and presidential elections operated under a single-member-district or first-past-the-post system. The major change in Taiwan's electoral system came with constitutional

Table 1. Fall of the KMT: Vote and Seats Shares 1996–2001

	1996 Pres	1997 Loc Exe	1998 LY	2000 Pres	2001 LY	2001 Loc Exe
KMT	54	42.1 (34.8)	46.4 (54.7)	23.1	28.6 (30.2)	35.2 (39.1)
DPP	21.1	43.3 (52.2)	29.6 (31.1)	39.3	33.4 (38.7)	45.3 (39.1)
KMT rebels	14.9 & 10			36.8		
NP		1.4 (0)	7.1 (4.9)		2.9 (0.4)	9.9 (4.3)
PFP					18.6 (20.2)	2.4 (8.7)
TIP			1.5 (0.4)		0 (0)	
TSU					8.5 (5.8)	

Note 1: KMT rebels in 1996 were Lin Yang-kang and Hau Pei-tsun (14.9%) and Chen Lu-an (10%). KMT rebel in 2000 was James Soong (36.8%).

Note 2: Election types: Pres: Presidential, Loc Exe: Local Executive, LY: Legislative Yuan.

Note 3: Party abbreviations: NP: New Party; PFP: People First Party; TIP: Taiwan Independence Party; TSU: Taiwan Solidarity Union.

Table 2. Fall of the DPP: Vote and Seat Shares 2004–2008

	2004 Pres	2004 LY	2005 Loc Exe	2008 LY	2008 Pres
KMT	49.9	32.8 (35.1)	51 (60.9)	51.2 (71.7)	58.45
DPP	50.1	35.7 (39.6)	42 (26.1)	36.9 (24)	41.55
NP		0.1 (0.4)	0.2 (4.3)	4 (0)	
PFP		13.9 (15.1)	1.1 (4.3)	0 (0.9)	
TSU		7.8 (5.3)	1.1 (0)	3.5 (0)	

Note 1: The PFP won one seat out of its three official candidates in 2008. The PFP only had one (unsuccessful) district level candidate in 2008, who won 47.04% of the vote in Lienchiang County. This only amounted to 2,064 votes and represented 0.02% of the national vote share. The successful PFP candidate won an aboriginal constituency seat with 11,925 votes; however, votes for the aboriginal constituencies were not included in the Central Election Commission's party vote share figures.

Note 2: The party vote share figures for the 2008 legislative election are from the party list votes.

Note 3: See Table 1 for abbreviations.

reforms in 2005; these introduced a system predominantly based on single-member districts for the legislative elections (Cabestan, 2008, pp. 29–49). The legislative election results for 2008 displayed in Table 2 show that the new system has not only contributed toward a two-party system, but it has also led to an imbalance between vote and seat shares.

Taiwan ceased to be a one-party state with the establishment of the first genuine opposition party, the DPP, in 1986. Subsequently large numbers of new political parties of various ideological types were formed to challenge the political dominance of the KMT (Fell, 2005b, pp. 212–239).³ Nevertheless, as Tables 1 and 2 show, only a small number have crossed the threshold of becoming relevant parties. The parties that have made a significant impact all belong to what Taiwanese political analysts categorize as being in the Pan Blue or Pan Green camp.⁴ Like many other new democracies, the European left-right dimension is not the central dividing spectrum for Taiwanese parties. Instead the parties are distinguished by their positions on national identity questions. The Pan Green parties (the DPP, Taiwan Independence Party, and Taiwan Solidarity Union) tend to emphasize Taiwanese identity and independence from China, while the Pan Blue parties (the KMT, New Party, and People First Party) give greater attention to Chinese nationalist symbols and argue for closer relations with mainland China. However, in addition to identity, the parties have also competed on policy differences related to democratic reforms, social welfare, political corruption, and economic policy. Studies suggest that parties would be best advised to take a moderate stance on national identity, and rather than focusing exclusively on identity matters, they should also address other salient issues (Fell, 2005a).

Lessons of Defeat in Taiwan

Previous research has shown how Taiwanese parties have been highly responsive to setbacks and how their subsequent reforms were critical in their recovery. Dickson (1993, pp. 56–84) examined how the KMT attempted to learn from its disastrous defeat in the Chinese Civil War with an extensive program of party reorganization. These reforms were critical in the party's survival and operation for the next four decades. Similarly, Fell's monograph *Party Politics in Taiwan* (2005a) outlined how the DPP responded to its severe election defeats when it had taken extremist national identity positions in 1991 and 1996 by moderating and broadening its issue appeals. He argued that this changed issue emphasis was critical in the DPP's expanded support base and eventual rise to become the largest Taiwanese party by 2001.

There are a number of marked similarities in the two parties' disastrous electoral defeats of 2000 and 2008 that make a comparison of the two cases worthy of scholarly attention. First, both ruling parties had looked to be in a strong position in the aftermath of the preceding presidential election. Table 1 shows how the KMT had won convincingly in the first direct presidential election of 1996, but four years later lost with only 23% of the vote. Table 2 shows that the DPP achieved its highest ever presidential vote share when it won reelection in 2004 with 50.1%, but it was soundly defeated with only 41% in 2008. Second, both ruling parties suffered serious setbacks in the island-wide local executive elections two years prior to losing national office. There were ominous signals for the KMT when in the 1997 local elections the DPP vote and seat share exceeded the KMT's for the first time. The DPP's setback in the 2005 local elections set alarm bells ringing, as this was its worst local election result since the late 1980s. Third, the ruling parties' reputation for political corruption was critical in the downfall of both the KMT in 2000 and the DPP in 2008. Fourth, nomination disputes served to seriously divide and weaken both the DPP and the KMT in the run-ups to their falls from power. Last, both parties reacted to defeat first with bitter recriminations and examination of the causes of defeat, then with an attempt to introduce reforms designed to revive their parties.

Naturally there are also some significant differences in the two cases of defeat. The degree of the KMT's defeat was not as great in 2000 as the DPP's in 2008. Although the KMT lost the presidency in 2000 and ceased to be the largest party in 2001, in conjunction with its allies the People First Party (PFP) and New Party (NP) it retained a working majority in the legislature throughout the DPP era. Thus Taiwan experienced eight years of divided government. In contrast, the DPP's defeat in 2008 was more complete. Not only did it lose the presidency, but it also fell from 40% of parliamentary seats in 2004 to only 24% in 2008, relegating it to the status of a minor party. Currently, the KMT with its allies controls three quarters of parliamentary seats, giving it a degree of political dominance not seen since the outset of political liberalization in the late 1980s.

The KMT's Response to Defeat

The impact of the KMT's fall from power in 2000 can only be understood when one considers that it last experienced being an opposition party in the late 1920s in China. This was apparent from the sometimes violent demonstrations against

1 the party leadership in the days after its defeat (Jou, Prelypchan, & Lin, 2000, p. 1).
2 The party then went through a period of soul-searching. As the KMT came out of
3 this period of reflection, it emerged as a party radically different from that of the
4 1990s, when it had been led by Lee Teng-hui.

5 The three key explanatory variables suggested by Harmel and Janda (1994) for
6 party change were all present in the KMT in March 2000. Internally there was
7 leadership change and shift in the factional balance of power change, and the
8 external impetus for change was of course the disastrous presidential defeat.
9 Within days of the election defeat, the former president and incumbent KMT
10 Chairman Lee Teng-hui was forced to resign, to be replaced by its losing candi-
11 date, Lien Chan (Jou, 2000, p. 1). Henceforth Lee became increasingly marginal-
12 ized in the party and was eventually expelled in 2001 for campaigning for a new
13 party (Low, 2001, p. 1). The departure of Lee also seriously weakened his own
14 Mainstream KMT faction and created space for an increasingly influential role
15 for politicians associated with the Non-Mainstream Faction.⁵ These inner party
16 shifts in the balance of power, in conjunction with the impact of losing power,
17 all contributed to the creation of a new look for the KMT.

18 Next I examine how the KMT learned from defeat by looking at the key
19 components of the reformed KMT product. The KMT's adjustments can be cat-
20 egorized into four key areas: (1) organizational reforms, (2) policy positions and
21 issue emphasis change, (3) leadership image, and (4) interparty relations. The
22 effectiveness of these remedies can be judged by how the party performed in the
23 subsequent elections of 2001 and 2004.⁶

24 The greatest single contributing factor to the KMT's defeat in 2000 was the
25 failure of its nomination system. In the presidential election the KMT vote share
26 was almost 60%, but it was divided between the official candidate Lien Chan's
27 23% and the rebel KMT candidate Soong Chu-yu's 36%, enabling the DPP to win
28 with only 39%. In the words of senior KMT legislator Huang Chao-shun, defeat
29 was "due to the problem of the KMT's nomination system. I'm sure that if we had
30 a fair nomination system this would not have happened" (interview with author,
31 August 17, 2001, Kaohsiung). In fact, throughout the 1990s the nomination dis-
32 putes associated with the KMT's top-down nomination methods had resulted in
33 a large number of rebel candidates and splinter party candidates who harmed the
34 electoral prospects of the official candidates.⁷ This had been especially apparent
35 in the party's setbacks in the 1997 local executive elections, where rebel candi-
36 dates had contributed significantly to the KMT losing seven out of the 23 avail-
37 able single-member district contests that year.

38 Therefore nomination reforms were central to the KMT's response to 2000. The
39 KMT attempted to resolve this weakness by democratizing its candidate nomi-
40 nation and leadership selection mechanisms. First, it introduced a new system of
41 party primaries to select election candidates. This was modeled on the DPP's
42 nomination system and involved a weighted primary in which party member
43 votes accounted for 50% and a public opinion survey accounted for 50%.⁸ Second,
44 a one-man, one-vote party member election was introduced for selecting the
45 party chairman, replacing the old system where the chairman was determined
46 behind closed doors and rubber-stamped by a single candidate vote in the party
47 congress. This move was also a reaction against the authoritarian decision-
48 making of the previous party chair, Lee Teng-hui, which had been decisive in the

1 party's selection of presidential candidates. For a party with such a long history
2 of authoritarian decision-making, this democratization of inner party nomination
3 was a radical reform.

4 The KMT also attempted to radically alter its party policy image and positions
5 after 2000. There was a consensus within the party that the party's image of
6 political corruption had contributed to the KMT's fall. As KMT legislator Ting
7 Shou-chung explained,

8
9 I believe that the main reason that Taiwan's people threw away the KMT at the
10 last election [2000] was not that it had failed with public policies, popularizing
11 education, National Health Insurance, development of high-tech industry, all
12 these areas were very successful. But the general public felt that competition
13 makes for better government, they wanted change as the KMT had done badly on
14 political corruption. (interview with author, September 28, 2001, Taipei)

15
16 In order to address the problem of the party's image, revisions were made to
17 prevent the nomination of politicians linked to corruption. In the words of Ting,
18 who had been a key member of the nomination reform drafting team, the new
19 regulations meant that "anyone that has been convicted for a criminal offense or
20 breaking the Election and Recall Law, even if they have only been through the
21 first trial, we will not nominate" (interview with author, September 28, 2001,
22 Taipei).⁹

23 There was also a significant reaction against the direction that the KMT had
24 taken on national identity issues in the late 1990s. Under Lee, the KMT had
25 competed with the DPP over Taiwan identity appeals. For instance, in 1998 the
26 party had used the slogan "New Taiwanese." In addition, Lee had gradually
27 moved the KMT closer to the DPP's position on the unification versus indepen-
28 dence spectrum. This process reached its culmination when Lee contended that
29 relations between the two sides of the Taiwan straits should be categorized as
30 "special state to state relations."¹⁰ Following Lee's departure from the party
31 center, many of those appeals, such as "special state to state," were dropped and
32 replaced with more orthodox KMT positions and symbols. After calling for
33 tighter controls on cross-strait trade and investment in the late 1990s, the KMT
34 reversed its stance by demanding closer economic integration after 2000. In the
35 run-up to the 2001 legislative election the KMT once again employed Chinese
36 identity symbols such as Chiang Ching-kuo and Sun Yat Sen in its election
37 advertising (Fell, 2005a, p. 142). Similarly, the KMT once again stressed the idea
38 of "One China" and even floated a proposal for unification under a confederate
39 model (Tao, 2001, p. A2). These moves appear rather irrational when one consid-
40 ers public opinion trends at the time in which unification and Chinese identity
41 were increasingly unpopular.¹¹ Nevertheless, the KMT was not consistent on
42 national identity during the first Chen Shui-bian term. In the run-up to the next
43 presidential election, it appeared to be moving back to appeals and positions
44 associated with Lee. It dropped references to "One China" and made comments
45 that appeared similar to those of Lee in the 1990s. For instance, in 2003 KMT Vice
46 Chairman Wang Jin-ping refused to rule out independence as a future option
47 (Huang, 2003, p. 3). The KMT once again competed with the DPP over love for
48 Taiwan. For instance, its central slogan in the 2004 presidential campaign was
49 "Change the President, Save Taiwan."¹² Moreover, in the key campaign rally on

1 the eve of the election its candidates kissed the ground to express their love for
2 Taiwan.¹³

3 On a number of social and economic issues, the KMT also made quite radical
4 issue emphasis shifts after losing power. Two of its most consistent new themes
5 were to attack the DPP over its failed economic management and lack of govern-
6 ment competence.¹⁴ The area where the KMT actually showed its greatest policy
7 adjustment, though, was in social welfare. The party had consistently opposed
8 DPP proposals for pensions in the 1990s, and its premier had described the
9 pensions pledge as a form of "vote buying" (C. Chen, 1997, p. 3). After becoming
10 an opposition party, the KMT radically changed its welfare platform. It allowed
11 the passage of the Pensions Bill in 2002 and in the 2004 presidential election even
12 tried to outbid the DPP on pensions by pledging to raise the monthly pensions to
13 NT\$ 8,900.¹⁵

14 The leadership image of the KMT after 2000 was also radically different. After
15 being fronted by the charismatic but also unpredictable Lee Teng-hui from 1988
16 to 2000, he was replaced by the losing candidate Lien Chan. Lien lacked the
17 charisma of Lee and often appeared wooden in speeches and advertising. There
18 were attempts to improve his image, such as a candidate image television ad in
19 the style of a Nike football boots ad. This showed Lien in a superhero costume
20 saving the shot of terrifying monsters. But these appeared so distant from his
21 public image that it is doubtful they had much impact. Lien was the automatic
22 choice as party leader due to his position in the party hierarchy. This was appar-
23 ent when the party held its first party chairman election: No politicians dared to
24 challenge Lien, which meant that he was almost guaranteed the candidacy for the
25 next presidential election in 2004.

26 The final significant lesson that the KMT had learned from 2000 was the costs
27 of a divided Pan Blue camp. As mentioned earlier, the divided Pan Blue camp
28 had enabled the DPP to win the 2000 presidential election. During the 1990s,
29 the KMT had at times been prepared to cooperate with the DPP rather than
30 fellow Pan Blue parties on certain issues such as constitutional reform.¹⁶ Indeed
31 in some campaigns, such as the 1996 presidential election, the KMT had
32 devoted more energy to attacking rival Pan Blue candidates than the DPP. By
33 contrast, the KMT tried to radically change its interparty relations after 2000 by
34 ending its cooperation with the DPP and trying to create a unified Pan Blue
35 camp. There were some signs of Pan Blue parliamentary cooperation in the first
36 year of Chen's term, as its three parties worked together to force the DPP
37 administration to restart construction of the Fourth Nuclear Power station
38 (Arrigo & Puleston, 2006, pp. 176–180). Nevertheless, the wounds of the 2000
39 presidential campaign had not been healed. One of the KMT's organizational
40 reforms was a complete reregistering process for party members. This was
41 designed to both remove dormant members and purge members who had
42 campaigned against the official candidate in 2000 (*Taipei Times*, 2000, p. 1).
43 Unsurprisingly, Soong Chu-yu's supporters persuaded him to form a new Blue
44 party, the PFP, to challenge the KMT rather than rejoin the party. Therefore,
45 once the next election approached the Pan Blue parties were as divided as ever.
46 Table 1 shows how in 2001 the splinter Blue parties divided the Pan Blue vote
47 in both legislative and local executive elections. It was not until 2003–2004 that
48 there was a significant reconciliation in the Pan Blue camp, with an agreement

1 on a joint presidential team of the KMT Chairman Lien Chan and PFP Chair-
2 man Soong Chu-yu. These two bitter rivals from 2000 had finally learned that
3 two rival Blue candidates would just play into the hands of the DPP.
4

5 **Effectiveness of the KMT's Lessons From 2000**

6 An examination of the KMT's post-2000 reforms and adjustments suggests that
7 the results were at best mixed on all four dimensions discussed above. Although
8 there were undoubtedly signs of improvements, the fact that the KMT had its
9 worst ever legislative election performance in 2001 and narrowly lost the 2004
10 presidential election shows that the party's recovery was far from complete.

11 Of the four dimensions, progress was most noticeable in the field of nomina-
12 tion. The new primary system, when employed for the 2001 legislative and local
13 executive elections, resulted in a drastic reduction in the number of rebel candi-
14 dates.¹⁷ The KMT's disappointing results that year were more closely related to
15 overnomination and the competition from Pan Blue rivals splitting the Blue vote.
16 For instance, in the 2001 legislative elections the KMT faced 89 splinter party
17 candidates in district races. The anti-political-corruption regulations also had a
18 positive impact, meaning that a number of senior KMT politicians with less clean
19 reputations were not nominated, thus contributing to the party's improved
20 image. In addition, the party leadership election served to give the new chair-
21 man, Lien Chan, greater internal legitimacy than Lee had. Moreover, for the first
22 time the KMT did not face any rebel candidates in the 2004 presidential election.
23 However, even on the area of nomination the picture was not entirely rosy, as
24 authoritarian practices remained present. For instance, in Kaohsiung County in
25 2001, the winner of the party primary failed to get the party nomination, leading
26 to a rebel candidate and a divided KMT campaign.¹⁸ Last, the fact that the party
27 did not use a primary for the 2004 presidential nomination and instead chose to
28 have the two party chairmen make the decision behind closed doors without
29 recourse to inner party consultation shows that party leaders still had reserva-
30 tions about internal democracy.

31 The lack of a democratic presidential nomination also contributed to the KMT's
32 defeat. For although the second- and third-place candidates of 2000 led the Pan
33 Blue team, both politicians had passed their popularity peaks. As mentioned
34 earlier, though top in the KMT hierarchy, Lien lacked the kind of campaign
35 performance skills that are so critical in modern campaigns. Although Soong had
36 been highly popular in the late 1990s, his popularity had drained away since
37 losing in 2000. If there had been a truly competitive primary for the KMT in 2004,
38 it is likely that its most popular politician, Ma Ying-jeou, could have both won
39 inner party nomination and invigorated the KMT campaign sufficiently to retake
40 government office.¹⁹

41 On policy positions and issue emphasis, it is unclear whether the post-Lee
42 approach bore fruit in raising voter support levels. When one considers the
43 public opinion shifts away from unification and Chinese identity, the KMT's
44 return-to-party national identity orthodoxy in 2000–2001 appears highly irrational.
45 Similarly, its attempt to compete on Taiwan identity in the 2004 campaign was
46 rather unconvincing. The focus on economic issues and government competence
47 in 2001 sounded rational considering the economic recession and record levels of

1 unemployment. Nevertheless, this did not appear to bring any significant ben-
2 efits, as that year the KMT suffered its worst ever legislative results.

3 As touched upon earlier, there was also a mixed picture in the field of inter-
4 party relations. The KMT had succeeded in creating a more amicable relationship
5 between the Pan Blue parties as evidenced though the joint 2004 presidential
6 campaign and legislative cooperation in blocking the DPP administration's leg-
7 islation. However, in the 2001 and 2004 legislative elections the competition
8 among the Pan Blue parties only benefited the DPP. Despite the Pan Blue leaders
9 all speaking favorably about a merger, there had been no genuine progress
10 toward a party merger between any of the Pan Blue parties after four years of
11 DPP rule. Writing in late 2004, political scientist Cheng Tun-jen noted the limi-
12 tations of the KMT's focus on party merger rather than party transformation.
13 According to Cheng, this approach was "likely to internalize the pre-existing
14 factional conflict, lead the KMT continuously to muddle through the national
15 identity-statehood issue and prevent the KMT from embracing a new vision"
16 (2006, p. 389).

17 18 **The KMT's Response to Defeat in 2004**

19 Comparatively, the KMT's response to defeat in 2004 was far less rational than
20 in 2000. First, its violent protests against the results of the presidential election
21 played into the hands of the DPP. This meant that the DPP could play the card of
22 protecting stability, and this was evident from numerous DPP pieces of propa-
23 ganda in the second Chen term. Particularly common were images of PFP legis-
24 lator Chiu Yi's campaign truck ramming the gates of the Kaohsiung district court
25 in 2004. Although a large proportion of Taiwanese voters had doubts over the
26 official story of the assassination attempt on Chen, Taiwanese voters tend to
27 frown upon the use of political violence.²⁰ Second, the Pan Blue camp's focus on
28 the assassination attempt and alleged election fraud prevented the party from
29 making a serious reevaluation into why the party had lost in 2004. Although the
30 assassination attempt may have tipped the scales of the election marginally, it
31 should not be forgotten that by the eve of the election the two parties were
32 already neck and neck in the polls. This is all the more remarkable when one
33 considers the huge opinion poll lead the KMT had at the outset of the campaign
34 in early 2003.²¹ The KMT, however, ran a lackluster and negative campaign
35 compared to the DPP. The DPP excelled with innovative campaign events such as
36 the "Hand in Hand Rally" that involved a human chain from the far north of the
37 island to the far south to protest against Chinese missiles aimed at Taiwan, and it
38 also campaigned hard on the referendum issue.²² By contrast, the KMT focused
39 much of its attention of personal attacks on Chen: For instance some of its ads
40 likened him to Hitler and Saddam Hussein, and called for a boycott of the
41 referendums.²³ This left the party looking negative and undemocratic and con-
42 tributed to the progressive erosion of the party's lead.

43 The lack of introspection meant that the KMT wasted a year, when it could
44 have conducted serious reforms along similar lines to 2000. In the December 2004
45 legislative elections the Pan Blue seat share was no better than 2001, its previous
46 worst ever parliamentary election. Instead of moving back toward the center,
47 early 2005 even saw the party moving farther to the right on national identity than

1 in the early 1990s. The key move was the visit by KMT Chairman Lien Chan to
2 mainland China only months after China had passed its Anti-Secession Law.²⁴
3 The cooperation agreements signed with the Chinese Communist Party (CCP)
4 and the content of Lien's speeches reflected the high degree of party polarization.
5 For instance, a KMT press release at the time talked of the KMT and CCP's
6 shared support for the 1992 Consensus and opposition to Taiwan independence
7 (National Policy Foundation, 2005).²⁵ Although these visits may have served to
8 reduce cross-Straits tensions, they also broke the long-term consensus on not
9 conducting party-to-party negotiations with the CCP and exacerbated domestic
10 tensions on identity issues, as evidenced by the violent scenes upon Lien's
11 departure from Taiwan (Ko, 2005, p. 1). There was a similar pattern in the KMT's
12 disruptive strategies in parliament—for instance, blocking military procurement
13 and the government budget, items that had traditionally been highly consensual.

14 15 **The KMT's Reforms and Its Return to Power**

16 The KMT had failed to learn the lessons of 2004, leading it to waste a year of
17 drifting away from centrist public opinion. However, it began its return to power
18 in its landslide local election victories in 2005. How was it able to make this
19 transformation after such a poor start in the DPP's second term? The key vari-
20 ables were both internal and external. The turning point came as Lien Chan
21 resigned and the KMT held its second direct party chairman election in June
22 2005. The contest was won convincingly by Taipei mayor Ma Ying-jeou over the
23 Legislative Yuan speaker Wang Jin-ping. During Ma's two years as party chair-
24 man he was able to make the KMT electable again. However, just as Tony Blair
25 was only able to succeed in Great Britain on the back of the foundations laid by
26 Neil Kinnock and John Smith, the post-2000 KMT reforms were to prove critical
27 for Ma's successful campaigns. I briefly discuss the role played by the four
28 dimensions of post-2000 reforms on the KMT's return to power in 2008.

29 First, the nomination reforms of 2000 finally began to reap significant electoral
30 benefits under Ma's chairmanship. Due to Ma's own high popularity, he was
31 highly supportive of inner party democracy and thus promoted the use and
32 institutionalization of primary elections. Although the KMT did not hold a presi-
33 dential primary in 2008, there was a higher level of satisfaction with the KMT's
34 presidential nomination than with any of its previous four presidential cam-
35 paigns. Ma was the only candidate to register for KMT nomination. However, this
36 was because KMT leading figures were aware that none had the necessary popu-
37 larity to challenge Ma. The KMT chairman election of July 2005 was in effect the
38 party's primary for the 2008 presidential election. This allowed Ma to start
39 campaign preparations far earlier than his DPP rivals, and there was high fac-
40 tional unity in supporting Ma's campaign and with the overall nomination
41 process.

42 Moreover, the primary system in 2005 and 2007 served to not only continue to
43 remove the old threat of rebel candidates, but also to contribute toward Pan Blue
44 unity and merger. A critical precedent was set in the KMT nomination for Taipei
45 County magistrate candidate in 2005. In that contest, two leading figures from the
46 PFP rejoined the KMT to participate in the primary. Finally one of these ex-PFP
47 politicians won the primary and the general election (Shen & Lu, 2005, p. A3).

1 There was a similar pattern in the KMT nomination for the Taipei city mayoral
2 candidate in 2006, when the primary was won by the former chairman of the NP.
3 In the run-up to the KMT's 2007 primaries for the 2008 Legislative Yuan elections,
4 a large number of NP and PFP politicians returned to the KMT in order to join the
5 primaries. By the eve of the primaries more than half of the PFP's district
6 legislators elected in 2004 had defected back to the KMT. Therefore, while in the
7 1990s the top-down nomination system had led to rebel candidates and splinter
8 parties, in the following decade the institutionalization of democratic nomination
9 was contributing to the merger of the Pan Blue parties.

10 In terms of policy and issue positions, the KMT under Ma was also able to both
11 build upon the post-2000 reforms and learn from the defeat in 2004. First, there
12 was a clear attempt to give the party a more centrist image on national identity.
13 Thus Ma did not follow Lien in visiting China and concluding party-to-party
14 agreements with the CCP. Instead he took a stance more in line with public
15 opinion, which was re-emphasized in his inaugural speech pledge of "no unifi-
16 cation, no independence and no use of force" (Ma, 2008, p. 3). Ma also was more
17 convincing in his appeal to Taiwanese identity than his predecessor. For instance,
18 he published a book titled *Taiwan Spirit*, in which he discussed Taiwanese his-
19 torical events and figures. In addition, some of his campaign activities were
20 designed to show his attachment with Taiwan and to remove his image as an
21 out-of-touch Taipei bureaucrat. Key examples were his cycle tour of the island
22 and the long stay program, in which he would spend time living in rural Taiwan
23 and working with farmers or workers (Ma & Lo, 2007). Moreover, Ma also had
24 critical characteristics for the modern campaign. In other words, while Lien had
25 been uncomfortable putting on a show, Ma excelled at political theatre. This was
26 particularly apparent in his campaign performances in the long stay and cycle
27 tour events.

28 Ma also gave the party a less radical image by keeping a distance from the
29 street demonstration tactics of some of his Pan Blue colleagues, tactics that had
30 often led to violence in the past. Another important campaigning lesson that the
31 KMT learned from 2000 and 2004 was to focus on positive rather than negative
32 campaigning in the presidential contest. According to Ma's campaign spokesman
33 Lo Chih-chiang, "He deliberately tried to appear civil; he doesn't like extreme
34 emotions in his campaign style. He wanted to avoid making personal attacks"
35 (interview with author, June 2008, London). Even when the DPP employed
36 negative tactics Ma's campaign did not join the fray. As Lo explained, "So our
37 campaign is what we call a parallel campaign. In other words, we run our
38 campaign, you run yours. We don't take any notice of your campaign and it's best
39 if you don't take any notice of our campaign" (interview with author, June 2008,
40 London).

41 Nevertheless, the most important policy innovation that was developed under
42 Ma was effective ownership of the political corruption issue. Here the KMT
43 benefited from the seemingly endless string of political corruption scandals
44 emerging from the DPP starting in 2005. This meant that the KMT was able to
45 attack the DPP administration on political corruption, as well as economic mis-
46 management and government incompetence in the 2005 and both 2008 elections.
47 Just as political corruption had been critical in the downfall of the KMT in 2000,
48 the issue now was backfiring on the DPP. By 2005, the KMT's nomination reforms

1 had left it with a much cleaner image, while the DPP increasingly gained a
2 reputation as a corrupt party. For the whole of the first Chen term, party image
3 surveys showed that the public viewed the DPP as a cleaner party than the KMT
4 (TVBS Poll Center, 2008). However, in 2005 this trend was reversed, and through-
5 out Chen's second term the KMT was seen as the cleaner party. In fact, by May
6 2008 only 10% of respondents viewed the DPP as free of corruption (TVBS Poll
7 Center, 2008). The importance of developments in 2005 is revealed in Table 3,
8 which shows the trends in party identification. It shows how this year saw the
9 largest ever rise in KMT party identification and the largest fall for the DPP since
10 the outset of democratization.

11 The last key lesson of defeat the KMT learned that contributed to its victory
12 was improving its interparty relations with fellow Pan Blue parties. Once again
13 the KMT built on the increasingly cordial relations that had been developing
14 under Lien's chairmanship. The KMT's more orthodox positions on national
15 identity and extremist reactions to the 2004 defeat may have been unpopular with
16 the median voter, but they did help attract Pan Blue splinter party politicians
17 back to the fold. Nevertheless, the existence of competing Pan Blue parties had
18 been critical in weakening the KMT since the early 1990s. Although many PFP
19 and NP politicians had returned to the KMT to join its primaries, there was still
20 the threat that the PFP could split the Pan Blue vote again in the 2008 legislative
21 election. The KMT quite skillfully took a negotiated approach to reinforce the
22 existing trend toward a Pan Blue merger. The results of KMT-PFP negotiations
23 were that those remaining PFP legislators who rejoined the KMT were offered
24 places on the KMT's proportional representation list or given legislative districts
25 to contest. This meant that for the first time since 1989 there was only one Pan Blue
26 party standing against the DPP in district elections; thus the Pan Blue vote was
27 more concentrated than ever.²⁶ This vote concentration can be seen in Table 2 in
28 the KMT's impressive seat share bonus in 2008, gaining 71.7% of seats with only
29 51.2% of the vote.

30 31 **The DPP's Response to Defeat**

32 Next I look at how the DPP reacted to its disastrous defeats in 2008. Although
33 the defeat is relatively recent, I can compare the DPP's reaction with that of the
34 KMT and offer some ideas of why the responses have been different. Last, I assess
35 whether the DPP's reforms are likely to be effective in enabling it to return to
36 power on a similar time scale as the KMT—in other words, by 2016. I examine
37 post-election learning on the four dimensions of organization, policy, leadership,
38 and relationship with allies.

39 As with the KMT after 2000, the DPP's defeat was followed by radical changes
40 in its internal balance of power. Electoral defeat and the legal cases that many key
41 figures from the Chen Shui-bian administration were embroiled in meant that the
42 politicians that dominated the DPP after 2000 no longer controlled the party
43 center. Neither of the two candidates for the 2008 DPP chairperson election had
44 ever held party office. The winner was Tsai Ing-wen, a politician whose back-
45 ground is in stark contrast to the previous party leaders, all of whom had been in
46 the democracy movement since the early 1980s. Tsai is a former academic and
47 Minister of the Mainland Affairs Council in Chen's first term. She is new to the

Table 3. Party Identification for Taiwan's Main Parties 1991–2008 (December figures)

	1992	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
KMT	33.8	29	30.5	34.5	24.2	30.3	35.3	14.5	14.1	18.9	21.4	21.9	33.2	34.7	35	33.3
DPP	5.4	12.1	13	11.2	15.8	21.2	23.2	26.6	24	24.5	25.1	26.3	20.6	19.3	19.8	21.7
NP		5.6	8.4	9.1	6	3.5	3.3	1								
PFP								17.5	15	13.4	11.2	7.1	2.9	2.1	1.2	1.2
TSU									1.5	1.7	2.1	2.7	2.9	2.6	1.2	1.3
Indep.	60.8	53.3	45.1	43.6	53.3	44.3	37.7	40.2	44.2	40.4	39.3	41.5	39.8	40.6	42.2	41.1

1 party, having only joined after 2000, and she has no clear factional affiliations.
2 Like Lien, since coming to power, Tsai has attempted to put her party back on the
3 road to recovery by learning from the lessons of defeat.

4 The DPP had a long record of using primaries to nominate candidates that
5 dated back to 1989. However, the nomination process in both the 2008 legislative
6 and presidential races created a high degree of dissatisfaction. There were accu-
7 sations that the party center adjusted regulations to damage the primary pros-
8 pects of certain factions and individuals (Wang, 2007, p. 3). In addition, there were
9 widespread accusations of primary fraud in which politicians allegedly bought
10 large numbers of temporary telephone lines in order to manipulate the primary
11 survey section (Yang & Lin, 2007, p. A4). Last, and perhaps most damaging, the
12 election featured bitter inner party personal attacks during the primary process,
13 which gave the impression of a divided party when it came to the general election
14 (*Taipei Times*, 2007, p. 8). Therefore the most radical reform that the new chair-
15 woman has taken since assuming office has been the decision to suspend prima-
16 raries for the upcoming 2009 local executive elections. Instead the DPP will adopt
17 a negotiated approach, with a nomination committee at the party center making
18 the critical final decisions (Lin, 2008, p. A4). This is the DPP's most radical shift in
19 nomination strategy in its history.

20 Both the DPP in 2008 and the KMT in 2000 blamed failures in their nomination
21 systems for their ultimate defeat and introduced new systems to avoid a recur-
22 rence of those failures. However, the solutions are starkly different, for while
23 the KMT democratized its procedures, the DPP is adopting a more authoritarian
24 practice. For the first time in Taiwan's multiparty history the KMT actually
25 appears more internally democratic than the Democratic Progressive Party. It is
26 too early to be certain whether or not the switch to centralized DPP nomination
27 will pay off. However, an examination of the KMT's record of rebel candidates
28 and party splits after it abandoned primaries in the early 1990s suggests that the
29 DPP's reforms will backfire with rebel candidates and inner party divisions
30 far more severe than under the old primary system. In fact a former DPP cabinet
31 minister is already threatening to stand against the official DPP candidate in the
32 party's stronghold of Tainan County (Ko, 2009, p. 3).

33 A number of post-election postmortems placed blame on the DPP's political
34 corruption and distance from the center on national identity (F. Chen, 2008,
35 p. A19; Wu, 2008, p. A19). It should be pointed out that though there is a
36 consensus within the DPP that the corruption image contributed to its downfall,
37 the party is more divided over whether it needs to moderate on national identity.
38 Despite the advent of a new party chairwoman and a number of post-election
39 policy forums, the DPP has yet to radically shift its party image or policy direc-
40 tion to the same degree that the KMT achieved in the first year after 2000.

41 First, the DPP has struggled to remove its reputation for corruption. Although
42 the key DPP figures accused of corruption no longer hold government or party
43 office, the scandals of Chen's second term are too fresh in voters' memories for
44 the image to be erased. Evidence from Taiwan's party images of the 1990s also
45 suggests that this image will take some time to become diluted. Even though
46 the DPP dropped its use of political violence in the early 1990s as a strategy, it
47 retained the image of a violent party right through until the late 1990s.²⁷ More
48 important, the link between the DPP and political corruption is kept alive by the

1 heavy media attention on the Chen Shui-bian corruption legal case, which looks
2 likely to drag on for many months if not years. This legal case has provided the
3 KMT with a welcome distraction from its own problems of governance and Ma's
4 rapidly falling satisfaction rates. Moreover, the alleged human rights violations
5 related to the cases of Chen and other DPP politicians have led the DPP to
6 question the fairness of the judicial system (Chuang & Mo, 2008, p. 1). Although
7 these protests are valid in certain cases, they are often viewed as protecting Chen
8 and thus have served to protract the perceived relationship between the party
9 and corruption.

10 Following a number of the DPP's previous defeats or in the run-up to elections,
11 it has proposed making revisions to its national identity positions to make the
12 party more electable and reduce the distance from the median voter. For instance,
13 in the run-up to the 2000 presidential election the DPP passed its Resolution on
14 Taiwan's Future, which argued that there is no need to declare independence as
15 Taiwan is already independent (Fell, 2005a, p. 106). Clearly this did have some
16 impact because in the aftermath of the election party image surveys showed that
17 the public viewed the DPP as at its most moderate position ever on the unifica-
18 tion versus independence spectrum (Fell, 2005a, p. 94). As mentioned earlier, the
19 KMT also shifted its national identity positions after 2000, though it initially
20 moved away from the center. In contrast, under Tsai, the DPP has not shown any
21 clear policy direction either toward the center or to an even more extreme leftist
22 stance. For instance, the DPP's protests against the visit of the Chinese envoy
23 Chen Yun-lin in November 2008, though tapping into a sense of disquiet among
24 some voters that cross-strait economic integration is proceeding too rapidly, also
25 reinforced the anti-Chinese image that the party had increasingly gained during
26 Chen Shui-bian's second term. In other words, rather than there being a change
27 in party policy positions, there is a perception of inertia. Here a key explanatory
28 factor is the inner party balance of power. For even if Tsai wants to radically
29 revamp the DPP's issue positions and stressed issues, she still lacks the political
30 clout to make such a revolution. Although the old leaders are formally out of
31 power, they remain highly influential in terms of both their followers in elected
32 office and their support bases. As a result, on policy matters, there is far more
33 stability in the DPP than in the post-2000 KMT.

34 This brings me to the related question of the new leadership style and image.
35 Tsai survived relatively unscathed from the corruption scandals that were so
36 damaging for the party in the last years of the DPP administration. This means
37 that Tsai can portray a radically different image from her predecessor party chairs
38 from the DPP era. However, traditionally the DPP chair has been a weak posi-
39 tion, one that requires considerable skill at negotiating agreements between the
40 various factions. At this stage it is still not clear whether Tsai has the necessary
41 support and skills to be an effective leader. It is also possible that she will be
42 undermined by former party leaders and that she is viewed as a stopgap leader
43 to be replaced by one of the DPP's "heavenly kings."²⁸ A key test for Tsai will be
44 how the party performs in the 2009 local executive elections. Compared to the
45 KMT's post-2000 Lien Chan, Tsai's position is much weaker. For while Lee and
46 his faction had largely been marginalized within months of the 2000 defeat, Tsai
47 faces the prospect of challenge by multiple, more experienced party big shots.
48 This has been apparent in her struggles to determine nominations in key DPP

1 districts in 2009 and the attempt by former party leaders, including Chen, to
2 manipulate the nomination process from the outside.²⁹

3 The final lesson that the DPP has tried to learn from 2008 is to re-create the
4 kind of broad anti-KMT alliance that contributed to its rise to power in 2000.
5 During the 1980s and 1990s the DPP had developed close links with many social
6 movements, particularly environmental, labor, women's, and pro-independence
7 groups. After coming to power the DPP also cooperated with the party Lee
8 Teng-hui helped create, the Taiwan Solidarity Union (TSU). However, by the end
9 of Chen's second term, these alliances had been badly eroded. Many social
10 movement activists had become disillusioned with the DPP's failure to deliver on
11 campaign promises and its compromises with big business. The party had also
12 suffered from the image of a divided Green camp in the run-up to the 2008
13 election, as while there was only one Blue party in 2008, the DPP faced intense
14 competition in both the proportional representation and district elections from
15 the TSU.

16 Since losing power, the DPP has begun to seek to rebuild new social alliances;
17 thus Tsai has talked of 2009 as being the DPP's "social movement year" (Chang,
18 2009, p. 1). Examples of this new approach include its plan to create a social
19 movement department, cooperation with other civic groups in the protests
20 against Chen Yun-lin's visit, and the 2009 Taiwan Citizen Conference on National
21 Affairs. However, fresh memories of the DPP's limited success in promoting
22 progressive policies mean that rebuilding trust with social movements will be far
23 from straightforward in the short term. Moreover, social movements that have
24 had experience with access to government ministers and funds under the DPP
25 administration may well view the DPP as a less attractive ally now that it looks
26 likely to face a protracted period in opposition. While the KMT began to rebuild
27 bridges with its Pan Blue splinter parties early after defeat, it took almost two
28 terms for this kind of collaboration to bear fruit in the form of merger with the
29 KMT. There are no signs yet that the DPP will be able to re-create a similar
30 alliance with its former partners.

31 32 **Conclusions and Implications for Taiwan's Party Politics**

33 This study has examined how and why Taiwan's main parties responded to the
34 electoral defeats that led to their fall from power. Both parties went through a
35 period of examining the causes of defeats and then set out on a program of
36 reforms. Both parties have at times appeared to be responding illogically to defeat
37 by adopting positions and strategies that seem to actually be moving them farther
38 away from centrist public opinion. Taiwanese parties have thus shown some of
39 the traits associated with what Norris and Lovenduski termed "selective percep-
40 tion." Nevertheless, the content of the two parties' remedies for revival have often
41 been starkly different. This is most evident in the nomination reforms, where the
42 KMT moved to democratize candidate selection after defeat, but the DPP chose to
43 centralize the process. The case of the KMT has shown that radical reform at a
44 critical historical juncture can set a party on the path toward recovery, but that
45 such reforms require considerable time to pay off.

46 When it comes to explaining the direction and effectiveness of post-election
47 defeat, adjustments in the inner party balance of power suggested by Harmel and

1 Janda (1994) has been most useful. In both cases, new party leadership and
2 factional power balance were critical determinants of change. The fact that the
3 balance of power shift was far greater in the KMT's case also helps explain why
4 the KMT's reforms in the first year after losing power were more radical than the
5 DPP's. The DPP's current factional balance of power has meant that reform faces
6 some serious constraints; thus there is more evidence of inertia than change.
7 Radically revamping the party's political product appears to be too costly in
8 terms of damaging inner party unity and endangering its already weak base.
9 Thus there are similarities to Tsai's current position with the early years of
10 Kinnock's leadership in the Labour Party and John Major in the Tory Party in
11 Great Britain. In other words, though the new leadership is aware of the need to
12 radically change, it is not dominant enough to be able to impose its will on the
13 party.

14 Should one expect a return to DPP rule in the near future? It is still too early to
15 be certain whether the DPP's reforms will provide the foundation for its recovery
16 in the same way as some of the KMT's post-2000 reforms. Tsai's first major test
17 will be the local elections in late 2009. Nevertheless, comparatively the DPP's
18 post-defeat adjustments are of a much more limited nature than the KMT's,
19 which does not bode well for its future. It should also be pointed out that the
20 KMT also went through a long and painful learning process and it was not until
21 mid-2005 that it showed signs of having fully learned the lessons of the 2000 and
22 2004 setbacks. Moreover, the political context that the KMT faced in opposition
23 was far more favorable than what the DPP is confronted with today. Although the
24 KMT had lost office, with the help of its allies it held a parliamentary majority
25 throughout the DPP era, remained dominant in grassroots elections, had a huge
26 pool of highly educated human resources, and remained one of the richest parties
27 in the world. By contrast, after 2008 the DPP has lost not only the presidency but
28 most local executive posts, and it has become a minor party in the parliament.
29 These defeats and the parties' string of corruption scandals have not only
30 damaged party support levels, but have also eroded its financial and human
31 resources.

32 Does all this mean that Taiwan should expect to move toward a Singapore-style
33 one-party-dominant system? Such a development is possible but not inevitable.
34 Again, Taiwan's history offers some useful precedents. In 1991, the KMT won a
35 similar overwhelming majority and the DPP looked in disarray. The DPP was
36 able to learn from defeat by moderating its identity stance, seeking new electoral
37 issues, and improving its campaign communication and party image. For the
38 DPP to show a similar post-defeat recovery, it will require creating an internal
39 consensus for radical reforms. Nevertheless, such reforms may only be effective
40 if the KMT allows history to repeat itself by once again becoming embroiled in
41 corruption scandals and splitting over nomination disputes.

42 43 Notes

44 ¹These hallmarks correspond with the attitudinal dimensions of party institutionalization proposed
45 by Randall and Svåsand (2002).

46 ²The Legislative Yuan is the main law-making body, while the National Assembly's main function
47 was to revise the constitution. In 2005, the powers of constitutional revision were transferred to the
48 Legislative Yuan.

³For a discussion of the smaller challenger parties in Taiwan, see Fell (2005b, pp. 212–239).

⁴The color green is chosen because it is the main color on the DPP's flag, while blue is the principal color of the KMT's flag.

⁵Since the late 1980s, the key division within the KMT had been between the Mainstream and Non-Mainstream Factions. The former were largely Taiwanese politicians that tended to take a more Taiwan-first position and supported Lee Teng-hui. The latter included many mainlanders and tended to emphasize Chinese identity symbols and support closer relations with the Chinese mainland. Some of this group left the KMT to form the NP in 1993.

⁶With the exception of leadership image, these dimensions roughly correspond with the main areas of potential reform examined by Cheng's (2006, pp. 367–394) analysis of the KMT's post-2000 adaptation. The types he suggested are reconciliation at the leadership level, party reform at the organizational level, and a thorough transformation of the party to forge new links to the electorate.

⁷One of the key motivating factors for KMT politicians to break away to form the NP was dissatisfaction with the KMT's lack of democratic nomination. During the 1990s this splinter party was especially damaging to the KMT in legislative elections.

⁸The KMT later revised the weighting to 30% member vote and 70% survey prior to the 2004 legislative elections.

⁹This is specified in the Chinese KMT Member Election Nomination Regulations, Article 9. This lists the types of first trial conviction that would disqualify a party member from nomination. See <http://www.kmt.org.tw/hc.aspx?id=13&aid=2235> (retrieved May 10, 2009).

¹⁰Lee's detractors and some of his supporters have tended to refer to this argument as the "Two State Theory."

¹¹Support levels for unification had fallen from more than 50% in 1989 to only 15% in 2002, and identification as Chinese fell from 52% in 1989 to 7.9% in 2001. See Fell (2005a, p. 92).

¹²KMT newspaper advertisement, *China Times*, March 15, 2004, p. A5.

¹³KMT newspaper advertisement, *China Times*, March 15, p. A5.

¹⁴Newspaper advertising content analysis shows these to be the most emphasized KMT themes in the 2000–2004 period. See Fell (2007, pp. 35–38).

¹⁵KMT newspaper advertisement, *China Times*, March 1, 2004, p. A11.

¹⁶For instance, at the 1996 National Development Conference the KMT and DPP reached significant agreements on the direction of constitutional reform, while the NP walked out.

¹⁷For instance, in the local executive contests there were only four KMT rebels, compared to nine and 14 in 1997 and 1993, respectively.

¹⁸In this case the KMT party center dropped the primary winner because his local factional image displeased the fellow Pan Blue parties. By nominating the more acceptable third-placed candidate the KMT was able to dissuade the PFP from nominating its own candidate. See Fell, (2006, p. 182).

¹⁹During the first DPP administration Ma was consistently polled as Taiwan's most popular politician. For instance, at the time the KMT decided that Lien and Soong would be their presidential team in the spring of 2003, public satisfaction with Ma was at 81%, compared to Lien's 53%, Soong's 51%, and Chen Shui-bian's 45%. See TVBS Poll Center (2003).

²⁰On the eve of the presidential election, Chen and Vice President Lu were both shot and wounded while campaigning in Tainan. The KMT claimed that the assassination attempt was an election stunt to gain voter sympathy.

²¹In April 2003 the support level for the KMT team was 53% to the DPP's 32%. By 10 days prior to voting day the gap was only 40% to 36%. See TVBS Poll Center (2004).

²²The call for voters to participate in Taiwan's first ever national referendums was a central DPP appeal in 2004. The referendums were held on the same day as the presidential election and had questions on strengthening Taiwan's missile defenses and establishing a framework for cross-strait peace and stability.

²³KMT newspaper advertisement, *United Daily News*, March 12, 2004, p. A14.

²⁴The Anti-Secession Law lays out the conditions under which the People's Republic of China should use force against Taiwan.

²⁵The 1992 consensus refers to an unwritten agreement between China and Taiwan's negotiators in a meeting in Hong Kong in 1992 that they would agree that there is only one China but have different interpretations over their definition of one China.

²⁶Although there was no official rival Blue party in 1992, the New KMT Alliance, the forerunner of the NP, was effectively operating like a party that year.

²⁷In a 1998 survey, "violent party" was the fourth most common public image of the DPP. See Chu (1999, p. 262).

²⁸The term *heavenly kings* is often used to refer to the star politicians of the main parties. During the DPP era the DPP's heavenly kings were Chen, Su Chen-chang, Hsieh Chang-ting, and to a lesser extent Yu Hsi-kun and Annette Lu. The view that Tsai will only be a temporary leader who will be

replaced by a "heavenly king" was suggested in more than one of the author's interviews with senior party figures in 2008.

²⁹For instance, the district that has been most divisive has been the party's strongest county, Tainan County. There were also media rumors that Chen was trying to influence the nomination choice for what is his home county or that he would even try to stand himself for election there.

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