

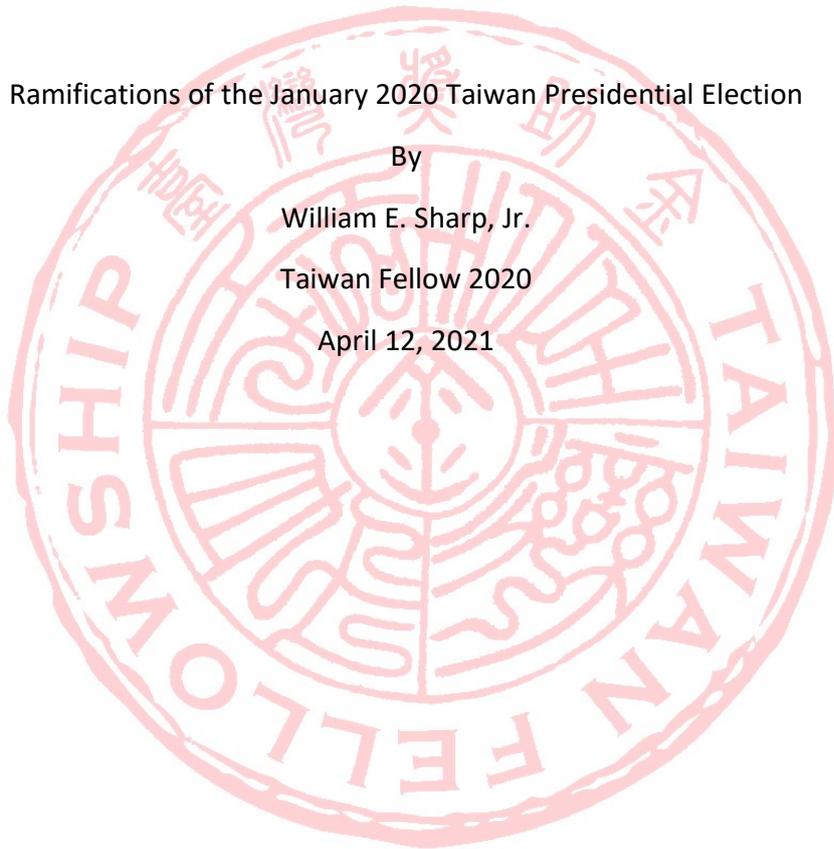
Ramifications of the January 2020 Taiwan Presidential Election

By

William E. Sharp, Jr.

Taiwan Fellow 2020

April 12, 2021



Ramifications of the January 2020 Taiwan Presidential Election

Before I get to the substance of this paper, I would like to mention a few words of appreciation. Firstly, I would like to thank the Taiwan Ministry of Foreign Affairs for their support in the form of the Taiwan Fellowship which supported my year of research in Taiwan. Secondly, I would like to thank the Department of History at National Taiwan University for sponsoring my research. Lastly, I would like to thank the Center for Chinese Studies at the University of Hawaii, Manoa, and Pacific Forum for giving me the opportunities to present my research findings via webinars.

The 2020 January electoral victory for President Tsai Ing-wen (蔡英文) and Vice-President Lai Ching-te (賴清德) was a significant victory given the thumping suffered by the Democratic Progressive Party (DPP)(民主進步黨) in the 2018 local elections (九合一). Together Tsai and Lai set a new record of votes gained in a presidential race gleaming over eight million votes. Underlying the race's competitive nature was a historic voter turnout of 75%. (See Table 1 for a complete breakdown of the Presidential/Vice-Presidential vote.)

On January 11, 2020, the Taiwan electorate cast a ballot for: President and Vice-President, district legislators (73), indigenous legislators (6) and party-list legislators (34).

Table 1: 2020 Presidential Election Results

2020		
Votes/turnout	14,300,940	75%
DPP:	8,170,231	57.1%
Tsai Ing-wen		
Lai Ching-te		
KMT:		
Han Kuo-yu	5,522,119	38.6%
Chang San-cheng		
PPF:		
James Soong	608,590	4.3%
Sandra Yu		

<https://www.prcleader.org/shelley-rigger-taiwan-election>

Figure 1: Election Results by Jurisdiction

(Blue indicates areas won by the KMT; green indicates areas won by the DPP)



https://en.wikipedia.org/wiki/2020_Taiwanese_presidential_election

However in the legislature (the legislative yuan or “LY”) there was only a limited victory. Yes, the DPP retained a majority of 61 seats of the 113 in the LY, but it suffered a loss of five proportional party seats to the newly formed Taiwan People’s Party (TPP) (台灣民眾黨) led by Taipei Mayor Ko Wen-je (柯文哲). (See Table 2 for a complete breakdown of the legislative election results.) Analysts postulate that the loss was due to a high percentage, some say as high as 40%, of Taiwan voters not showing partisan preference to any party. As such, they vote for a presidential candidate of one party and a legislative candidate of another party. From another perspective, voters rejected Nationalist Party (KMT) (國民黨) presidential candidate Han Kuo-yu (韓國瑜), but they did not totally embrace the DPP. (See Figure 2 for a breakdown of party identification.)

Table 2: 2020 Legislative Election Results

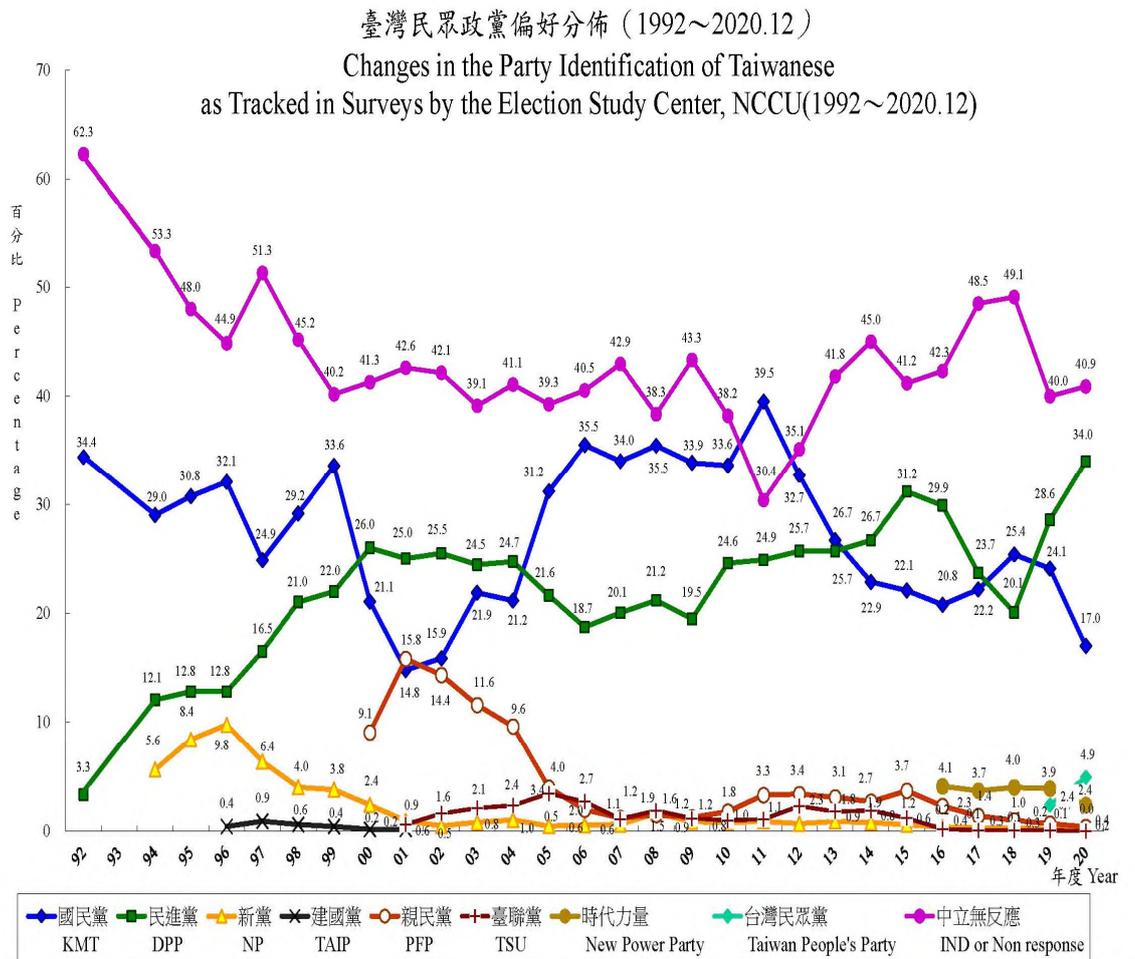
Districts	Votes	Vote Share	Seats
DPP	6,332,168	45.6	46
KMT	5,633,749	40.6	22
Taiwan People’s Party			0
New Power Party			0
Peoples First Party			0
State Building Party			1
Non-Partisan Union			
Independent			4

Indigenous	Votes	Vote Share	Seats
DPP			2
KMT			3
Other			1

Party List	Votes	Vote Share	Seats
DPP	4,811,241	33.98	13
KMT	4,723,504	33.36	13
Taiwan People’s Party	1,588,806	11.22	5
New Power Party	1,098,100	7.75	3
Peoples First Party	518,921	3.66	0
State Building Party	447,286	3.16	0
Non-Partisan Union			0

<https://www.prclleader.org/shelley-rigger-taiwan-election>

Figure 2: Party Identification

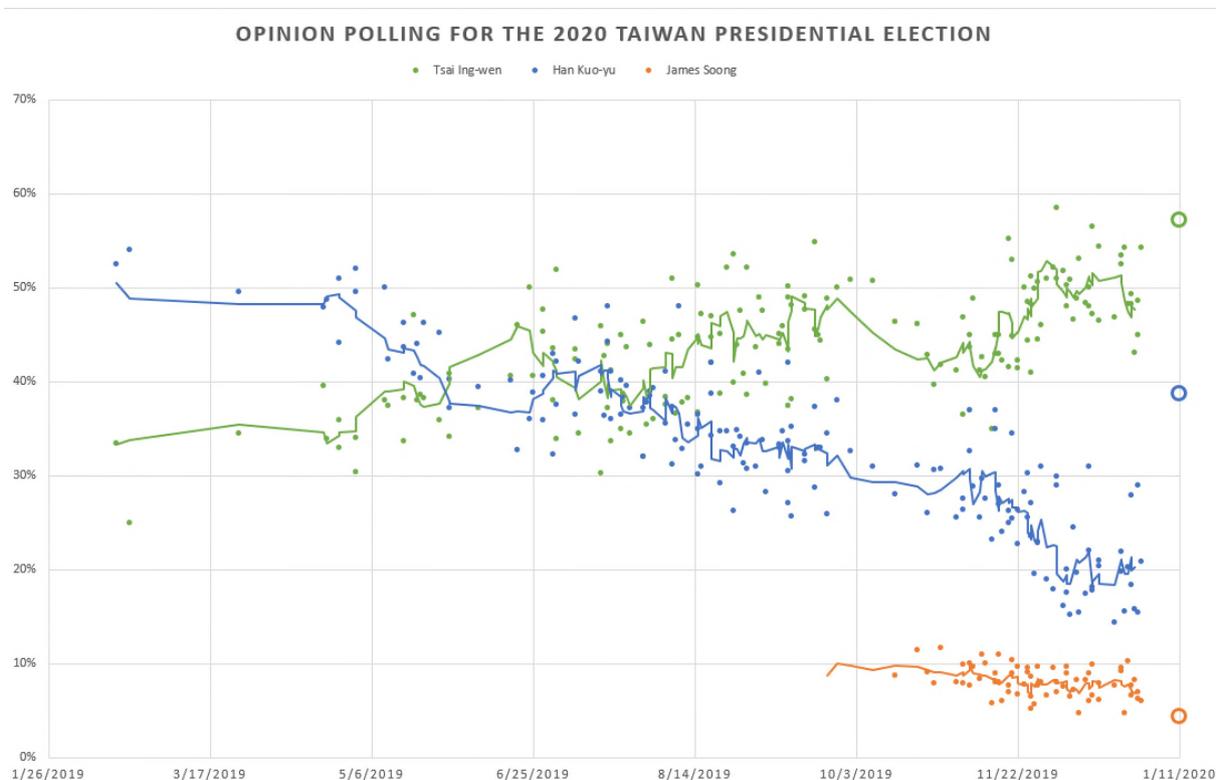


國立政治大學選舉研究中心 製

Tsai gained significant electoral help from Xi Jin-ping’s (習近平) January 2, 2019, address to commemorate the 40th Anniversary of Deng Xiao-ping’s (鄧小平) “Message to Taiwan Compatriots.” Xi encouraged those in Taiwan to embrace the ‘92 Consensus and connected that with acceptance of the “one country two systems” (OCTS) form of government. The ‘92 Consensus remains controversial in Taiwan, and the OCTS form of government has been unfirmly rejected by all points on the Taiwan political spectrum. Tsai’s Churchillian like immediate rebuttal of Xi’s comments saw her popularity steadily increase. Figure 3, from the

Central Elections Commission, depicts the rise of Tsai's popular support and the ultimate decline of Han's.

Figure 3



Tsai's refutation of Xi's exhortation plus the on-going riots in Hong Kong further proved to the Taiwan electorate that the OCTS was an unworkable mode of government. As they grew in size, frequency, and intensity, Tsai was well on her way to a second term.

Tsai's opponent, Kaohsiung Mayor Han, initially rode a wave of popularity as he campaigned for the mayor's office. He spoke like a man of the people. He was a master orator and tireless campaigner. Once elected as Kaohsiung mayor, he showed he had little administrative experience. In city council meetings, he often appeared bored and often deferred to the deputy mayor when asked questions by council members. His promises for economic development were unfulfilled and in many cases he declared he had never made such promises. Soon questions arose about his womanizing, drinking, gambling, and sleeping late. It later became known that he and his wife had speculated in real estate despite the image he sought to craft for himself as a *shumin* (庶民) or ordinary guy. Soon after being elected mayor, he went to China and met with high level officials of the Chinese Communist Party (CCP). However, it must be said that during his trip to China that he worked out contracts that benefitted Kaohsiung farmers. His financial management of Kaohsiung came under

scrutiny as suspicion rose that he had used city funds to pay “hush money” to a woman with whom he had an extra-marital affair. Nevertheless, he took a leave of absence from his duties as a mayor to travel all over Taiwan to campaign for the presidency. As a result, Kaohsiung voters felt betrayed. While Tsai emphasized maintaining the status quo and preserving Taiwan’s security, Han emphasized cross-strait relations with little regard for Taiwan’s security which was concerning to young voters. Perception that the PRC was surreptitiously trying to influence the election through social media and fake news also hurt Han.

Addressing a Pacific Forum audience, Admiral Michael McDevitt, founder of the Center for Naval Analysis, said that in order for Taiwan to maintain the respect and support of the world that it needed to continuously improve its democracy.

No sooner had the new legislature formed and Tsai started her second term, Taiwan sought to do just that by advocating three new reforms:

- 1) Established a constitutional revision committee in the LY to lower the voting age in presidential elections to eighteen and to increase the number of proportional/party seats in the LY. By lowering the voting age, Tsai hoped to enlarge her voting base. Many have argued that the LY is too small and needed to have more members.
- 2) Set about to abolish the Control Yuan (檢察院). A number of commentators from various political perspectives have argued that the Control Yuan merely duplicates functions carried out in other branches of the government, and its abolition would increase government efficiency. Tsai not only seeks the abolition of the Control Yuan but further seeks to replace it with a Human Rights Commission headed up by political confidant, former mayor of Kaohsiung, and political prisoner, Chen Chu (陳菊).
- 3) The Taiwan public feels disconnected from the justice system. To address this situation, the Tsai government has developed a plan to introduce a jury system into the legal system. Such a reform was welcomed but soon lead to disagreement. Should the new jury system be a US style jury system or a Japanese style lay (citizen) judge system? It appears that the [Japanese style](#) of jury will be employed in cases where the guilty party would have to spend ten or more years in jail.

In the aftermath of the Sun Flower Movement (SFM) (太陽花學運) of 2014, National Taiwan University Medical School professor and political activist Ko fashioned himself as a new style politician. As a result, he earned wide support among the young. With DPP support, he was elected mayor of Taipei in 2014. Setting his sights on the Presidency, he formed the TPP.

He had no sooner done such than his popularity with youth began to plummet. Taiwan's youth were concerned about his apparent pro-China tilt. Most troubling was his statement that Taiwan and the PRC are "one family on two sides of the Taiwan Strait (兩岸一家親)."

Questions about Ko remain to this day. For example, what does he really stand for? What is his philosophy? He says he wants to be the white force in Taiwan politics, walk down the middle and bring the blue and the green together. However, to do such requires a politician with far more political experience than he has. Moreover, his political experience is limited to Taipei. According to a TVBS poll (computer warning about possible virus if hyperlinked) conducted on November 27, 2020, his popular satisfaction average of 35% puts him as the least satisfying large city mayor or county magistrate in Taiwan. When he sought re-election in 2018, he only won by a mere 3,254 votes.

Founded in April 2019, the TPP is essentially a party built on the image of Ko. As his political influence ebbs, one has to question the longevity of the party. Two other minor parties built on the image of their leaders, the People's First Party (親民黨) led by James Soong (Soon Chu-yu) (宋楚瑜) and the Taiwan Solidarity Union (台灣團結聯盟) formed by the late President Lee Deng-hui (李登輝) no longer maintain seats in the LY. The New Power Party (NPP) (時代力量) was born out of the SFM and at the time of its founding was projected to one day play a major role in Taiwan party politics. Due to infighting, a lack of discipline, representatives bolting the party, and corruption charges leveled against the party chair, the NPP representation in the LY has been cut from five seats to three. It is an open question whether the NPP can hold on or not

On the other hand, the Taiwan State Building Party (TSBP) (台灣基進黨) won its first seat in the LY. The SBP is the only political party in Taiwan to not have its headquarters in Taipei. Given its focus on issues related to southern Taiwan, Kaohsiung's history as a city intertwined with Taiwan quest for independence, it seems only fitting that the TSBP have its headquarters there.

Tsai has tried very hard to create a multi-cultural, inclusive society. As such, she has reached out to the indigenous community a traditional KMT ally. Her efforts seem to be yielding results. In the race for indigenous representation in the LY, the DPP added one seat.

Besides the DPP, the other major Taiwan political party is the KMT which is often seen as pro-China and catering to the interests of big businesses and the wealthy. At the moment, the KMT is highly divided from within. As a result of the KMT's defeat in the 2020, the then chair Wu Den-yi (吳敦義) resigned to take responsibility for the party's defeat.

Johnny Chiang (江啓陳) a Taiwanese, 49 years old, with strong support from the young was elected to fill the chair position. Chiang abandoned the '92 Consensus and emphasized improving relations with the US. However, after the KMT Party Congress on September 6, 2020, the '92 Consensus was restored to the party platform. Chiang was only elected to fill the

unexpired portion of Wu's term. Thus a party election for party chair will be held in July. At present the traditional party elite of former president Ma Ying-jeou (馬英九), Wu, and Chu (朱立倫) have reasserted themselves. While Chiang appears to be a member of the party elite, it is not known how long he can continue to maintain that status. According to a [poll](#) recently conducted, Chu is likely to replace Chiang. Surprisingly absent from the group of party elite, is New Taipei City Mayor Hou You-yi (侯友宜), rated by a late 2020 TVBS poll (computer warning possible virus if hyperlinked) as the Taiwan mayor with the highest rate of popular satisfaction at 77%. Another person to keep an eye on is Jaw Shao-kong (趙少康) who has recently rejoined the KMT at the urging of former Kaohsiung mayor and presidential candidate Han. Jaw left the KMT to join the New Party (NP) (新黨) which advocates unification with China. The NP is virtually defunct, so Jaw rejoined the KMT making it quite clear that he would like to be the presidential candidate in 2024 or a candidate for Taipei mayor or a county magistrate. The KMT's biggest problem is a lack of youth support due to the pro-China leanings of many of the elite and the Huang Fu Xing (黃復興) faction of the party. The faction consists of one-third of all KMT members and are generally considered pro-China. Faction member and retired Taiwan army general Wu Tse-huai (吳斯懷) was elected as a party-list legislator. His presence in the LY is concerning to the general public because of his pro-China orientation. On the party-list, but not elected, was Chiu Yi (邱毅) who before returning to the KMT had become a member of the NP. Unabashedly pro-China he often appears on a Chinese Central TV (CCTV) show which focuses on Taiwan. Dropped from the party-list was Jason Hsu (許毓仁) who had supported same-sex marriage.

According to [CNBC](#), Taiwan's economy grew at 3.11% and faster than other Asian economies in 2020. The GDP is projected to grow 4.64% in 2021. However, such growth is not the product of any economic development plan. Rather it is due to: 1) Rushed sales to China of equipment used make high tech products before a certain deadlines; 2) Taiwan companies moving back to Taiwan and investing there; and 3) Immigration from Hong Kong along with which comes investments.

President Tsai sees herself as an economic planner. However, according to Taiwan Elections and Democratic Survey (TEDS), TEDS2020 PA09, a poll conducted by the Election Study Center (ESC) at National Cheng Chi University, her approval rating for economic policy is 47.8%. Her re-election campaign argued that Tsai needed four more years to affect economic development in Taiwan. One of her two signature economic development plans is the "Six Core Strategic Industries Plan" (SCSIP) (六大核心戰略產業) which she frequently promotes in major speeches. The SCSIP focused on:

- 1) Information and digital technology
- 2) Cybersecurity
- 3) Medical Technology and Precision Health Instruments
- 4) Green and renewable energy

- 5) National defense and strategic industries
- 6) Strategic Stockpile Industries

The most successful components to date are:

- 1) Information and digital technology focused on the development of the Asia Silicon Valley (headquartered in Taoyuan and Taipei)
- 2) Green and renewable energy – a key concern of the DPP
- 3) National defense and strategic industries – during Tsai's watch Taiwan has developed a new jet trainer prototype which can also be used as a combat aircraft

President Tsai wants to create an economic base built on high technology, not cheap labor in Taiwan, China, Vietnam, or wherever. Accomplishment of such will offer Taiwan's young, higher paying jobs that they can support a family on. As such, Taiwan couples will be motivated to marry and have a means of supporting children. The hoped for result will be to bring down the high average age of Taiwan society.

In the same ESC TEDS2020 PA09 survey gauging public support of Tsai's leadership, she scored 6.18% satisfaction on a scale of one to ten. A possible criticism of Tsai's leadership style is that it is too bureaucratic. In fact, she herself commented "bureaucratism is part of our DNA." Her bureaucratic approach to economic development resembles an industrial policy and is not well received by leading Taiwan business leaders. Morris Chang (張忠謀), founder of Taiwan Semiconductors Manufacturing Corporation (TSMC), opined that government should let businesses decide which markets to develop, not tell them which to develop. In Chang's view, government's role should be to develop infrastructure.

At the time writing, Chang's comment took on particular salience in that TSMC has difficulty in securing adequate levels of water to manufacture semiconductors. Other business complaints focus on inadequate supply of electricity, cost of land, and lack of qualified prospective employees. In fact, TSMC currently has 9,000 job vacancies.

In addition to the SCSIP, Tsai's other signature economic development plan is the "New South Policy" (NSP) (新南向政策) which she frequently promotes in major speeches. The NSP is a long-term economic development plan focusing on developing markets in Southeast Asia, South Asia, Australia, and New Zealand to reduce Taiwan's dependence on the China export market.

Taiwan's approach has been characterized by first building cultural familiarity and then focusing on business development. However, Japan and South Korea have a similar idea and also wish to reduce their economic dependence on China. Taiwan has been able to get some big construction contracts in Southeast Asia. However, in addition to Japanese and South Korean economic competition, there is also Chinese economic and political competition. China simply does not want Taiwan to get closer to any countries in the NSP

region and will encourage local governments and businesses not to deal with Taiwan. More fundamentally, two leading Taiwan economists have reminded me that the NSP markets are actually too small. In their totality, they simply cannot replace the Chinese market.

The focus of the South Policy (大南方政策) is to develop Kaohsiung by watering down the regulatory and permitting process in order to attract foreign investment. China has not been invited to invest since there is concern that China will use its investments to seek political and economic leverage.

One other aspect of Tsai's economic development plan is the "Forward Looking Infrastructure Development Plan" (FLIDP) (前瞻基礎建設特別條例). Started in 2017, the government began heavily promoting the FLIDP to build a new generation of infrastructure for Taiwan's future. This program, which will lay the foundation for the nation's growth over the next 30 years, includes funding in eight categories: railway projects to provide safe and fast transportation, water environments to build resilience against climate change, green energy infrastructure to ensure environmental sustainability, digital infrastructure to create a smart and connected nation, urban and rural projects to balance regional development, child care facilities to reverse declining birth rate trends, infrastructure to ensure food safety, and human resources infrastructure to nurture talent and boost employment. [Funding](#) for the initial four-year phase totals NT\$420 billion (US\$14.9 billion).

As Taiwan proceeds into the post-pandemic new life, starting this year the government will prioritize digital infrastructure development through projects encompassing artificial intelligence, 5G and semiconductor technology, the National Development Council (NDC) said. Accordingly, the proportion of the [FLIDP budget](#) assigned to these areas will increase from 5 to 16 percent, the NDC added.

Every NT\$1 (US\$0.04) invested in the FLIDP will induce private-sector investment of NT\$0.78 (US\$0.03) and increase the nation's real GDP by NT\$1.62. On average, real GDP is 0.71 percent higher per annum with the program than without it. The [program also](#) adds about 108,000 job opportunities each year on average.

Already, the electrification of the rail line from Fangliao (枋寮), in Southwest Taiwan, to Taidong (台東), in Southeast Taiwan has been accomplished saving forty minutes of travel time and eliminating the need to transfer trains.

President Tsai and other high level officials in her government continue to lobby the US to negotiate and sign a free trade agreement (FTA). It is unlikely that the accomplishment of such will happen, at least during the first year of the Biden administration. Biden will be too busy filling out his administration, addressing COVID-19 relief, building support for his infrastructure redevelopment plan, etc. Certainly the US will not negotiate any FTA that does not have labor and environmental representation at the table. I discount the notion that the Biden administration appointee as the United States trade representative, Katherine Tai, whose

parents immigrated to the US from Taiwan, will fight to consummate a US-Taiwan FTA. Three leading Taiwan economists that I interviewed question whether Taiwan really needs a FTA with the US. Every one of them saw the value of a US-Taiwan FTA as having more political symbolic impact than pure economic value. Why? The US tariffs are already low at three and one-half percent.

Every year since 1985, Taiwan has had a trade surplus with the US. In 2020, the trade surplus stood at \$30 billion USD. A US-Taiwan FTA would only increase that amount. Such a FTA might encourage other nations to sign FTAs with Taiwan, yet it might elicit Chinese blowback. Many Taiwan friends pressured me to vote for Trump in the US presidential election arguing that he was friendly to Taiwan. I agreed that Trump sold many badly needed weapons to Taiwan, but otherwise contended that Trump was bad for America. I further asked, if Trump were so good for Taiwan why had he not started FTA negotiations? My Taiwan friends had no further comment.

Pork is a contentious issue between Taiwan and the US. Although Tsai opened the Taiwan market to US pork treated with ractopamine, an ESC TEDS2020-PA09 survey indicates that 62.02% of Taiwanese feel the import of such American pork should be prohibited. In fact, on August 28, there will be a referendum carried out in Taiwan asking voters to ban US pork treated with ractopamine. It remains to be seen what impact a possible rejection of American pork will have on Taiwan-US economic relations.

Rather than sign a FTA with Taiwan, it appears that the US's Taiwan strategy is to persuade Taiwan that the Economic Prosperity Plan (EPP) serves the interests of both countries in that it focuses on the development and manufacture of semiconductors, 5G technological research, and safely moving supply chains from China to Taiwan. Many aspects overlap with the FIDP. Moreover, the virtual meeting held between US Department of State Assistant Secretary of State for Political-Military Affairs, R. Clarke Cooper and high ranking Taiwan officials from the Taiwan Ministry of Foreign Affairs and the Ministry of National Defense can be seen as a substitute for the two plus two meetings held between the US and Japan plus the US and South Korea and other allies. In addition, US Ambassador to the UN Kelly Craft held a virtual meetings with President Tsai.

I see two likely DPP presidential candidates in 2024: 1) Vice-President Lai and 2) Taoyuan Mayor Cheng Wen-tsan (鄭文燦). Lai is considered deep green and therefore very pro-independence. After the 2018 local election debacle, a group of older, deep green, avidly pro-independence DPP members formed the "Formosa Alliance" (FA). They argued that Tsai should become a figure head President and turn real power over to Lai who was then Premier. Ultimately, Tsai invited Lai to join her ticket as Vice-President which Lai finally did. Just how the FA incident might have impacted the current relationship between Tsai and Lai remains unclear. Meeting with a number of PRC Taiwan specialists during the fall of 2017, it became obvious that

the PRC would be quite concerned if Lai became President due to his strong pro-independence leanings. It seems likely that the US would also be concerned.

It seems probable that the DPP will retain the presidency in 2024. The KMT is too beset with internal dissent. There is periodic suggestion that the KMT might team up with the TPP to make a run for the presidency. However, with the political demise of Ko it does not appear to be a viable option. Regardless of who the KMT candidate might be, Chu, Hou, Ma, or Jaw, the KMT needs to establish a connection with a significant number of youth and to better manage its pro-China image. Given the repeated suggestion that the KMT will re-establish its Washington, D.C., liaison office, it is clear that the KMT is concerned with improving its relationship with America.

With a large Hakka population, Taoyuan is a traditional pro-blue stronghold. Nevertheless, Cheng won election as mayor in 2014 and easily was re-elected in 2018 in the midst of the KMT rout of the DPP in the local elections. Cheng has done a very good job in developing the Asia Silicon Valley and maintains a very easy, engaging style with voters. After Tsai resigned as DPP party chair in 2018, Cheng was named as a possible successor. He made it very clear to this writer at the Taipei Foreign Correspondents Club Christmas Dinner in 2018 that he had no interest in the position. Nevertheless, it is likely that Cheng is Tsai's favorite possible successor.

Regardless of who gets selected as the respective party candidate, all parties need to make their primary selection process more transparent, adhere to a fixed set of rules to select their candidate, and ensure that the selection process incorporates input from all quarters of their respective party. A nationwide primary election system to be held on a given day would likely add to transparency.

The nine-in-one local elections will be held in 2022. The nine-in-one is often seen as a bellwether for the next presidential race. The most important individual race is the contest to select the mayor of Taipei since the mayor's office is often a springboard for the Presidency. If the election were held today, I believe that Chiang Wan-an (蔣萬安), the grandson of Chiang Ching-kuo (蔣經國) and a rising political star, would prevail. Chiang is considered an ideological moderate, and at 42 years of age connects with the young. Moreover, Taipei is a traditional blue strong hold.

From the DPP side, it appears that the party front runner is Minister Health and Welfare Chen Shih-chung (陳時中), Taiwan's Dr. Anthony Fauci. Chen has been in charge of developing and administering Taiwan's highly effective, globally praised COVID-19 management plan. As such, he has gleaned wide-scale media attention who followed him in droves no matter where in Taiwan he went. Nevertheless, according to a TVBS poll (computer warning about possible virus if hyperlinked) conducted during the period of March 17 to March 22, 2021, Chen lags Chiang by 10%.

Whether it is a national election or local election, elections in Taiwan are often determined by a candidate's view on relations with China, relations with the US, identity, and economic issues. The 2022 local elections and 2024 Presidential and legislative elections will also be influenced by Tsai's opening of the Taiwan market to US pork treated with ractopamine.

Since Tsai started her second term on May 6, 2020, her government has achieved some notable foreign policy successes:

- 1) The visit of US Health and Human Services Secretary Alex Aznar
- 2) The visit of US Department of State, Undersecretary of State for Economic Growth, Energy, and the Environment Keith Krach
- 3) The visit of Indo-Pacific Command (INDOPACOM), Intelligence Chief, Admiral Michael Studeman
- 4) The visit of the Czech Senate President, Milos Vystrcil and his delegation
- 5) Establishment of unofficial diplomatic relations --- with the prospect of official diplomatic relations --- with Somaliland
- 6) Tsai Ing-wen being named as one of the 100 most influential people in the world by Time Magazine and capturing a similar award by the Financial Times selecting her as one of the most influential women in the world. As such, Tsai is seen to be on the same level as German Chancellor Angela Merkel, often called the leader of the free world.
- 7) Relative dilution of the American policy of strategic ambiguity
- 8) Exemplary management of the COVID-19 and organizing the "Taiwan Can Help" campaign to offer masks to the world, even those countries with whom Taiwan has no diplomatic relations
- 9) Meetings with US officials similar to 2 + 2 meetings and the virtual meeting between President Tsai and Ambassador Craft (see page 11).

Indeed, Tsai's foreign policy accomplishments are impressive. However, there is an immediate threat to such in the form of illegal, unreported, and unregulated (IUU) fishing. Taiwan maintains the second largest commercial fishing fleet in the world. Taiwan distant water fishing vessels can literally be found all over the world. To operate such a fleet, Taiwan depends on the recruitment of fishers who mainly come from Indonesia and the Philippines who are recruited by unscrupulous labor brokers.

Once at sea, vessel captains often become ruthless, labor contracts are ignored, hours worked are excessive, wages are reduced, the provision of food is meager, etc. Environmental damage is committed by overfishing and shark fining.

As a result, [Greenpeace](#) and thirty-three international organizations have demanded that the Taiwan government stop abusive labor practices and overfishing by its distant fishing vessels.

Herein lies a contradiction: The DPP is supposed to be the party that protects laboring people and is a guardian of the environment. Moreover, a large number of fishers come from Indonesia and the Philippines --- two countries crucial to the success of the New South Policy.

The US seems to have an ever increasing appreciation of the geostrategic position of Taiwan. After all, Taiwan is the keystone in the first island chain. If Taiwan were controlled by the PRC, they could cut off Northeast Asia from Southeast Asia. Furthermore, the PRC would transform Taiwan into a large naval base from which it would launch its naval vessels into the Western Pacific to challenge American influence. Their strategy would be very similar to that of the Imperial Japanese Navy during World War II to control ever larger sections of the Pacific. Already they have flipped former Taiwan allies the Solomon Islands and Kiribati. Kiribati is only 1,850 miles from Honolulu, Hawaii, and has a dormant PRC space tracking station there which the PRC is likely to modernize and to re-operate. It is only logical to assume that the PRC will establish a listening post in Kiribati to eavesdrop on INDOPACOM communications.

Saudi Arabia has oil, China has rare earths, and Taiwan has semi-conductors. As such, some call Taiwan the most important place in the world. Given the global shortage of semi-conductors, Taiwan's importance to the US increases exponentially.

The US-Taiwan defense relationship is important to both. During the Trump administration, America sold over 18 billion US dollars of arms to Taiwan:

- 1) 66 F-16Vs
- 2) 108 MIAI main battle tanks
- 3) Torpedoes
- 4) Drones
- 5) Sea Mines
- 6) Submarine Technology

Under American pressure, Taiwan increased its military budget to 12,240,000 USD if the purchase of the 66 F-16Vs is added in; 11,655,000 USD without the planes being added in. While it is an improvement, it is still short of 3% of GDP long advocated by the US. Even with the cost of the planes added in, the defense budget comes to 2.4% of GDP.

By comparison, the South Korean defense budget is 41 billion USD; Japanese 60 billion USD, and the Israeli (with only a population of 9 million) 20 billion USD although 3.3 billion USD is annually given to Israel by the US.

During the Tsai administration, Taiwanese and American defense officials have emphasized the Overall Defense Concept (ODC) advocating asymmetric warfare. Tsai has gone out of her way to build popular support and respect for the military in the face of lingering contempt for the military traceable to the era of White Terror. The big question, however, remains: How much political capital is Tsai willing to invest in pushing forward reforms to the active military and the reserves to make the ODC successful. To achieve the ODC and a better

trained, more combat ready force requires more sacrifice from her political base; the young under 39 years of age. In her heart of hearts, I believe that Tsai would like to restore the traditional conscription system where all men had to serve for two years. However, she does not seem to have the political capital to do such.

The army reserves are the weakest element of the Taiwan military. Theoretically, the number of army reservists stands at 2.8 million; however, the combat ready component of the reserves is only around 3,000. Reform of the reserves starts with more practical basic training for longer periods of active duty service time than four months. Then more frequent, longer periods of monthly and annual training. Of course, to implement such requires more budget and better equipment for the reserves.

Former Taiwan Defense Minister Andrew Yang (楊念祖), in a 2020 interview with this writer, lamented the number of lobbying groups in the LY seeking to further erode reserve training requirements. In a 2016 presentation at the American Chamber of Commerce in Taiwan, noted Taiwan defense specialist Alexander Huang's (黃介正) commented that "democracy killed the army." Why? Because politicians sought to increase their vote count by watering down conscription laws.

As PRC intimidation of Taiwan increases, the Tsai government and some members of the US Congress have vigorously pushed the US to drop its policy of "strategic ambiguity" and to replace it with "strategic clarity." Strategic ambiguity is the US policy of neither confirming nor denying that it will come to the defense of Taiwan if the island is invaded by China. Some feel that the US should come to the defense of Taiwan regardless of the circumstances of a PRC invasion. Others prefer maintaining strategic ambiguity arguing that under a policy of US strategic clarity that Taiwan might become too dependent on the US causing active and reserve military reforms to be abandoned.

As a strong supporter of the Taiwan Relations Act, I remain concerned about the level and frequency of PRC penetration of Taiwan. Despite the passage of the anti-infiltration law and amendments plus other counter intelligence legislation, penetration has impacted every component of Taiwan society. For example, temples, business circles, educational institutions, newspapers, television stations, political organizations, etc. One key reason the PRC came to power in 1949, was due to the wide scale espionage activities in the Republic of China military. The PRC seems to be pursuing a similar strategy today by recruiting a number of flag level officers in all branches of the Taiwan military. In a 2016 telephone conversation, former Vice-Minister of National Defense Lin Chung-bin (林中斌) stated that PRC espionage recruitment in the Taiwan military is to weaken the force until such a point that the US does not see it as a credible partner. Those charged with espionage are often given very light sentences and in many cases the sentence can be converted to a cash fine. Judges have too much latitude in arriving at a verdict and ascribing sentencing.

In Tsai's New Year's Address, she emphasized stabilizing relations across the Taiwan Strait by holding meaningful dialogue between Taiwan and China on the basis of parity, dignity, arguing that it was in the interests of Taiwan and China plus all Indo-Pacific countries to solve mutual problems to improve cross-strait relations. Since then PRC military aircraft have sought to intimidate Taiwan by entering Taiwan's Air Defense Identification Zone and thereby threaten the stability of the status quo. The PRC Taiwan strategy to bring about unification with Taiwan is to wear Taiwan down, to spark civil unrest, and to create tension among different segments of the population. Then in Marxist parlance, Taiwan will fall like a rotten lemon from a tree. Until then, China seeks to further isolate Taiwan internationally.

An unsuccessful Chinese invasion of Taiwan would force Xi from power. China will not invade Taiwan the rest of 2021 or in 2022. If China were to invade Taiwan before 2022, a number of countries would precipitously withdrawal from the 2022 Winter Olympics. Later in the year, China will hold the 20th Party Congress where Xi hopes to embark on a third term as President. Any unsuccessful invasion before the time of the Congress will see Xi's third term not materialize. Moreover, China does not yet have the confidence to prevail in a contest with the US. China hopes to have created a completely modernized military by 2035 and a world class military by 2049. However, any time before then, China would invade Taiwan by sea or by missile strike if Beijing thought that Taiwan was going to declare independence.

An amphibious assault of Taiwan is more difficult than a D-Day Landing. Taiwan has a few natural advantages. It is a highly mountainous island separated from China by the Taiwan Strait which is known to present challenging sea conditions. Taiwan weather is notoriously unstable: One minute it could be sunny and the next rainy. Numerous typhoons plaque the island every year and there is the ever present possibility of an earthquake. Taiwan has many beaches but only a few are suitable to a beach landing. The nature of the beach sand at most beaches is such that it will not support armored personnel carriers, tanks, artillery, or large numbers of invading troops. A missile attack would cause the loss of human life and the likely destruction of homes, factories, and infrastructure. With their society violently attacked, the Taiwanese will to fight will be stirred.

The PRC invaders would create a situation analogous to the 2-28 Incident. Due to its historic evolution, Taiwan is a hard to govern entity whose citizens are capable of frequent, large scale demonstrations. While the Taiwan military is not as strong as that of the PRC, it does have a wide array of missiles and is developing longer range missiles. Thus it could well create destruction in Xiamen, Shanghai, Hong Kong, etc. A PRC invasion of Taiwan would motivate other regional powers to seek the support of the US---exactly what the PRC does not want.

Tsai concluded her New Year's Address by emphasizing to a global audience, "Taiwan is a force for good"! It is indeed, a viable model for economic and political development. I first went to Taiwan in 1973 to study Chinese at the Mandarin Training Center of National Taiwan Normal University. At that time, Taiwan was a brutal dictatorship that was just beginning to economically develop. Today, Taiwan is a vibrant democracy that plays a crucial role in the

global high-tech supply chain. Its lessons in economic and political development are invaluable for countries in Southeast Asia, South Asia, the Middle East, Africa, and Latin America.

