

11 China's influence on Taiwan's elections

The impact of the "1992 Consensus" on presidential elections

Wu Jieh-min and Liao Mei

Propaganda warfare is a crucial element of China's foreign influence operations. In Taiwan's 2020 presidential election, the world's media widely reported on China's interference via media disinformation and cyberwarfare. Yet, China's Taiwan Affairs Office spokesman denied this: 'Everyone knows that we have never interfered in elections in Taiwan.' This chapter will provide evidence to contradict this claim.

For two decades the Chinese government has meddled in Taiwan's presidential elections. In 1996, as the Taiwanese people were electing their president for the first time, Beijing conducted missile exercises in the Taiwan Strait in a failed attempt to disrupt the election. Since then, China has employed a variety of alternative influence measures. In January 2012, Beijing undertook a stratagem typical of 'using business to steer politics'. Several weeks before Taiwan voted, echelons of tycoons with interests in China spoke out to support the so-called *jiuer gongshi* (1992 Consensus)—defined by Beijing as embodying the 'One-China principle'. Consequently, the 1992 Consensus propaganda campaign impacted the outcome of the election in favor of Ma Ying-jeou, the incumbent KMT candidate (Tang, 2013; Wu and Liao, 2015). In the 2016 election, Beijing once again initiated a 1992 Consensus campaign in Taiwan's news media, but this time its intended effect appeared to have subsided. Why, then? Beijing's efforts were challenged by a strong wave of collective protests against the CCP-KMT cooperation that had caused widespread fear of loss of Taiwan's autonomy and *de facto* sovereignty. Since 2012, students and social movement activists had continually staged rallies and protests, including fighting the monopoly attempt and self-censorship of a media group owned by a pro-China tycoon, rescuing a Falun Gong practitioner detained in China, and opposing a cross-Strait free trade agreement. All of these campaigns culminated in the Sunflower Movement in 2014, in which students and civic movement groups occupied the Legislative Yuan (Taiwan's parliament) for 24 days and demanded Ma's government suspend the trade pact with China. The KMT thereafter suffered swingeing losses in end-of-year local elections and was further defeated in a landslide in 2016, not merely losing the presidency but also its majority in parliament. It is clear that China has long been a critical factor in Taiwan's domestic politics (Wu, 2009; Lin, 2016), and that Taiwan's elections

have provided Beijing with a venue in which to assert its influence through economic leverage (Fell, 2016; Wu, 2016).

This study treats China as a factor and verifies the effects of the China impact with empirically testable variables. Specifically, we will measure how China factors affected voters' attitudes and decisions, and how voters' attitudes on the 1992 Consensus weighed in their election choices; we will also interpret voters' attitude changes in terms of national identity influenced by China factors. The current literature on Taiwan's election studies primarily takes into account traditional variables such as demographics, national identity, party identification, etc. In this study, we will build on the traditional model and add a set of China-related variables to better explore the puzzle. Our research methods include analysis of public opinion surveys, aggregate economic data and news media content. We will use survey data to examine two interrelated research topics: (1) the relationship between opinions on the 1992 Consensus and voting behavior in the 2012 and 2016 presidential elections; and (2) given current cross-Strait economic ties, the relationship between voters' assessment of economic prospects and their voting behavior. Such assessment includes Taiwan's future economic outlook and voters' concerns over employment opportunities. In short, we will build a 'China factor model' for quantitative testing.

11.1 The Chinese style of foreign electoral interference: Chinese influence operations

Modern history abounds in instances of powerful nations intervening in weaker ones by way of military moves, diplomacy and economic measures. It is a common strategy for great powers to create a structure of economic dependence with small states they seek to influence. Since its economic rise, China has gained political influence in many regions by utilizing its economic resources. All of the Western powers, the Soviet Union (later Russia) and China have interfered with electoral processes in smaller nations (Fatton, 2002; Kelley, 2012; Leininger, 2010; Roessler, 2005; Khamzayeva, 2012; Jackson, 2010; Bader, Grävingsholt, and Kästner, 2010). The way that China intervenes in Taiwan's elections is dissimilar from interventions staged by Western powers in the Third World, and also from those by Russia in its neighbors and the US.

Beijing has been swaying Taiwan's politics since the mid-2000s; its success in steering cross-Strait relations has been remarkable (Bush, 2013). Chinese intervention in Taiwan's elections began in 1996: Beijing flexed its military muscle, intending to disrupt the historic first presidential election. At the brink of war, tensions were so high that Washington dispatched two aircraft carrier battle groups to the region to deter the threat. The election was conducted successfully, notwithstanding the clouds gathered over the Taiwan Strait. Since then, Beijing has never failed to intervene in Taiwan's major elections, but it has gradually changed its strategy from direct to indirect action, with the aid of political allies in Taiwan. Particularly, the use of economic leverage has become the hallmark of Beijing's intervention abroad, and Beijing has been keen to utilize the asymmetry in power relations between Taiwan and China.

We find several distinctive features when analyzing China's interventions in Taiwan's elections over time. Firstly, when Beijing tried to obstruct Taiwan's first direct presidential election in 1996, the island was undergoing a critical transition; by 2012, Taiwan had already endured two successful transfers of power. In 2016, a third took place when the KMT lost to the DPP: on the one hand, electoral democracy has been firmly consolidated, but on the other, the political system is now under constant pressure from Beijing. Secondly, between the 1990s and 2020, Beijing shifted its strategy from the *wengong wuhe* (verbal intimidation and saber rattling) typified by the 1996 missile threat to using business to steer politics, premised upon economic leverage, as evidenced by the propaganda warfare over the 1992 Consensus in 2012. Thirdly, Beijing continues to claim territorial sovereignty over Taiwan and propagandizes about its being a province 'yet to be unified'. Xi reiterated in his 2019 New Year speech ('Xi's Five Points') that Beijing will not relinquish the use of force against Taiwan in unification efforts, emphasizing the continuation of concessionary policies to those willing to cooperate with the 'motherland'. In conclusion, Taiwan's democratization has over the years advanced head to head with China's coercion and pressure.

Nonetheless, since the early 2000s, Taiwan-China relations have undergone dramatic changes in terms of trade and investment. These links have begun to alter Taiwan's economy and politics, as can be observed in several ways. China's rapid economic growth has interacted with increasing bilateral trade relations. In 2010, China made headlines when its GDP surpassed Japan, making it the world's second-largest economy. Five years earlier it had surpassed the US to become Taiwan's largest export market. By 2000, Taiwan's exports to China (including Hong Kong) accounted for 24.4% of its total exports. Taiwan's export dependence rose to 40.2% in 2013. By contrast, China's exports (including Hong Kong) to Taiwan accounted for a mere 2.7% of its total exports in 2000, declining to 2.0% in 2013.

Taiwan's trade dependence on China (measured by trade-to-GDP ratio) increased rapidly from 8.0% in 1992 to 13.8% in 2000 to 32.4% in 2013. Again, by contrast, China's trade dependence on Taiwan has remained low; it was only 3.2% in 1992 and 3.5% in 2000, peaked at 4.7% in 2004–2005, then actually fell back to 2.4% in 2013. Though a large proportion of bilateral trade is due to triangular manufacturing, in which goods imported from Taiwan to China are assembled and re-exported, the above figures clearly show that interdependence is extremely asymmetric. Taiwan has become highly dependent on exports to China. China, however, has little reason to worry about its trade relations with Taiwan, since its economic scale is so much larger and its partners more diverse. In the process, Taiwanese-invested companies in China have increasingly come to rely on its domestic markets. The asymmetry has resulted in vulnerability and sensitivity to potential political and economic changes on the Taiwanese side. In its influence operations, Beijing has actively exploited Taiwan's economic dependence. Above all, Beijing has successfully conducted a strategy of 'commercialization of united front work' (see Jieh-min Wu's chapter in this volume).

During the 2008 presidential election, when KMT candidate Ma Ying-jeou proposed the ‘Cross-Strait Common Market’, China’s policy became a leading campaign issue: it has been clearly shown that those who approved of the policy of ‘opening to China’ and who expected to profit from cross-Strait trade tended to support the KMT (Chen, Keng and Wang, 2009).

11.2 The emergence of the ‘1992 Consensus’: How Beijing created the term with local collaborators

The fiercest propaganda warfare Beijing has yet waged against Taiwan is on the issue of the 1992 Consensus, upon which basis the CCP has since 2005 embarked on cooperation with the KMT. Beijing has also used the so-called consensus to coerce the DPP government and support KMT candidates during campaigns. The 1992 Consensus has become a shibboleth for Taiwanese businesspeople and politicians to gain the CCP’s endorsement and special treatment. However, since the term was formally coined in 2000, it has stirred up controversy and debate as to its origins and legitimacy. It boils down to two questions: was there such a consensus between the CCP and the KMT government in 1992? And who invented the term?

11.2.1 *The birth of a controversial term*

In 1992, the ‘white-glove agencies’ from both sides—Taiwan’s Straits Exchange Foundation (SEF) and China’s Association for Relations Across the Taiwan Straits (ARATS)—met in Hong Kong, initiating the first round of negotiations across the Strait since the end of the Cold War. The central dispute revolved around the ‘national question’: Beijing insisted that there is only one China—the People’s Republic of China—and that Taiwan belongs to that China, while the KMT government of the Republic of China argued for different interpretations of the One-China principle. In retrospect, Beijing has never formally recognized the KMT’s version—*yizhong gebiao* (One China, respective interpretations)—because Beijing understands clearly that this means ‘Two Chinas’ and does not differ substantially from *de facto* Taiwanese independence. Despite the unresolved dispute, the two entities proceeded with a series of talks until 1995.

The idea of a ‘1992 Consensus’ first emerged only in 1999 and was proposed by Beijing, contrary to the subsequent prevailing belief that a KMT official had coined it. Moreover, Beijing predominantly determined its connotation, as the following sequence of events will demonstrate.

- On 9 July 1999, then-President Lee Teng-hui revealed the ‘Two-States Formula’ to a German news outlet. Lee argued that Taiwan and China were in a special state-to-state relationship, which unquestionably dismayed Beijing.
- Beijing immediately embarked on a round of political warfare to counteract Lee’s claim. On 12 July, the deputy director of ARATS, Tang Shubei, commented on the Two-States Formula: ‘To refer to the cross-Strait relations as a state-to-state relationship does rude damage to the “One-China” principle.’

Some persons in charge of the SEF referring to the cross-Strait relations as a state-to-state relationship also did rude damage to the 1992 consensus reached by both agencies [i.e., ARATS and SEF].¹ This speech was the first time the term '1992 Consensus' appeared.

- On 10 March 2000, eight days before the presidential election, Tang reiterated that: 'If Taiwan returns to the 1992 Consensus, both agencies across the Strait can work together again. However, the 1992 Consensus does not mean "One China, respective interpretations".'²
- When on 18 March the DPP won the presidency, Beijing immediately launched a propaganda war with the assistance of local politicians and pro-China media in Taiwan. Legislator Feng Hu-hsiang of the China New Party made shuttle trips between Taipei, Beijing, and Washington. On 28 March, Feng said in Beijing that: 'At present, the CCP authorities have adopted a unified approach...If Chen Shui-bian announces the return to the "One-China" principle, that is, the 1992 consensus reached by both agencies across the Strait, both sides will embark on exchanges smoothly.'³ On 28 April, Su Chi, former minister of the Mainland Affairs Council under the KMT government, suggested of Chen Shui-bian that: 'If [he] proposes to return to the "1992 consensus," it is possible to break the current stalemate across the Strait.'⁴ On 12 May, Feng Fu-hsiang said that: 'After the CCP publicized the "White Paper on the Taiwan Policy," it had been proceeding with military preparation. If Chen Shui-bian evades the Jiuer Gongshi [九二共識, i.e., the 1992 Consensus], and [does not recognize] "One-China," there will be no santong ['Three Links': direct trade, aviation, and postal services], and no talks between the two sides. Even further, Taiwan cannot enter the World Trade Organization following the CCP [China].'⁵ Clearly, this was the first time that the term '1992 Consensus' in the form of four Chinese characters—jiuer gongshi—had appeared in news media.
- In 2005, 'KMT-CCP cooperation' was officially announced. Lien Chan (then KMT chairman) led a delegation to Beijing and issued a joint press communiqué with Hu Jintao (CCP general secretary and president of the PRC). This stated that both sides agreed to adopt the 1992 Consensus to promote cross-Strait relations and oppose Taiwanese independence. Yet the KMT and CCP's respective interpretations of the Consensus differed. According to the KMT, the Consensus was defined as 'One China, respective interpretations', but the CCP has emphasized that it stands for the 'One-China Principle'. For Beijing, the Consensus means that both sides 'can verbally express the consensus of adhering to the One-China Principle respectively',⁶ and Beijing has never agreed with the KMT's formula of 'One China, different interpretations'. Both sides still have a dispute regarding the content of the so-called consensus, but, evidently, this has not impeded cooperation.
- Notably, when Ma Ying-jeou met with Xi Jinping in Singapore in 2015 he did not mention 'One China, different interpretations', though he always insisted on using the expression in Taiwan. Instead, he reiterated the 1992 Consensus while Xi stressed the One-China principle.

- Following Xi's 'Five Points' declaration in January 2019, a deputy director of the State Council Taiwan Affairs Office observed that: 'The so-called "one China, different interpretations," rigorously speaking, has deviated from the "One-China" principle. This time, Xi Jinping's talk does not only point out that the 1992 Consensus means the insistence of the One-China principle, but that national unification is a major content of the 1992 Consensus.'⁷ Beijing's new policy announcement indicated that it will no longer 'tolerate' the KMT's 'One China, respective interpretations', even if the formulation is only used within Taiwan.

So, the '1992 Consensus' is a term forged *ex post facto* by Beijing in collaboration with a small number of Taiwanese politicians during the fall of 1999 and spring of 2000, in order to pin down Taiwan's international status.⁸

11.2.2 The grand show during the 2012 campaign

Immediately following the coining of the phrase '1992 Consensus' in spring 2000, pro-China news media in Taiwan began to disseminate it. There have been five major waves of 1992 Consensus media propaganda since then (see Figure 11.1). The first peak corresponded to the initial period following the coinage of the term. The second occurred thanks to the visit of Lien Chan to China, a so-called 'ice-breaking journey' in April 2005. Hu Jintao and Lien Chan held an official meeting, and both sides jointly announced formal cooperation based on the Consensus. The third cycle coincided with the presidential election. Remarkably, after Ma Ying-jeou took office in May 2008 reports referencing the Consensus quickly decreased and entered a virtual hibernation for three years.

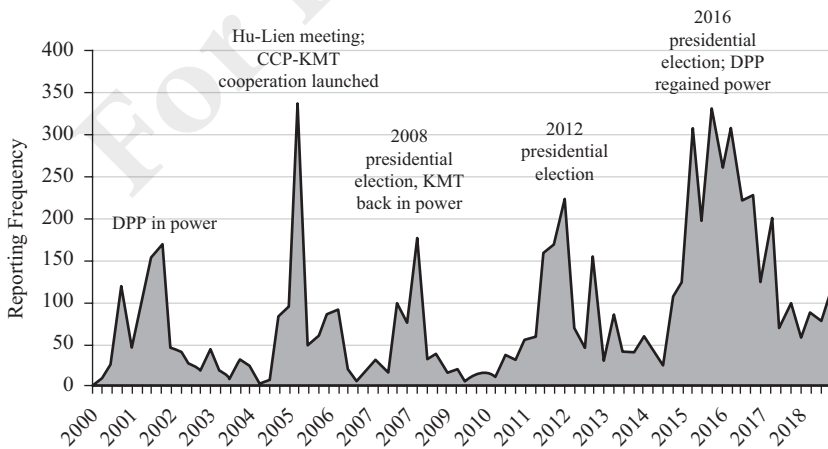


Figure 11.1 Trends of reporting frequency on 1992 Consensus, 2000–2018 (Unit: quarterly reportage)

What we might call the ‘foothills’ leading to the fourth peak appeared in mid-2011. Dramatically, a few weeks before election day, scores of Taiwan’s business leaders spoke out in support of the 1992 Consensus, resulting in an explosion of coverage. Some studies have found that tycoons’ support for the Consensus swayed economic voters, favorably for KMT candidate Ma Ying-jeou (Tang, 2013; Wu and Liao, 2015). Who were these tycoons, and how were their interests linked to China? And what did they say during the campaign? Table 11.1 lists 19 conglomerate owners who either had high stakes in China or were expecting to develop Chinese markets, and who openly supported the 1992 Consensus. They brought their societal influence into full play at a critical juncture. Twelve of these business leaders’ enterprises ranked in the top 30 by total global revenue (excluding the financial sector); furthermore, 10 served on the board of directors of the Cross-Strait CEO Summit, the most influential cross-Strait entrepreneurs’ club.

From the KMT’s point of view, cross-Strait relations had run smoothly, thanks to CCP-KMT cooperation based on the 1992 Consensus. It was also suggested that if the DPP candidate, who opposed the Consensus, were to be elected, cross-Strait relations would backslide or be broken off. Samuel Yin of the Ruentex Group placed adverts on the front pages of major newspapers on 2 January 2012:

‘Since President Ma took office, both sides across the Strait have put aside disputes and negotiated realistically based on the 1992 Consensus, thus creating a prospering environment for the Taiwanese people and producing the most peaceful time in the Taiwan Strait over the last sixty years...Taiwan is not able to withstand stagnation and uncertainty in the cross-Strait relations.’⁹

John Hsuan of United Microelectronics, in conjunction with a group of high-tech entrepreneurs, announced:

‘We detest [some people] using elections to produce hostility and social unrest and spoil industrial harmony. Under the current economic environment, only the support for the 1992 Consensus can keep our mind on business, continuing to employ our workers and take care of their families.’¹⁰

Cher Wang of VIA Technologies (HTC) held a press conference ‘under her personal name’:

‘Is there the 1992 Consensus, and what are the concrete contents of the 1992 Consensus? These questions belong to the category of politicians and scholars...There have never been such peaceful cross-Strait relations before the advent of the “1992 Consensus”... It’s hard to imagine a bilateral relationship without the “1992 Consensus.” It’s also hard to imagine that some people would say no to peaceful cross-Strait relations. It’s even harder to understand that some people believe that all of the things could have been created, and would not be changed, without the “1992 Consensus.”’¹¹

Table 11.1 List of Tycoons Supporting the ‘1992 Consensus’ in the 2012 Presidential Election

<i>Enterprise Group</i>	<i>Chair or Person in Charge</i>	<i>Percentage of Group's Total Revenues from China (incl. HK)</i>	<i>Member of Taiwan's Top 30 (excl. financial sector)</i>	<i>Board Member of Cross-Strait CEO Summit</i>
Ruentex Group	Samuel Yin	51.1	YES	
E United Group	I-Shou Lin	47.3	YES	
Foxlink Group	Tai-Chiang Guo	45.9		YES
Yulon Group	Kenneth Yen	37.3	YES	YES
Chimei Corp.	Ching-Siang Liao	36.6	YES	
Walsin Lihwa Corp.	Arthur Yu-Cheng Chiao	36.5	YES	YES
Hon Hai Group (Foxconn)	Terry Gou	35.4	YES	YES
Delta Electronics	Bruce Chang	33.3	YES	
Wei Chuan (Ting Hsin Int'l Group)	Ying Chun Wei	27.5		
Far Eastern Group	Douglas Hsu	24.4	YES	YES
Unitech Printed Circuit Board Corp.	Pen-Tsao Chang	24.0		YES
VIA Technologies, Inc. (HTC)	Cher Wang	16.1	YES	YES
TECO Group	Theodore Mao-hsiung Huang	15.9		YES
Siliconware Precision (SPIL)	Bough Wen-Bor Lin	10.7		
Formosa Plastics Group	Wen-Yuan Wong	10.6	YES	YES
United Microelectronics Corp.	John Hsuan	10.4	YES	
Yang Ming Marine Transport Corp.	Feng-hai (Frank) Lu	2.0		
Cathay Financial Holdings	Hong-Tu Tsai	0.3		YES
Evergreen Group	Yung-fa Chang	0.1	YES	

Source: Revenue data compiled from the databank of China Credit Information Service Ltd.; Others collected by the author.

These speeches, and many others, began to saturate the media about three weeks before election day. All these businesspeople emphasized the benefits of a stability in the Taiwan Strait which was due to the 1992 Consensus.

It was not to be doubted that the 2016 presidential election would see another peak in 1992 Consensus media coverage. This cycle arose in the fourth quarter of 2014—much earlier than in previous years—continued into the electoral high summer of January 2016, and plateaued for quite a time before slowly sloping away. This prolonged war of words had occurred because the DPP was now back

in power, denying the existence of the Consensus and refusing to accept it. In summary, both Beijing and the KMT have periodically mobilized the issue of the 1992 Consensus during Taiwan's national election cycles, and it has become 'internalized' into Taiwan's body politic.

11.3 Testing the China Factor model: Assessing the impacts of Chinese influence operations

In this section, we will verify the China Factor model statistically, using multinomial logistic regression. The literature on Taiwanese politics has mainly concentrated on the topics of party identification, partisan competition, ethnic relations, gender, and national identity. Few studies have treated the China factor as an independent variable.¹² Generally, 'the traditional model' selects demographics, ethnicity, party identification, and unification-independence choice as independent variables (Sheng, 2002; Cheng, 2009). Since the rise of China, the China Factor has become an essential element of Taiwanese politics, and the traditional model will be flawed in its explanatory power unless it incorporates China-related variables. We therefore test China-related variables that may affect voting behavior in presidential elections, using both 2012 and 2016 data from the CIS survey conducted right after the elections. The regression results are reported in Table 11.2 and Table 11.3 for the 2012 and 2016 elections respectively. In each table, Model 1 illustrates the traditional model and Model 2 adds China factor variables to further test the effects on voters' choices.¹³

11.3.1 Model 1: Verifying the traditional model

The traditional model examines variables of party preference (pan-Blue,¹⁴ pan-Green,¹⁵ and independent voters), unification-independence choice (pro-unification, pro-independence, and middle ground), ethnicity (Minnan,¹⁶ Hakka, mainlander, native, and others), gender, age, educational level and income. The model uses the DPP candidates (Tsai-Su in 2012 and Tsai-Chen in 2016)¹⁷ as the base outcome, and hence has two dependent variables—'voting for the KMT candidates' and 'nonvoting'.¹⁸

Model 1 in Table 11.2 tests the traditional model and predicts the 'relative risk ratios' (RRRs)¹⁹ for those who voted for Ma-Wu²⁰ and for those who did not vote in 2012. The ratio of the probability of choosing Ma-Wu over Tsai-Su is referred to as the relative risk ratio. The results in Model 1 show that, in terms of party preference, using independent voters as the reference group, those who identify with the Blue camp are 28.13 times more likely (RRR=28.13, $p=0.000$) to vote for Ma-Wu compared to independent voters; whereas those who identify with pan-Green are much less likely to vote for Ma-Wu (RRR=0.02, $p=0.000$). In terms of ethnicity, with Minnan as the reference group, mainlanders' support for Ma-Wu is very significant, with an RRR of 5.53 ($p=0.000$). Regarding the choice between unification and independence, using the middle ground as the reference group, both pro-unification and pro-independence correlations reached statistically significant

Table 11.2 The Relative Risk Ratio from Multinomial Logistic Regression Estimates of Voting for KMT Presidential Candidates and Nonvoting to Voting for DPP Presidential Candidates, Year 2012

Dependent Variables:	Relative Risk Ratio (RRR) (base group: DPP Tsai-Shu)			
	Model 1		Model 2	
	Voting for KMT candidates Ma-Wu	Nonvoting	Voting for KMT candidates Ma-Wu	Nonvoting
China Factor				
1992 Consensus support			7.10***	2.25
not support			0.17***	0.93
do not know			0.97	1.15
Assessment of the cross-Strait economic impact			2.42**	1.78*
Unemployment anxiety				
worry about unemployment			0.33***	0.51*
not available/retired			0.59	0.73
Traditional Model variables				
Party preference				
Pan-blue	28.13***	1.90	17.80***	1.56
Pan-green	0.02***	0.06***	0.02***	0.07***
National identity				
Pro-unification	3.10*	2.96*	2.17	2.44+
Pro-independence	0.57	0.74	0.89	0.85
Ethnicity				
Kejia	1.54	1.80	1.10	1.62
Mainland	5.53***	4.65**	5.21**	4.90**
Native and others	3.92	1.77	6.13	2.11
Female	1.92*	1.18	2.18**	1.25
Age	1.01	0.97*	1.01	0.97*
Education				
High school grad.	1.01	1.43	0.81	1.25
College associated	1.12	1.04	0.62	0.75
College grad and higher	1.24	1.19	0.63	0.82
Income	1.00	1.00	1.00	1.00
Intercept	0.42	2.86	0.62	3.69
Number of obs	918			
Pseudo R ²	0.149		0.472	
Log likelihood	-540.932		-491.489	

Source: Data are from the China Impact Survey (CIS) at the Institute of Sociology, Academia Sinica, survey year in 2012.

* Note: The reference group for 1992 consensus is those who responded with 'unsure'; for Taiwan's long-term economy is 'bad influence', for unemployment anxiety is 'not worry', for national identity is 'middle ground', for party preference is 'independent voters', for origin is 'minnan', for education is 'less than high school'. All other variables are dummies, except that both age and income are continuous variables. The statistical significance level: + $p \leq 0.1$, * $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$.

Table 11.3 The Relative Risk Ratio from Multinomial Logistic Regression Estimates of Voting for KMT Presidential Candidates and Nonvoting to Voting for DPP Presidential Candidates, Year 2016

Dependent Variables:	Relative Risk Ratio (RRR) (base group: DPP Tsai-Chen)			
	Model 1		Model 2	
	Voting for KMT candidates Chu-Wang	Nonvoting	Voting for KMT candidates Chu-Wang	Nonvoting
China Factor				
1992 Consensus support			1.96*	0.74
not support			0.29**	0.34***
do not know			0.81	1.06
Assessment of the cross-Strait economic impact			1.92*	1.39
Unemployment anxiety				
won't worry about unemployment			0.83	0.56*
not available/retired			1.49	0.47
Traditional Model variables				
Party preference				
Pan-blue	32.26***	3.45***	20.87***	2.70***
Pan-green	0.10***	0.09***	0.13***	0.10***
National identity				
Pro-unification	1.25	1.33	1.03	1.16
Pro-independence	0.46**	0.57**	0.56*	0.65*
Ethnicity				
Kejia	1.06	1.17	1.10	1.23
Mainland	5.13***	2.78**	4.24***	2.32*
Native and others	1.91	1.68	2.42	1.87
Female	0.70	1.10	0.61+	0.92
Age	1.00	1.00	0.99	1.00
Education				
High school grad.	0.80	1.47	0.71	1.52
College associated	1.32	1.79	1.06	1.80
College grad and higher	0.78	1.32	0.63	1.42
Income	1.00	1.00	1.00	1.00
Intercept	0.29+	0.68	0.38	0.97
Number of obs	948			
Pseudo R ²	0.340		0.380	
Log likelihood	-637.384		-599.090	

Source: Data are from the China Impact Survey (CIS) at the Institute of Sociology, Academia Sinica, survey year in 2016.

* Note: The reference group for 1992 consensus is those who responded with 'unsure'; for Taiwan's long-term economy is 'bad influence', for unemployment anxiety is 'not worry', for national identity is 'middle ground', for party preference is 'independent voters', for origin is 'minnan', for education is 'less than high school'. All other variables are dummies, except that both age and income are continuous variables. The statistical significance level: + $p \leq 0.1$, * $p \leq 0.05$, ** $p \leq 0.01$, *** $p \leq 0.001$.

levels: one who chooses pro-unification tends to support Ma-Wu (RRR=3.10), and one who prefers pro-independence tends not to support Ma-Wu (RRR=0.57). Females are more likely than males to support Ma-Wu (RRR=1.92). Otherwise, age, education and income are not statistically significant.

Likewise, Model 1 in Table 11.3 examines the traditional model and predicts the RRR for those who voted Chu-Wang and those who did not vote in 2016.²¹ Party preference remains the most potent predictor: those who prefer the Blue camp tended to vote for Chu-Wang: their relative support rate is 32.26 times ($p=0.000$) larger than those who claim to be independent. Predictably, those who prefer pan-Green are highly unlikely to vote for Chu-Wang. Regarding ethnicity, mainlanders' support for Chu-Wang is still significant, with an RRR of 5.13. In terms of unification-independence choice, only the pro-independent variable reaches a significant level. For the year 2016, gender, age, educational level and income are all insignificant. Comparing the regression results of Model 1 between 2012 and 2016, we find that the traditional Blue-Green cleavage remains mostly unchanged. These findings based on the traditional model are consistent with previous studies (e.g. Sheng, 2002; Cheng, 2009). But what happens when we add the China factor variables?

11.3.2 Model 2: Verifying the China Factor model

Model 2 adds additional variables of the China factor into Model 1 (the traditional model). Again, we set DPP voters as the base group, and thus the two dependent variables are those voting KMT and nonvoters. In Model 2, we include three new independent variables measuring China-related effects: (1) attitude toward the 1992 Consensus (support or do-not-support); (2) assessment of the impact of cross-Strait economic relations on Taiwan's long-term economic prospects (good or bad); and (3) personal anxiety about unemployment under cross-Strait relations (worried or not-worried). The regression results are set out in Model 2 in Tables 11.2 and 11.3. Several significant findings can be analyzed:

- (1) For 2012, all three China factor variables appear significant. The RRR for those who support the 1992 Consensus reaches as high as 7.10. Its impact is even higher than ethnicity (being a mainlander, RRR=5.21). The power of the 1992 Consensus propaganda is clearly verified in the 2012 election. Assessment of cross-Strait economic impact and anxiety over personal unemployment are also significant, but their effects are much lower than that of attitude toward the 1992 Consensus. Comparing Model 2 with Model 1, when introducing the China factor variables the effect of party preference becomes smaller. Also, the RRR for pan-Blue reduces from 28.13 to 17.80. Nevertheless, party preference is still the most potent variable in explaining a voter's choice of presidential candidate. Ethnicity (being a mainlander) and gender (being female) stay at a similar level. Surprisingly, the most dramatic change comes from the national identity variable (choice on unification or independence). After controlling for China factor variables, the effect of the national identity variable becomes statistically insignificant.

- (2) Turning to 2016, two of the China factor variables—1992 Consensus and assessment of cross-Strait economic impact—remain statistically significant, but their impact has reduced substantially. The effect of the 1992 Consensus (for those who support it, RRR=1.96) is now lower than that of ethnicity (for mainlanders, RRR=4.24). In addition, unemployment anxiety becomes insignificant. As for the national identity variable, pro-independence becomes significant again ($p \leq 0.05$) with a modest RRR of 0.56. Gender is not significant. Party preference remains the most potent predictor in Model 2.
- (3) In comparing the results of both election years, the most striking finding is that the impact of the China factor faded drastically in 2016. Remarkably, the RRR for those supporting the 1992 Consensus shrank from 7.10 in 2012 to 1.96 in 2016. Compared with other variables, the Consensus no longer played a critical role. As analyzed above, the Sunflower Occupy Movement of March 2014 severely damaged the legitimacy of KMT-CCP cooperation and hence the discursive power of the 1992 Consensus. The 1992 Consensus in 2012 replaced part of the effect of national identity in affecting voters' choices. However, in the 2016 election, the civic resistance movement against China's interference neutralized the effect of the 1992 Consensus. This turn indicates that the voting difference traceable to polarization in attitudes toward China narrowed in the 2016 election. Against this backdrop, pro-independence re-emerged as a significant variable unfavorable to the KMT candidate, though its effect was relatively mild. Corresponding to the dwindling effect of the China factor was the augmentation of party preference in 2016. The RRR for those identifying as pan-Blue grew from 17.80 in 2012 to 20.87 in 2016. Perhaps the most interesting shift was in women's attitudes toward the KMT candidate, which changed from favoring (RRR=2.18, $p \leq 0.01$, in 2012) to disfavoring (RRR=0.61, $p \leq 0.1$, in 2016). That the DPP's female presidential candidate, Tsai Ing-wen, played the gender card may well explain this reverse.
- (4) Overall, the variable of mainlander ethnic identity remains a robust predictor of voting choice; mainlanders are consistent supporters of KMT candidates regardless of the China impact. Besides, this effect did not fluctuate as much as other important variables between the two waves of investigation.

To sum up, the influence of the China Factor favoring the KMT waned in the 2016 election, most likely because it was counteracted by Taiwan's civil society. The public became much more aware and critical of KMT-CCP cooperation than before. The public's trust in the KMT has plunged in recent years, as surging civic protests, including the Anti-Media Monopoly Movement in 2012 and Sunflower Occupy in 2014, seriously impacted the KMT's pro-China policy.

11.4 Conclusion: Influence operations and resistance

This chapter provides a case study of how China has manipulated public opinion by waging propaganda warfare in Taiwan, and of how Taiwanese voters have

perceived the China factor and changed their attitudes in response. To effect such an influence, Beijing had to create a discourse that linked economic dependence and pro-China policy. The 1992 Consensus fulfilled the desired function. The KMT played its part in the game, conveying a message to voters that a ‘backslide’ in cross-Strait relations would lead to recession and affect livelihoods. Despite the varying degrees of its collaborative networks, Beijing has applied a similar strategy of commercialization of united front work globally. Offering economic incentives to the objects of its united front work is an essential measure in Beijing’s repertoire of soft and sharp power.

Based on content analysis of qualitative news data and surveys on the 2012 and 2016 presidential elections, we have explored how the China factor has subtly shaped Taiwan’s national identity. Our study has found that China factor variables play a critical role in voters’ decisions, but the degree of influence is contingent on the concurrent political situation. One of the most striking findings of the 2012 survey is that China factor variables (the 1992 Consensus, in particular) had a neutralizing effect on the influence of national identity, which before the 2012 election was a consistently significant factor. Those economic voters affected by 1992 Consensus discourse had a significant impact on the outcome. These voters may have been convinced that ‘rejecting the 1992 Consensus will rock the boat of peace and prosperity’. We have explored the logic of economic reasoning in people’s attitudes toward China and its limits, contributing to a deeper understanding of the mechanism of Chinese interference in foreign countries.

The outcome of the 2016 election, however, reversed the trend we saw in 2012: the CCP’s propaganda warfare over the 1992 Consensus ceased to be effective in swaying people’s voting decisions. As evidenced by the above analysis, civic resistance to Chinese interference, in which the Sunflower Occupy Movement was the pinnacle event, may best explain differences between the respective election results. The civic movement significantly reduced the rhetorical legitimacy of economic stability as suggested by the 1992 Consensus. Hence, Taiwan’s civil society has become a critical determinant of cross-Strait relations as well as electoral politics. It is no exaggeration to say that civil society defeated Beijing’s influence attempts in the 2016 election (Wu, 2019).

The 2020 presidential election provides another window to understanding Chinese influence operations. It tells us about the possible limits—or even the self-defeating effect—of influence operations exercised by a foreign power. As early as 2018, an obscure figure named Han Kuo-yu, nominated by the KMT, won a landslide in the mayoral election in Kaohsiung, a stronghold of the pan-Green camp. This surprising victory sent shockwaves nationwide. At that moment, it was widely supposed that the KMT could recapture power at a national level in 2020. Han gained the presidential nomination. This initial bright outlook for the KMT—and for Beijing—dimmed rapidly after an abrupt change in fortune. In January 2019, Xi Jinping delivered the speech in which he not only called for unification under ‘One Country, Two Systems’ but also

warned of possible use of force in seeking that goal. President Tsai immediately condemned Xi's speech and countered that 'Taiwan absolutely will not accept "One Country, Two Systems"'. Her approval ratings quickly bounced back. Xi's speech had rendered Han a great disservice. In March, Han visited Hong Kong and walked into the Central Liaison Office. This meeting proved particularly sensitive, as Han had been known as a pro-unification politician and it happened amid heightened tensions between Taiwan and China. His actions touched a nerve, his approval rating plummeted, and he was overtaken by Tsai within two months. In June, the Anti-Extradition Movement broke out in Hong Kong. Riot police brutally cracked down on protestors. The shaky guarantee of One Country, Two Systems nearly collapsed. Hong Kong's grief overwhelmed Taiwan. All of these episodes triggered negative feelings toward Han Kuo-yu as more and more people began to worry that Taiwan would be taken over by China if he were elected. This collective *wangguogan* anxiety ('fear of losing one's country') was mobilized in Tsai's favor and helped boost her lead. Throughout 2019, an enormous number of Chinese influence operations, all theoretically favorable to the KMT, were widely reported by international media. In this round, however, Beijing's propaganda and disinformation appeared to be ineffective or even counterproductive. Tsai Ing-wen won with a commanding 57.1 percent of the vote. Identity politics and social defense for autonomy and democracy had again become critical determinants (Wu, 2020).

The Taiwan case provides a prototype for further studies into China's interventions in other countries. One element that Beijing has used in Taiwan stands out: the crucial role of local collaborators in the exercise of political influence or sharp power. Hong Kong runs as a parallel case, but since it is already in Beijing's grip the CCP can interfere with elections in a more straightforward manner. But despite the relentless crackdown, Hong Kong's people have fought on and the pro-democracy camp won an inspiring victory in district elections in 2019. The most important lesson we learn from Chinese influence operations would be that action begets reaction. Beijing's ever-aggressive external policies have caused repugnance and resistance around the world. This has not only happened in Hong Kong and Taiwan, but also in developing countries and in Western democracies such as Australia, Canada and the US.

In retrospect, then, why did Xi Jinping launch his aggressive address to Taiwan, helping reverse the KMT's fortunes and the CCP's unification roadmap? His calculations and motivations remain a mystery, but I would argue that geopolitics matter. Under an intensified rivalry with the US, Beijing may have feared that Taiwan would be offered more space in international diplomatic standing. In the wake of the DPP's electoral debacle in 2018, Beijing may have speculated that it could deal the 'Taiwan independence forces' a fatal blow in 2020. As we know, this did not in fact happen. Amid wider geopolitical transformations, Beijing's sharp power only served to foment steadfast reactions in Taiwanese society.

Acknowledgment

The authors thank Lin Cheng-yu for research assistance.

Notes

- 1 Emphasis added. In Chinese, ‘1992 consensus reached by both agencies’ was expressed as *yijiujuer nian lianghui gongshi* (一九九二年兩會共識). See Tao Shian, ‘The deputy director of ARATS Tang Shubei held a press conference in Hong Kong and said that advocating “Two-Chinas” is deemed a failure,’ *People’s Daily*, July 13, 1999.
- 2 ‘Tang Shubei Said, If Return to the 1992 Consensus, Both Agencies Can Talk Again,’ *Central News Agency*, March 10, 2000. Emphasis added.
- 3 ‘Feng Fu-hsiang Said the CCP May Play the Economic Card against Chen Shui-Bian,’ *Central News Agency*, March 28, 2000. Emphasis added.
- 4 ‘Su Chi Suggested Chen Shui-bian Proposed the 1992 Consensus to Break the Deadlock,’ *Central News Agency*, April 28, 2000. Emphasis added.
- 5 ‘New Party Legislator Visited the US Seeking to Reconcile the Taiwan Strait Conflict Crisis,’ *Central News Agency*, May 12, 2000.
- 6 ‘Li Ya-fei on the Unchanged Discourse of the 1992 Consensus,’ *Central News Agency*, August 11, 2010.
- 7 ‘Wang Zaixi: Kuomintang’s “One China, respective interpretations” is not the original 1992 Consensus,’ *United Evening News*, Feb. 26, 2019, available at <https://udn.com/news/story/11311/3665722>, accessed Feb. 27, 2019.
- 8 For a brief history of the formation of ‘1992 Consensus’, see Wu (2015).
- 9 ‘Chang Yung-fa and Other Celebrities Strongly Support the “1992 Consensus” and Call for Peace in the Taiwan Strait,’ Jan. 3, 2012, *China News*, available at <http://www.chinaews.com/tw/2012/01-03/3577840.shtml>, accessed March 11, 2019.
- 10 ‘John Hsuan Forms an Alliance to Support the 1992 Consensus,’ *United Evening News*, Jan. 11, 2012.
- 11 ‘Cher Wang Declares her Stands and Supports the 1992 Consensus,’ *Central News Agency*, Jan. 13, 2012, available at <http://goo.gl/LbocDV>, accessed March 11, 2019.
- 12 For exceptions, see Chen, Keng and Wang (2009) and Tang (2013).
- 13 Before constructing the model, we double-checked the main variables (including party preferences, national identity, unification-independence choice, and 1992 Consensus) one by one to determine whether the condition of multicollinearity was present. The results show that these variables are not collinear with each other.
- 14 Pan-Blue refers to people whose party preference inclines to the KMT, People First Party, and China New Party, the latter two spinoffs of the KMT during the 1990s and 2000s.
- 15 Pan-Green refers to people whose party preference inclines to the DPP, Taiwan Solidarity Union (Lee Teng-hui its spiritual leader), People Power Party (emerged since the Sunflower Movement), and the like.
- 16 Minnan refers to those whose ancestors emigrated from Southern Fujian.
- 17 Tsai-Su denotes DPP presidential candidate Tsai Ing-wen and vice-presidential candidate Su Chia-Chuan. Tsai-Chen denotes Tsai Ing-wen and vice-presidential candidate Chen Chien-Jen.
- 18 For simplicity, we exclude those who voted for the third group of candidates, cast invalid ballots, or responded with ‘cannot remember’ or ‘no answer’.
- 19 Relative risk ratio can be obtained by exponentiating the coefficients of the linear equations, yielding comparable magnitude based on a unit change in the explanatory variable.
- 20 Ma-Wu denotes KMT presidential candidate Ma Ying-jeou and vice-presidential candidate Wu Den-yih.
- 21 Chu-Wang denotes KMT presidential candidate Chu Li-luen and vice-presidential candidate Wang Ju-Hsuan.

References

- Bader, Julia, Grävingholt, Jörn, and Kästner, Antje. (2010). Would autocracies promote autocracy? A political economy perspective on regime-type export in regional neighborhoods. *Contemporary Politics* 16(1): 81–100.
- Bush, R. (2013). *Uncharted Strait: The Future of China-Taiwan Relations*. Washington, DC: Brookings Institution Press.
- Chen, L. H., Keng, S., and Wang, T. Y. (2009). 兩岸關係與2008年台灣總統大選: 認同, 利益, 威脅與選民投票取向 [Cross-strait relations and Taiwan's 2008 presidential election: Identity, interest, threat, and voters' choices] [in Chinese]. *Journal of Electoral Studies* 16(2): 1–22.
- Cheng, S. F. (2009). Ethnicity, identity, a vote choice in Taiwan [in Chinese]. *Journal of Electoral Studies* 16(2): 23–49.
- Fatton, R. J. (2002). *Haiti's Predatory Republic: The Unending Transition to Democracy*. Boulder: Lynne Rienner.
- Fell, D. J. (2016). The China impact on Taiwan's election: Cross-strait economic integration through the lens of election advertising. In Gunter Schubert (ed.), *Taiwan and the 'China Impact': Challenges and Opportunities* (pp. 53–69). New York: Routledge.
- Jackson, N. (2010). The role of external factors in advancing non-liberal democratic forms of political rule: A case study of Russia's influence on central Asian regimes. *Contemporary Politics* 16: 101–18.
- Kelley, J. G. (2012). International influences on elections in new multiparty states. *Annual Review of Political Science* 15: 203–20.
- Khamzayeva, A. A. (2012). Resilience of authoritarianism and its projection onto international politics: The case of Russia. Ph.D. dissertation, Department of Political Science, LUISS Guido Carli, Italy.
- Leininger, J. (2010). 'Bringing the outside in': Illustrations from Haiti and Mali for the re-conceptualization of democracy promotion. *Contemporary Politics* 16(1): 63–80.
- Lin, J. W. (2016). The PRC as a player in Taiwan's domestic politics: A two-level game analysis. In Gunter Schubert (ed.), *Taiwan and the 'China Impact': Challenges and Opportunities* (pp. 15–35). New York: Routledge.
- Roessler, P. G. (2005). Donor-induced democratization and the privatization of state violence in Kenya and Rwanda. *Comparative Politics* 37(2): 207–227.
- Sheng, S. Y. (2002). The issue of Taiwan independence vs. unification with the Mainland and voting behavior in Taiwan: An analysis in the 1990s [in Chinese]. *Journal of Electoral Studies* 9(1): 41–80.
- Tang, Y. C. (2013). 「兩岸關係因素」真的影響了 2012 年的台灣總統大選嗎? [Did cross-strait relations really affect the 2012 presidential election in Taiwan?] [in Chinese]. *Taiwan Journal of Democracy* 10(3): 91–130.
- Wu, J. M. (2009). 中國因素與台灣民主 [The China factor and Taiwan's democracy] [in Chinese]. *Reflexion* 11: 141–57.
- Wu, J. M. (2015). 九二共識到底怎麼被塑造出來的? [How was the 1992 consensus manufactured?] *Xinxinwen (The Journalist)*, 1497, November 11.
- Wu, J. M. (2016). The China factor in Taiwan: Impact and response. In Gunter Schubert (ed.), *Routledge Handbook of Contemporary Taiwan* (pp. 425–445). London: Routledge.
- Wu, J. M. (2019). Taiwan's Sunflower occupy movement as a transformative resistance to the 'China Factor,' pp. 215–240 in Ching Kwan Lee and Ming Sing (eds.), *Take Back Our Future: An Eventful Political Sociology of Hong Kong's Umbrella Movement*. Ithaca, NY: Cornell University Press.

- Wu, J. M. & Liao, M. (2015). 從統獨到中國因素: 政治認同變動對投票行為的影響 [From Unification-Independence divide to the China factor: How changing political identity influences voting behavior] [in Chinese]. *Taiwanese Sociology* 29: 89–132.
- Wu, J. M. (2020). Taiwan's election is a vote about China. *The New York Times*, Jan 11, 2020. <https://www.nytimes.com/2020/01/10/opinion/taiwans-election-is-a-vote-about-china.html?searchResultPosition=3>. Accessed Jan 12, 2020.

For review only