

## COMMENTARY

# Lessons from the recent Taiwan election

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Taiwan concluded its version of midterm elections about two weeks ago.

The defeat of the ruling Democratic Progressive Party (DPP) was as one-sided as was the reverse outcome four years earlier when it beat the Kuomintang (KMT).

Among 22 seats at the mayoral level for counties and cities, the DPP lost seven after holding 13 seats in 2014, while the KMT gained nine, to end up with 15 seats, from six in 2014. The mayor of Taipei municipality remains a non-affiliated Independent.

In terms of total votes cast, the KMT got 6.1 million while the DPP garnered fewer than 4.9 million. Four years earlier, the DPP got 5.8 million votes while the KMT received nearly 5 million.

Prominent American observers of Taiwan such as [Kharis Templeman](#) at Stanford University and [Richard Bush](#) at the Brookings Institution were quick to claim that the results were not because of external factors linked to cross-Strait relations but were strictly because of domestic issues.

I beg to differ.

When Tsai Ing-wen ran for president in 2016, she ran on an uncompromising platform of independence for the island and Taiwan not being part of “one China.”

After she won the election, she tried to walk back from being out so far on a limb, but so long as she was unwilling to recognize the “[1992 Consensus](#),” Beijing was not going to throw her a lifeline.

Her predecessor as president, the KMT’s Ma Ying-jeou, had quite willingly abided by the Consensus, meaning that both sides of the Strait believe there is “one China” but each side is free to make its own interpretation as to what that means.

With a one-China agreement under Ma, cross-Strait trade flourished and a healthy surplus accrued to Taiwan. Without that agreement under Tsai, mainland tourists stopped coming and trade slowed to a trickle.

**Taiwan’s cream of the crop goes to Shanghai**

A professor friend in Taiwan tells me that as many as 30% of the annual university graduates now leave an economically [depressed](#) Taiwan for the Greater Shanghai area to seek entry-level jobs and the start of their careers. The salaries are better and the future prospects more promising.

The best and most advanced Taiwanese companies have already established factories and service centers on the mainland, some have even completely moved off the island.

If the best and brightest talents have left Taiwan, for China or even the US, and if the most promising companies are focused elsewhere, then Taiwan is left with second-rate talent and enterprises, a mere shadow of its former “little tiger” self.

Tsai Ing-wen does understand what’s going on and has been making conciliatory gestures toward Beijing, but to recant and mouth the line, “I buy the one-China consensus,” is simply too much to ask for, and her hardcore support base would abandon her. She is indeed between a rock and a hard place.

Just as earlier president Lee Teng-hui tried to do in the late 1990s, Tsai is promoting the idea of Taiwanese companies expanding to the south and west, meaning the Philippines, Indonesia, Vietnam and Thailand.

But Taiwanese companies enjoy the advantages of common language and culture with the mainland, not to mention favorable policy; those advantages do not exist in other countries.

Just as it was under Lee, Taiwanese companies diversifying to other countries have not met with success.

So while American pundits like to hold up Taiwan as Asia's shining beacon for democracy, the recent election result still boils down to one universal condition needed for democracy to succeed. "It's the economy, stupid."

#### Han Kuo-yu represents a new approach

No election result bears this simple truth more emphatically than the election of [Han Kuo-yu](#) as mayor of Kaohsiung, the second-largest city in Taiwan.

At the start of the election season, nobody gave Han a remote chance of [winning](#), not even his own party, the KMT.

The DPP has been firmly entrenched in Kaohsiung for two decades. The KMT nominated a political nobody as a pro forma placeholder candidate and gave him no support. He literally was unemployed at the time he was picked to run.

But Han ran hard based on his promise to make Kaohsiung rich again and [create](#) jobs so that the young people don't have to go to Taipei to look for employment.

Han won with 54% of the vote. He immediately declared that he looked forward to working with the mainland and regardless of Tsai's position, he has no problem with the 1992 one-China consensus.

Other newly elected KMT mayors also declared that they were ready to follow Han's lead and work directly with the mainland.

This election in Taiwan was an important lesson for Beijing as well. Past missile threats and rhetorical bluster only stiffen the Taiwanese people's back.

The pro-independence [Sunflower Movement](#) born of resentment toward Beijing that disrupted the Ma Ying-jeou administration has been a non-factor in this election. Young people today are ignoring the Sunflower Movement as irrelevant. They are more concerned about their careers and [making money](#).

Let the Han Kuo-yus of Taiwan show the people that working with the mainland is the win-win solution. The widespread recognition of the [benefits](#) of positive cross-Strait relations will bring both sides closer together until that day when de facto unification becomes a reality.

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