## Opposition candidate wins Taiwan's presidential election

Peter Symonds 18 January 2016

The opposition Democratic Progressive Party (DPP) won a clear victory in the Taiwanese elections on Saturday, setting the stage for rising tensions with China. While president-elect Tsai Ing-wen is unlikely to move towards declaring formal independence from China, her policies cut across moves towards closer integration with Beijing under the incumbent president, the Kuomintang's (KMT) Ma Ying-jeou.

Tsai won the presidential race with 56 percent of the vote, compared to just 31 percent for her KMT rival Eric Chu. President Ma was constitutionally barred from standing, having served two four-year terms in office. The DPP also won an absolute majority of 68 seats in the 113-seat national legislature, with the KMT winning only 36 and the remaining seats going to independents and smaller parties.

The election campaign was dominated by the stagnant economy, with both candidates promising to alleviate the worsening social crisis confronting working people—including falling real wages, high housing costs and rising unemployment. The island's gross domestic product contracted in last year's September quarter and is likely to do the same in the December quarter. Trade figures released last week showed a plunge in exports of 13.9 percent—the 11th straight monthly decline. Overall exports fell by 10.6 percent in 2015, the biggest annual drop since 2009, in the midst of the global financial crisis.

Economic policy is inextricably linked to the central issue of Taiwanese politics: relations with China. Ma won the presidency in 2008 promising a new era of economic growth through closer economic links with China and rapidly concluded a series of agreements to boost trade, travel and investment. The sharp slowdown in the Chinese economy has undermined these plans. Exports to China, Taiwan's largest market, fell by 12.3

percent in 2015.

Ma's efforts to extend the expansion of trade to include service stalled amid widespread opposition to the Cross-Strait Service Trade Agreement, which was signed in 2013 but not ratified after a student-led movement occupied the parliament in 2014. The so-called Sunflower Movement, reflecting the interests of sections of Taiwanese business concerned about the impact of Chinese competitors, formed the New Power Party and won five parliamentary seats in Saturday's elections.

The DPP's presidential candidate Tsai offered a stream of empty promises to voters: a shorter working week, higher wages and more affordable housing. The DPP, no less than the KMT, is a big-business party committed to the agenda of pro-market restructuring that has widened the gulf between rich and poor. The DPP lost the presidency to Ma in 2008 due to the widespread disaffection produced by the social impact of its economic policies.

The DPP emerged out of the pro-democracy movement in the 1980s against the US-backed KMT military dictatorship, which was established on Taiwan after the 1949 Chinese Revolution. After martial law was lifted in 1987, the DPP, previously illegal, promoted "Taiwanese identity", hinted at Taiwanese independence and whipped up hostility to "mainlanders"—those who had fled from China in 1949 and their descendants.

Tsai declared on Saturday that she stood for "constant, predictable and sustainable" relations with China, which has declared that it would forcibly oppose any attempt by Taiwan to declare independence. "Both sides have a responsibility to do their utmost to find mutually acceptable ways to interact with respect and reciprocity and ensure no provocation and no

surprises," she said.

At the same time, Tsai warned: "Our democracy, national identity and international space must be fully respected and any suppression would undermine the stability of cross-Strait relations." In particular, Tsai and the DPP do not recognise the so-called 1992 Consensus between Beijing and Taipei, an informal accord agreeing that Taiwan was part of "One China," but about which each side has developed different interpretations.

The KMT, which fled the mainland to Taiwan in 1949, styled itself as the legitimate government in exile of all China. The Chinese Communist Party (CCP), on the other hand, treats the island as a renegade province and has offered reunification under a similar arrangement to the one with Hong Kong.

In response to Tsai's electoral victory, China's Taiwan Affairs Office issued a cautious statement warning against any moves to declare Taiwanese independence. "On important issues of principle like protecting the country's sovereignty and territorial integrity, our will is as hard as rock," it declared. At the same time, the statement suggested that Beijing was "willing to strengthen contact with any political party...that agrees that the two sides of the Strait belong to one China."

The DPP represents layers of the Taiwanese ruling class frustrated with the lack of international recognition that impedes trade and investment with the rest of the world. Tsai has declared that she will seek Taiwan's entry into the US-led Trans Pacific Partnership—an economic bloc directed against China. While Taiwan's involvement with the TPP will open up opportunities for sections of Taiwanese business, it will inevitably be a source of friction with China.

The election of Tsai takes place amid the Obama administration's escalating "pivot to Asia"—a diplomatic offensive and military build-up throughout the Asia Pacific aimed at subordinating China and the region to US economic and strategic interests. Any hint by Taipei or Washington of a shift towards closer relations will inflame tensions with Beijing.

The US acknowledged the "One China" policy as part of its rapprochement with China in 1972, but under the 1979 Taiwan Relations Act is committed to selling arms to Taiwan on the pretext of preventing a forcible takeover.

US State Department spokesman John Kirby issued a bland statement over the weekend declaring: "We share with the Taiwan people a profound interest in the continuation of cross-Strait peace and stability." In December, however, the Obama administration gave the green light for a \$1.8 billion arms sale to Taiwan, including two guided missile frigates as well as antitank missiles, Stinger surface-to-air missiles and amphibious assault vehicles.

Pressure for an even tougher stance was signalled by John Bolton, former senior Bush administration official, who, writing in yesterday's *Wall Street Journal*, denounced the Obama administration's "passivity" towards China and urged playing the "Taiwan Card" to force Beijing to back down to US demands in the South China Sea. He called on Washington to use "a diplomatic ladder of escalation" starting with upgrading US representation in Taipei all the way up to full diplomatic recognition to "compel Beijing's attention".

While Bolton does not spell it out, such provocations would greatly heighten the danger of war with China. His comment points to the discussion and debate taking place within US foreign policy and military circles over the next steps to be taken in ratcheting up the confrontational "pivot to Asia".



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