
Chapter 4

Elite Settlement and Democratic Consolidation in Korea and Taiwan

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The two conspicuous Asian cases of democratization in recent years are Korea and Taiwan. Korea's democratic transition followed a liberalization of the military regime during the mid-1980s, and it began with Roh Tae Woo's dramatic acceptance of all major opposition demands on June 29, 1987. The transition involved formal constitutional negotiations during August, the National Assembly's approval of a new constitution and its overwhelming ratification in a referendum during October, and the holding of free and fair elections: for the presidency in mid-December, which Roh Tae Woo won with a 35.9 percent plurality, and for the National Assembly in April 1988, from which no party emerged with a majority of seats. However, the government led by Roh Tae Woo between December 1988 and the next presidential election in December 1992 had numerous ties with the military, the extent of whose continuing influence was uncertain, and Roh's government was widely regarded as "transitional." If a democratic transition is completed when "a government comes to power that is the direct result of a free and popular vote, when this government *de facto* has the authority to generate new policies, and when the executive, legislative and judicial power ... does not have to share power with other bodies *de jure*" (Linz and Stepan 1996, 3), the completion of Korea's

democratic transition is probably best dated by the 1992 presidential election, which was won by Kim Young Sam, a former opposition leader and the first non-military president of Korea in three decades.

Taiwan's democratic transition likewise followed a liberalization of the authoritarian Kuomintang (KMT) regime begun by Chiang Ching-kuo (son of Chiang Kai-shek) before his death in early 1988 and continued by Chiang's vice-president and successor, the Taiwanese-born Lee Teng-hui. The transition began with the planning and holding of an unprecedented conclave of elites in the late spring and early summer of 1990, called the National Affairs Conference. This cleared the way for the first truly competitive National Assembly elections and for important constitutional reforms during 1991 and 1994, freely contested elections for the smaller Legislative Yuan in late 1992, and a series of competitive mayoral, municipal and provincial elections between late 1993 and late 1994. The completion of Taiwan's transition is probably best dated by the first direct election for the powerful presidency, which the incumbent Lee Teng-hui won with 54 percent of the vote, in March 1996.

A case can be made that the democratizations of Korea and Taiwan were two peas in a pod. Both occurred in populations that are ethnically homogeneous, although in Korea there are strong regional identities, and in Taiwan there is an important linguistic cleavage between the large South Fukinese-and Hakka-speaking majority (85 percent of the population) and the small Mandarin-speaking minority of ex-mainlanders. Both followed prolonged and spectacular economic growth which produced rapid middle-class expansions. Both originated in authoritarian (rather than sultanistic or totalitarian) regimes that were under much foreign pressure, especially from the United States, to liberalize and democratize. Both authoritarian regimes had been strongly repressive, as illustrated by the Kwangju massacre in May 1980 and the KMT's slaughter of Taiwanese notables on February 28, 1947, as well as by their elaborate secret-police apparatuses, and neither had much legitimacy. Moreover, in the shape of North Korea and the People's Republic of China, both countries confronted serious but also somewhat unifying foreign threats. The transitions in both countries were comparatively peaceful, involving no coups or counter-coups and almost no loss of life, although the Korean transition was played out amid heated clashes between students and police, accompanied by serious labor unrest. Overall, the Korea and Taiwan cases had many

earmarks of garden-variety democratic transitions, powered principally by economic growth, middle-class demands, and external democratizing pressures. They approximated what Huntington (1991) calls "transformations" wherein elites in power take the lead to bring about democracy. Or, to make a relatively small distinction, one could follow Linz and Stepan (1996) by saying that Korea's transition took the form of "extrication from rule by a hierarchically led military" while Taiwan's involved a series of agreements between leaders of a "civilianized authoritarian regime" and their opponents.

What is at issue in comparing Korea and Taiwan is much less the broad causes, outward forms and completeness of their democratic transitions than whether their democratic regimes are now consolidated—whether democracy is the "only game in town" behaviorally, attitudinally, and constitutionally (Linz and Stepan 1996, 5-6). To be sure, there are no significant actors in either country who are bent on restoring an authoritarian regime, and public opinion in both countries overwhelmingly favors democratic institutions and procedures. By these behavioral and attitudinal measures, the two democratic regimes are consolidated. On the other hand, in both countries there are unresolved constitutional issues, politics take confrontational and turbulent forms, and hanging over both are "stateness" dilemmas and conflicts—in Korea about the consequences and process of re-unifying with the North, and in Taiwan about the country's status vis-a-vis the People's Republic. Are these difficulties large enough to conclude that one or both democratic regimes remain unconsolidated?

The question is not just academic hair-splitting. The Korean Peninsula and the Taiwan Straits are the two most dangerous tinder boxes in Asia. If political leaders in Korea and Taiwan are at loggerheads over basic aspects of their democratic regimes, and if their competitions are relatively unrestrained, the danger that political sparks will ignite conflagrations is large. But even in academic discussion the question is important. "Democratic consolidation" is one of the most widely-used concepts in comparative political analysis. Thanks to Juan Linz and Alfred Stepan, above all others, its meaning is clear enough. But how to apply the concept in concrete but messy cases like Korea and Taiwan is anything but clear. Indeed, some scholars think that difficulties in determining when democracies become consolidated will ultimately show the concept to be

empty of empirical meaning (O'Donnell 1996).

In this article, we use the additional concept of elite settlements to clarify the extent of democratic consolidation in Korea and Taiwan. We argue that a fundamental accommodation must occur among political elites before democratic consolidation is possible. In any short period, such an accommodation takes the form of a sudden and deliberate "settlement" of core disputes between opposing elite camps. The circumstances, events, and processes which constitute elite settlements can be specified and the transactions among elites can be studied to see if they meet the specifications.

In Korea and Taiwan, where the unhindered practice of democratic politics is still less than ten years old, the key question is thus whether political elites have achieved settlements. If none can be identified, it is extremely doubtful that consolidation has occurred. If, conversely, a settlement can be discerned, there is strong ground for thinking that consolidation has taken place or is now occurring, even though the "quality" of one or both of the young democracies may still leave much to be desired.

Specifying Elite Settlements

One of us has elsewhere argued that elite settlements, in Giovanni Sartori's felicitous term, "tame" politics, so that "politics no longer kills, is no longer a warlike affair, and that peacelike politics affirms itself as the standard *modus operandi* of a polity" (Sartori 1995, 105; Higley and Burton 1997, 1987; Higley and Gunther 1992). Prior to settlements, elites disagree about government institutions, engage in unchecked fights for dominance, and view politics as winner-take-all. After settlements, elite persons and groups continue to be affiliated with conflicting parties, movements and beliefs, but they share a consensus about government institutions and the codes and rules of political competitions. Settlements tame politics by generating tacitly accommodative and overtly restrained practices among competing political elites.

Elite settlements are not the only way in which politics are tamed. There are at least two other ways. Instead of fashioning settlements, warring elites may converge toward restrained competitions and agreed

institutions and procedures through successive electoral contests over a longer period. This happens when several of the warring elite groups conclude that by forming a broad electoral coalition they can mobilize a reliable majority of voters, win elections repeatedly, dominate government executive office, and thereby protect their interests from the attacks and threats of hostile groups. Successive electoral defeats may convince the latter that if they are to avoid permanent exclusion from government executive power they must moderate their hostile stances and compete more broadly for votes. In this way, the deep chasms between warring elites are gradually bridged and all come to share a consensus about game rules and the institutions in which those rules are embedded. The gradual but cumulatively pronounced moderations of socialist and communist elites in France, Italy, and Japan during the 1960s, 1970s and early 1980s are good examples of such elite convergences (Burton, Gunther and Higley 1992).

Alternatively, in countries such as Australia, Canada, India, Malaysia, New Zealand, and the United States, tamed politics can be traced to the long elite experience of limited representative political competitions under British colonial rule, augmented by unifying elite mobilizations to win national independence. However, the tamed politics that have so characterized some of Britain's ex-colonies can themselves be traced to the initial taming of English politics in an elite settlement—the "Glorious Revolution" of 1688-89—and the carrying of England's newly-tamed politics overseas during the eighteenth and nineteenth centuries (Rustow 1970; Burton and Higley 1987; Weingast 1997).

Abstractly considered, the circumstances in which elite settlements occur are twofold. As Dankwart Rustow (1970) observed about England's Glorious Revolution, there must first be a "prolonged and inconclusive political struggle" between "well-entrenched forces" over "issues that have profound meaning to them." Secondly, a new and grave political crisis which promises even more costly conflict without producing a clear victor—or a clear external threat which imperils national survival—is also necessary. Such a crisis or threat may concentrate the minds of the leaders of opposing elite camps who then seek to contain the crisis or unify against the threat by entering negotiations aimed at settling the camps' most basic and principled disputes. Emphasizing the triggering effect of a crisis or threat accords well with the historical record (e.g., the settlement among

warring Swedish elites in the face of Russian and threatened Danish-French invasions in 1808-9) and with Rustow's contention that the genesis of democracy lies in "polarization" not "pluralism," in a "hot family feud," not a "lukewarm struggle."

The processes through which settlements are accomplished unfold principally within what Rustow termed a "small circle of leaders." Emphasizing the speed with which leaders act is important; settlements seldom take more than a few weeks or months because a longer process makes blocking mobilizations by elites outside the small circle likely. The face-to-face and secret character of settlements should also be highlighted; they entail innumerable behind-the-scenes meetings and consultations which are so intensive that they spawn a conspiratorial comradeship among sworn enemies. Some formal document (a signed pact, a new constitution), which embodies the informal, often tacit understandings that have been reached, is also normally part of a settlement process. Settlements are thus typically and primarily the handiwork of established, experienced, and skilled leaders who have painful personal memories of past conflicts, deep knowledge of the political levers which can be pulled within and between their camps, and who possess enough authority to bring recalcitrant allies and followers along (e.g., F.W. de Klerk and Nelson Mandela in South Africa's elite settlement between 1992-94). Finally, considerable elite autonomy from cadre and mass pressures appears to be necessary so that elites can negotiate but also survive politically the "heretical" and "unprincipled" bargains which settlements entail.

Paralleling Rustow's distinction between "decision" and "habituation" phases in the genesis of democracy, it is necessary to distinguish between an initial, basic elite settlement and its subsequent consolidation. While the crucial result of a settlement is elite power-sharing, this takes time to jell. It is important to stress that settlements always exclude some individuals and groups, notably autocrats and their entourages who are usually the immediate targets of settlements. These elites seldom go quietly, often launching counter-coups or trying to subvert the nascent power-sharing arrangement. Moreover, there are likely to be elite groups whose ideological, religious, ethnic or regional commitments keep them from participating. Old hatreds and distrusts die hard, while new patterns of cooperation, trust and restraint solidify slowly, and their payoffs—peaceful elite competitions and enhanced elite security—unfold gradually.

Let us ask whether main features of elite settlements can be identified in the Korean and Taiwan democratizations. Have politics in the two countries been tamed, did this happen principally through settlements, and have their democratic regimes therefore achieved or approached consolidation?

Settlement Components in Korea and Taiwan

Several important comparisons and contrasts emerge from an examination of the Korean and Taiwan transitions in terms of elite settlements. To start with, the background circumstance of a prolonged, costly but inconclusive conflict was more apparent in Korea than Taiwan. The successive military-dominated regimes in Seoul were embroiled in confrontations with opposing democratic forces, spearheaded by large and well-organized student demonstrations. Full-scale repression of the student protestors and liquidation of popular opposition figures like Kim Dae Jung required draconian measures. But as worldwide condemnation of the May 1980 Kwangju massacre and of Kim Dae Jung's death sentence four months later showed, the cost of full-scale repression was so high that it was never attempted. During the nine months following Kwangju, for example, martial law was rescinded and Kim's sentence was commuted to life imprisonment; a year later his sentence was reduced to 20 years, and he was shortly released to seek medical treatment in the United States. Especially during the early and mid-1980s, the Korean regime and its youthful opponents fought each other to a standoff, with carefully choreographed street confrontations reflecting each side's tacit recognition that no more than a standoff was possible. In Taiwan, by contrast, the KMT regime faced no such organized opposition and was in much firmer control for more than 30 years after the February 1947 massacre. When a loosely-organized opposition did begin to surface in the late 1970s, it was quickly repressed with almost all opposition leaders sentenced to long prison terms. The social and student protest movements that arose in the late 1980s were mild by Korean standards. Thus, although the regime was for many years engaged in a cat-and-mouse pursuit of dissidents, its long hold on power cannot be said to have incurred heavy costs or led to a standoff. If, in Rustow's terminology, a hot but inconclusive "family feud" is one

precondition for an elite settlement, then Korea was by the mid-1980's more likely to undergo a settlement than was Taiwan a few years later.

The other main settlement precondition is an abrupt and profound crisis which threatens more costly but inconclusive conflict and which disposes key leaders to look for a way out, possibly by negotiating compromises of fundamental disputes. In the spring of 1987, Korea was certainly in the throes of such a crisis. The death of a student protestor, allegedly by torture while in police custody, helped fuel a new wave of demonstrations, which were joined in May and June by significant numbers of middle-class people. Fears of street clashes so large and unending that they might result in a cancellation or boycott of the 1988 Seoul Olympic Games were widespread. The crisis triggered intensive discussions and personnel changes within the regime and they culminated in Roh Tae Woo's dramatic acceptance of nearly all opposition demands, including the scheduling of a direct presidential election, at the end of June 1987. In Taiwan, by contrast, no crisis remotely comparable to that in Korea triggered initial elite moves toward democracy. During 1989, to be sure, Lee Teng-hui confronted a growing split between mainlander and Taiwanese factions within the KMT. This difficulty was compounded by a sizable March 1990 protest demonstration by students and intellectuals who demanded the convening of an extra-parliamentary conference of national leaders to discuss constitutional reforms which were stymied in the KMT-dominated National Assembly. But Lee quickly acceded to this demand and initiated planning for what became the National Affairs Conference three months later. Though Taiwan's politics were becoming more unruly during 1989-1990, there is no ground for saying that the country was seized by an abrupt and profound crisis.

The standoff and triggering circumstances for a settlement were thus more clearly present in Korea than Taiwan. Yet, the National Affairs Conference (NAC) during late June and early July in Taipei more closely resembled settlement negotiations than did the discussions and maneuvers in Seoul which preceded and followed Roh Tae Woo's June 1987 capitulation. Specifically, the NAC was a conclave of 150 elite persons from all important sectors of Taiwan society, including 11 prominent dissidents who had formerly been exiled or imprisoned. In five days of debates and discussions, augmented by many backroom talks, the NAC participants agreed on several important reforms that had earlier been aired in personal

discussions between Lee and Democratic Progressive Party (DPP) chairman Huang Hsin-chieh: retirement of mainlander parliamentary members-for-life; new National Assembly and Legislative Yuan elections; direct election of the Taiwan Province governor and the Taipei and Kaohsiung mayors; repeal of the notorious "Temporary" Provisions which had long been used to muffle regime opponents; and the paramountcy of protecting the interests of Taiwan's residents when formulating policy toward mainland China (Feldman 1991). Crucially, however, the NAC participants were unable to agree about a proposal to institute direct presidential elections, and they conspicuously dodged the explosive issue of Taiwan's independence from China. Nevertheless, at the NAC's closing banquet, hosted by Lee, bitter political rivals toasted each other in front of television cameras (Chao 1994).

No such conclave of elites to negotiate basic disputes occurred in Korea during 1987 or later. Amid continuing student demonstrations and a wave of strikes and labor upheavals in the summer of 1987, a new constitution was drafted by a committee consisting of four representatives of the ruling Democratic Justice Party (DJP) and four from the opposition New Democratic Party (NDP). The draft constitution incorporated substantial concessions by both sides and it was readily adopted by the National Assembly and ratified overwhelmingly in a referendum two months later. Burton and Ryu (1997) argue that when these constitutional moves are seen in conjunction with behind-the-scenes discussions which led to Roh's capitulation and with the conciliatory moves made by Roh during the following months, the outlines of a settlement process can be discerned. One difficulty, however, is that by far the most important force opposing the regime—the students and their leaders—did not participate in the process. Unlike most other democratic transitions, in which the principal force pushing for democratization negotiates with an authoritarian regime and then takes or shares government power, Korea's transition was powered by a movement that was unequipped to engage in negotiations, incapable of taking power, and unaffiliated with the leaders and groups—Kim Dae Jung and Kim Young Sam and their followers—who took credit for the transition but who actually played a secondary, even a minor role in it. As subsequent events showed, the students continued to be hostile toward and mobilized against the forces associated with both the old and the new regime. This peculiarity of the Korean transition contributed to

much subsequent political fragmentation and made democratic consolidation more difficult.

Despite less auspicious background and triggering circumstances, then, elites in Taiwan came closer to achieving a settlement in 1990 than their Korean counterparts in 1987. But the story does not end here. However conciliatory they were in the NAC and at its closing banquet, KMT and DPP leaders apparently did not have sufficient autonomy to forge a comprehensive agreement. Lee faced staunch opposition from the KMT's mainlander faction and he was still constitutionally subject to re-election by the National Assembly where that faction was strong. Indeed, Lee was severely criticized after the Conference by KMT standpatters, and he had to placate them by creating a "Constitutional Planning Group of Thirteen" party elders. DPP leaders had similar problems with their standpatters, who proposed a draft constitution which differed greatly from the party's official draft proposal. These are reasons why the agreements reached in the NAC were actually quite limited. The independence issue was not addressed, and there was much discord about what constitutional form a fully democratic government should take. Although a consensus was reached that the procedure for indirectly electing the president should be changed, a direct election of the president did not have enough KMT support. These unresolved issues bore on Taiwan's "stateness" and on basic rules of the political game, and they continued to cast a shadow over politics after the NAC.

Second Attempts at Settlements

It can be argued that while the Korean transition in 1987 was unaccompanied by a clear settlement, one was attempted not long after. We refer to the merger of forces led by Roh Tae Woo, Kim Jong Pil, and Kim Young Sam to form the Democratic Liberal Party (DLP) in January 1990. This startling development had many earmarks of a settlement: it was triggered by a new and severe crisis involving massive labor disputes that were uncontrollable by Roh's minority government; it was carried out via secret and speedy negotiations among top leaders who mutually risked losing many supporters by virtue of their collusion; the negotiations entailed a tacit agreement to share power by converting the existing

presidential system into a parliamentary one that would be dominated by a new hegemonic party, modeled on Japan's long-lasting LDP, which the leaders would jointly control. In order to promote a sharing of power, in other words, key leaders agreed to subvert the constitutional order which had been adopted a scant two years earlier.

As in 1987, however, important political forces—the students and this time also the Democratic Party led by Kim Dae Jung—played no role in the putative settlement. Their absence made the DLP's formation look more like the initial step in a long-term process of elite convergence in which DLP electoral hegemony would eventually force dissident and disaffected groups to moderate their positions in order to compete for government power effectively. In any case, the students continued to mount large demonstrations, and the popularity of the incumbent Roh government reached record lows. The new DLP scored impressive political victories in local and provincial/municipal elections during the first half of 1991, but it was substantially rebuffed in the March 1992 National Assembly elections. Although the DLP served as the vehicle for Kim Young Sam's election as president later that year, with a vote plurality of 42 percent, the party never came close to the hegemonic position its founders had envisioned; instead, it unravelled during the next three years.

Elites in Taiwan also made a second attempt at a settlement, and this time amid circumstances more propitious for success than in 1990. In a series of competitive national and local elections which began in 1991 and which culminated in Lee Teng-hui's victory in the first direct presidential election in November 1996, an important cleavage over socioeconomic issues and the KMT's "money politics" opened up and cut across the explosive cleavage over Taiwan's independence. The DPP and members of the KMT's mainlander faction who split away to form the New Party (NP) in 1993 capitalized on this new cleavage (Lin, Chu, and Hinich 1996). The resulting tripartite structure of the party system, together with the two-dimensional cleavage structure, encouraged coalitional politics and the sub-optimal alternatives they involve. In particular, the DPP found itself more and more on the horns of a dilemma: whether to ally with the KMT or the NP. When the DPP leadership opted to cooperate with the NP, the DPP's ultra-nationalist wing condemned the party's leaders for retreating on the issue of Taiwan's independence and they broke away to form the Taiwan Independence Party (TAIP) during 1996.

As the 1990s wore on, the jockeying of party elites and factions for power and the formation of issue-specific coalitions by the DPP and NP made for recurrent legislative paralysis, a problem that was expected to worsen after 1996 should a directly-elected president be unable to marshal a majority in the Legislative Yuan. Another fear was that the governor of Taiwan Province, who was for the first time popularly elected in 1994, had a constituency four-fifths as large as that of the president, so that a strong provincial governor might cite his own electoral mandate in resisting the directives of a weak and deadlocked national government.¹⁾ In short, constitutional difficulties, disagreements and legislative deadlocks mounted steadily in Taiwan during the half dozen years which followed the NAC, and they at least in part reflected the failure of the NAC to reach a basic accord on these issues.

These accumulating problems were the backdrop for another attempt at a settlement. The trigger was Beijing's belligerent actions against Taiwan during the winter of 1995-96. Beijing's bellicosity shocked the people of Taiwan, the international community and, most important for the processes we are considering, Taiwan's elites. Stock market prices plummeted and there was an enormous exodus of capital. Although the crisis was contained by the American deployment of two aircraft carrier battle groups, it had a major impact on elite calculations. It was in this context that Lee Teng-hui used his inauguration address on May 20, 1996, to call for a new attempt, in the form of a second inclusive elite conclave, to reach consensus on critical problems facing the country. Each party elite concluded that it had something to gain from Lee's proposal, and they all welcomed it. In preparatory discussions during the second half of 1996, representatives of the KMT, DPP and NP reached agreement on the divisive cross-straits issues, and on December 23rd, the National Development Conference

1) Because Taiwan officially retained its status as a Province of China throughout the period of KMT rule, it also retained its own "provincial" government, so that the island formally had two parallel governments: a national or central government long dominated by KMT mainlanders, and a provincial government in which native Taiwanese were more prominent. What to do about the "superfluous" provincial government, in whose continuation there have been strong vested interests, and whose abolition many in both Beijing and Taipei regard as an important step toward severing all political links with the mainland, has been a divisive issue in Taiwan politics throughout the 1990s.

(NDC), consisting of 170 leaders from all important sectors, convened.

Reflecting pre-Conference spadework, cross-strait issues and numerous questions pertaining to economic development were dealt with swiftly and amicably on the NDC's first day. However, a serious conflict over joint KMT-DPP proposals to downsize or scrap Taiwan's provincial government then arose. Leaders of the New Party saw this as a dangerous step toward independence because it would amount to abrogating Taiwan's formal status as a province of China. Despite intensive negotiations, a compromise could not be reached and the NP leaders walked out of the Conference on December 27th. Their walkout enabled KMT and DPP leaders to reach consensus about re-designing the central government, "freezing" the provincial government's functions and suspending its gubernatorial and assembly elections, and restricting the latitude for party-run business enterprises. This consensus was embodied in 22 resolutions calling for far-reaching constitutional changes and reforms of the party system, 36 resolutions dealing with cross-strait relations, and well over 100 resolutions pertaining to economic development (Secretariat of the NDC 1997).

The NDC closely approximated an elite settlement. It was triggered by a major crisis which prompted opposing elites to modify their conflicting positions on basic issues. It was preceded by the emergence of leaders, especially in the KMT and DPP camps, with enough authority to overcome cadre resistance to deviations from their camps' established programs and goals. Thus, by defeating the KMT's mainlander faction in the early 1990s, by presiding over the departure of KMT rivals to form the NP in 1993, and by obtaining a strong popular mandate in his March 1996 election to the presidency, Lee Teng-hui attained a position of authority from which he could lead the KMT beyond its doctrinal boundaries. DPP leaders, meanwhile, learned how to play electoral and legislative politics successfully and to contain the party's ideologically-ingrained factional struggles. The departure of diehard DPP radicals to form the Taiwan Independence Party in 1996 left party chairman Hsu Hsin-liang in near-total control of the DPP's maneuvers during the NDC. With ideologies marginalized, political principles and symbols gave way to substantive and resolvable issues, enabling the elites who remained in the NDC to reach relatively comprehensive agreements.²

Stateness and Constitutional Cleavages Assessed

Elite conclaves like Taiwan's NAC and NDC are important and rare political events. But as national conferences of elites in Benin, Congo, Niger, Togo and Zaire during the early 1990s showed, they may prove to be mere cosmetic exercises in which agreements are proclaimed but never implemented (Bratton and van de Walle 1994). Analysts must therefore guard against mistaking appearance for substance. The occurrence of two such conclaves in Taiwan, and the non-occurrence of anything similar in Korea, is not proof, *ipso facto*, that elites in Taiwan have achieved fundamental accommodation and moved the country's democratic regime to consolidation, while Korean elites remain disunited and preside over an unconsolidated democracy. Elite settlements are tricky, elusive processes, and there is always much else going on in a country's politics that may sabotage them. For example, only four months after the NDC in Taipei, the kidnapping and murder of a celebrity's teenage daughter, in conjunction with two other unresolved major murder cases, created a loss of public confidence in the Lee government. Tens of thousands of people peacefully demonstrated to call for Lee's apology and for the resignation of Premier Lien Chan. This significantly weakened Lee's political clout and encouraged foes of the NDC resolutions to fight against their passage by the National Assembly. The Governor of Taiwan Province, James Soong, who had threatened to resign in protest against the NDC agreement to downsize his government, became increasingly defiant. Because of his strong public support for Lee, the chairman of the DPP, Hsu, was also weakened. Facing strong opposition within his party, Hsu had to relinquish some of his control over DPP negotiating strategies to a nine-member committee composed of the party's factional leaders, and former DPP Chairman Huang Hsin-jie played a greater role in shaping negotiations with the KMT.

Given such political twists and turns, it is advisable to step back and assess the main political cleavages in Korea and Taiwan during the late

2) This interplay between KMT and DPP moderates and their respective hard-liners (the NP and the TAIP) approximated the "four-player game" which Linz and Stepan (1996, 61) regard as especially conducive to democratic consolidation.

1990s. As formulated by Linz and Stepan, a precondition of democratic consolidation is "stateness"—the absence of "profound differences about the territorial boundaries of the political community's state and profound differences as to who has the right of citizenship in that state" (Linz and Stepan 1996, 6). In different degrees and ways, Korea and Taiwan confront "stateness" problems which cast doubt on their democratic consolidation. Specifically, their politics manifest the consequences of regimes confronting each other within what were once nation-states: the southern and northern regimes in the culturally homogenous Korean peninsula, and the island and mainland regimes in what had been a single Chinese entity (and of which the island regime is still formally but a province). On the one hand, these confrontations have unifying effects and thus contribute to elite cooperation and efforts to contain internal divisions lest they reduce the ability of each regime to withstand the external threat. Dominant elites in both countries have long invoked the "communist threat" to garner domestic and foreign support, and we saw how in Taiwan the cross-strait crisis during 1995-96 greatly sobered elites and led directly to important NDC agreements. In these respects, unresolved stateness issues in Korea and Taiwan may contribute to democratic consolidation.

But the stateness issues also hinder consolidation. In Korea, radical leftist forces, some of which loudly favor re-unification with the North at more or less any cost, have been treated as disloyal or only semi-loyal to the existing regime. Consequently, their political liberties and organizing efforts have been significantly restricted by various laws and measures. This has skewed electoral competitions and makeups of representative bodies more strongly toward the right than would be expected in a country at Korea's level of industrialization. The stateness problem has in this way retarded the rise and political participation of robust left-of-center elites and movements. Instead, and partly as a consequence of this stifling of leftist forces at the national level, Korean politics have been beset by regional cleavages.

Starting with the 1987 presidential election, regionalism has suffused Korea's electoral contests, and the result has been a distorted articulation and representation of interests along regional lines. The bases of this regionalism are diverse—emotional identities, historical grievances, uneven economic development, appeals to regional loyalties by competing elites—and the great complexity of Korea's regional cleavages cannot be treated

here. But it seems clear that regional cleavages bulk as large as they do in Korean politics because, in service to national unity against the northern threat, left-right ideological cleavages that would cross-cut and thereby diminish the importance of regional ones have been choked off. In short, the prominence of regionalism in Korean politics is to an important degree an artifact of the stateness problem. Were the stateness problem resolved, regionalism would probably not have such strongly fragmenting effects on Korean elites and politics. As the United States, Germany, Switzerland, and many other countries show, regionalism, though always an important political cleavage, is not inimical to democratic consolidation.

If unification, or the lack of it, is Korea's stateness problem, independence, or the lack of it, is Taiwan's. There the stateness issue has been a double-edged sword for the forces which articulate the sentiments of Taiwan's linguistically distinct population majority and which push for independence from China. Prior to the KMT regime's liberalization in the late 1980s, those forces were more or less completely suppressed. But during the democratic transition between 1990-1996 they emerged powerfully, mainly in the form of the DPP and its strong pro-independence wing. The DPP has nevertheless been riven over how far and how hard to push for independence. With a Taiwanese-born leader, Lee Teng-hui, the KMT and the government itself have been similarly divided, even after the splitoff of the KMT's anti-independence wing to form the New Party in 1993. Once Lee consolidated his position in the KMT, his efforts to "indigenize" the party-state power structure generally appeased the DPP leadership on the stateness issue. To this extent, radical pro-independence forces inside and outside the DPP, as well as anti-independence forces inside and outside the KMT (notably the NP) were significantly weakened and gradually marginalized. Although the socioeconomic and "money politics" cleavage in Taiwan's politics was used by the DPP to mobilize electoral support and erode the KMT's power base, the two major elite factions—the dominant groups in both the KMT and DPP—were increasingly located on the same side of the independence cleavage line. The indigenization of the dominant KMT faction made it possible for the principal KMT and DPP leaders to establish rapport and mutual trust, as evidenced by close cooperation between Lee and Hsu before the NDC. This greatly facilitated the NDC agreements.

The contrast with sharp regional cleavages among Korean elites is

striking. Starting with the 1987 presidential election, regionalism displaced democratization as the defining cleavage between governing and opposition forces in Korea. The 1987 election might have been a showdown between forces defending and opposing the military regime. But instead, the election mainly manifested conflicts among the country's several regions. This was because neither Kim Young Sam nor Kim Dae Jung would step aside and let the other be the single opposition presidential candidate. Each leader overestimated the extent of his electoral support, but each was unable to distinguish clearly his own contribution to the democratization struggle from the other's contribution. Consequently, voters opted for the candidate identified with their particular region—the southeast voting heavily for Kim Young Sam and the southwest for Kim Dae Jung. The ensuing National Assembly election in April 1988, for which opposition forces again failed to unite, showed the regional bases of contending elites even more clearly, and these have continued to fragment the elites and shape their electoral contests ever since.

A key difference concerning elite settlements in Taiwan and Korea may thus be seen. In Taiwan, the cooperation between Lee and the DPP drastically reduced the salience of an ascriptive (linguistic) cleavage that had long divided the elites. In Korea, the failure of Kim Young Sam and Kim Dae Jung to cooperate electorally during the democratic transition greatly aggravated the ascriptive (regional) cleavage which was only briefly eclipsed by the struggle for democracy during the mid-1980s. This difference, we believe, helps to account for the more successful attempt at a settlement in Taiwan and the less successful Korean effort.

There are also questions to be asked about the significance of constitutional divisions among elites in Korea and Taiwan. While both countries give much behavioral and attitudinal evidence that democracy is the "only game in town," there are in both of them enough disagreements over constitutional issues to create uncertainty about this third aspect of consolidation. Linz and Stepan (1996) stipulate that "Constitutionally, a democratic regime is consolidated when governmental and nongovernmental forces alike, throughout the territory of the state, become subjected to, and habituated to, the resolution of conflict within the specific laws, procedures, and institutions sanctioned by the new democratic process" (Linz and Stepan 1996, 6). Note their emphasis on the resolution of conflict within the "specific laws, procedures, and institutions" which a

democratic transition has produced. This is a more demanding criterion than the conventional view that political elites need only play politics consistently within a range of democratic institutions for democracy to become consolidated. However, Linz and Stepan also observe that disagreements about the most desirable political institutions are normal in all democracies (cf. the substantial and long-standing hostility in France toward Fifth Republic institutions, the current divisions in Italy over constitutional reforms, the struggles in Canada and the United States over federal and provincial/state powers, or the Australian Labor Party's long denial of the need for a bicameral parliament). Consolidation is thus postponed where there is "a deep and continuous confrontation and ambivalence about democratic institutions among the political elites and the majority of the population, with *no sign of accommodation* to the enacted institutions" (Linz and Stepan 1996, 4).

In both Korea and Taiwan, existing constitutional arrangements have been disputed by competing elites. During Korea's transition, the leaders who in 1990 formed the ultimately unsuccessful DLP were willing to shift, at the insistence of Kim Jong Pil, from the newly-refurbished presidential system to a parliamentary one in order to gain his participation and thus ensure DLP hegemony. But after Kim Young Sam won the presidency in 1992, he showed little interest in pursuing a constitutional change that would weaken his own power. Feeling betrayed by Kim Young Sam, Kim Jong Pil explored a coalition with Kim Dae Jung and his opposition forces as the 1996 presidential campaign began. The two groups formed negotiating teams to hammer out terms for such a coalition, one of which apparently was that Kim Jong Pil support Kim Dae Jung for the presidency in return for the latter's promise to push for a change to the parliamentary system desired by Kim Jong Pil. Meanwhile, in order to bolster his sinking popularity Lee Hoi-chang, the NKP's presidential candidate, also sought a broad coalition that would include former authoritarian forces. Lee, whose main political asset was his reputation as a sincere reformer, was reported to be willing to accept a parliamentary system and to include even Kim Jong Pil in his coalition if that was the price of winning the presidency. The bottom line in Seoul thus appears to be that virtually no leader or elite group cares very much about the established constitutional order, which each is prepared to support or abandon according to whether doing so will increase the chances of gaining power.

Elites in Taiwan, by contrast, appear to be working their way through constitutional disagreements. There too, the desirability of a presidential or parliamentary system has been hotly debated, and the role and power of the government of Taiwan Province has been a further source of division. The KMT-DPP agreements and resolutions about these and other issues at the NDC in December 1996 were slated to be made into constitutional changes and laws by the National Assembly at its May 1997 session. But this proved to be a rancorous affair which at several points threatened to de-rail the whole reform process. However, after the Assembly session had twice been extended, and in classic "settlement" fashion, marathon negotiations between KMT and DPP leaders in late June produced agreement on the main features of a French-type presidential-parliamentary system. After strong mobilizations by KMT and DPP leaders and after much filibustering and protests by the NP, the National Assembly on July 18 passed constitutional amendments enacting key NDC resolutions. These revoked the Legislative Yuan's power to confirm the president's appointment of the premier. They also empowered the president to dissolve the Legislative Yuan under specific conditions. To balance this expansion of presidential power, the Legislative Yuan is given the right to cast a no-confidence vote against the premier and his cabinet. Another important amendment freezes the elections of the Provincial Governor and Assembly. Instead, a council appointed by the cabinet will oversee the provincial government's operation. Because the National Assembly session did not enact all of the NDC resolutions, the KMT and DPP signed an agreement to hold another session during 1998 in order to complete constitutional reforms.

Conclusions

Elites in Korea and Taiwan have twice gone through settlement-like processes since the start of their democratic transitions. On both occasions in Korea, the processes occurred in circumstances of political standoff and crisis that are propitious for settlements. The Korean processes unfolded almost entirely out of public view and they had a piecemeal character in which the most important democratizing force in 1987, the radical student movement played no role, and from which both the students and Kim Dae

Jung's New Democratic Party were excluded in 1990. The Taiwan processes were almost the mirror image of Korea's: they involved large, inclusive and semi-public gatherings of elites that were carefully prepared and explicitly aimed at resolving core disputes. However, the first of these, the National Affairs Conference in 1990, was not propelled by a political standoff or a crisis and, though important reforms were agreed, there was no resolution of basic constitutional and stateness issues. Circumstances for the National Development Conference in 1996 were more propitious for a settlement, and once the small but intransigent New Party exited the NDC, the ingredients of a comprehensive settlement emerged. After much further political maneuvering and marathon negotiations at the end of June 1997, its fundamentals were inserted into the constitution.

In so far as an elite settlement is the most efficient route to a tamed politics and democratic consolidation, Taiwan has hewed to this route more closely than Korea. We are confident that Taiwan's democracy has achieved consolidation. In the event that the ominous conflict with the People's Republic brings the reunification-independence cleavage in Taiwan's politics back to the foreground and de-stabilizes the democratic regime, we think that it would amount to a new dynamic lying beyond the now completed process of elite settlement and democratic consolidation. We are a good deal less confident that Korea has achieved consolidation. The settlement route is not as discernible, and we see no signs that a gradual convergence of elites has gotten underway. The substantial fragmentation of elites, especially as manifested in the party system and regional cleavages, does not appear to be abating. Moreover, basic constitutional issues remain in dispute and are manipulated by elites according to the exigencies of their power competitions. We think that a third, more clear-cut and successful attempt at a settlement will be necessary before the consolidation of Korea's democratic regime can be confidently proclaimed. Our suspicion is that the looming crisis over Korean re-unification will trigger this third attempt.

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