

# **SPOTLIGHT**

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## Taiwan's Elections

### Justyna Szczudlik

President Tsai Ing-wen from the Democratic Progressive Party (DPP), which opposes mainland policy, won re-election and secured a majority in the legislature in the presidential and parliamentary elections in Taiwan on 11 January. The results mean failure of the PRC's policy towards Taiwan, signal a decrease in Taiwan's dependence on mainland China, and dismissal of the prospect of reunification under China's "one country, two systems" principle.

#### Under what circumstances were the elections held?

The elections were held during tense Taiwan-China relations. During Tsai's term, China has closed communication channels with the island and put pressure on Taiwan (including through infiltration activities), combined with direct economic and educational incentives for young Taiwanese and local businesses. The campaign and elections took place during the Hong Kong protests, which Tsai used to increase support for herself. The main topics of the campaign were security issues and defence of sovereignty and democracy (e.g., parliament passed an anti-infiltration bill to prevent Chinese influence). She diminished the relevance of economic issues raised by the opposition national party (KMT), which favours relations with the PRC. Support for KMT fell even though its presidential candidate led in the polls until mid-2019. The DPP was supported by U.S. President Donald Trump and in 2019, Taiwan's economic situation improved.

## Who won the election and how was parliament shaped?

President Tsai Ing-wen won re-election with over 57% of the votes, receiving a record of more than 8 million votes, while in the election to the unicameral 113-seat parliament (Legislative Yuan) the DPP maintained the majority with 61 seats, though seven fewer than in 2016. The second-largest party, KMT, took 38 seats (three more than in 2016), third is the Taiwan People's Party with five seats (the party was established in August 2019), and fourth is the New Power Party (NPP), a pro-independence group formed in 2016 in the aftermath of the so-called "Sunflower Movement", which opposed the what its members considered the too-rapid tightening of relations with mainland China by the then-ruling KMT. The NPP has three representatives (losing two seats). The DPP can count on the NPP for support, giving the ruling party a secure majority in parliament.

## What will change in China-Taiwan relations?

The DPP's victory shows that China's policy towards the island is ineffective. The model of unification under the "one country, two systems" principle has proved to be unacceptable for Taiwanese society. KMT is in an unfavourable position, as it will be very difficult for it to propose close economic cooperation or political dialogue with the PRC. Furthermore, because of the China-U.S. trade dispute and PRC pressure on Taiwan, some Taiwanese investors are leaving the Chinese market. This could mean changes in value chains and a decrease in Taiwan's economic dependence on the PRC, one of its most important instruments for integrating the island with the mainland. Future relations depend mainly on the PRC: whether China takes a moderate approach, bearing in mind the DPP's landslide second-consecutive victory, or sharpens its policy, seeing that lobbying for KMT has not brought the desired results.

#### What will U.S.-Taiwan relations look like?

With Trump's confrontational policy towards China, the U.S. will continue to support Taiwan, especially under while the DPP is in power. Supporting the island has been the traditional U.S. approach since 1979 and the Taiwan Relations Act commitments mean the U.S. is, in fact, Taiwan's security guarantor. However, <a href="Trump's current pro-Taiwan course">Trump's current pro-Taiwan course</a> (e.g., his August 2019 decision to allow weapons sales to Taiwan, or encouraging mutual visits by representatives of both administrations) may weaken after the U.S. and China conclude a trade agreement. It may be possible then that Trump will be less interested in Taiwan, which he is using as a pressure tool on China. After a deal, China may gain more space to put pressure on the island. To keep Taiwan from being excessively dependent on the U.S. support, Tsai will continue the government's "New Southbound Policy", which aims at closer relations with Asian countries.

## What do the election results mean for the European Union?

The DPP's victory may strengthen Taiwan-EU relations. Under the circumstances of the U.S. and China both playing the Taiwan card, President Tsai is trying to strengthen relations with other partners, including the EU, that have a "one China" policy, cooperates with Taiwan on non-political issues, focusing on economic cooperation (the EU is the largest foreign investor on the island), and social and people-to-people contacts. The EU sees Taiwan as a democratic entity that shares liberal values, including a universal understanding of human rights. This was confirmed by the EEAS statement released after the election. The sharpening of the EU's China policy as well as new European Commission priorities, such as climate, economic, and digital issues, increase the chances of closer bilateral cooperation. The EU will seek to increase Taiwanese investment in Europe while Taiwan will strive to start formal negotiations on the bilateral investment agreement.