
SOFT POWER RULES IN EAST ASIA

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Attracting allies through cultural exchange and economic interdependence, what Nye refers to as “soft power,”¹ is becoming increasingly important for states around the world. This thinking is increasingly influencing not only East Asian governments, but also their citizens. Based on the importance of economy and trade, states use soft power to attract others, making them alter their policies. For example, Taiwan has used economic incentives to secure votes from third world countries in support of its application to several international organizations despite Chinese opposition. In East Asia, the ideological and military power that dominated strategic thinking in cold war era no long satisfies the state’s needs.

The shift of thinking is reflected in two recent presidential elections in East Asia. Taiwan and South Korea both advanced democratic development in the past three decades. Parties that symbolize progress together overwhelmed conservative parties in the last four presidential elections held by either South Korea or Taiwan. However, in December 2007 and March 2008, respectively, both electorates in South Korea and Taiwan signaled their increasing preference toward their leadership focusing on developing economic power, recognizing that both incumbent parties should stop using ideology or military conflicts to

hijack voters’ selections. Political appeals should not be adopted to ruin each state’s economy.

Divergent Implications of Political Forces

In 1987 and 1996, respectively, South Korea and Taiwan ended decades of autocratic rule and began practicing representative democracy. Before then, non-party forces continuously challenged the autocracies, forcing them to hold free and fair presidential elections. In 1997 and 2002, South Koreans elected Kim Dae-jung and Roh Moo-hyun to lead the country. Both were seen as liberal forces of progress and reform. Taiwanese people first in 2000 and again in 2004 elected opposition leader Chen Shui-bian, who promised to reform his autocratic, corrupt and outdated predecessors of the Nationalist Party (KMT).

However, these two progressive forces in Taiwan and South Korea possess different perspectives on critical political issues. Rick Chu, one of the foremost experts on Northeast Asia in Taiwan, points out that post-war anti-communist conservative leaders in South Korea oppose improving their country’s relationship with North Korea and the agenda of unification. On the contrary, conservative leaders in Taiwan, immediately after being overwhelmed by the Chinese communist party, strongly opposed the communist regime of Mainland China and foresaw an imminent opportunity to eradicate

it; nevertheless, this stance has changed over the past decades, and now the KMT seeks to embrace communist China and hopes for eventual reunification. While the progressive force² in South Korea appeals to unification with the communist regime in North Korea, the Democratic Progressive Party (DPP) in Taiwan maintains a preference for seeking independence. Political agendas held by progressive parties in both cases successfully helped secure presidential posts.³

Kim Dae-jung's "Sunshine Policy" and Roh Moo-hyun's opposition to the U.S. government's tough foreign policy toward North Korea both earned recognition from South Korean voters. Immediately preceding the 1997 and 2002 elections, both candidates proposed an end to the political burdens passing down from the Cold War era and also evoked anti-American sentiment pervading Korean society. Chen Shui-bian, representing the DPP in 2000 and 2004 elections, appealed to Taiwanese nationalism in order to generate a strong sense of antagonism toward Beijing's authority. He emphasized issues such as the potential annexation threat from Mainland China and ethnic hostility between mainlanders and islanders in order to bring down the conservative KMT. These issues can be traced back to unsolved post-Cold War issues that caused deep enmity across the Taiwan Strait. Obstacles caused by different reasons allowed conservative parties in both countries to manipulate divergently, which might potentially generate different kinds of political appeals held by progressive parties. Unfortunately, leaders in both countries were unable to realize their promises during the election campaigns. The public started to blame

their "progressive reformist" incumbents for the economic recession. Therefore in 2007 and 2008, both electorates voted for rising political stars that were nurtured under former autocratic regimes.

Economic Issues Gain Momentum

Under Kim and Roh's administration, the South Korean economy was not substantially invigorated. Rick Chu points out that South Korea began a problematic rapid accumulation of huge amounts of short-term foreign debt, already surpassing the scope of similar problems that arose during the 1997 Asian financial crisis. A large part of this debt was borrowed from Japanese banks. Consequently, South Korea would be hit greatly if the Japanese yen appreciates in the future. Another trouble arises from rampant underground economy, which accounts for about half of South Korea's GDP, that has emerged since 1980. Economic health therefore remains vulnerable. Borrowing a huge amount of Japanese yen to supply an underground economy has further drained away legal and healthy economic activities in South Korea. An immediate example of the consequences is Korean college tuition that is on a par with that of Japanese universities, despite a South Korean per capita income equaling only half of Japan's. After graduation, those "social freshmen" have to pay back their education debts, endure exorbitant rental rates manipulated by speculators, and endure real purchasing power stagnation. This fragile macroeconomic structure has alarmed many financial experts, who warn that another financial crisis might emerge. Complaints about increasing South Korean commodity prices prompted Lee Myung-bak's victory, with promises to reinvigorate South Korea's economy.⁴

During his time as mayor of Seoul, Lee successfully restored Cheonggyecheon stream, which runs across the heart of the city. His efficient and effective improvement of the once dingy and intractable gutter problem has earned him great respect throughout the country. People considered Lee a CEO with guts and resolve capable of reversing South Korea's economic predicament. Lee also discarded the pro-North Korea stances of his two predecessors, promising to abolish the Ministry of Unification and stop unconditionally aiding and supporting North Korea at the expense of souring relations with United States and the government's coffer. Restoring friendly relations with the United States became one of the most prominent planks of Lee's platform. On the contrary, Chung Dong-young, former Minister of Unification and Lee's electoral opponent, had promised to maintain the sunshine policy toward South Korea's northern communist neighbor despite the policy's poor reception by the Bush administration. Despite Chung's appeal to economic issues that lay along similar lines as Lee's, the political burden of his North Korean policies obfuscated his focus on economy. It is pretty obvious that South Koreans, after suffering ten years of economic stagnation and decades of political standoff with North Korea despite spending a large amount of budgets to aid North Korea, gave Lee a chance, and expected him to practically to bail them out of economic troubles.

Meanwhile, under eight years of DPP administrations, appeals to political division and cross-strait relations have lost their momentum, therefore allowing economic issues to come to the fore. During the election, the DPP accused KMT

candidate Ma Ying-jeou of holding "permanent resident" status and questioned his loyalty to Taiwan. The policy of forging a common market with Mainland China has also aroused people's suspicion that as ties become closer, it will become harder for Taiwan to resist China's political and economic domination. Less than a week before Election Day, China's severe repression of Tibetan protestors further frightened Taiwanese regarding closer relations with Beijing. With these political disadvantages, many experts estimate Ma to win by only a slim margin. However, he won the election by a sixteen percent margin of about 2.2 million votes.

According to official statistics, aside from a short-term economic downturn when DPP first came into power, economic performance under the DPP's eight-year rule seemed to be normal. In terms of economic statistics, the KMT's accusations of economic backslide, pay-level stagnation, and widening gaps between the rich and the poor were all untenable. Only two plausible criticisms, a climbing unemployment rate and constraints on cross-strait trading policies, are supported by facts. In the period of Chen's rule, unemployment rate has indeed climbed, but has remained at an unremarkable level (around 4%). Even though Chen's administration still imposed certain constraints on Taiwan's investment in China, the investment volume has been growing in huge amounts that have catapulted Taipei into the ranks of Beijing's major trading and investment partners. Even so, several corruption scandals involving the First Family and Chen's cronies have greatly harmed Chen and the DPP.

The media, though often ignored by the

outside world, should be considered a critical factor in this swift change in Taiwanese politics. There are seven 24-hour news channels in Taiwan. Of those, only two are friendly to DPP and the remainder consider themselves the government's "supervisors," and therefore severely criticized First Family corruption and magnified DPP wrongdoings and an impression of economic downturn. The KMT used this opportunity to argue that the DPP agenda of Taiwanese independence would greatly harm the island's economic strength. Ma asserted that an open policy toward China would help Taiwan take off in the near future. The impression of economic deterioration, corruption scandals, and several verbal gaffes by government officials led people to distrust Chen and his party. Consequently, the KMT has overwhelmingly defeated DPP in local elections in 2005, the legislative and presidential elections of 2008.

New Challenges Under Old Troubles

The outcomes of both elections signal changes

of people's political expectations. Political remnants of the Cold War have stopped determining electoral results in the past decade. In a comparatively peaceful world, people have begun to care most about economic development. The Chinese government hopes to politically survive as long as possible by maintaining high economic growth. The Japanese government strives to reform the bulky bureaucratic system, injecting more elements of competitiveness and efficiency into Japan's society. People in Taiwan and South Korea have chosen leaders who appealed to economic development. In just five months, however, the approval rating of South Korea's new president has dropped to less than 30 percent. Meanwhile, whether or not Taiwan's new president can realize his promise under increasingly opaque cross-strait relations remains to be seen. Though economic appeals successfully put both new presidents in power, they cannot avoid those critical political issues that concern the world while reviving the economy. Real challenges are just starting to ferment.



ENDNOTES

- 1 The idea of "soft power" mentioned here comes from Joseph Nye's book "Soft Power: The Means to Success in World Politics." In Nye's word, soft power "is the ability to get what you want through attraction rather than coercion or payments. (p.x)" In this sense, successful economic development of a state can attract other states to comply in exchange for economic benefit, such as investments, trades or experiences. Soft power is also used as an opposite idea of "hard power" which powerful states adopt military coercions or economic sanctions to force other states to comply.
- 2 The progressive force mentioned here refers to Kim Dae Jung's Millennium Democratic Party (MDP) and Roh Moo-hyun's Uri Party (or "Our Open Party"). Although Roh was seen as the successor of Kim, he left the MDP and formed the Uri Party. Kim's MDP in 2008 has merged with the United New Democratic Party to form the United Democratic Party. Political parties in South Korea reshuffled all the time and the life of a certain party couldn't survive in a long period. Therefore, it is more appropriate to target a leader and his affiliates as a certain type of group, rather than the party.
- 3 Rick Chu. "Comparing the incomparable will not do Taiwan any favors," *Taipei Times*, Dec 19, 2002, Page 9. < <http://www.taipeitimes.com/News/editorials/archives/2002/12/19/187785>>
- 4 Rick Chu. *da sheng qiang mei ti*, (Taipei: qian wei chu ban she, 2008), pp.17-32.

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