

Political and Media Liberalization and Political Corruption in Taiwan*

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ABSTRACT This article examines the relationship between democratic and media reforms and political corruption in Taiwan. Has liberalization resulted in increased corruption or has it created a cleaner political system? I argue that the Taiwan case reveals the potential positive effects of multi-party democracy for tackling political corruption, as opposition parties have exploited a liberalized media to challenge and alter accepted but corrupt norms of governance. Pillars of the KMT party state such as its party assets, vote buying and the corrupt patron–client relationship with local factions were until the 1990s either openly or tacitly accepted as legitimate. The Taiwanese opposition parties took a latent political issue, corruption, and progressively broadened the scope of what is publicly acknowledged as corruption. By exposing cases of KMT government corruption and establishing new norms of clean governance it is possible that in the long term opposition parties can contribute to the creation of a cleaner political system.

“Corruption is frequently an integral part of the political system – a part which we ignore only at our great peril.”¹

Since the end of the Cold War almost no democracy has been immune from high-level corruption scandals and this contributed to the downfall of a number of long dominant political parties in Italy, the United Kingdom and Spain.² The issue has been equally influential in many “third wave democracies,” such as Taiwan. At election time political corruption issues are more visible and receive more attention in election propaganda than any other political issue.³ Despite the high salience of the corruption issue in Taiwanese electoral politics, it has received far less attention than identity questions from political scientists studying Taiwan. The importance of the issue is apparent from the fact that many Kuomintang party (KMT) politicians view the opposition’s anti-corruption campaigns of the 1990s as a critical factor in its fall from office after ruling Taiwan for over 50 years.

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1. James Scott, “Handling historical comparisons cross nationally in comparative political corruption,” in A. Heidenheimer, M. Johnston and V. Le Vine (eds.), *Political Corruption: A Handbook* (New Brunswick: Transaction Publishers, 1989), p. 129.

2. For an example of corruption contributing to the downfall of a long incumbent party see Donatella Della Porta and Alberto Vanucci, “Corrupt exchanges and the implosion of the Italian party system,” in A. Heidenheimer and M. Johnston (eds.), *Political Corruption: Concepts and Contexts, Third Edition* (New Brunswick: Transaction Publishers, 2002), pp. 717–733.

3. Dafydd Fell, “Party platform change in Taiwan’s 1990s elections,” *Issues and Studies*, Vol. 38, No. 2 (2002), p. 42.

This article examines the relationship between political and media liberalization and political corruption in Taiwan. Taiwan's media and political reforms began simultaneously in the late 1980s, and continued through the 1990s. Has the advent of a free media and competitive multi-party competition resulted in increased corruption or a cleaner political system? This is a critical question pertaining to the state of Taiwanese democracy, for as Paul Heywood points out, political corruption is more undermining of democracies than authoritarian states:

By attacking some of the basic principles on which democracy rests – notably, the equality of citizens before institutions (that is, the idea that individuals should be treated with fairness and respect by government officials) and the openness of decision making (that is, crucially, accountability) – corruption contributes to the delegitimation of the political and institutional systems in which it takes root.⁴

In many new democracies there is a widespread perception that corruption has actually worsened during the democratic transition. A number of scholars have recently been critical of corruption associated with Taiwan's electoral politics.⁵ In contrast, this article shows the value of political and media liberalization in combating political corruption. It was only after the arrival of full national multi-party elections and a lifting of media restrictions in Taiwan that ruling party corruption was effectively challenged. By making political corruption a central election issue, Taiwan's opposition parties have widened the realm of what is seen as corruption, promoted anti-corruption legislation and set new norms of clean governance. Although democracy is not a panacea for political corruption, the Taiwan case offers support for Michael Johnston's argument that "high quality, well institutionalised political competition can help reduce levels of corruption."⁶ Of course opposition political parties required means to get their anti-corruption message across to the electorate. Taiwan's newly liberalized media has offered such a stage for dissidents to expose government corruption and challenge corrupt governance norms.

Party competition on the corruption issue has tended to be convergent. Although Taiwan's parties began the 1990s with contrasting definitions of corruption, by the end of the decade they were far less polarized. They have been highly responsive to election results and public opinion on the issue. Opposition parties stressed the political corruption issue as a means of winning elections and expanding support levels. In addition, by attacking KMT party assets and vote buying they hoped to create a fairer electoral playing field. The KMT increasingly viewed its corrupt image as contributing to electoral defeats and lower support rates; as a result it has

4. Paul Heywood, "Political corruption: problems and perspectives," in Paul Heywood (ed.), *Political Corruption* (Malden, MA: Blackwell, 1997), pp. 1–19 at p. 5.

5. For example Kuo Cheng-tian, "Taiwan's distorted democracy in comparative perspective," *Journal of Asian and African Studies*, Vol. 35, No. 6 (1999), pp. 29–58.

6. Michael Johnston, "Party systems, competition and political checks against corruption," paper presented at the Conference on Political Corruption, Robert Schuman Center, European University Institute, Florence, Italy, March 1999.

grudgingly accepted many of the opposition's anti-corruption proposals.⁷ Through intensive electoral debate, foundations of the KMT party state such as party assets, vote buying and a corrupt patron–client relationship with local factions were first challenged and then discredited. In short, I argue that the advent of political and media liberalization has contributed to a cleaner political system in Taiwan.

A Framework for Analysing Political Corruption Issues in Taiwan

There is no consensus on a simple definition of political corruption. According to James Scott, it “involves a deviation [by public officials] from certain standards of behaviour,”⁸ while the global anti-corruption research organization Transparency International defines it as “the abuse of public office for private gain.”⁹ However, this raises the problem of how these standards are fixed and who fixes them. They are commonly based on legal standards, public interest or public opinion. Public interest definitions argue “if an act is harmful to the public interest, it is corrupt even if it is legal,”¹⁰ but public interest tends to be defined by the incumbent elite. In addition, legal and public interest definitions change over time, as Veronique Pujas and Martin Rhodes point out: “An act tolerated during a given period in a particular society may not be in another, since the values of that society will have changed.”¹¹ Even within countries standards differ greatly. As the Democratic Progressive Party's (DPP) Tien Hsin commented: “Cracking down on corruption has more appeal in urban areas and not much in rural areas.”¹² In short, what actually constitutes corruption is a highly contested concept; standards vary cross-nationally, and within countries, both across party lines and over time.

Arnold Heidenheimer suggests a useful framework by distinguishing between “black, grey and white corruption.”¹³ “Black corruption” occurs when actions occur which a “majority consensus of both elite and mass opinion would condemn and would want to see punished,” while in the case of “grey corruption,” “some elements, usually elites, may want to see the actions punished, others not, and the majority may well be ambiguous.” Finally in the case of “white corruption,” “the majority of elite and mass opinion probably would not vigorously support an attempt to punish a form of corruption that they regard as tolerable.”¹⁴

7. Numerous KMT politicians made this point in interviews in the autumn of 2001.

8. James Scott, *Comparative Corruption* (Englewood Cliffs, NJ: Prentice Hall, 1972), p. 3.

9. See <http://www.icgg.org/corruption/cpi2003.faq.html>, accessed on 12 October 2004.

10. John Gardiner, “Defining corruption,” in Heidenheimer and Johnston, *Political Corruption: Concepts and Contexts*, p. 32.

11. Veronique Pujas and Martin Rhodes, “Party finance and political scandal,” in Heidenheimer and Johnston, *Political Corruption: Concepts and Contexts*, p. 740.

12. Tien Hsin, interview by author, Taipei, 23 October 2001.

13. Arnold Heidenheimer, “Perspectives on the perception of corruption,” in Heidenheimer and Johnston, *Political Corruption: Concepts and Contexts*, p. 161.

14. *Ibid.* p. 161.

Table 1: Political Corruption Sub-Issues in Taiwan's Martial Law and Multi-Party Eras using Heidenheimer's Categories of White, Grey and Black Corruption.

<i>Corruption sub-issue</i>	<i>Martial law era</i>	<i>Multi-party era</i>
Election banquets	White	Grey (but still white in some rural areas)
Party assets	White	Black
Factional candidates	White	Grey
Local level corruption, including municipal executive corruption	White	Black
Grassroots elections	White	Grey
Golden oxen	White	Grey
Gangster influence on politics	White	Black
Vote buying	Grey	Black (but grey in some rural areas)
Corruption of high level central government officials	Grey	Black
Government business collusion	Grey	Black

Notes:

This table places the corruption sub-issues into Heidenheimer's categories of white, grey and black corruption during the authoritarian martial law era (1949–87) and the multi-party era. Judgement over which category to place each sub-issue is based on the author's interviews and reading of campaign reviews.

To circumvent definitional problems I have created a framework that takes into account Taiwan's fluid and ever expanding definitions of political corruption. This is outlined in Table 1, which places the main political corruption sub-issues into categories of "white, grey or black corruption" during the martial law and multi-party eras. I have based the categorization in the multi-party era on the mainstream views of politicians since 2001, ten years after the first complete national elections. The table reveals the rapid transformation in norms on political corruption. Pillars of the KMT party state noted above (its party assets, vote buying and corrupt patron–client relationship with local factions) were until the 1990s either openly or tacitly accepted as legitimate or "white corruption." Following the advent of multi-party politics and a liberalized media the Taiwanese opposition parties took a latent political issue, corruption, and progressively broadened the scope of what is publicly acknowledged as "black corruption." Under the opposition's relentless anti-corruption attacks the KMT has been forced to change its position, and has, for instance, promised to give up its business empire.

Political Corruption in Taiwan Prior to Liberalization: 1947–1991

Prior to democratization many of the sub-issues that are listed in the martial law column of Table 1 already existed but came under the category of “white corruption,” in that they were accepted components of Taiwan’s social and political system. Taiwan’s “white corruption” in this period resembled how Jean Blondel described the informal system that existed in Belgium, Austria and Italy, where “patronage had existed for so long and had become so much part of political and social life that it seemed to have been not just accepted, but even viewed as normal.”¹⁵ Two significant examples of what has retrospectively become defined as KMT corruption were the relationship between the KMT and local factions, and KMT party assets.

When the KMT regime arrived in Taiwan it needed grassroots support for local elections, and therefore it established a patron–client alliance with the local factions that remained intact and unchallenged until democratization.¹⁶ Whereas in Italy patronage was divided among the leading political parties,¹⁷ in Taiwan the beneficiaries were local KMT factions. Under this form of institutionalized corruption the KMT was prepared to tolerate corruption at the local level, while the central government and bureaucracy maintained a reputation of being relatively clean. The basis of this alliance was economic rather than ideological, as in return for affiliating with the KMT local factions were rewarded with local economic monopolies, special loans and credits from state owned commercial banks, and local government public contracts. In addition, the central government turned a blind eye to factional links with organized crime and involvement in land speculation and illegal businesses, such as gambling houses, brothels and dance halls. A major component of local-level corruption has been the involvement of gangsters in politics, a phenomenon known as “black gold.”

During the martial law era the KMT was highly reliant on the local factions’ mobilization to win local elections. For instance, between 1954 and 1989 62.93 per cent of KMT provincial assembly candidates were from the local factions. Moreover, factional candidates had a much higher election rate of 92.6 per cent compared to 74.41 per cent for non-factional politicians. Vote buying was a common electoral tool for KMT factional politicians throughout the martial law era. As former KMT Kaohsiung mayor Wu Tun-yi recalled on Taipei city council elections in the 1970s: “The level of Taipei voters is a little higher than other places, but of course vote buying was common. Each constituency elected about ten councillors and in each constituency only three people didn’t need to buy

15. Jean Blondel, “Party government, patronage and party decline in Western Europe,” in R. Gunther, J Montero and J Linz (eds.), *Political Parties: Old Concepts and New Challenges* (Oxford: Oxford University Press, 2002), 251.

16. For details of the KMT local faction alliance see Chen Ming-tong, “Local factions and Taiwan’s democratization,” in Tien Hung-mao (ed.), *Taiwan’s Electoral Politics and Democratic Transition: Riding the Third Wave* (Armonk: M.E. Sharpe, 1996), pp. 174–193.

17. Della Porta and Vanucci, “Corrupt exchanges and the implosion of the Italian party system,” pp. 717–733.

votes.”¹⁸ Of course, vote buying was legally forbidden, with the first successful prosecution in 1967 and very strict measures to prevent it in the 1980 Public Officials Election and Recall Law. However, the practice, particularly where KMT politicians were involved, still fell into the category of “white corruption.” As political scientist Tien Hung-mao explained: “Enforcement [of the election law regulations], if it occurs, is highly selective.”¹⁹

During the KMT’s five decades in power it took advantage of its dominant position to accumulate a vast real estate and business empire, and set up monopolies for its own companies, making it the fifth biggest business syndicate in Taiwan and richest political party in the world.²⁰ Through a number of holding companies, the KMT invested in over 100 companies, including cement, construction, insurance, finance and media enterprises. The profits from these companies have enabled the KMT to outspend its rivals in election campaigns and employ thousands of party cadres in its central, provincial, city and county headquarters and community service centres throughout the island. The existence of the KMT’s alliance with local factions and its party assets reflect the weakness of using legal standards to define political corruption in an authoritarian context, as the KMT was able to design the legal framework that legitimized ruling party corruption.

Under martial law Taiwan lacked both significant opposition parties and free media to check the forms of “white corruption” described above. Although local-level elections were allowed, Taiwan remained far from democratic governance. Island-wide national level elections were indefinitely postponed, as parliamentarians elected on the Chinese mainland in 1947 were frozen in office for over 40 years. Similarly, though independent candidates could stand for election, no new opposition parties were permitted to form. When dissident politicians did move towards the creation of genuine opposition parties, the KMT cracked down by arresting potential leaders in 1960 and 1979.

Martial law era dissidents struggled to get their political message to the public as Taiwan lacked free media. The KMT totally controlled the electronic media and was able to dominate the print media. The KMT’s Broadcasting Corporation of China was by far the most influential radio network, while ownership of the only three terrestrial television stations was largely in the hands of the KMT itself or government ministries. The pattern of press ownership appeared more liberalized with 70 per cent of circulation in the hands of the *China Times* and *United Daily News* groups. However, with the owners of both groups on the KMT’s Central Standing Committee, these were in effect KMT party publications.

18. Wu Tun-yi, interview by author, Nantou, 8 October 2001. According to Wu the three candidates not needing to buy votes were from the opposition Tangwai movement, the KMT’s veterans’ association and a KMT candidate with a good image.

19. Tien Hung-mao, *The Great Transition: Political and Social Change in the Republic of China* (Taipei: SMC Publishing, 1989), p. 179.

20. For details see *Far Eastern Economic Review*, Vol. 157, No. 32 (11 August 1994), p. 62.

Finally, even if dissidents were wealthy it was also impossible to reach voters using media advertising, as under martial law there was a total ban on political advertising.

In the mid-1980s Taiwan's political dissidents began moving towards the formation of the first opposition party. While the opposition did make some anti-corruption appeals in the 1980s,²¹ as late as 1991 corruption was not a central electoral issue.²² It was not until the liberalization of the media and introduction of full national elections in the early 1990s that the corruption issue would become salient and the martial law era "white corruption" would be seriously challenged.

Political and Media Liberalization

In the late 1980s and early 1990s Taiwan experienced a series of political and media reforms that radically altered the island's political landscape. Prior to the end of martial law the first genuine opposition party, the DPP, was illegally formed in September 1986. In 1989 legislation was passed to legalize opposition parties, and though the KMT continued to dominate elections in the early 1990s, Taiwan has rapidly moved towards a multi-party system. By 2004 there were five significant political parties; moreover the DPP had won the presidential election twice and become the largest political party in the Legislative Yuan. In 1991 the old parliamentarians who had been in office since 1947 were finally compelled to retire, allowing full nationwide elections for the Legislative Yuan and National Assembly. Offices open for election continued to increase throughout the 1990s, with the first direct elections for Taipei and Kaohsiung mayor and the provincial governor in 1994, and the president in 1996.

Media liberalization has followed a similar time scale. Following the end of martial law government press censorship declined and had largely disappeared by the mid-1990s. In 1988 the government ban on new newspapers was lifted, leading to greater competition in the print media. The pro-DPP *Liberty Times* now challenges the position of the *China Times* and *United Daily News* as the most read newspaper. Both the *China Times* and *United Daily News* have ceased to be mouthpieces for the KMT and since the mid-1990s have often been highly critical of the party leadership. Newspapers have specialized in providing in-depth political coverage, reporting the election speeches and activities of politicians from all political persuasions.

In the 1990s the KMT's dominance of the electronic media came to an end. In addition to a loosening of restrictions on new private radio stations, illegal underground radio stations have become very popular with their strong anti-KMT tone. There has been a massive growth in

21. For instance, it called for illegal KMT assets to be returned to the state in 1983. See Chen Ming-tong, "The DPP's party image," paper presented at the Taiwanese Political Science Association Conference, Taipei, December 1998, p. 38.

22. Fell, "Party platform change in Taiwan's 1990s elections," Table 4.

privately run cable television, resulting in sharp drops in terrestrial channel viewing figures. While only 16.1 per cent of households subscribed to cable television in 1990, this had risen to 84.3 per cent in 2003.²³ The number of cable channels has shot up so that most subscribers have a choice of almost 100 channels, including ten Taiwan-based 24-hour news channels. These cable channels have revolutionized election communication in Taiwan by offering politicians a wide range of new methods to reach voters directly in their living rooms. While in the United Kingdom “Question Time” is the sole weekly politics talk show, Taiwan’s cable channels broadcast at least a dozen daily shows in which politicians from the main political parties debate the topical political issues of the day. During election campaigns the cable news channels broadcast live election debates for presidential, legislative and local executive candidates, party news conferences, campaign rallies, and major candidate speeches.

Another significant area of media liberalization has been the removal of restrictions on media advertising. In 1989 campaign ads were permitted in newspapers for the first time. Since the arrival of cable channels in the mid-1990s Taiwan has followed an American-style free market in election television advertising. While in 1991 there were just 245 minutes of campaign advertisements, in 2000 there were 56,043 minutes.²⁴ As a result television advertising has become one of the largest single items of campaign spending in Taiwanese elections.

The Opposition’s Anti-corruption Campaign in the Liberalized Media

At the outset of the first full democratic elections in the early 1990s, Taiwan’s political parties had contrasting definitions of what constituted political corruption. The ruling KMT was still prepared to defend or tolerate the institutionalized system of ruling party corruption that had been created during the martial law era. However, the opposition parties were able to exploit the newly liberalized media to place the latent issue of money politics on the election agenda. The issue was to be the opposition parties’ most effective weapon to discredit the ruling KMT, contributing to the DPP’s improved electoral results. Moreover, as a result of the opposition’s anti-corruption campaigns the actual parameters of what constitutes “grey” or “black corruption” continued to expand.

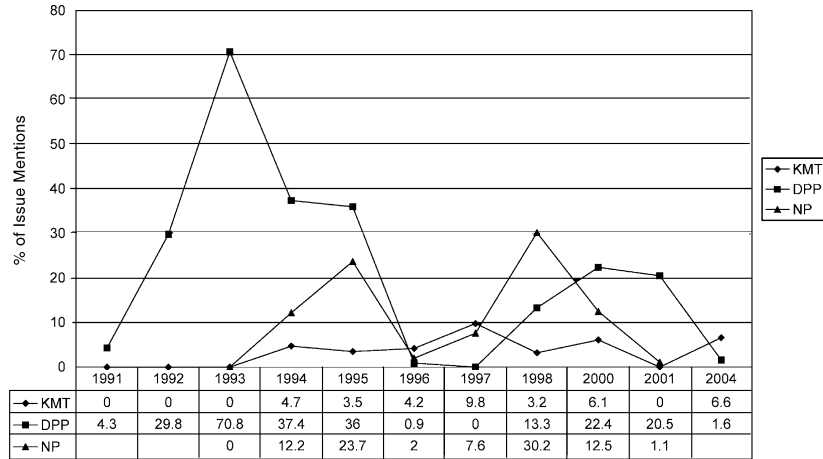
The high salience of political corruption in Taiwan’s first decade of multi-party elections is apparent from Figure 1. This shows the percentage of issue mentions of corruption for Taiwan’s three main political parties in their newspaper election advertisements between 1991 and 2001.²⁵ In almost every national-level election since 1992 the DPP, and to a lesser extent the New Party, completely dominated the issue. The

23. See www.dgt.gov.tw/Chinese/Data-statistics/11.3/annual-report-92/Cable-TV.shtml, accessed on 14 May 2004.

24. Data supplied by Taiwanese advertising analysts Rainmaker.

25. This data only shows the proportion of political corruption issue mentions for advertisements issued by the party centre or official presidential headquarters.

Figure 1: Party Emphasis of the Political Corruption Issue



only years when the DPP downplayed the corruption issue in its newspaper ads were 1991, 1996 and 1997. In contrast, Figure 1 reveals that the KMT has shown the least interest in the political corruption issue, as it was perceived as a vote loser.

The impact of anti-corruption campaigns on the electoral fortunes of the opposition DPP can be seen in Table 2, which correlates the position of the political corruption issue in the DPP's top ten issues in its newspaper and television election advertising with its vote share and the general verdict on its election performance. There is a clear pattern that on the two occasions the DPP suffered serious electoral setbacks in 1991 and 1996 it had failed to stress political corruption in its election advertising. In contrast, whenever the DPP centred its campaign on anti-corruption it achieved improved electoral results. The only apparent exception to this pattern was in 1997, when though DPP newspaper ads did not focus on corruption, it was the party's third most stressed issue in its television ads. That year the DPP issued a series of television ads reminding voters of KMT corruption scandals. These were so effective that a former KMT propaganda chief commented, "the KMT was struggling to defend itself, so that year we suffered blow after blow."²⁶

There was agreement among politicians of all parties that the DPP's anti-corruption campaigns had made real inroads into KMT support. As DPP legislator Shen Fu-hsiung commented, "the black gold issue, it works."²⁷ The KMT legislator Ting Shou-chung explained his party's defeat in the 2000 presidential election in these terms: "I believe that the main reason that Taiwan's people threw away the KMT at the last election [2000] was not that we had failed with public policies,

26. Former KMT propaganda chief, interview by author, Taipei, 19 October 2001.

27. Shen Fu-hsiung, interview by author, Taipei, 19 September 2001.

Table 2: Relationship between DPP's Emphasis of Political Corruption in its Newspaper and Television Advertisements and its Election Results 1991–2001

<i>Year</i>	<i>Political corruption's position in issue top ten for newspaper election ads</i>	<i>Political corruption's position in issue top ten for newspaper election ads</i>	<i>DPP's vote share (%)</i>	<i>Election verdict</i>
1991 National Assembly	4	Out of top ten	23.9	Disaster
1992 Legislative Yuan	1	1	31.03	Growth
1993 Municipal Executive	1	N/A	41.16	Growth
1994 Provincial governor, Kaohsiung and Taipei mayor	1	N/A	40.56	Growth
1995 Legislative Yuan	1	4	33.17	Growth
1996 President	Out of top ten	Out of top ten	21.13	Disaster
1997 Municipal executive	Out of top ten	3	43.32	Victory
1998 Legislative Yuan and Kaohsiung and Taipei mayor	2	4	29.56	Draw
2000 Presidential	1	2	39.3	Victory
2001 Legislative Yuan and Municipal Executive	1	N/A	33.38	Growth

Notes:

The DPP's top ten issues in newspaper ads are based on a content analysis of official party newspaper ads over 31 days prior to voting day in Taiwan's three main newspapers. For details see Dafydd Fell, "Party change and the democratic evolution of Taiwan," PhD dissertation University of London, 2003, Table 2.8. The DPP's top ten issues in television ads are based on a content analysis of official party ads I was able to collect for 1991, 1992, 1995, 1996, 1997, 1998 and 2000.

Sources:

For the DPP vote share: 1991 (National Assembly) Linda Chao and Ramon Myers, *The First Chinese Democracy* (Baltimore: John Hopkins Press, 1998), p. 237; 1992 (Legislative Yuan) John Hsieh, "Continuity and change in Taiwan's electoral politics," in *How Asia Votes* (New York: Chatham House, 2001), p. 37; all other years data are from the National Chengchi University Election Study Centre dataset.

popularizing education, the National Health Service, development of high tech industry, in all these areas we were very successful. But the public felt that competition makes for a better government, they wanted change as the KMT had done badly on black gold.”²⁸ Even in the first election after the DPP became the ruling party it still saw some benefit in stressing the issue, for as former KMT propaganda chief Huang Hui-chen commented, “even in opposition, the KMT has its black gold problems.”²⁹

The DPP and New Party both showed themselves to be skilled at taking advantage of the media liberalization to attack KMT corruption. Table 2 showed how the DPP gave much emphasis on the corruption issue in its television ads; however, a reason why many of these ads were especially effective was their use of humour to mock the KMT’s links to corruption. In the 1997 DPP “spokesman” television ad, a KMT spokesman tries to explain away KMT corruption cases, but with clips of infamous KMT members being arrested on corruption and murder charges, the spokesman collapses and is carried off on a stretcher. A 1995 DPP newspaper ad carried the slogan: “Raise your hand if you believe the KMT will deal with vote buying.”³⁰ Similarly, in 1998 the DPP “Aqiao and Apao black gold” television ad, two comedy characters do a mock interview with a gangster KMT legislator, who is very sensitive to questions related to corruption and vote buying.

The opposition also regularly stressed corruption in televised candidate debates after these became popular in the mid-1990s. In Taiwan’s first live televised candidate debate for Taipei mayor in 1994 the DPP’s Chen Shui-bian and the New Party’s Chao Shao-kang were equally scathing in their criticisms of the Taipei metro project’s corruption. However, the KMT candidate Huang Ta-chou’s feeble response was: “As to which previous mayor caused the present problems, I am not at liberty to say, you think about it yourself.” Similarly, in the 2000 presidential debates the DPP’s Chen Shui-bian gave far more attention to the corruption issue than any of the other candidates. Chen’s quote from the first television debate in 2000 echoes the DPP’s tone since the mid-1990s:

According to surveys about 70 per cent of the people think that under KMT rule the “black gold” question is getting worse. From grassroots financial institutions to big public construction projects, from the insider trading on the stock exchange to corruption in military purchase cases the KMT has relied on a system of corruption that reaches all levels of our country. Since the end of martial law the KMT has relied on gangsters and money politics to maintain its power. So hoping for the KMT to tackle “black gold” is like dying charcoal white, it is impossible. Only if Abian is elected can the danger of “black gold” be dealt with.³¹

The DPP has employed similar messages in the live broadcasts of campaign rallies and campaign speeches. For instance, Chen Shui-bian told his audience in a 2000 televised election rally: “It’s close to the

28. Ting Shou-chung, interview by author, Taipei, 28 September 2001.

29. Huang Hui-chen, interview by author, Taipei, 26 September 2001.

30. *Liberty Times*, 1 December 1995, p. 1.

31. *China Times*, 21 February 2000, p. 2. Abian is Chen Shui-bian’s preferred nickname.

voting day and the KMT has already begun its money attacks, trying to exchange cash for votes. Take the money but vote as you wished. For the dignity of the Taiwanese people vote Chen Shui-bian, otherwise if an embezzler or golden ox became president it would be an international joke.”³²

The opposition was also adept at highlighting KMT corruption in the increasingly popular politics talk shows. A number of KMT politicians even complained of co-operation between the talk show hosts and the DPP in setting discussion topics or guests that would highlight the KMT’s corrupt image. A former KMT propaganda chief recalled: “He [the show host of the most popular politics talk show] deliberately invited Shih Tai-sheng to discuss political corruption, when Shih Tai-sheng is himself corrupt. He did it deliberately. If you invite him the KMT is sure to take a beating on the issue.”³³

During the 1990s the DPP was able to challenge much of the institutionalized “white corruption” that had been openly or tacitly accepted since the martial law era. Over the first decade of multi-party elections it gradually expanded the scope of corruption sub-issues that it framed as “black corruption.” Initially, in the early 1990s, the DPP concentrated its attacks on KMT vote buying, corruption at the local level, and nomination of wealthy and corrupt politicians, a group known as “golden oxen.” For instance, one 1992 DPP television ad changed the KMT’s slogan of “Reform, more reform, confidence in prosperity” to “Reform and more reform, golden oxen have confidence in prosperity.” Similarly a 1993 DPP newspaper ad, which was repeated on the front page of the *United Daily News* for seven days, consisted of just one slogan: “The KMT has a past record of vote buying and vote rigging. Yesterday it was crooked, today it is vote buying and in the future it will be corrupt.”³⁴ Numerous DPP ads accused the local KMT executives of involvement in land speculation. For instance, a DPP newspaper ad showed a picture of a monopoly board and the slogan “The DPP loves Taiwan, while the KMT loves land speculation.”³⁵

The scale of anti-corruption campaigning was further increased by the arrival on the scene of the New Party in 1993, which also made political corruption one of its top electoral issues until 1998.³⁶ Although the opposition parties continued to reinforce the KMT’s image of vote buying and local-level corruption, they also broadened the scope of issues condemned as “black corruption.” New targets included questioning the legality of KMT party assets, links between the KMT and gangsters, and corruption at the central government level.

32. *China Times*, 8 March 2000, p. 2.

33. Former KMT propaganda chief, interview by author, Taipei, 19 October 2001. In 2001 Shih received a ten-year jail sentence for corruption; see www.epochtimes.com/b5/1/1/7/n30838.htm, accessed on 15 May 2004.

34. *United Daily News*, 21–26 November 1993, p. 1.

35. *China Times*, 23 November 1993, p. 13.

36. Fell, “Party platform change in Taiwan’s 1990s elections,” Table 2.

Although under martial law the central-level government had a reputation for being clean, it is possible that levels of corruption remained constant before and after democratization, but only after the media's liberalization have such scandals been openly reported. The central government's clean image was challenged by the opposition's emphasis of corruption scandals related to the Taipei metro project in the mid-1990s. For instance, in 1994 the DPP had a series of newspaper ads with pictures of derailed or burnt-out Taipei metro cars with the slogan "A derailed metro, a corrupt metro."³⁷ This was a theme maintained in the 2000 presidential election when the KMT's failure to tackle high-level corruption was highlighted. A full-page DPP ad had a picture of a guava, which in Taiwan symbolizes an empty promise. It claimed: "Lien Chan has sworn eight times to sweep away corruption, but during his time as premier there were 55 major corruption cases, which accounted for up to NT\$14.2 billion in procurement corruption."³⁸

In an extension of its attacks on local corruption, the DPP also began to attack the KMT's close relationship with the criminal underworld. A series of scandals gave it ample scope to accuse the KMT of gangster links. In the DPP's 1995 "Black gold" television ad, a mother told how her son was killed by KMT Pingtung County Council speaker Cheng Tai-chi, then it showed her crying over her dead son, and the picture of the KMT murderer. In the 2000 presidential campaign the DPP went further by exposing the link between gangster politicians and KMT presidential candidates. One particularly effective ad showed the contrasting pictures of the DPP's Chen with Academia Sinica president and Nobel prize winner Lee Yuan-che, while the KMT's Lien Chan and independent KMT candidate Soong Chu-yu were shown next to pictures of their alleged gangster supporters. The ad then simply asked, "Who are you going to trust Taiwan's future with?"³⁹

The last of the new anti-corruption themes the DPP began framing as "black corruption" from the mid-1990s was KMT party assets. In 1995 the DPP issued the "Party asset" television ad and newspaper ads giving details of how the KMT used its ruling status to increase its property and wealth.⁴⁰ However, though the DPP described the party assets as illegal, this was still disputed by the KMT, which insisted that all its assets were obtained legally.⁴¹ Since 1996 the KMT has pledged to reform its assets, but its failure to keep its promise has allowed the DPP to use the issue to discredit the KMT in subsequent elections. For instance, a 2000 DPP newspaper ad slogan was, "Mr Lien Chan, please pay attention, there are only seven days left before you fail to deliver on your promise of placing the party assets in a trust."⁴²

37. *United Daily News*, 22 November 1994, p. 1.

38. *Liberty Times*, 16 February 2000, p. 11.

39. *Liberty Times*, 15 March 2000, p. 16.

40. *Liberty Times*, 13 November 1995, p. 12.

41. *China Times*, 5 November 1995, p. 2.

42. *United Daily News*, 11 March 2000, p. 1.

The success of the New Party and DPP anti-corruption campaigns of the 1990s is shown in both elite and mass survey data. In a 2001 survey of 66 experienced Taiwanese politicians I found that politicians ranked money politics the second most influential issue of the decade (1991–2001).⁴³ Mass surveys show that while the KMT was increasingly seen as a corrupt party, the New Party and DPP were seen as attacking corruption and clean. First, the National Chengchi University's Election Study Centre surveys asking voters for their first impressions of political parties showed that while in the early 1990s none of the parties was primarily associated with corruption, by the mid-1990s the corrupt image of the KMT had sunk into the public imagination.⁴⁴ For example, in 1995 6.8 per cent saw the KMT as corrupt and 4.1 per cent saw the KMT as having gangster links as their first impressions, while in 1998 5.3 per cent saw the KMT as corrupt, 3 per cent saw it as having gangster links and 8 per cent said the KMT had links to money politics as their first impression of the party. In contrast, the numbers citing the DPP and New Party as corrupt were negligible. In the late 1990s the DPP Survey Research Department carried out a series of revealing surveys that asked voters why they like or dislike Taiwan's main parties.⁴⁵ By far the most common reply to the question why do you dislike the KMT was because the KMT was corrupt. In contrast, to the question of why do you like a party, the fact that the DPP was clean came second and that the New Party was clean came first in all three surveys. The public association of the KMT with corruption had become so strong by the late 1990s that the DPP's Chen Chung-hsin noted: "It is possible that some people in the KMT don't buy votes, but if you say the KMT doesn't buy votes few will believe you. The common image is that the KMT buys votes."⁴⁶

Towards a Cleaner Political System?

The previous section has shown that the Taiwanese opposition parties' anti-corruption campaigns were a factor in the downfall of the former authoritarian party, the KMT. However, has the electoral salience actually contributed to making Taiwan a cleaner political system? Measuring the degree of corruption in any given society is a controversial question. Therefore I have tackled this by examining survey data, the changing perceptions on corruption, and anti-corruption measures and legislation adopted in recent years.

Survey data from the international corruption research organization Transparency International offers some evidence that political corruption has declined since the mid-1990s. Table 3 shows the results from Transparency International's corruption perception index, which is a

43. See Dafydd Fell, "Party change and the democratic evolution of Taiwan," PhD dissertation, University of London, 2003, Table 2.2.

44. Election Study Centre Dataset, supplied by Dr Liu I-chou.

45. DPP Survey Research Department, "11th national opinion survey: party image," unpublished paper by the DPP Survey Research Department, 1999, pp. 4–5.

46. Chen Chung-hsin, interview by author, Taipei, 23 October 2001.

Table 3: Transparency International Corruption Perception Index (CPI) for Taiwan, 1995–2004

<i>Year</i>	<i>Corruption perception index</i>	<i>World ranking</i>
1995	5.08	25/41
1996	4.98	29/54
1997	5.02	31/52
1998	5.3	29/85
1999	5.6	28/98
2000	5.5	28/90
2001	5.9	27/91
2002	5.6	29/102
2003	5.7	30/133
2004	5.6	35/145

Note:

The CPI ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians. It is a composite index, drawing on 17 different surveys from 13 independent institutions carried out among business people and country analysts, including polls of residents, both local and expatriate. Its scores are based on respondents' perceptions of the degree of corruption on a scale in which 10 equals highly clean and 0 equals highly corrupt. For details see www.icgg.org.

composite index drawing from a range of surveys in which respondents are asked to judge the degree of corruption in a country on a scale where 10 is highly clean and 0 is highly corrupt. The table shows that Taiwan's corruption perception index began to improve in the late 1990s, reaching its least corrupt score of 5.9 in 2001 after the change in ruling parties. However, this table is not conclusive proof that Taiwan has become a cleaner society since democratization, as since 2002 the index has hovered around 5.6, and as the number of countries surveyed by Transparency International has increased, Taiwan's world ranking has fallen slightly.

The impact of the opposition's anti-corruption campaigns is more persuasive when we consider the expansion in norms of what constitutes political corruption and the stricter anti-corruption measures. At the outset of full democratic elections in 1991 the ruling KMT and opposition parties had quite contrasting views on what constituted corruption. The KMT viewed party assets and its patron–client relationship with local factions and big business as integral components of the political system. For most of the general public these phenomena fell into the category of “white corruption.” In contrast, the DPP began to challenge the old system of institutionalized corruption, framing this system as “black corruption.” By creating a new set of norms on aspects of the corruption issue, the opposition continued to expand the parameters of corruption, as more sub-issues became viewed as either “grey” or “black corruption.” As a result of a decade of electoral debate there has been a rapid changing of norms regarding corruption, resulting in both the public and KMT embracing the DPP's definitions. The issue moved from the public to the

formal government agenda as the KMT was forced to respond, first half-heartedly but later more radically, on issues such as party assets, nominating “black gold” candidates and vote buying.

Attacking KMT vote buying was one of the DPP’s earliest and most consistent anti-corruption campaign items. By the mid-1990s as the public increasingly saw vote buying as a form of “grey” rather than “white corruption” the KMT was under pressure to respond. In March 1994 following local assembly speaker elections, the Ministry of Justice conducted its largest ever crackdown on vote buying. The scale is evident from the fact that vote-buying investigations were carried out in 22 out of Taiwan’s 23 counties and cities, and over 332 councillors were indicted.⁴⁷ Naturally such crackdowns did much damage to the KMT itself as the vast majority of those indicted were KMT nominated politicians.

Gradually the scope of what is seen as vote buying widened as a result of campaigns. In the past it was normal practice for the KMT to mobilize civil servants to attend KMT rallies, offering the incentives of “travel expenses.” However, by 2000 the climate had changed, with the practice seen as a form of “black” or “grey corruption.” In 2000 the KMT was discredited by allegations of pressurizing and paying civil servants to join KMT rallies.⁴⁸ Moreover even the common practice of holding election banquets in which candidates competed to see who could attract the most voters to gigantic free meals has increasingly become equated with vote buying or “grey corruption.” In urban areas such banquets are increasingly frowned upon.

There is a wide consensus that vote buying has declined in effectiveness. As the former KMT secretary general Hsu Shui-teh explained: “Before vote buying worked. Scarves or other things. Now hundreds of dollars, people don’t care.”⁴⁹ A common tactic in undermining vote buying has been for the DPP to encourage voters to take KMT bribes but to vote for other candidates. Another factor has been the reduced stigma of actually reporting vote-buying cases to the investigating authorities. Reporting has been encouraged by generous rewards if vote buying cases reach the level of indictments.⁵⁰ In fact since the mid-1990s both the DPP and civic organizations have formed vote buyer catching teams, and by the late 1990s even the KMT has been forced to follow suit.⁵¹

Since the change in ruling party in 2000 the prevalence and effectiveness of vote buying has declined and anti-vote buying measures have become even tougher. In the first post-turnover election of 2001 the DPP’s minister of justice Chen Ting-nan took a very tough line declaring any election gifts of a value greater than NT\$6 constituted vote buying.

47. See *Far Eastern Economic Review*, 24 March 1994, p. 27; *Far Eastern Economic Review*, 28 April 1994, pp. 18–19.

48. *China Times*, 11 March 2000, p. 3.

49. Hsu Shui-teh, interview by author, Taipei, 11 October 2001.

50. The Central Election Commission offers rewards of up to NT\$500,000 for information leading to vote buying convictions. See <http://taiwansecurity.org/NYT/NYT-031200.htm>, accessed on 15 May 2004.

51. See <http://forums.chinatimes.com.tw/report/corrupt/htm/spit/news/90111402.htm>, accessed on 15 May 2004.

The scale of vote buying and corruption related indictments of public officials has shot up since the DPP came to power, with 1,272 indicted by March 2004.⁵² In fact Taiwan's most high profile vote buying case came in 2002 when 31 Kaohsiung city councillors were investigated for vote buying in the council speaker election.⁵³ In short, DPP attacks have widened the scope of what is seen as vote buying, reduced the efficiency of vote buying, promoted stronger anti-vote buying measures, and contributed to making this formally tolerated practice into "black corruption."

There has also been some progress in the area of central government related corruption. For instance, in 1993 an alliance of opposition and rebel KMT legislators pushed through the Mandatory Disclosure and Mandatory Trust Clauses of the Financial Disclosure Bill, which forced senior government officials to declare their financial assets.⁵⁴ Similarly, anti-corruption measures in government construction schemes have been tightened considerably. Therefore the endless corruption scandals over the Taipei metro in the early to mid-1990s can be contrasted with the relative absence of scandals in the later stages of this project, the Kaohsiung metro and the High Speed Rail project.

Now that the KMT has become the opposition party it plays the supervisory role on the ruling DPP. For instance, during the 2004 presidential election campaign the KMT and its media allies made repeated accusations of illegal political donations against President Chen. As a result cross-party support was reached for the passing of the Political Donations Law on the day before the election.⁵⁵

Ten years of anti-corruption campaigns have also had an impact on acceptance of corruption at the local level. The accusation that the KMT has nominated gangster-linked politicians has repeatedly damaged the party in elections. However, it was not until its disastrous defeat in 2000 that the KMT took serious measures to avoid nominating candidates with corrupt reputations by introducing radical nomination reforms. The drafter of the new regulations, Ting Shou-chung, summed up their key principles: "Anyone who has been convicted of a criminal offence or breaking the Election and Recall Law, even if they have only been through the first trial, cannot be nominated."⁵⁶ This meant that a number of infamous and long-serving KMT politicians did not stand for election, and by the 2004 legislative elections allegations of KMT "black gold" candidates were rare.

Since becoming the ruling party the DPP has continued to attack the KMT's links with local corruption. One particular target has been

52. See http://www.moj.gov.tw/chinese/d3_5_detail.aspx?jobid=1300000423&jobtype=14, accessed on 20 March 2004.

53. www.taipeitimes.com/news/front/archives/2002/12/28/188861/print, accessed on 27 October 2004.

54. Lin Chia-long, "Paths to democracy: Taiwan in comparative perspective," PhD dissertation, Yale University, 1998, p. 444.

55. See "Political donations law passes third reading," *China Times Evening News*, 18 March 2004 (available from China Times online database).

56. Ting Shou-chung, interview by author, Taipei, 27 September 2001.

the local-level financial institutions such as the credit departments of the farmers' associations, which traditionally were a major resource of funds for corrupt KMT politicians. As the sociologist Wang Fu-chang explained: "The new ruling party wants to cut the links between the KMT and 'black gold.' The reorganization of local financial organizations and investigation into banks' political over-lending: this is one matter in which the new government has made the most effort."⁵⁷ In addition, numerous infamous KMT-linked local politicians have been indicted during the last four years, including Lo Fu-chu, Yen Ching-piao, Hsiao Teng-shih and Chu An-hsiung.⁵⁸

Since 2000 all three leading parties have attempted to keep their distance from local politicians with corrupt reputations. For instance, in 2001 when the DPP Tainan city mayor was involved in a corruption case, the DPP was quick to abandon him and nominate an alternative candidate. Similarly, when Soong Chu-yu formed the People's First Party, Yen Ching-piao was not allowed to join. Although Yen had campaigned hard for Soong in the 2000 presidential contest, it was feared that his corrupt reputation would damage the new party's image. In short, even local-level corruption has made the transition from "white" to "grey" or "black corruption."

The KMT's party assets were long an accepted component of the KMT party state, and it was not until the 1990s election campaigns that the legitimacy of its vast business empire was challenged. The DPP framed party assets as a form of "black corruption" to create a more level electoral playing field and discredit the KMT. After a decade of campaigns electoral pressure has forced the KMT to act. At the 1996 National Development Conference the KMT agreed for the first time to reform its party assets and in the 2000 presidential election KMT candidate Lien Chan promised to end political parties' involvement in profit-making businesses.⁵⁹

Following the change in ruling parties more progress has been made on this issue. The Control Yuan carried out a thorough investigation of KMT assets and has called for Taiwan to follow the "East German model" of nationalizing the former authoritarian party's assets.⁶⁰ The DPP still continues to raise the issue of party assets at election time. In the run-up to the December 2002 mayoral elections the Executive Yuan drew up a Political Party Law which would ban political parties from operating or owning any profit-making businesses. However, once more the KMT expressed its opposition.⁶¹ In the 2004 presidential elections the DPP's accusations that the KMT illegally obtained its party assets again put the KMT on the defensive. As a result of DPP pressure the KMT has for

57. Wang Fu-chang, interview by author, Taipei, 26 October 2001.

58. www.etaiwanesnews.com/Taiwan/2004/01/13/1073959580.htm, accessed on 15 May 2004.

59. This pledge was made in the KMT television election ad entitled "Lien Chan's proposal."

60. Huang Huang-hsiung, interview by author, Taipei, 9 November 2001.

61. See www.taipetimes.com/news/2002/09/10/0000167486, accessed on 15 May 2004.

the first time offered to return some of its property assets to the state.⁶² The party assets sub-issue is an example of how multi-party electoral debate has promoted a rapid change in norms in Taiwan. What was still accepted as perfectly legitimate until the mid-1990s has become “black corruption” today.

Conclusion

The corruption perception index surveys show that Taiwan has still a long way to go before it can join the league of the cleanest political states such as Finland. However, considerable progress has been made. The Taiwan case reveals the potential benefits of genuine opposition parties and a liberalized media for tackling political corruption. The opposition’s anti-corruption election campaigns have challenged previously tolerated forms of “white corruption,” reduced the effectiveness of practices such as vote buying, and promoted cleaner norms of governance and stronger anti-corruption legislation.

62. www.taipeitimes.com/news/taiwan/archives/2004/01/19/2003091968, accessed on 15 May 2004.