

THE BROOKINGS INSTITUTION
CENTER FOR EAST ASIA POLICY STUDIES

**TAIWAN'S SHIFTING POLITICAL LANDSCAPE
AND THE POLITICS OF THE 2016 ELECTIONS**

The Brookings Institution
Falk Auditorium
April 22, 2015
Washington, DC

[Transcript prepared from an audio recording]

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**PANEL 1: POLITICAL TRENDS IN TAIWAN:
P R O C E E D I N G S**

DR. BUSH: Good morning. I am Richard Bush, the Director of the Center for East Asia Policy Studies here at Brookings, and also the proud holder of the Chen-Fu and Cecilia Yen Koo Chair in Taiwan Studies. The title of our program today is “Taiwan’s Shifting Political Landscape and the Politics of the 2016 Election.”

When physical landscapes change, one of the striking ways that happens is with earthquakes, and that is true in Taiwan and other places prone to earthquakes. Last year in Taiwan there were three earthquakes, which has changed the landscape.

The first was the occupation of the Legislative Yuan by the Sunflower Movement for several weeks, concerning a trade agreement with China. The second one was the November 29 elections, second and third, in one respect, the Democratic Progressive Party won a higher number of local magistrate and mayor seats than expected, and the third earthquake was in Taipei municipality where Mr. Ko Wen-je, who is a candidate with a lot of popular appeal and not really connected to the party system, won a stunning victory. All these things have changed the political landscape. The purpose of today’s session is to consider them.

I will give you a warning at the outset. This is a session for political junkies. It’s not a session for policy wonks. We’ll have another session later on for policy wonks, but this is for political junkies. We have two panels. One is sort of basically a look at the data, and the second one looks more at what it means.

Now, I have several people that I have to thank. First of all, people who came all the way from Taiwan, Legislator Lin Tai-Hua and commentator, Chang Szu-Kang. Did you come from Taiwan?

DR. LIN: Yes.

DR. BUSH: Yes; sorry. (Laughter) Lin Kuo-ming, who is Professor at National Taiwan University. I’m glad we are having the program in the morning, so you aren’t hit so much by jet lag. I think some of us understand how hard it is to perform after you have traveled all the way across the Pacific.

Then, we owe a big debt of gratitude to our friends at the Freeman Chair at CSIS, Chris Johnson, Bonnie Glaser, Nicole White, and others. We’re proud to collaborate on this program with them. I guess my greatest thanks goes to Huang Min-Hua, who is a Visiting Fellow here at Brookings from Taiwan. It was his idea to have this program, and he put a tremendous amount of work and energy into designing it and recruiting speakers and so on, and we are really in your debt, Min-Hua. Thank you very much.

Without further ado, I’m going to turn the gavel over to Chris Johnson. He and his fellow panelists will come on up to the stage and we will get going. Thank you very much. (Applause)

MR. JOHNSON: Thank you, Richard. I’d like to please invite the panelists for the first panel to come on up and have a seat here. And, we will get going. Let me just echo Richard’s

enthusiasm. We are very happy at the CSIS Freeman Chair to be the partner with Brookings on hosting this very interesting event today, and we are looking forward to a very lively discussion. Timing is tight, so without further ado, I'm going to go ahead and introduce our panelists and we'll get going.

As Richard said, our first speaker today on panel one is going to be Huang Min-Hua, a Visiting Fellow here at the Brookings Center for East Asia Policy Studies. His expertise is cross national public opinion research, democratization, Asian politics, Northeast Asia, and Taiwan, and he is currently also Associate Professor at the Department of Political Science, National Taiwan University. Some of his past positions include Senior Research Fellow at the Institute of Arts and Humanities at Shanghai Jiao Tong University, Assistant Professor of the Department of Political Science at Texas A&M University, and Assistant Professor at the Department of Political Science, National Taiwan University from 2005 to 2008. Dr. Huang received his Ph.D. from the University of Michigan, an M.A. from National Sun Yat-Sen University, and a B.S. from National Taiwan University.

Our second speaker is John Hsieh, who received his Ph.D. in political science from the University of Rochester in 1982. Currently, he is Professor at the Department of Political Science, University of South Carolina. He has been active in scholarly activities serving as Secretary-General of the Chinese Association of Political Science in Taipei, Chairman of Comparative Representation and Electoral Systems Research Committee in the International Political Science Association, and Coordinator of the Conference Group on Taiwan Studies, a related group in the American Political Science Association.

Our third speaker is Lin Kuo-ming, who is an Associate Professor at the Department of Sociology at National Taiwan University. He received his Ph.D. from Yale University, and his research interests include deliberative democracy, citizen participation, national health insurance, and health policy. Without further ado, I'd like to go ahead and invite Min-Hua Huang to the podium and get us kicked off. Thanks very much.

DR. HUANG: Good morning. It's nice weather. I think my speech today will be mainly organized into three sections. The first part is a discussion about the prospect of 2016 presidential and legislative election, with a popular opinion perspective. The second part will be covering the issues both KMT and DPP have to face on the backdrop of the recent political dynamics. The third part, I'm going to address some major problems that challenges Taiwan now, and I really think both parties should be responsible to provide their own versions of game plans and let the Taiwanese people know how they are going to work on those challenges.

Okay, so the first part is the election. I have participated in events about Taiwan politics a couple of times since last November. I know it is still too early now to make any meaningful predictions for the presidential and legislative election in these nine months after. I want to provide some observations. Currently, I think KMT has formally nominated Tsai Ing-wen –

SPEAKER: DPP.

DR. HUANG: DPP; sorry. (Laughter) We have long expected this to happen. After the Sunflower Movement and the 9-in-1 elections, all popular opinion shows that Tsai shows a significant margin, at least 10 or double digit leads, no matter who is going to be the KMT candidate.

On the KMT front, the most promising candidate, Eric Chu, continues to claim he's not running again and again. For the rest of the potential candidates, so far no one wants to jump out and declare their candidacy, except Legislative Deputy Speaker Hung Hsiu-chu, or today, former Ministry of Health, Yang Chih-liang. KMT is going to decide their presidential candidates before mid-July. At this moment, it's unclear who KMT will be nominating, let alone how KMT nominated candidate will run his presidential campaign. So, it is really, really unclear on KMT's side.

We are aware of two facts here. First, probably except Eric Chu, all KMT potential candidates on the able have little chance to compete with Tsai Ing-wen. There are some media playing with the idea that LY Speaker, Wang Jin-pyng, could be a winnable option, but I truly believe he has already detached from grassroots campaign for so long, his last try was 2001 legislation election and he ran for Kaohsiung county and the result was not overwhelming. I think his advantage now mostly is not running a successful electoral campaign but rather a skillful politician in the legislature.

The second fact is Eric Chu so far is still contemplating about his potential candidacy. I do agree with the view of some political commentators in Taiwan suggesting that Eric Chu has two parallel game plans he is simultaneously executing now. One is to run for the presidential campaign, the other is not running. Either way, he's going to find perfect excuses why he's running or not running, but the ultimate goal is not to hurt his political career for the future four to eight years at least. He is already looking ahead in terms of timeframe of his political career.

Let me use American sports to make an analogy to summarize the situation of our presidential race in Taiwan now. KMT's current situation is just like a losing team in the fourth quarter of a football game. KMT still has some time, probably five to six minutes left, they trail by at least three touchdowns, but the quarterback still executes regular plays without effort to stop the clock, making big play, long pass, and even bother asking his teammates to step out of bounds when they have the first down. The real reason that the quarterback is not making extra effort is he did not play the previous three quarters, and he knows he won't be blamed as long as he's not making obvious mistake like executing risky plays but fail or simply fumbling. He does not really care whether there is winning chances. In his mind what's important is his prospect to become the starting quarterback in the next few seasons with a secure, big fat contract. (Laughter)

Let me go to the second part about political party. I want to approach the issues of party identification, leadership, and political recruitment from Ko Wen-je phenomenon. I know many people, especially those who work in politics or serve in the government for a long time do not like Ko Wen-je's style of leadership in running Taipei City. And, Ko was actually making one mistake after another for his past four month's record. However, it is a fact that his popularity still remains high, and most polls now show it is around 70 percent approval rate. So, we have to

understand what reason make him so popular even though he continues making premature remarks or obvious mistakes.

Except for Ko's popularity, recent poll also shows that party identification toward DPP did not significantly increase while KMT's number is dropping. While enjoying a large margin advantage in the poll, I think Tsai's support seems only to hold up the number of DPP social base but not to extend to impendent or liable voters. This definitely contrasts with what Ko has achieved in Taipei City. I do believe this phenomenon signal two important problems that DPP and KMT need to solve now. First, is after a long time of political polarization and legislative gridlock, people are really fed up about partisan rivalry, and DPP's relative better image to a large extent does not reflect how people appreciate the leadership or constructive effort DPP has made, but rather how awful people feel about the KMT performance, especially KMT controlling the presidency and legislative majority. In this regard, DPP looks better, but the test has not yet begun. People have the same doubt how DPP will perform even if it wins both presidential and legislative elections.

Another problem, I think, is about leadership, Ko presents a new breed of political leaders who conveys his message in plain language and is not afraid of offending anyone but sticks right to the point. His language and policy is apparently not infallible, and even laymen can understand what is going on and why he is doing it. This is the leadership we need; simple plan, working every bit by bit, not afraid of making mistakes. I think Ko will continue making mistakes and even big mistakes in a couple years, but I feel there is a lot of social support rallying behind him, waiting to give him chances, as many chances as he needs to learn from those mistakes. Both DPP and KMT should not ignore these emerging social demands on the quality of political leadership. Comparing to Ko, both Tsai Ing-wen and Eric Chu are example of contrast instead of similarity to Ko.

The last issue I want to touch upon is political recruitment, about the party. I think DPP like always has done a more successful job in attracting new blood to join, and this time there are many former activist participants choosing to blend in in DPP's camp. KMT, in this regard, is really in the best shape, and should adopt decisive moves to enlarge its political base, especially the younger generation. KMT might respond they have already done a lot, but the general impressions is that it requires dignitary background as well as cross-strait relationships in order to have chance of developing a career inside KMT. KMT has to turn around this stereotypical impression and do something visible to show a different KMT political culture.

Okay now it's that part about major problems facing Taiwan. I think many important problems Taiwan faces are interrelated, and politicians always try to separate the linkage and point their fingers on the one thing they don't agree but are not aware that something they agree might have even worse impact to the issue they blame on others. I'm going to highlight some of the intractable problems with are urgent to Taiwan and requires responsible political leadership to solve.

The first and foremost in my mind is economic issue, specifically about how Taiwan can maintain its economic competitiveness and sustain itself in the next decade or so. Taiwan used to have great capacity to adapt to the changing global economy, but the rise of China and its

subsequent impact makes little room for Taiwan to not engage with China economically. The question is how Taiwan should stipulate its economic policy with or without integrating with China. Should Taiwan have a parallel economic policy that can minimize interdependence with China and create room for political autonomy in the near future. I think Taiwan's economic problem cannot be separated from cross-strait relationship, and the responsible government has to address how close or how detached Taiwan should integrate with China economically in order to pursue its economic development.

Ma's administration on this front is very clear, Taiwan needs to work out its problem with China in order to join the world, but he in fact intentionally delayed China's request in political integration despite impressions most people receive from Taiwanese media. If Taiwan is going to pursue economic strategy without excessive interdependence with China, what would this policy look like? How can Taiwan maintain its competitive advantage in trade, agriculture, manufacturers, service sector, even when its relationship with China turns sour? We need to have parallel plan in order for different scenario if we want to minimize the level of being tied up with China economically as well as politically.

Once we are free our hand and develop our economy without over dependence on China, then there will be much stronger foundation to solve the problem of social inequality. I think that's important. And the distrust of representative democracy. Last year, there is a lot of distrust. As many student activists suggested in the Sunflower Movement, Ma's administration is unable to solve these two problems because its economic strategy leaning toward integration with China, and a significant portion of Taiwanese do not trust Ma, about his true intention and fear there is no chance to reverse the trend once fully integrated.

If we can find a way to disentangle Taiwan's economic problem from the cross-strait relationship by restricting integration, then the distrust of political intentions should go away, and the rest of the problems, whether the government can solve the social inequality issue as a universal malaise of global capitalism. However, I think I have to remind audiences there are many problems equally important to Taiwan today regarding its survival. It's not just economy or politics, but about building up defense and reforming its educational system. If Taiwanese are going to sustain themselves without assuming a friendly China, they have to realize the necessity to have a strong defense force and to keep the great talent within the island to build a great nation.

However, I do not think Taiwan society, even the student activists, realize what's ahead waiting for them or either pursuing a close or detached relationship with China. To be frank, the current situation with these issues in defense as well as education, has been rapidly worsening in recent years. I really hope the new leadership in the next upcoming year should have more thoughts and concrete plans on aforementioned problems and a comprehensive framework. Thank you. I'll stop here. (Applause)

MR. JOHNSON: Dr. Hsieh?

DR. HSIEH: Thank you. It's always great to be at Brookings, except often times I had to make extra circles around Dupont Circle before I can find the right side of Massachusetts Avenue. (Laughter)

My assignment this morning is to predict the election results in Taiwan's elections in 2016. I think we all know that prediction is a risky business. If anything goes wrong, that means I will be in serious trouble. Generally I think it's not that easy to predict election well in advance and for a lot of reasons, because there are many factors which may affect election results. There are two different types of factors. One is the long term factors and the other one is the short term factors. It's probably easier to just go ahead with the long term factors because normally those factors will not change in a very drastic way in a very short period of time. We can make some kind of prediction, not necessarily a prediction, but we can have some sense about what's going on on the basis of those long term factors.

Then short term factors are very different because those are specific events, scandals, or specific characteristics of the candidates, which may occur and may emerge any time in the campaign period. We just cannot make any kind of precise prediction about those factors. But, long term factors, the election results, on the basis of the long term factors, can be called a "normal vote", so what normally people would do. So normally when we try to make some forecasting model, we will normally base forecasting conditions on the long term factors. Long term factors refer essentially to things like, cleavages in society. In the western countries, for instance, the major cleavage is class, working class versus the business community, so we see the party on the left, the party on the right, and so on.

In many countries, there is also a religious division, religious versus the secular, or the competition among different religious beliefs or different denominations, and so on. Sometimes the original issue may emerge, and sometimes environmental protection will also become a kind of cleavage and opinions of party structure in society. So the parties emerge because they have some cleavage in those societies. That is in so-called normal circumstances. Generally speaking, the people's attitudes toward those issues, big issues, class issues, religious issues, and so on, don't change that frequently or drastically. We often see some stability in the election results. So even in the United States and European countries, we see the election results, particularly in terms of the number of votes, not number of seats, number of votes, received by the political party will be relatively stable and over time, particularly in two adjacent elections. In the long run, we will probably see some kind of a decline arise of certain parties because of the decline or the rise of the cleavage and so on.

Looking at the case of Taiwan, the most important cleavage and opinion of the party structure in Taiwan is not religion, of course religion doesn't play a very important role in Taiwan, and not even class, not even environment protection, even though those issues may become quite important from time to time, or make our news, make it into our news so that we see protests and demonstrations in the streets and so on. But, generally, they are not that salient. The most important cleavage in Taiwan society is national identity. That is some people want to have independent Taiwan, to be separate from China for good, some people want to have unification with China, not right now but at least in the future, and some people want to maintain the status quo, which is neither independence nor unification, and so on.

This becomes a most important, salient dividing line, dividing the political forces in Taiwan, between the two major camps, the blue camp and the green camp. Between the parties in the blue camp, KMT and some other small parties in that camp as against DPP along with some other parties in the green camp. So, this is kind of a major dividing line in Taiwan politics. The interesting question if you want to predict what's going to happen in 2016, for instance, whether this cleavage is changing, or whether there are new alternatives, new cleavages emerging. So those are the big questions we need to ask ourselves and see if that is really true, and if that's happening, then we would see the different political fortunes enjoyed by the various political forces.

I have taken a look at some poll, some survey data. For instance, one conducted by the Election Study Center at National Chengchi University in December 2014, right after the local elections in Taiwan in 2014, compared to their earlier findings, to see whether there were indeed differences in terms of people's partisan attachments, in terms of people's evolution of those big issues, cross-strait issues and so on. What I can tell from the survey data is not much difference really. If you look at the overall picture of the people that support independence, unification, or status quo, they are very similar to what we saw in the past, and in that particular survey, 20 percent support independence and 60 percent supported status quo, less than 10 percent supported unification. Also, some people in the category of "I don't know" don't have an opinion. This is not that difference from the previous surveys. Generally in Taiwan, if you are in favor of independence, of course, you support DPP or DPP's allies in the pan-green camp. If you support unification, of course you support KMT.

The most interesting thing is really about the status quo category, that's a very large category. Who are they? Which party do they support? Generally speaking, survey after survey, poll after poll, I think about two-thirds of the people who support status quo, support the pan-blue camp, that is pan-KMT camp, KMT along with People First Party, New Party and so on. In a large sense, KMT is really the status quo party, and for a very simple reason, because this status quo has been defined by the KMT. It is KMT who said that this country is called the Republic of China. It's the KMT who brought that constitution which was adopted in the 1940s to Taiwan. The national anthem, the national flag, these were all things brought from China to Taiwan by the KMT. So KMT is really the status quo party, that's also why the pan-KMT camp is the larger of the two major camps in Taiwan. Generally speaking, if everything goes normally and all things being equal, we would expect pan-KMT camp should not be doing too badly.

If we look at the long term trend as shown in the survey I just mentioned, you can see that even though the overall picture seems to be quite stable, but there is a proviso here. If you look at the different age groups, there is a tremendous difference. For those people who are age 20 to 29, they are more likely to support independence, more likely than any other age groups. For other age groups according to that particular survey, only about 20 or 23 percent support independence. For that particular age group, it is close to 40 percent. That means things seem to be changing over time, even though you don't see that change with regard to the overall picture yet, but there seems to be some kind of generation change down the road. In that sense, of course, in the long run, this will be to the benefit of the DPP or DPP's allies in the elections. That is one of the gradually changing things we can tell from the survey data. If we just look at the

long term trend, of course, since it will not probably change that drastically in the foreseeable future and for the 2016 elections, KMT still has a slight edge in that sense.

Another question is is there any kind of new cleavage emerging. This is particularly kind of interesting to see after the Sunflower Movement in Taiwan. Of course, Sunflower Movement has something to do with national identity issue but not quite. And there are a lot of students who are kind of “blue” students, they support the KMT camp, but they also went to the street but not for national identity reasons but for economic reasons. They feel they couldn’t find decent jobs, and they couldn’t afford to have a house in Taipei, all kinds of grievances, which are not purely political, it is somewhat economic. Whether this also can be translated into their voting pattern and so on, it is still too early to say. The survey data I told you about earlier, Taiwan national security survey, which is not designed for answering these kinds of questions, we need to wait for other survey data in order to make better sense of this, but there is some question about cross-strait trade, cross-strait economic relations and so on. The differences, the change on that kind of issue is much more pronounced than the change on the political issues.

Again, it is the youngest generation, the younger age groups, they tend to be more hostile toward the cross-strait trade and so on. Of course, this cannot be translated into the domestic politics, in terms of class issues, whether there is new class cleavage emerging in Taiwan, and as a result, some people are trying intensely to form some new group, new political parties and so on to represent the working class, at least not the business community. Whether that will become kind of a major issue, frankly, we cannot see that in a survey. If that happens, on average, the general trend down the road, it will be kind of beneficial to the DPP and DPP’s allies in the elections, but the process will be very gradual. It’s incremental, it’s not very drastic.

There are also some other factors which might affect election results, that is the short term factors, the issues of the day, the specific events, scandals, characteristics of the specific candidates and so on. This may all affect the elections to some extent. Just like what we saw in the local election in 2014 in Taiwan. This also reflects a little something about the long term, it also has a lot to do with the short terms factors, with the performance of the KMT government and so on. For instance right before the election, there was a cooking oil scandal, there was also change of the method to get into high school, which not only irritated the pan-green camp supporters, but even the blue supporters, even the many KMT supports they just hated the policies of the KMT government. So, that is actually a very important factor to look at.

Down the road from now to say 2016, January 2016, whether these kinds of short term factors will gradually die down or some new events will emerge, frankly we don’t know. But generally, if things go on like right now and without some new events, new scandals, and so on, I think the KMT probably will be doing better than they did in the 2014 local elections, but how much better is really hard to say, there are so many factors which will affect the final results. I will stop here. Thank you. (Applause)

MR. JOHNSON: Dr. Lin?

DR. LIN: It is my great honor to be invited to participate in this event. Because I specialize in citizen participation I was asked to give remarks on political participations trends in

Taiwan and how parties and candidates must respond. In this brief talk, I will use the data the Taiwan Social Change survey. The survey was about civil rights issues and conducted from August to November 2014. I will try to connect three phenomena: the Sunflower Movement, the rise of Ko Wen-je's political start and formation of new parties. Because of time constraints, I will have to read my notes very quickly.

Let me begin with the Sunflower Movement. As you know the Sunflower Movement is a mass protest against trade with China; the cross-strait service trade agreement or CSSTA. The Movement occupied the assembly hall of the Legislative Yuan for 24 days and brought together probably 500,000 people in mass rallies. According to the civil rights survey, 45 percent of respondents said they support the anti-CSSTA movement, and 33 percent say they don't support. We may wonder why the anti-CSSTA movement gained large amount of public support, and who supports the movement and why. It's generally held that there are three factors behind the supporting force for the movement: the first, the anti-China factor, democracy factor, social justice or economic factor. Firstly, there has been a concern that greater economic integration with China may threaten Taiwan's sovereignty and democracy. Secondly, some people oppose CSSTA because the trade pact was negotiated in so-called "black box" -- without due process of public oversight and participation. Some joined the Movement because they are anti-globalization, anti-free trade, they are concerned about the impacts of the trade pact on employment and welfare.

I use these statistical analysis to assess effect of these three factors, so let me present a brief summary of major findings in non-technical terms. For the so-called China factor, I examined whether people's national identity and attitudes toward the China-Taiwan relationship affects the support for the movement. When asked do you consider yourself Chinese, Taiwanese, or both, 68 percent of respondents say they are Taiwanese, less than two percent say they are Chinese, about 30 percent say they are both Taiwanese and Chinese. Ten years ago, when asked the same question, only 50 percent said they were Taiwanese. So, there is an increase of 18 percent in Taiwanese identity. For the first ten years as the economic tie between Taiwan and China became closer, the Taiwanese identity became stronger. From other sources and survey data, there has been growing public anxiety about the effect of an economic change between Taiwan and China. So it is understandable that in my analysis, people with Taiwanese identity are more likely to support the anti-CSSTA movement.

Although there has been an increase in Taiwanese identity, people's attitudes toward cross-strait politicization remains stable for the past 10 years as you can see from the figures in the handout. And compared with those who want to maintain the present situation, those who are pro-independence are more likely to support the movement, but there is no differences between those who are pro-unification and those who prefer to maintain the present situation. Let me quickly move to the democracy factor. I first examine whether trust in central government, Legislative Yuan, and political parties affect public support for the anti-CSSTA movement. The percentage of distrust in central government, Legislative Yuan and political party are 46 percent, 51 percent, and 64 percent, respectively. The percentage of distrust in the Legislative Yuan and political parties is higher than that in central government. However only trust or distrust in central government affect public support for movement. So it may be that lack of transparency and public participation in government policymaking may have infect public anger. In my

analysis I also found that those who believe that government should give citizens more opportunity to participate in decision making and those who agree that referendum is a good way to solve political problems are more likely to support anti-CSSTA movement. Ma Ying-jeou and his leadership style was main target of criticism in the movement. You might say that a president with only nine percent approval rate had no mandate to push the trade pact with his political mind. So do people's opinion on political leadership style affect their attitudes toward the movement. Maybe so. I find those who believe that political leaders should answer to the people who challenge their viewpoints and should care about the opinions of minority are more likely to support the anti-CSSTA movement. People's concern for welfare and social justice have no effect on support of the movement. For the economic factor in the survey, 70 percent of respondents say economic growth is the first priority of national growth for the last ten years. However, it has no effect on support for anti-CSSTA movement.

Ma Ying-jeou and the ruling Kuomintang repeatedly emphasized that the trade pact with China will benefit Taiwan's economy, but they could not persuade people into accepting CSSTA on economic grounds, because people have concerns in other areas. Aside from the so-called Anti-China factor, poor democracy is the driving force that support the anti-CSSTA movement. The movement presents clear measures that indicate what people want: people want a responsible, open, and transparent government. People want more right to participate in decision making, and people want political leaders to listen to their voices. Citizens' demands for participation in decision making will become stronger. In the surveys, 66 percent of respondents agreed that referendum is a good way to solve political problems. Ten years ago, only 50 percent agreed with the statement. Also, in the survey respondents were asked before making decision on important policy, should a government call for a meeting for general citizens to discuss the policy and provide suggestions or just let a governmental official, legislators and experts make the decision. Seventy-two percent said the government should call for a meeting of public to discuss it. And then it asked if the government called for such meeting, would you be willing to participate and 53 percent say they would be will to participate. The surveys indicate popular aspiration for participation is very high. That is why Ko Wen-je made open government and citizen participation a major appeal in his campaign and set up a participation committee to address the popular demand for participation.

Aside from public aspiration for participation, another trend that is noteworthy is that there has been widespread discontent with political parties. In the survey, 65 percent of respondents agreed that political parties do not offer voters a real policy choice. Ten years ago, only 43 percent agreed with such a statement. It was also asked in the survey, is there an issue in our society that makes you angry, if so, which one make you the angriest? The question was asked without providing any specific item or choice. About 20 percent of respondents said partisan conflicts are the issue that made them the angriest. That is the single issue got the highest rate of response, and it gives us a sense of how widespread the public discontent with political parties – and that is one of the reasons Ko Wen-je decided to run as an independent and won the election. One reason why many citizens are not satisfied with political party is they didn't put much effort to address citizens' pressing needs in daily life, like housing price, job and income security, and the growing inequality between the rich and the poor. As is shown in the survey, people are very concerned about these issues.

Although in my analysis, the concern about social injustice has no effect on public support for the anti-CSSTA movement. It may have caught your attention that the movement was driven by the joint effort of a coalition of student groups and civic organizations that have staged many protests in the previous year over environmental, urban renewal, land expropriation, and economic liberalization issues. There is a shared view among the activists of civic organizations that the ruling Kuomintang and the opposition Democratic Progressive Party tend to ally themselves with the corporate interests but neglect problems and difficulties people are facing in daily life.

So, we are seeing a great divide between civil society and political parties, and that is why some activists in civil society decide to form new parties to address the needs of the ordinary people. The newly formed Social Democratic Party state in its founding program that the strong forces of capital have eroded Taiwan society but the government enmeshed political parties have no intention to counteract this tendency. So, they proposed to raise wages, defend people's rights, increase tax from the wealthy, build an egalitarian system of social security and create new politics of transparency and equality. It remains to be seen whether the Social Democratic Party and other new parties will get sizable support in the coming election. Ko Wen-je rode on the tides of popular aspiration for participation and discontent with political parties. It also remains to be seen whether he will address the pressing needs of ordinary citizens. Yet, he proved to be a credible leader. In the election of legislators when the public attention is divided it might be difficult for new parties to present themselves as credible forces. But the new forces and new phenomena have clear message for old parties and candidates, and is already shown in the Sunflower Movement, that is people want a transparent and open government, demand more opportunity to participate, and ask for political leaders to listen to the opinion from ordinary citizens. That is my thought. Thank you. (Applause)

MR. JOHNSON: Thank you all for those great presentations, lots of food for thought in there. We're going right to the audience here in a minute since we are trying to keep ourselves moving on time.

But, I have one question. A theme that seemed to run through all three of your presentations was this issue of the economy and how to think about it, especially a lot of questioning about how Taiwan should be thinking about what is going on outside of the island. Something that none of you openly discussed, but I think was running in the background of all the presentations, was economic integration in Asia, and China's recent successes with the AIIB and some of these other institutions. To what degree do you see this playing a factor in Taiwan both on the government side in terms of how they think about Taiwan, you know, certainly in talking to folks you get a sense it is the perennial child with its face pressed up against the glass, they can see what's happening on the outside, wants to get in but can't. Does this resonate with the public in Taiwan? So why don't we go down the line and have people address this.

DR. HUANG: I really think in Taiwan, a lot of people are too focused on political side of economics, they don't really see economic logic inside the economic problems. I kept thinking because I have one year when I actually teach in Shanghai Jiao Tong University, can you imagine all the banking sector in Taiwan have long plan in China -- if all their regional headquarters were cut and moved to Shanghai, even Guangzhou, even Chengdu. Think about it,

all these multinational enterprises that cut the jobs in Taiwan and move to China. A lot of people forced in their mid-ages, 30s and 40s to go to China to work. Those people cannot present in Taiwan to save their view but I have talked to a lot of them in banking, in manufacturing, in electronic manufacturing, all those people do really see the problem from economic logic and the global economy to have serious impacts on Taiwan. It doesn't matter whether you like China or don't like China, you have to face it.

The next question is in Taiwan, how do we actually develop our economy, either getting along with China or not getting along with China. We have to have more game plan instead of saying we want to create a friendly, good environment, it's not enough. If you are breaking down all the sectors, there are a lot of sectors being influenced heavily to China and it's very vulnerable now. There are some sectors just barely hand up, just doing their performance but just barely. There are some still have advantage. We are always proud that we have semiconductors but the advantage only led by fight to seven years. Do we really think we can hold up that long?

So, there are a lot of serious problems. Free trade, of course, is important. We should have free trade to the world. Of course, you have to consider how China plays in this role. Are they blocking Taiwan or they want Taiwan to be part of it, what's their attitude, do they have a string attached to Taiwan's political attitude, their economic attitude towards Taiwan. If Taiwan wants to set aside all those considerations, want to do their own master and want to do their own way, how should we react to China's political-attached attitude. All those things should have thoughtful, clear logic and stipulate our economic policy. I don't think economic policy makers in Taiwan either in KMT or DPP really think through these issues enough.

DR. LIN: As I said, many people identify economic goals as the first priority of national developmental goals, but people are concerned about increasing income and inequalities in society. How can we maintain or stimulate economic growth, but at the same time improve the equality of income distribution. As Professor Huang said, if we can achieve high labor becoming economic growth it might be more room for us to develop the policy for creating more equality in our society. The greater economic integration with China, is this the way to maintain economic growth, but at the same time, to create greater equality in society. Some people have doubts because some do analysis that Taiwan's relations and economy exchange with China becomes stronger, but there's still a higher rate of unemployment and inequality – but we don't know what causes such correlations. It is a very difficult question. Aside from the economic ties with China, we have the choice with other country or other economy so that we can create more opportunities for economic growth and at the same time more equitable distribution. It is a difficult question.

MR. JOHNSON: Dr. Hsieh?

DR. HSIEH: I think if we just limit ourselves to the economic interaction between Taiwan and China, this is always a very difficult question for people on the islands. Mainly because a lot of people -- not only for economic reasons, whether it is free trade is mutually beneficial or not, and so on, for anyone who believes in some kind of liberal economic -- you tend to say yes. For a lot of people in Taiwan, they are also concerned about security. These two are actually intertwined, particularly on the green side, and they often fear that too much

dependence on the Chinese market will endanger Taiwan's security. That means the Chinese government probably will hold Taiwan's economy hostage. It's a big concern for the people in that regard.

In addition, just as what we see in the Sunflower Movement, it is more than that. Taiwan actually enjoys a huge trade surplus in trade with China, but these are not really translated into the benefits of the ordinary people in the streets in Taiwan. This creates a concern and people feel that this kind of trade, even though Taiwan actually makes some kind of profit out of that, the profit often goes to the top field, not to everyone, so it creates the kind of inequality.

But to be fair, Taiwan has been doing quite well in terms of income distribution. If you look at the Gini coefficient, Taiwan is not as good as the European countries, but much better than Japan, even better than the U.S., not to mention China. So, Taiwan has been doing quite well in that regard. But, indeed, you see the widening gap between the top and the bottom, and trade with China is one. That Taiwanese workers, that this globalization phenomenon is not only limited to Taiwan, also the United States and many other countries. When the whole globe becomes a very small global village, then the workers in Taiwan not only need to compete against the other workers in Taiwan, but they also need to compete against the workers in China as well. If you have a high wage, that means your factory probably just moved to China.

This forces society to race to the bottom, so this creates a widened gap between the rich and the poor. Then, a lot of people are making money in China, and they bring money back to people in Taiwan, and they don't know where to invest. Often times, they just put their money in housing market, real estate, so this makes the skyrocketing housing prices in Taiwan so the young people can't afford to buy a house in Taipei or on the island in general. This kind of resentment is particularly pronounced among the young. If you look at the picture and the survey data, that is probably the case, and there are some other problems. We don't have time to go into that. The educational system is also a problem in Taiwan. If you look at the new entrants into the labor market, about 70 percent of them actually have a college degree, and very high by international standards. Those feel that they have to be the managers of the future, they don't want to do the assembly line work and so on.

Actually, Taiwan's poverty rate is already very low, less than four percent, and much better than the U.S. and some other countries. But Taiwan still has a labor shortage, particularly for assembly line work, and also for certain services. They have to hire a lot of people from foreign countries to work in Taiwan. So, last year, over half a million people, migrant workers come to Taiwan. If you fill all those positions by the Taiwanese young kids, for instance, Taiwan's unemployment rate would be zero, negative. That means the kind of mismatch between education and decent jobs people aspire to, it is a problem. I think both the KMT and DPP still cannot figure out how to handle that.

MR. JOHNSON: Thank you. We are going to go to the audience. If you would raise your hand and wait for the microphone, and please do identify yourself, and tell us where you are from.

QUESTIONER: Takahiro Motegi from CSIS Japan Chair and I'd like to ask all of you. My question is about AIIB. China rejected Taiwan's bid to become founding member of AIIB. So, on the one hand, China rejection makes us doubt whether this kind of AIIB is very open or not. And on the other hand, it's probably a fail of the KMT. I would like to ask what kind of influence will be given by China's relation to Taiwan's 2016 elections? Thank you very much.

MR. JOHNSON: Can you just clarify the question a little bit?

QUESTIONER: What kind of influence will be given to the 2016 elections by China's rejection?

MR. JOHNSON: Of the AIIB membership?

QUESTIONER: Yes, thank you very much.

DR. HUANG: I think Taiwan will not be the founding member, but there will be a scenario created for Taiwan to participate, but in what ways, what terms, in what names, that is pending for discussion and decision. So it's not a full shut out, just saying you won't be the founding member. I think there are a lot of potential political implications, because if you are a founding member, it could view you as an equal, sovereign entity, so that is the impression China don't want to show the world, so they hold up Taiwan a little bit but say we still have good faith and goodwill, we will let you in, but that could be interpreted in several ways.

So, KMT could view it in one way saying no, it's not actually rejection, it just waiting to see how with AIIB, the structure, the layout, and it's a good thing for us to wait a little bit to ponder on this issue. But for DPP, it definitely could be viewed as rejection of Taiwan sovereignty, and that could boost the passion of supporters to rally up around their candidates. Both parties could use it in their own way.

DR. HSIEH: Generally, I think the impact on the election will be very minimum, not much. The media didn't really pay that much attention to that, even though there are some reports, of course. I don't think many people really knows, if you have a survey right now asking people have you heard about this event, I'm betting some have not even heard about this. Generally, individual voters, they try to make a judgment on a lot of factors, and often time they have to turn to some shortcuts, when the partisanship, the cleavage that they have perceived over time, and so on.

In general, I often would argue it is much easier to predict elections in Taiwan than elections in the United States. Because in the U.S., you still see a lot of people have cross-party line voting and so on. Very few people will vote, if you're a blue supporter, you vote for a green candidate or vice versa, normally, that will not happen that much. Other factors, I think the impact will be very minimum, and it will be sorted out on the basis of those cleavages, national security and so on. Generally speaking, in terms of economic interaction versus say security concerns, those people who support independents, they tend to be on the side of security, and those people who are on the unification side, they tend to see things in terms of economic benefits and so on. This can become kind of fixed in some way.

MR. JOHNSON: Okay.

QUESTIONER: David Brown from SAIS. One of the themes that ran through the presentations had to do with the fact that there has been a rise in the number of independent voters, a rise in the sense of dissatisfaction with all the major parties, a desire for more participation by the public. When the people who fall into the category of believing those kinds of things look at the two likely candidates, they are not going to find either one of them very attractive. What are the factors that are likely to motivate people in the middle, the purple's, the middle of the Taiwan political spectrum, when they have to make a decision? Is it economics, is it a sense of which of the candidates is more in favor of participatory government, is it cross-strait relations, or is it something else? Thank you.

DR. HSIEH: Generally, as I mentioned in my presentation, the major factor affecting the election results in Taiwan is long term effect, that is the national identity, which didn't really change that much over time. I don't think that all of a sudden there are a lot more independent than ever before. It's true if you look at the polls, and many who stay away from saying they support the KMT, of course, there is still a sizeable number that supports the DPP, but a lot of people when they turn to the no opinion/don't know category, many of them are formal KMT supporters, they just don't want to say that.

There are a lot long term factors and short term factors. We don't know the short term factors yet. In terms of the long term factors, I think this national identity issue remains the dominant factor dividing the two major camps. This makes Taiwan actually different from countries like the United States. In most other countries, class, religion, and so on, are most important cleavages underpinning the party structure of Taiwan, underpinning the party structure of those countries. But in Taiwan, it is essentially the national identity issue, that didn't really change that much. As I mentioned there's the survey which was conducted in December 2014, I don't see the changing picture there. Still very similar still to what we saw in the past, except for the very young, 20 to 29. Then, you asked whether there would be the emergence of a new issue dimensions, new cleavage and so on. I don't see that. I don't think for politicians it's a good slogan.

Whether that will be translated into votes, that is a different matter. The Taipei City Mayor election last year was a very unique event compared to all the other elections in Taiwan. I don't want to compare that to the other elections. But, quite recently, there was a poll showing that if there is a three way competition, Ko Wen-je, the incumbent Taipei City Mayor, along with James Soong on one ticket and then Tsai Ing-wen on the other and then Zhu Lilun on the other one, and actually Ko Wen-je could win quite easily over the other two. So, this has some other factor there, it's not purely just about national identity in this case. Ko Wen-je listened and appealed, even though previously he said he was kind of a deep green person, when he started to campaign, he started to move to the center. At least he became kind of a new choice. Still around the national identity line spectrum he is occupying the middle, somewhere between the green and the blue. He is enjoying some kind of popularity right now for a lot of reasons. He's just a very different kind of politician, and people have never seen that before. He still has a lot of traction. To the question about what we can expect around the so-called independents in the elections in

2016, generally, I don't think this will change a lot. But, Ko Wen-je himself as an individual is a very interesting person to watch.

DR. HUANG: I would just add one point, which is on March 20, I have a panel with Barbara Schrage in Heritage, and in a speech where I pointed out that Ko Wen-je will be a very important figure to influence, either he jumps in the race or he endorses one side or the other either explicitly or implicitly on one side or the other. I think he does have a lot of influence that can turn the election result around, but it just appears to me that KMT in a way have too much calculation, too afraid to fight, and not making their minds for all those leaders on the table, so it is still difficult to predict, but I think Ko is a real politician. He knows how to manipulate, how to make his decision at the right moment, so I think he is still waiting.

MR. JOHNSON: Mike Fonte.

DR. LIN: Can I?

MR. JOHNSON: Yes, please.

DR. LIN: We know there are many factors affecting people's decisions in voting. One factor is very important, the character of the candidate. That is why Ko Wen-je can get elected, because he proved himself as I say to be a credible leader because of his career as a physician. People are discontent with the political parties, but they have to have choice. The two major parties still dominate the political choice. For those who want to pursue their political career, they don't want to give the two parties, so new parties, like the new Democratic Party or New Power Party, they cannot find a candidate to run as their candidate. This new party may not get sizeable support for the upcoming election because they cannot find a candidate.

MR. FONTE: Thanks very much. I'm Mike Fonte, I'm the director of DPP's mission here in Washington. Thanks very much for fine presentations. Dr. Hsieh, I wanted to ask about KMT as a status quo party because it seems to me the last election, a lot of the status quo politicians, Jason Hu in Taichung, John Wu in Taoyuan, the Lin family structure in Taipei, got washed away. I think the other factor is when you talk about national identity hasn't changed much, certainly identification as Taiwanese has increased significantly over the last eight years, even while President Ma was president. So, it seems to me there is a lot of shift going on within the body politic about what is the status quo, do we want as much movement towards China as traditional KMT has put forward, and what is the current status of Eric Chu and Wang Jin-pyng, et cetera stand, but I do think that is a shifting pattern here. Of course, our DPP candidate says she is going to maintain the status quo. What she is going to be asked when she comes here is ah, what does that mean? (Laughter). I do think the shift, I'd like to hear your comments on that, growing identity as Taiwanese, moving away from some of the traditional politicians, means there is a shift in which party is in fact the status quo party.

DR. HSIEH: When I say status quo party, I mean in the surveys, when we asked the respondents, you have several options here, do you support independence, unification, or the status quo. The respondents answered that they supported the status quo. Then we asked them further whether they wanted status quo and then gradually moving toward independence or

unification, or status quo forever, status quo dependent on situation to move either way, so these are all based upon the kind of questions we asked in the surveys. The status quo, at least what I understand or most of you understand, is that in terms of the cross-strait, kind of long term cross-strait political associations, is really about whether you want to move to declare independence now or to seek some kind of de jure independence or you want to have unification. And status quo meaning here, essentially de facto independence. Taiwan is still a really an independent state with the name, but there is still so many Chinese-ness within the party, for instance the country is called Republic of China. It is not Republic of Taiwan or something else. It is Republic of China. The constitution is the same one brought from KMT to Taiwan and so on.

When I look at those surveys, I don't know how many surveys I have examined in the past, but other surveys seem to indicate very clearly that if you do some cross-tab, those people who support independence, of course, they support DPP, or Taiwan Solidarity Union and so on, and if they support unification, they support KMT, PFP, or NP, and those parties. But, if you look at the status quo, which referred to the people who feel they want status quo forever or they want status quo then independence situation to move either way, one way or the other, that would be the respondents' answers, about two-thirds of them supported KMT and other parties, and only one-third supported pan green camp. So, that has been very clear cut and very consistent, very stable over the past 20 some years. That is what I am saying. Most status quo supporters support KMT instead of DPP.

QUESTIONER: David Wu, unaffiliated. I want to ask about those unaffiliated voters, the folks who are status quo. The question is about mobilization and turn out, somewhat analogous to Puerto Rico, unification, independence, status quo. In the U.S., Democrats, Republicans, unaffiliated, and if you look at the cross tabs in the U.S., those unaffiliated voters tend not to turn out and elections frequently turn on whether you can mobilize them or not. Are there turn out issues like that for the voters which say status quo and if they are KMT leaning, the KMT should be winning every election, but they don't, so something must be going on to move those voters back and forth, and something must be going on to affect their turn out. If you could discuss those nuts and bolts a little bit.

DR. HSIEH: Turn out, of course, is one of the factors that are affecting the election results. In the U.S., not only the so-called independents but also the Democrats have difficulty to mobilize the voters in general because a lot of people. Low socio-economic people, they tend not to vote, the minority, they tend not to vote. This makes some problem for the Democrats. In Taiwan as well, it's much more difficult to mobilize people on the basis of the status quo. It is not very exciting. (Laughter) It is much easier when you have something very clear cut, I want to have independent Taiwan, then people will mobilize, go to the polls. Most likely you will see it is easier for the DPP to mobilize supporters in general, but not always, but in general.

There are a lot factors which may affect the election votes, of course. You will also see the changing election results from time to time. Again, this is also dependent on whether you are talking about the presidential election or the parliamentary election. In general, it is much more difficult to predict the presidential election, only one seat, one ticket available. Anything can happen. Just one thing can just tilt the balance. If you are talking about a parliamentary election or congressional election, there are so many seats available. So, some idiosyncratic factors could

which may benefit the KMT in some district, but there also may be the case that some other idiosyncratic factors which may actually benefit the DPP in other districts, so it will probably balance out somewhat, so we will have a better picture about the overall distribution of the voters in the electorate, and if you look at the election results since 1989 in Taiwan, I'm not talking about KMT as a party, pan-KMT camp, the blue camp on the one side, and the green camp on the other side, particularly in the legislative elections, not presidential, it has been very stable.

The KMT always got -- the high point would be above 60 percent of the votes, the low point would be between 45 to 50 percent of the votes for the KMT, pan-KMT camp, almost always, and the pan-DPP camp was able to increase from slightly less than 30 percent and over 30 percent, now it is a little over 40 percent. I'm talking about the votes shares between the parties, I'm not talking about the final seats because this would be translated into seats from votes by some kind of mechanical election system and so on, but if you look at the voter share between the two major parties, it has been quite stable. Pan KMT camp is larger of the two in the past several decades.

DR. HUANG: I think one driver that can drive pan blue supporters to vote either very light or very strong is the cross-strait relationship. Is there any tensions inflicted in the upcoming year and through this period, it was believed it has something to do, if the blame to DPP then will be a kind of driving force for pan blue voters to get mobilized. What I am saying is there are some thoughts floating in green side they can sit and win the election easily without talking anything. The problem is they really do not fumble on the cross-strait issues, so they have to be very careful either in June or the latter half of this year because it is a potential driver that can boost up KMT's supporters' passions to vote.

MR. JOHNSON: Thank you. We are out of time, so in order to stay on schedule, we are going to go ahead and break. Please join me in thanking the panelists for a very lively discussion. Thank you. (Applause)

PANEL 2: OUTLOOK FOR THE DPP AND KMT

DR. BUSH: Thank you very much. Our second session is going to be entitled "Outlook for the DPP and KMT." For this one, we have two distinguished visitors from Taiwan, and one distinguished visitor from CSIS. From Taiwan, first we will have Legislator Lin Tai-Hua. She is a member of Legislative Yuan. She represents a district in Kaohsiung. We are very pleased she took time from her what I guess is an intensely busy schedule to be with us today. Our second speaker from Taiwan is Chang Szu-Kang, who is the Chief Executive Officer of the United Medical Foundation, and a political commentator. I'm sure he has a busy schedule as well, so we are happy he could come. Bonnie is always busy. We are going to do it slightly differently this time. Each person will speak from the podium and then we will all move up to the dais for the Q&A. Also, the Q&A, as necessary, will have a consecutive interpreter. First of all, Legislator Lin, please, welcome. (Applause)

MS. LIN: Good morning. As a legislator in Taiwan for four consecutive terms, I have also acted as a member of the Economics Committee in the Parliament. Therefore, Taiwan's economic structure and development issues, including territorial planning and industrial policy

have always been my political focus. Over the past nearly 14 years of my tenure, I also briefly served as Chief Commissioner of the National Youth Commission of the Executive Yuan. On the 10th of September, of this month, I succeeded in the DPP party primaries, and was nominated as candidate to present DPP in upcoming election in January 2016. I am confident that I will be re-elected to a fixed term as a legislator next January. Today, I am very much honored to have been invited by Brookings Institution, and the Center for Strategic and International Studies, to talk about my views on last year's Taiwanese presidential election at this public policy forum.

We have just heard many scholars' comments on this topic. They all believe that Taiwan's current internal and external environments are generally conducive to DPP. First of all, internally, because of the social atmosphere under the Ma administration, people generally do not feel any actual benefits from the nominal growth of the economy. On the contrary, as a result of the issues, such as increases in the CPI and corruption, the Taiwanese people perceive a widening gap between the rich and the poor and a loss of justice. The Ma government is very proud of improving the cross-strait relationship but it has failed to bring tangible balances to the general population. The people have started to notice the interest monopoly of financial cliques and politicians and have further intensified a sense of relative deprivation. Therefore, the people generate hope for social change.

Their primary goal is to make the KMT step down from the ruling stage through a transfer of power to another political party. The cross-strait relationship has involved significant controversy within Taiwan, and is capable of influencing the triangle relationship between the USA, Taiwan, and China, as well as geopolitics throughout East Asia. It will certainly exert a great influence on the outcome of the next election, just as it did in 2012. Therefore, in the 2016 presidential elections, the DPP will not take the cross-strait relationship lightly, and we will approach it cautiously. Based on the context provided here, it is obvious that the DPP has found itself in good environments, both inside and outside Taiwan. If well utilized, these environments will guarantee an electoral victory. Nevertheless, we still need to be careful in dealing with our concrete strategy to avoid any mistakes. I believe the DPP campaign strategy for the next election should follow the following four points.

First, DPP should manage the cross-strait relationship well and pursue peaceful and stable interaction. The Ma government has seemed to have developed a pleasing rapprochement with China over the past few years, but China's military threat to Taiwan has actually increased continuously. Our substantial international participation remains repressed, Taiwan's place on the international stage has dwindled day after day and its autonomy has severely plummeted. Therefore, we must reexamine the situation more comprehensively, in particular, as a member of the international community, we must consider our international responsibility. After losing Taiwan's 2012 presidential election, the DPP began to review its cross-strait policy, including the establishment of the China Affairs committee exclusively to discuss and formulate a cross-strait policy, these measures will indicate that DPP is treating cross-strait policy seriously, and hopes to build a consensus to act as cornerstone in future cross-strait interactions.

Just this month, in the second meeting of DPP's China Affairs Committee, Chairperson Tsai clearly determined that the fundamental principle for DPP to deal with the cross-strait relationship is to maintain the status quo. This is the consensus we think that the DPP, the status

quo of keeping the Taiwan strait, to maintain a stable development of the cross-strait relationship, should also promise not to provoke contradiction, conflict, or confrontation. Meanwhile, to maintain the status quo of Taiwan's democratic system, the DPP has also committed itself to communicating and engaging in exchange with the other side of the strait, with a positive and pragmatic attitude in the hope of building a mutually acceptable mode of interaction. This mode will in turn promote cross-strait peace and stability.

Second, the DPP should stop class issues and reshape social justice. In fact, as early as the 2012 elections, Chairperson Tsai's campaign theme was to strike all solutions to class issues. Moreover, she proposed to promote employment oriented economic quality, equitable distribution in a society of mutual aid, the sustainable development of a security environment and a diversified and innovative educational culture. Unfortunately at that time the KMT successfully switched the decisive campaign theater to the cross-strait issue. As a result, the DPP's pursuit of justice was not fully developed. However, the social atmosphere has now changed dramatically. The people have experienced the pains inflicted by the KMT's eight years of rule and are fed up with manipulation of the cross-strait issue while it ignored the destruction of democracy, the widening gap between the rich and poor government policy excessively biased toward financial cliques and people's falling incomes. Now, the people of Taiwan are instead demanding that candidates propose concrete measures to improve their livelihoods and economic development. This new social atmosphere is very favorable to the DPP. This emphasis on class fairness and distributive justice is precisely where the DPP's competitive advantage lies. Now, our arguments on the class issues, which were fully prepared but not yet fully unfolded in 2012, can be set up as a theme of this campaign. This will direct the public's attention toward this issue, allowing voters to make their final choice between the two parties according to the merits and demerits of the candidate's proposals on Taiwan's internal affairs.

Third, the DPP should introduce better quality lawmakers in order to promote parliamentary reform. Since the cross-strait service trade bill set off a serious conflict in the legislature, many people have been dissatisfied with the KMT blatant disregard for democratic procedures and public opinion. This dissatisfaction spread a sentiment against the KMT on a larger scale and was reflected in the outcome of the 2014 magistrate and mayoral elections. The KMT has not learned any lessons from its defeat in the 2014 elections. So far, it has failed to review and acknowledge the trend of public opinion, even within this party, they have been and are still stuck on the problem of adjusting of internal party laws of the President Ma Ying-jeou, Chairman Eric Chu and Speaker Wang Jin-pyng. This has hindered the selection of KMT's next presidential candidate, and also affected the time table for the primaries of candidates for the legislative election. Overall, the KMT has achieved no concrete results in its review of its electoral defeats, its reexamination of the trend of public opinion, and its attempt to propose overall campaign policies in line with the main thrust of public opinion. With this in mind, we can imagine that the DPP is very likely to win the next general election in 2016 for complete control of governance.

Fourth, responsibility is entrusted by the people, and ideas demand planning and action, not just talk. I started at the grassroots level and have been deeply entrusted with responsibility by the people. I believe DPP will win the 2016 general election and display again its ability to lead national development. As a soon to be fifth term legislator, I must be responsive to the

support of the public. I'm constantly considering how to enhance my knowledge in political spheres, and think tanks have become a major source of knowledge and capability for me. Last year, I invited interested scholars and experts to form a think tank for the purpose of serious research on the issues of national development, education reform, and industrial policy. One of the reasons I came to Brookings Institution and Center for Strategic and International Studies in Washington, D.C. is to solicit your guidance regarding the operation and management of a think tank. I hope the scholars and experts here will give me more support and advice in this area.

I will not directly address the KMT campaign strategy but instead I will focus on the DPP campaign strategy and outlook. In 2016, Taiwan's people will be voting for both the presidential office and legislative positions on the same day. All polls published so far, it has been shown that Chairperson Tsai is in the leading position above all possible KMT opponents. The DPP is also talking with third parties in the hope of forming a DP-plus alliance. The so-called 1992 consensus will have less impact than the 2012 presidential elections. The Sunflower student movement demonstrated that people are frustrated with the way President Ma Ying-jeou and KMT have managed cross-strait relations. Additionally, they witnessed increasing pressure by Beijing to stall cross-strait political negotiations in order not to let political differences pass onto the next generations. I believe the atmosphere today is different than it was four years ago. I believe China will continue to use fear-based tactics in order to scare the Taiwanese borders, but I'm not so confident it will be as effective this time around.

Chairperson Tsai said her cross-strait policy is to maintain the status quo, this is the consensus within the DPP. The DPP believes there are many issues to be fixed in Taiwan. Our economic future needs to be brightened, our uneven distribution of wealth needs to be addressed, our welfare system is facing bankruptcy, our defense needs to be reformed after years of negligence. Our critical infrastructure needs to be renewed and regenerated. The last thing we want is an unstable cross-strait situation. Thus, the need to maintain the status quo in favor of continuing to develop a sustainable democracy and protect our freedoms in Taiwan. This election, in my view, is about to answer those challenges facing Taiwan. Is there a future for our way of life to continue under these circumstances? Short term political tactics to gain campaign advantages will not earn any party victory next year. I believe only parties with realistic actions to address these pressing issues can emerge victorious next year.

As a legislator from Taiwan, upholding universal values as democracy, human rights, freedom, has been our mission. Maintaining Taiwan's sustainable and democratic development is the key to ensuring a balance of power favoring democratic development and free economics in the Asia Pacific region. We also look toward closer ties among the democratic countries in the Asia Pacific region, including Taiwan, so that we may work together to solidify the region's democracy. I believe 2016 will bring to Taiwan a new political structure and a new party system. Last but not least, I would like to extend my appreciation to Dr. Richard Bush for his invitation and to Dr. Kevin Scott and Dr. Min-Hua Huang for their meticulous arrangements. Thank you very much for your attention. (Applause)

DR. BUSH: Thank you very much, Legislator Lin, for your presentation. Chang Szu-Kang, please.

MR. CHANG: Good morning. My name is Leslie Chang, I come from Taiwan. Thank you for inviting me here, it is a great honor to be here. Today, I would like to share what I have learned from last year's elections and see if we have a better way to face the upcoming presidential election.

The challenges - the result of the election last year was a shock to the KMT. To talk about how we can do better, I will spend some time on why people walk away from us, why society is against the rich and the government. Second, to regain our supporters, we can emphasize on cross-strait relations and economic policy which the KMT is good at, and then response to domestic issues, the new deal of the KMT must be done.

The slide shows the result of the local election last year. Out of a total of 22 local governments, the KMT only kept six, the DPP took 13. Most of the citizens in Taipei are middle class, normally a strong holder of KMT, but last year, not just middle class but also our core supporters have lost confidence in KMT, and young people as well so-called [inaudible]-walk citizens were anxious to find someone who could stand side by side with them.

First, our core supporters, the yellow arrow shows two presidential elections, local elections held in 2009, 2010, and 2014. You can see from this slide after 2008, the gap between the two major parties became narrow. There has been no strong voice to communicate Ma's policy for quite some time. For example, the cross-strait agreement on trading services caused the Sunflower Movement, and the 12-year public education program causes a lot of confusion among parents. They all question of Ma's ability, even worse, political fighting between Ma and Wang Jin-pyng has again triggered supporters to doubt the priority in Ma's mind. Is it economic or political?

Anyone looking to buy a house knows it is an expensive exercise. A study in Taiwan adopting U.S. Demographia Research last year shows the price to family income ratio is 15 times in Taipei City and 13 times in New Taipei City. Housing prices in Taipei City has jumped 50 since 2012. Our salary cannot match up with this speed. That causes the gap between the rich and the poor to be bigger, leaving the city because of luxury and the middle class has moved away from Taipei City. The middle class used to be the backbone of KMT. Today, they feel that they are the new poor.

Let's take a look at average salary of the so-called four Asian tigers in the past five years. Taiwan's average salary has grown nine percent, while in South Korea, it has grown 21 percent. In Hong Kong, by 25 percent, and in Singapore, by 13. People start doubting the government's ability to run the economy. Young voters were the game changer last year. This slide shows the beginning salary. I remember when I graduated in early 1990s, the first salary I had was around \$1,000 per month. But today, that is the same as the graduates, which is lower than our neighbors, Hong Kong, South Korea, and Singapore. But housing prices have gone up several times since then. The Sunflower Movement formed by this frustration. I would say that the cross-strait agreement on trade and services may be the reason put forward to Sunflower Movement, but people's anger was the key. I think Ma's team is still trying to reach out to young people and speak their language.

Since we have mentioned the Sunflower Movement, let me say something about cross-strait relations. This slide shows the latest poll from Mainland Affairs Council. The data shows that people in Taiwan tend to maintain current political status quo with Mainland China, either independence nor favor united. You can see the number of those who supported Taiwan independence and those who think that government move too fast are similar. However, the former DPP Chairmen, Frank Hsieh and Hsu Hsin-liang have tried to be more realistic by building up a dialogue with Beijing and lowered their voice on request for independence. At the same time, Chairwoman Tsai still don't have a clear picture on her Mainland China policies. According to the UDN survey last week, 38 percent of DPP supporters do not understand her stance either. Whether Taiwan's future lies with the DPP or KMT, cross-strait policy will be development under Ma's framework. I think it is a most valuable political asset that Ma leaves.

This is a survey by UDN announced last week. It shows that compared to Mr. Wang, Eric Chu so far has great chance to win, but he decides not to run for president this time. There is no doubt that the right candidate is the winning ticket. The KMT candidate must have the majority of the party members' support, be aware of the people's desires, and have the courage to achieve his promises. Mr. Wang's challenge is whether he can get Ma's consent in order to have enough support. No matter who will be doing this difficult job, the KMT candidate will have to bear Ma's good or bad legacy. Meanwhile, I think the KMT needs an Indiana Jones to break off the deadlock.

This is a current party seats in legislative year. We still hold the majority, 64 out of 113. According to the survey from TVBS, more than 70 percent of people think the Legislative Yuan is inefficient. So the majority got blamed. I also think we have room to improve. In order to change the image of the KMT as a conservative party, it has to start from candidate selection. We need new faces who can fight the battle with us and for legislator-at-large seats, we need to consider younger members who are willing to speak up for the party. Changes must be made as to how the parties select their legislators-at-large candidates. If it was up to the public, particular the younger generation, to fuel dedication to reform. We cannot face new problems with an old approach. It's time to give the parties' young members a chance to shine.

Stable and predictable cross-strait policy is the strength of the KMT. Although the opposition party and several media focuses on the dark side our cross-strait economic exchange, the KMT maintains the 1992 consensus and the current status quo as the best way to proceed, and that is agreeable to both Beijing and Washington. One thing we can do now is enhance the communication internally, I suggest to set up a cross-strait advisory report chaired by the next president. This will be responsible for building up consensus. The president can invite major party leaders to join the policy making process for cross-strait relations before it goes to the public. If we have that, maybe we won't face another opposition time. The second important thing is to build up scenario mechanisms on cross-strait agreements in the Legislative Yuan, allowing congressional oversight on the agreement, in order to avoid the so-called black box negotiation.

I have served at the Straits Exchange Foundation for several years. In my observations, Taiwan officials have tried their best when speaking with Beijing and the so-called selling out Taiwan is cheap political language. Eric Chu and Xi will meet next month. This to me means a

generation change on both party leaders, although what they are talking about is still unknown, I hope they will not only emphasize the importance of the 1992 consensus, but also lay a foundation for long term peace. For example, keep status quo on non-aggression agreement and welcome Taiwan to join international organizations.

The main source of Ma's frustration is that we have to try harder on domestic affairs. The KMT candidate has to learn from past occurrences and face some domestic issues, like energy policy, whether we have alternative energy resources. Should we continue with nuclear power? The other important issue is to support young talents, providing resources to help learn from other countries and to encourage innovation. Last but not least, upgrade local industrial, enhance added value, and create motivation of salary growth. In terms of the economy of the birth rate and elder society, the government has to adjust medical plans, pension schemes and elder policies and plan accordingly, even a brand new citizen might be welcome. Although KMT is going through a very hard time now, it cannot give up in its fight for Taiwan and the people who live there. The most terrible thing is not lose power, it is to lose courage. Finally, I would say if the KMT presidential candidate is strong enough to give us a vision, legislator candidates can work together with him, then we may still have chance to win. Thank you for having me here and I appreciate your time with me. Thank you. (Applause)

DR. BUSH: Thank you, Chang Szu-Kang. Bonnie?

MS. GLASER: Thank you, Richard, and to Brookings and all of your staff for your collaboration on this event, and another event we will be doing later in the fall. I am just going to make some very brief comments. Because we will have to do some consecutive interpretation for the Q&A, I will just try to make them very brief. I am really struck by how many people, not only Americans, but so many people that I speak to from other countries who are so certain of the outcome of this election, because I, myself, think it's rather premature, and you can see from the discussions we have had this morning that there are many uncertainties, and of course, really unknown factors, as we don't even know who is running or how many candidates there are going to be. There was the interesting discussion on the first panel about the possibility of a three way race, which we haven't seen in Taiwan since 2000. Elections in Taiwan can be, of course, very close. We saw in 2004 just a fraction of a percent that determined the outcome of that election. In 2008, I think it was about 17 percent. That was certainly a landslide. In the more recent election in 2012, it was about six percent.

I, myself, think this election might be relatively close, but again, it's going to depend on who runs. A big question mark for the KMT is whether Eric Chu opts to run. I think nobody has pointed out yet today just in terms of the mechanics that if there is a number of candidates that the KMT puts forward in their primaries, no single candidate gets at least 30 percent, then it goes potentially to the party's standing committee to draft a candidate. That is one possible scenario which even if Zhu Lilun, Eric Chu, decides not to run, that he then ends up getting drafted by this party. It would put him in a stronger position because then he would have in a sense a lot of leverage because he would be asked by his party to run. There are many possible scenarios here. I just don't think we really know who it is going to be at this point. It's going to be a pretty short campaign, if the KMT does announce a candidate, if it's not really clear who all the candidates are going to be until mid-July, then we are looking at about six months, which is pretty short. It

does give the DPP a bit of a leg up since their candidate, of course, Tsai Ing-wen, is already known, and already campaigning.

There are a couple of factors that I think are going to be important in this election, which I'll just highlight, but have really already been discussed. One is the youth vote. I think that is really going to be critical. When we all look at polls down the road about surveying public opinion of who people are going to vote for, pay attention to whether the ways in which the poll is done is capturing that youth vote. I think that is increasingly an issue in our country as well. If you are just doing phone interviews and you are doing them by land lines, you are probably not tapping into the youth vote. A second issue, again which has already been discussed, is voter turnout. Clearly, large numbers of KMT voters did not vote in the local elections last year. Are they going to vote, are they going to be mobilized, is it enough to mobilize them by telling them there will be negative consequences if there isn't a KMT president, if the KMT doesn't remain in power.

One factor that works against the KMT is the fact that they have been in power for eight years. I think generally in democracies, the opposition does have a better chance of coming back to power if a party has been in power for several terms. If you look at just in the United States since World War II, we have only had one occasion where a party after having been in power for eight years that the party's subsequent candidate was re-elected. More so before World War II, but we have different rules for elections. Clearly, in the Democratic party, Hillary Clinton faces that same challenge, after Obama having been in power for eight years. That is one factor that I do think works in favor of the DPP, but may not be decisive.

Another factor that everybody pays attention to is cross-strait relations and the policy that each candidate will have towards the Mainland, and will be more important, I think, than it was in the local elections, but hard to say whether it will be decisive. Lots of people today have talked about economic factors. I tend to think that economic factors are going to be very important. Some of those are linked with the Mainland and some are not. There was a discussion earlier about education and how there is a mismatch in a sense between economic opportunities in Taiwan's economy and the educational system. That is not something that is as directly linked to the cross-strait situation, but there are some ways in which it is linked. It is an unfortunate reality that without some cooperation between the Mainland and Taiwan, and the nature of that remains to be seen going forward, but without continued cooperation, it's going to be very difficult for Taiwan to enter into whether it be RCEP, potentially the TPP, because Mainland China could put pressure on existing members once the first round is completed and is opened up to new members, and of course, there is even the issue of Taiwan signing free trade type agreements with other countries. I think we have to be honest, Singapore and New Zealand were able to do so with Taiwan because the Mainland decided at that time that it was in the Mainland's interest, and right now, we really have pretty much a freeze in Taiwan's discussions of new free trade agreements with other countries because of Beijing's pressure. There is going to be some connection, and any candidate has to strike some balance, I think, between these economic issues and their policy towards the Mainland, because they are connected.

Just one final comment, just from an interested observer. What are U.S. interests in this election. I think there are two that remain very important. One, of course, is just the conduct of

free and fair elections in Taiwan. I think the United States has a very deep interest in the democratic process in Taiwan. Any kind of anomaly that causes them to be not free and fair, the U.S. would be concerned about. The second is an interest in the preservation of cross-strait stability and the maintenance of communication channels, keeping those open between the two sides of the strait so that there can be continued communication and problem solving going forward. Given these interests, I think I would say that it is probably highly unlikely that the United States is going to favor one candidate over another. That is really not something I expect the Administration to do, nor do I think the United States is going to try to pressure candidates to take one position over another or to try to tailor their particular positions to U.S. interests. There is much that is said in the Taiwan media about the U.S. government putting pressure on candidates to say things or not say things. I honestly think that is not really a very correct understanding of how the U.S. interacts with people in Taiwan and candidates and governments. This ultimately is up to the people of Taiwan to decide. With that, I look forward to all the questions and discussion. (Applause)

DR. BUSH: Thank you very much. Bonnie, I would just say in reference to your observation that there has only been one occasion where a party has stayed in power beyond two terms, that depends on your judgment as to whether Al Gore won in the country, even though he didn't win in the Supreme Court. (Laughter)

MS. GLASER: Okay.

DR. BUSH: The official end of this program is 12:30, but we are going to go a little beyond that to get in some time for more questions. If you have to leave, that's fine. Once I call on you, wait for the mic, identify yourself, and keep the question short. We do have consecutive interpretation as needed. Who has the first question? Jay Taylor?

QUESTIONER: Jay Taylor, writer. It seems very possible that China is going to make the consensus agreement, reaffirmation of the consensus agreement a key decisive issue between the Mainland and Taiwan, either after the election or before the election. So, how can the DPP deal with this? Do they have yet a position? I know they had a previous one. How are they going to handle this in the election? Do they have an alternative to the consensus agreement?

DR. BUSH: You're referring to the 1992 consensus agreement?

QUESTIONER: Right.

DR. BUSH: Legislator Lin, do you want to respond to that?

MS. LIN: I believe that in my presentation just now, I have made it very clear that the DPP's position is to maintain the status quo, and we can also see the Ma Administration's definition compared to Xi Jinping's definition of the 1992 consensus are very, very different. Again, DPP's position is to maintain the status quo and what we mean by the status quo is not the status quo back in 1992, but the status quo in 2015 or 2016. That is the status quo that is peaceful and stable across the strait.

How do we do that? In practice, the DPP will do it with two approaches. The first if we do make a comeback in 2016, we will not change any agreements that were signed by the KMT. For example, ECFA, we will not change those agreements. But, DPP, if we do make a comeback, we will take a very serious attitude to review and monitor how those agreements have been implemented, if they have been implemented appropriately. The second approach is we will be very friendly and confident in encouraging both the national level government as well as the local level governments to have more interaction with China in areas such as cultural exchanges, educational exchanges, and the engagement among non-profit organizations.

DR. BUSH: Does anybody else want to comment on that? Another question?

QUESTIONER: I am a second year masters student here at G.W. My question goes to Mr. Chang. I've seen a lot times on talk shows in Taiwan prior to the election, I saw you fought for Lien Sheng-wen or his policies. The question here is we have seen the failure or the defeat of the KMT in the 2014 election, and people are expecting KMT to change their policies, not only domestically but also cross relations internationally. We can still see President Ma, he was invited by some media in some media interviews, he still stands a really strong and hard position on what he's trying to pursue right now on his cross-strait relation policies. There are also people questioning in Taiwan that the KMT – the Zhu-Xi meeting coming up, is that going to be another type of communication between only KMT and the CCP, which does not involve the most benefits or interests of the Taiwanese people. Is KMT going to change its policies to try to modify its cross-strait policies in order to get closer to the Taiwanese people on the cross-strait relationships or cross-strait policies that KMT is trying to pursue in the 2016 election? Thank you.

MR. CHANG: Ma's Mainland China policies is the correct way – I think peaceful negotiation with Beijing is what everybody wants. Even DPP supporters and Tsai Ing-wen will steal Ma's framework on Mainland China policies. Ma doesn't know how to communicate with people. This is the main question, doesn't know how to communicate with people. He has no people's language to communicate with others. That is his frustration from this. I don't think Mainland policy is wrong. I don't think it's wrong. Communication technology is key. I think even next president with KMT or DPP, we must develop supervisory mechanism. I think that is the answer.

DR. BUSH: Next question? Gerrit van der Wees.

QUESTIONER: Hi, my name is Gerrit van der Wes, Editor of Taiwan Communique. I have a question on the cross-strait over economic dependence. It also came up in the first session. The basic difference between the Kuomintang and the DPP will be how close to China the Kuomintang line or how detached the DPP line. The assumption for all this has always been China's rise will go on forever and ever. But, what goes up must come down. Professor Dan Lynch in USC, California, just wrote a book on how China's rise is coming to an end. So, my question is how will a down turn in China's rise affect Taiwan's calculations and discussions on cross-strait relations?

DR. BUSH: To whom is your question directed?

QUESTIONER: Legislator Lin.

MS. LIN: Throughout the eight years that President Ma has been in office, his economic logic seems to be that he is trying to use the Chinese economy to help save the Taiwanese economy. Has that succeeded in the past eight years? Actually, we don't really see any actual results when we look at people's income or job opportunities. I can't really say for certain that Ma's economic logic has failed completely, but we have to find a real driver, a real spur, for Taiwan's economy, and that is a very important issue that the future president or the future administration has to face. Because now on the global stage, we are trying to compete with countries all around the world. We have to improve our own competitiveness. We have to upgrade our own industries, and make sure we produce value added products. If we can join international organizations or international negotiations such as the second round of TPP or relevant economic organizations around the world, that will be very helpful. Again, without our actual economic power improving or we don't make good products, we can't sell anywhere.

DR. BUSH: John Zang.

QUESTIONER: Thank you, Richard. John Zang with CtiTV of Taiwan. I have a question for Bonnie. Bonnie has remained silent on all three previous questions. We don't want to waste you on the panel. You were saying that there were erroneous press reports about the United States pressuring one candidate or another to say things that he or she may not really want to say. Could you elaborate a little bit? What did you mean? We have seen previous instances whereby Administration officials either on the record or on background would say things to urge important people in Taiwan to do things to maintain the peace and stability across the Taiwan strait. My question is is the United States changing the way that it would do things that it did in the past? Two, would Chairwoman Tsai Ing-wen's policy of maintaining the status quo across the Taiwan strait, elaborated once again by Legislator Lin just now, sufficient, at least from the U.S. perspective, to maintain the cross-strait communication and dialogue once the DPP wins in next year's elections? Thank you.

MS. GLASER: Thanks for your question, John. (Laughter) First, I'll just elaborate on what I said earlier. I think really what I had in mind is that there have been some press reports that the United States is pressuring Tsai Ing-wen to accept the 1992 consensus. I think the assumption behind that is that is the only way that cross-strait relations can maintain stability. I said earlier the U.S. has an interest in maintaining cross-strait stability. There are probably a number of ways that that can be done. I'm very doubtful. I'm not in the Obama Administration. I'm just very doubtful that any U.S. official is saying you have to say this or you must take that position. Of course, there are expressions of concern about how this will be done going forward, but I think there is an open mindedness to listen to other proposals. Ultimately, this is something that needs to be worked out, I think, between the DPP and the Mainland.

As to the United States, I am quite doubtful it is going to say there's one way, this is the 1992 consensus and that's it. That is just not my understanding. As to whether what has been said so far about maintaining the status quo, whether that is sufficient, I think we all know that in a couple of months, Tsai Ing-wen is going to be visiting Washington. (inaudible noise in

audience; laughter) That will provide an opportunity, I think, for the United States to talk to her directly, U.S. officials will engage with her about what she thinks. I don't think anybody at this point should be prejudging what she has said. I think there is much more perhaps behind the just maintain the status quo, because of course, the question is how. I don't think what has been said so far is all that we are going to hear from Tsai Ing-wen, either to the people of Taiwan or to U.S. officials. I think people here in the Administration as well as experts like myself are looking forward to hearing more of what she has to say.

DR. BUSH: Tina Chung.

QUESTIONER: Tina Chung with Voice of America, China branch. My question is the so-called China factor. Zhu Lilun, as Mr. Chang said, he is going to Beijing to meet with Mr. Xi. I would like the panelists to address what kind of message would we see or should we see out of this meeting, and what advantage or disadvantage to both camps' candidates? Thank you.

MR. CHANG: This is obviously a very complicated issue, so I have to answer this question with two answers. The first is that the Zhu-Xi meeting will be a continuation of the continued dialogue between the KMT and CCP, but the difference is that there is this generational change from the past we have Lien Chan, Wu Po-hsiung who were the KMT representatives, and now it is Eric Chu, Zhu Lilun. We see this generational change. Of course, with the difference in generations, the issues that they will focus on will also be different. In the past, more focus was put on the ties across the strait and the common culture across the strait, but now, the new leaders have to talk about and focus more on how the Republic of China can develop more on Taiwan.

To answer your second question on what kind of advantages or disadvantages this dialogue would bring to both parties, I believe the KMT will for sure continue to seek stable relations across the strait, and to have continued and cooperative exchanges with Mainland China, whether there is a change of leader or not. It will not affect that position. I do believe this dialogue will put sort of pressure on DPP, and that in the past DPP has always been criticizing this platform, this dialogue platform that the KMT and CCP have together. My question for DPP would be why wouldn't DPP go out and really seek this dialogue opportunity with the CCP as well, because they keep saying that KMT is monopolizing communication or dialogue between Taiwan and China. But my thinking is that DPP should also seek the opportunity to talk to Mainland by themselves. DPP as a potential ruling party down the road, I think that is very critical for them.

DR. BUSH: Legislator Lin, do you want to respond?

MS. LIN: The true issue, the essence of the question here is really the definition of a political party in Taiwan is really a political party, both the KMT and the DPP are political parties, political groups, whereas in China, the party equals the government. That is a very big difference. Why would a political party in Taiwan, KMT, have this platform or this forum to talk to a party that equals the government in China, that is the CCP. That in itself has problems. If you ask me why the service trade agreement could spur the Sunflower Movement in Taiwan, that is a very big part of it because at first, the service trade agreements really came from the talk

between the KMT and the CCP, and then the whole package went to the cross-strait relations association in Taiwan and their counterpart in China.

DR. BUSH: Straits Exchange Foundation and Association for Relations Across the Taiwan Strait.

INTERPRETER: Thank you.

MS. LIN: It went through that process without really communicating with the people in Taiwan. That is why the young population in Taiwan have this fear, because they think the procedure itself is problematic, it is not transparent and it's unjust, and that is a wrong way to approach public policy anywhere.

The second part of my answer is if DPP does come back to power, we will pay a lot of attention, we will focus a lot on the process of cross-strait relations, policies, including using a set of cross-strait regulations in the Legislative Yuan, and of course, DPP is very happy and very confident to go into talks with China, but the condition is that we should not have any preset positions because now China will only talk to us if we agree to reunification, that position, first. DPP will not take any preset positions or conditions like that. We will not say first that we agree to either independence or reunification as we go into the talks.

DR. BUSH: Bonnie, do you have a comment?

MS. GLASER: I would just comment very briefly on what Legislator Lin just said. You stated China has insisted that the DPP accept reunification as a precondition. That is not my understanding of what the Mainland has said. In fact, if you read the statement that Xi Jinping made at the CPPCC, the *zhengxie*, he referred several times to the 1992 consensus, but then he ultimately said what is really the core is that the two sides of the strait belong to one China, *tongshu yi ge zhongguo*. Even dealing with the current government, the Kuomintang government, there has not been a precondition of acceptance of reunification. Let's remember Ma Ying-jeou himself has said no independence and no reunification and no use of force. He has also not embraced reunification. More importantly, that has not been set as a precondition by the Mainland.

DR. BUSH: To bring this back to Tina's question, I think the meeting will have two different levels of meaning. One is the picture in the article and one is the text of the article. (Laughter) The picture in a sense has its own message, that the leaders of the two ruling parties are shaking hands. For the text of the article, I think it gives each leader an opportunity to reassure the other and the people behind the other about future intentions, so Zhu Lilun, on behalf of the Kuomintang can reassure Xi Jinping and China as a whole what KMT policies will be. Similarly, Xi Jinping, I think, understands he has two audiences here at least, one is the Kuomintang and its leader, Zhu Lilun, but it is also the Taiwan population. The picture and the text can be interpreted by different people in different ways, and I'm sure they will be interpreted in different ways in Taiwan. What difference it makes, we will have to see. Generally, we'll have to see because we have long since gone over time. I would like to thank the panelists from both sessions. I would like to thank you for coming and for your great questions. Thanks to the

interpreter. As I said, for policy wonks, there will be another session. Thank you. (Applause)

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