DOMESTIC POLITICS AND FOREIGN POLICIES OF THE TSAI ING-WEN GOVERNMENT: A REVISIONIST PATH

Katherine TSENG Hui-Yi

EAI Background Brief No. 1185

Date of Publication: 2 November 2016

Executive Summary

- 1. Taiwanese President Tsai Ing-wen has made great efforts in forming a new government that delinks Democratic Progressive Party (DPP) membership from ministerial level positions.
- 2. Domestically, Tsai faces difficulties in pushing reforms as campaign promises generally cannot survive reality check. The energy supply reform and importation of US pork are two examples.
- 3. Her predecessor, the Ma government, was unable to push through economic reforms, leaving Taiwan's economy in stagnancy. The Tsai administration needs to address structural problems by instituting investment-relevant regulations and addressing the wealth distribution issue.
- 4. Tsai's party leadership is slowly but steadily establishing a foothold. One looming challenge is from the deep green force.
- 5. Tsai has yet to clarify her position on the "92 consensus" insisted by the People's Republic of China. Taiwan's attendance to the World Health Assembly can be deemed as a test of Tsai's cross-strait position.
- 6. In Tsai's inauguration statement on 20 May, Tsai had placed cross-strait relation in the broader context of Taiwan's regional relations to balance Chinese growing influence in Taiwan.
- 7. Tsai has also placed great importance on joining the Trans-Pacific Partnership (TPP). However, its participation in the TPP could be hampered by China in the face of plunging cross-strait relations and the over-politicised atmosphere in Taiwan which blinded rational and objective discussion.
- 8. Taiwan is also facing difficulties in the South China Sea scenario. Tsai is likely to take a low profile position and skirt around direct confrontations.

- 9. The Tsai government needs to consider these issues when pushing through domestic reforms: policy communications of various aspects, the president-DPP-government relations, and issues that involve both law and politics.
- 10. In cross-strait and foreign relations, Tsai could not afford to ignore the Chinese factor. Certain diplomatic tensions could be expected.