



Paul D. Wolfowitz  
*Chairman of the Board*

Vance D. Coffman  
*Vice Chairman*

Senator Lisa A. Murkowski  
*Honorary Co-Chairman*

Senator John D. Rockefeller IV  
*Honorary Co-Chairman*

Rupert J. Hammond-Chambers  
*President*

---

***TAIWAN'S ELECTION DRAMA IS A MESSAGE TO BEIJING:  
An intraparty putsch shows the limits of detente with Beijing***

**October 19, 2015**

**Commentary by Rupert Hammond-Chambers<sup>i</sup>**

In an emergency congress convened on Saturday, Taiwan's ruling Nationalist Party (Kuomintang, or KMT) ousted Hung Hsiu-chu from its presidential ticket and formally endorsed Party Chairman Eric Chu for January's presidential election.

Ms. Hung, vice president of the legislature, suffered from low opinion polls and an ever-widening gap with the opposition candidate Tsai Ing-wen of the Democratic Progressive Party (DPP), who was ahead by nearly 30 percentage points in September. Ms. Hung's strongly China-leaning policy turned off voters and risked undermining the KMT effort to retain control of the legislature, which the party has held for more than a decade.

Mr. Chu, a popular centrist figure, should improve the fortunes of the KMT's legislative candidates. At 54 he is relatively young, with a reputation for clean government and focusing on economic development. He is currently the mayor of New Taipei City, which he was re-elected to last year in a tight race.

Yet the messy and public effort to force out Ms. Hung has angered many of her vocal supporters, who are vowing not to vote at all. The candidate switch reveals a party with deep internal rifts, and it remains to be seen whether Mr. Chu can reshape the KMT campaign and solicit mainstream support.

His candidacy will now increase pressure on the DPP, which has widened its goals to include winning the legislature. Mr. Chu said Saturday that it would be a disaster for the KMT to lose its majority, which would require dropping to 57 seats from 65 today. He even suggested the KMT could hold only one-third of the legislative seats, a sign of how acute the party's troubles have become.

Many voters seem ambivalent about the change or critical of the procedures adopted to force out Ms. Hung. It all plays into a common view that the KMT retains certain authoritarian characteristics.

Mr. Chu's campaign will now emphasize the KMT line that it is the only party that can foster peaceful relations with China and therefore bring prosperity to Taiwan. He hasn't said much about economic policies but will likely continue to push current President Ma Ying-jeou's agenda of economic cooperation with China. He will seek to join regional trade pacts, including the Trans-Pacific Partnership. During his meeting with China's President Xi Jinping in May, Mr. Chu also said Taiwan is interested in participating in China's Asian Infrastructure Investment Bank, "One Belt, One Road" initiative and the Regional Comprehensive Economic Partnership trade pact.

Ms. Hung's ouster has broad significance for the future of cross-Strait relations. As a candidate she espoused a policy of "One China, Same Interpretation," which called on Beijing to recognize the existence of Taiwan's government but not the existence of the Republic of China (Taiwan) as a country—a policy that is rejected by a majority of Taiwan citizens. Polling consistently shows that more than 80% of Taiwan voters support the status quo, or de facto independence, and Ms. Hung found support from less than 20% of voters.

Now the KMT has repudiated her China policy. This signals to Beijing where the political boundaries for closer ties lie,



Paul D. Wolfowitz  
*Chairman of the Board*

Vance D. Coffman  
*Vice Chairman*

Senator Lisa A. Murkowski  
*Honorary Co-Chairman*

Senator John D. Rockefeller IV  
*Honorary Co-Chairman*

Rupert J. Hammond-Chambers  
*President*

---

suggesting limits to China's economic and cultural engagement policies as a path to unification.

This intraparty putsch is thus likely to fuel concerns that China will take a hard line with a DPP government, raising cross-Strait tensions and also straining ties with the U.S., Taiwan's principal partner. Seven years of cross-Strait quiet are coming to an end fast.

***About the US-Taiwan Business Council:***

The US-Taiwan Business Council ([www.us-taiwan.org](http://www.us-taiwan.org)) is a membership-based non-profit association, founded in 1976 to foster trade and business relations between the United States and Taiwan. The Council provides its members with business intelligence, offers access to an extensive network of relationships, and serves as a vital and effective representative in dealing with business, trade, and investment matters.

\*\*\*\*\*

US-Taiwan Business Council  
1700 North Moore Street  
Arlington, Virginia 22209  
Phone: (703) 465-2930  
Fax: (703) 465-2937  
[www.us-taiwan.org](http://www.us-taiwan.org)  
[council@us-taiwan.org](mailto:council@us-taiwan.org)  
[www.twitter.com/ustaiwan](https://www.twitter.com/ustaiwan)

---

<sup>1</sup> Editorial Published in the Wall Street Journal's "Commentary" section, October 18, 2015.  
<http://www.wsj.com/articles/taiwans-election-drama-is-a-message-to-beijing-1445190293>