

Politics in Taiwan

A series of unfortunate events

The new president faces troubles at home and abroad

Jul 30th 2016 | TAIPEI | From the print edition

TAIWAN'S first female president has had a testing start. Within weeks of Tsai Ing-wen's inauguration in May, China announced that it had cut off important channels of communication with her government, because she refuses to accept the idea of "one China", with Taiwan as part of it. Ms Tsai has inherited a struggling economy, hampered by sluggish global demand, and has had to contend with a series of mini-crises, too: a flood crippled



the capital's main airport; flight attendants at the largest airline, China Airlines, went on strike to demand better working hours and benefits (stoppages are rare in Taiwan); the navy accidentally fired an anti-ship missile, killing a fisherman.

At the annual congress of her Democratic Progressive Party (DPP) in mid-July, Ms Tsai displayed photographs of these events. "I would like everyone here to take a good look at these pictures, and this nation," she said. "This is Taiwan under a DPP government." Her words were meant to goad officials into action, not (presumably) to describe how she saw the coming four years of her term. But there is little doubt that her leadership risks being beset by problems at home and abroad that may eclipse those experienced by her predecessor, Ma Ying-jeou, of the Nationalist Party, or Kuomintang (KMT).

Start with the economy. Having contracted for three consecutive quarters, it looks unlikely to grow by much more than 1% in 2016. Ms Tsai's rocky relationship with China endangers cross-strait economic activity, a vital underpinning of growth during Mr Ma's presidency. (Tourists from the mainland have become sparser since her victory.) It will not help that this year Taiwan's working-age population has begun to shrink.

Continued economic malaise could aggravate social tensions that led to big protests in 2014, ostensibly against free trade with China but fuelled just as much by widening inequality, stagnant wages and

inflated house prices.



Economist.com

Demonstrators gathered outside the DPP's meeting this month, decrying a decision to cut seven national holidays; they accused the party, which likes to present itself as a supporter of workers' rights, of siding with bosses.

Abroad, Ms Tsai has found herself unexpectedly embroiled in a legal wrangle not just with China, but with the world at large. On July 12th an international tribunal in The Hague, in a ruling on a case lodged by the Philippines against China's claims in the South China Sea, concluded that an island controlled by Taiwan and commonly known as Itu Aba was merely a rock. This meant Taiwan could not claim an "Exclusive Economic Zone" of up to 200 nautical miles around it. Ms Tsai said the tribunal had "seriously infringed" Taiwan's territorial claims and that the ruling, which was based on the UN Convention on the Law of the Sea, did not bind Taiwan, which is not a UN member.

Ms Tsai's hands may have been tied by Mr Ma's efforts, just before his term ended, to whip up public support for Taiwan's bizarre claim to Itu Aba, which is 1,400km (870 miles) away. He paid a rare visit there and separately invited foreign media to go. Lin Chong-pin, a former deputy minister of defence,

says that with all the troubles Ms Tsai faces, she cannot afford to arouse yet more controversy by retreating from Taiwan's claims—a legacy of the days when the KMT ruled the mainland as well as Taiwan.

While all this plays out, strife between Ms Tsai's party and the KMT is intensifying. On July 25th the DPP-dominated legislature voted to establish a government commission empowered to retrieve assets stolen by political parties since 1945—a move clearly aimed at the KMT, which the ruling party accuses of having (long ago) pinched properties and other state-owned goodies that Japanese colonials gave back to Taiwan at the end of the second world war. But Ms Tsai must also handle rifts within her own party. At its recent congress some delegates said the DPP should drop its call for an independent Taiwan (which would please China), while others called for Taiwan's official name, the Republic of China, to be abolished (which would infuriate it).

Ms Tsai's travails are mostly not of her making. But supporters fret that her government, despite enjoying a large majority, looks shy of unpopular reforms. Conservative picks in the cabinet have disappointed young adherents without much placating the opposition. "I am worried that we will try to please everybody and end up offending everyone," says Parris Chang, a former senior DPP official. As the glow from a big election win fades, the president's troubles may only increase.

From the print edition: Asia