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TAIWAN

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DECLARATION

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INTRODUCTION

What makes a democratic system successful?

All democracies are political systems in which the way of electing leaders and making impactful decisions are done by public anonymous voting, people expressing their opinions, the majority of the votes decide on the certain topics at hand where the end result is the reflection of the wish of the citizens as a whole.

Having a highly functioning, stable system is crucial for the long-term sustainment, smooth functionality and legitimacy of such.

There are some conditions that have to be fulfilled by countries' government in order for them to qualify as a democratic system. The must of holding free and fair competitive elections, as well as the fulfilment of civil liberties, the principle to protect and respect all human rights – freedom of speech and of the press; freedom of religion; freedom of assembly and association; and the right to due judicial process - are included in constitutions all around the world, just as in bigger international agreements such as the UN Charter or the Helsinki Final Act¹.

Now the next question is, how do we know if a democratic system is successful?

We know that the past few decades, democracy has proven to be the most widespread, most desired political system there is, it promotes economic welfare, the citizens have a chance to participate in the governance of their own countries and the general living conditions in democratic states are significantly high. Success and functionality, however, is a more complex question, there are several different factors that have to be examined in order to determine the purity of a democratic system.

Still there is not one predetermined way to 'measure' democracy, it is definitely not a matter of 'yes' or 'no' when it comes to facts, there is a definite grey area where the investigation is up to professionals of the field with extensive knowledge and experience to determine what are the best, most accurate questions to ask. Another factor, that makes this examination 'bittersweet' is the availability and amount of information. On one hand, we live in a world where everything is accessible online, with a few clicks, countless sources, stories, viewpoints and opinions can be found in the matter of seconds, that makes the search and the results more

¹ The Conference on Security and Co-operation in Europe

complicated. Because, on the other hand, this data can be created by anyone, even if we work from reliable, official sources, there is no way to tell which one of them is the most accurate one, especially in this topic, where from some countries it might be impossible to get a 100% accurate data, due of government influence or many other reasons.

This motivated my decision to look into how different experts think about these questions, according to what measures do they determine the democratic success of states and regions. I have found 3 methodologies, one from Freedom House is called *Freedom in the World*, the second is the Economist Intelligent Unit's *Democracy Index* and finally the World Bank's *Worldwide Governance Indicators*. All 3 has the same basic goal, to find out, measure, and rate the world's governments in order to see, how well their systems function from a democratic point of view. Important to note that, most of the countries are present in the report regardless of their political status, meaning not just democracies, but other political systems as well in order to get a clear picture of the world.

Finally, I choose Taiwan as a country to examine from the point of view of the 3 indexes, to see what the individual results are, what is the correlation, if there is any and to determine the differences and the cause for them. Taiwan is a politically complex country solely because of their relationship with The People's Republic of China. All around the world Taiwan is viewed as a part of Mainland China, mainly because of their entangled history, and Beijing's global influence on other countries and their economic dependence. However, we cannot forget about how different Taiwan's and China's political systems are, Taiwan has a democratic government, while China is under communist rule, two systems that are opposite to each other and yet viewed by one in the public eye of most states in the world. I am going to talk about what might be the reason for this, and how are the two systems coping with this duality in their everyday lives.

DEMOCRACY INDEXES

Freedom House – Freedom in the World

It's a report created on an annual basis, indicating political and civil rights and liberties globally, they determine the scores based on numerical ratings and descriptive texts for each one of the countries.

Methodology

The main thoughts behind the methodology are based on the Universal Declaration of Human Rights, which was adopted by the UN General Assembly in 1984. The general idea is that the standards accepted in this document apply to all countries and territories, irrespective of geographical location, ethnic and religious composition, or level of economic development (Freedom House, 2020a). Freedom House's methodology assesses the actual rights and freedoms individuals enjoy during their everyday lives (not government performance), therefore the result of the research displays the level of democracy the average person experiences rather than what the governments of different countries want to appear as.

Freedom in the World factors laws and actual practices in the scoring, not legal guarantees of rights, since that might not show the actual state of liberties granted for citizens, there is always a greater emphasis on implementation when it comes to the Freedom House methodology.

During the selection of territories to be assessed the following criteria need to be taken into consideration:

If the area in question is governed separately either de jure or de facto from the rest of the relevant country or countries, are these territories also differ significantly in political rights and civil liberties from the relevant states, therefore a separate assessment is necessary in order to get more clear and accurate result on both areas. Whether there is a lingering pressure from another country that threatens the autonomy (loss of rights or the independence) of the specific area or territory either by economic or diplomatic means. (Marosán, 2015)

Whether the state of the relevant territory is in a stable enough condition regarding its political autonomy and boundaries for a year under review assessment and, if this stability can

be expected to remain in the coming years, so that a year-on-year comparison may be possible. And lastly, whether the territory is large enough to be politically significant.

The methodology's foundation was laid down in 1972 by Raymond Gastil, a specialist in regional studies. In 1978 the first version of *Freedom in the World* appeared, then, as a book that contained a short description of each researched territory made by leading scholars and experts at the time.

Process of gathering data

Freedom in the World is curated by a group of experts and analysts in human rights, democracy and other related fields. The analysts score countries based on the conditions and significant events within their borders during the examined period (typically a year), they gather the necessary data and information from news articles, academic analyses, reports from non-governmental organisations, individual professional contacts, and on-the-ground research (Freedom House, 2020a).

After the experts gathered enough significant data in order to propose scores for each territory, Freedom House staff and the team of expert of the topic discuss their findings during meetings organized by regions. The final report represents the consensus of the analysts, outside advisers, and Freedom House staff. The experts are aiming to achieve completely unbiased judgement, and to avoid all subjectivity regarding the scores and the final report, so that the results show the real-life findings and unquestionable data.

Scoring process

The Freedom House methodology is a two-tiered system consisting of scores and status. Each country has a score based on a questionnaire and finally, depending on the assigned scores every country and territory gets a status indicating their level of free/ electoral democracy.

In order to qualify as an electoral democracy, countries have to score an overall Civil Liberties score of 30 or better out of the 15 civil liberties indicators and an overall Political Rights score of 20 or better out of 10 indicators in addition to a score of 7 or better in subcategory A (Electoral Process), each question in the categories are worth 0 to 4 points, where 0 represents the smallest degree of freedom and 4 the greatest degree of freedom (Freedom House, 2020a).

1. The political rights questions are grouped into three subcategories: (max. 40 points)
 - a. Electoral Process (3 questions)
 - b. Political Pluralism and Participation (4)
 - c. Functioning of Government (3)
 - d. Additional discretionary question – regarding forced demographic change (a score of 1 to 4 may be subtracted as applicable - worse the situation, more points subtracted)

2. The civil liberties questions are grouped into four subcategories: (max. 60 points)
 - a. Freedom of Expression and Belief (4 questions)
 - b. Associational and Organizational Rights (3)
 - c. Rule of Law (4)
 - d. Personal Autonomy and Individual Rights (4)

(Freedom House, 2020a)

Generally, one of the most important sources for the report are the previous year’s findings and scores, they are the point of reference for the coverage period, most of the time the scores from year-to-year remain the same or very similar, unless there were some important development on the country that references a significant decline or improvement.

Table for determining the status of countries based on Political Rights and Civil Liberties scores

Table 1

Status	Political Rights score						
	0-5*	6-11	12-17	18-23	24-29	30-35	36-40
Civil Liberties score	53-60	PF	PF	PF	F	F	F
	44-52	PF	PF	PF	PF	F	F
	35-43	PF	PF	PF	PF	PF	F
	26-34	NF	PF	PF	PF	PF	PF
	17-25	NF	NF	PF	PF	PF	PF
	8-16	NF	NF	NF	PF	PF	PF
	0-7	NF	NF	NF	NF	PF	PF

Source: Freedom House, 2020

The “electoral democracy” distinction may only be given to certain countries that have reached some predetermined minimum standards for Political Rights and Civil Liberties, namely a score with minimum of 7 in the Electoral Process subcategory and altogether a score of 230 or more for the Political Rights section. As for the Civil liberties section, there is a necessity of 30 or better score. It is important to note that, Freedom House’s “electoral democracy” designation is not the same or equal to “liberal democracy,” which generally implies a democratic system strictly based and governed by democratic ideals and a wide array of civil freedoms are allowed and respected. In *Freedom in the World*, most of the countries that get the designation ‘Free’ could be considered liberal democracies, while some of the states qualifying as ‘Partly Free’ might meet the requirement for electoral, but not liberal democracies.

The distinction between “free” countries goes as follows: Free, Partly Free, Not Free Status. The Free status merely implies that a country or territory experiences comparatively more freedom than those rated Partly Free or Not Free, not by far that those states enjoy perfect freedom or lacks serious or minor problems in their governments functionality.

Questions

POLITICAL RIGHTS

Electoral process

This category consists of 3 questions, each debating the fairness and legitimacy of various electoral frameworks of the current head of government, and/ or any other chief national authority, including direct presidential elections, the indirect electoral process for prime minister held by the parliament, and the electoral college system for electing presidents. There is great emphasis on the following questions, whether an independent national and/or international organization of electoral expertise judges the most recent election for head of government and if they determine that the process have met democratic standards (Marosán, 2015).

Political pluralism and participation

This part of the questions relates to the fairness and freedom of the system where anyone has the rights to organize political parties or other competitive political groupings without any obstacle (that makes it hard or impossible to oppose any specific party).

Whether there is a realistic opportunity for the opposition to gain power through the elections.

It is also pressingly important to examine whether these choices regarding the politic sphere are made free of domination by external forces such as the military, foreign powers, criminal organizations etc., that the people's political decisions are not influenced by harassment, intimidation or attacks. Furthermore, if there are any extra political factors involved in decision making.

If equal political rights and electoral opportunities were given to the voters regardless of gender, sexual orientation, ethnicity and religion, monitoring if every access is granted by the government for all the eligible voters. Whether the issues, ideas raised by minorities are addressed by national parties of various ideological persuasions. Another critical point raised in this section of the questionnaire is if there are unusually excessive or discriminatory barriers to acquiring citizenship that effectively deny political rights to a majority or large portion of the native-born or legal permanent population (Freedom House, 2020a).

Functioning of the government

Contains the overall discussion regarding the legitimacy of policy and decision making of the elected government and national representatives. Whether there are non-freely elected political actors, or nonstate actors who interfere with the implementation of the freely elected representatives' legislation and their policy decision making. The extent to which armed forces of the given country or foreign government are involved with a state's political activities, their influence on policies and decisions are also discussed in this section (Marosán, 2015).

How strongly and effectively are these new policies safeguard against corruption. What kind of programs and anticorruption laws did the government implement to effectively detect, prevent and punish corruption among public officials. Are there excessive bureaucratic regulations or other requirements and controls which increase opportunities for corruption. When there is a case regarding any government official's suspected involvement with

corruption, how seriously and thoroughly are these incidents investigated and prosecuted, are they presented to the public through the media transparently to a full extent?

How transparently and openly does a newly elected administration operate, whether the government publishes important information, accessible to everyone in the official platforms, and thereby give the opportunity to different interest groups, journalists and citizens for participating and commenting on various pending policies or decisions. Also, an important indication, the level of transparency and fairness of competition the government shows when awarding high value government contracts and investments.

Additional discretionary Political Rights question

This question is in regard to the changes implemented by the government or any occupying power in the ethnic composition of a country or territory in order to gain more political power by tipping the balance or destroying a culture by violence, forced deportation or any other economic and political incentives.

CIVIL LIBERTIES

Freedom of expression and belief

First, the independence of the media and how free it is from censorship. The degree to which journalists self-censor when reporting about or criticising sensitive government related topics, political news or the activities of individuals yielding significant political power (Freedom House, 2020a). The consequences they have to face if they scrutinize the government or the degree to which political leaders attempt to influence media content are also a tell-tale sign of the degree of democracy and freedom in a given country.

Another factor weighting into this score is the viewpoint and liberties regarding religion. Whether people are free to express their religious beliefs regardless of what that might be. To what extent does the government get involved in the matter, for example regarding the appointment of religious leaders or accepting and monitoring peaceful public religious programs in order to shield against any possible harassment or intimidation.

Monitoring the status of academic freedom is the next important factor, whether there is political interest from the government to influence the content of the school curriculums or

use the allocation of funding for public educational institutions. Might there be certain agenda in school from the administration's side to pressure students, teachers or parents into a certain political view or support certain political parties (Marosán, 2015).

The last point that determines the *freedom of expression* score is how blunt can people be on their true beliefs regarding political, religious or any other divisive topics. People's ability to create or participate in free discussions of a political nature in a public place or online without a fear of consequences from the authorities.

Associational and Organizational rights

Contains the general analysis on freedom of assembly, citizens initiated signature gathering for a particular politics related topic or peaceful protests for a political cause, the method, requirements and hardship of obtaining such permit and if there is a police involvement in the prevention of attendance or intimidation of the participants.

What permissions apply to the operation of nongovernmental organizations, particularly the ones engaging in human rights and governance-related work (Marosán, 2015). How onerous is the process of registration and fulfilment of other legal requirements in order to function properly and does to government apply any pressure on donors and members?

Situation of trade unions, and other professional labour organizations regarding government interference, harassment or violence against its workers, permission of strikes and peaceful gatherings.

Rule of law

How independent is the judiciary and the appointment or dismissal of judges from government or other political, religious or economic interferences? Regarding the fairness and impartiality of the judges when rendering verdicts are reviewed and evaluated in this part as well, whether they can be bribed or otherwise influenced to favour government interests.

Another factor is the due process and how it prevails in civil and criminal matters in the court, the respect of the presumption 'innocent until proven guilty'. This part evaluates the general accountability and fairness shown towards all citizens and any legal actors during a trials or

legal procedures regardless of distinguishing factors and the possible involvement of state actors or the government.

The next point is the legitimacy of the usage of any physical force, for example during detainment of people is there unjust violence, harassment, physical abuse or the violation of basic human rights by state authorities. The experts take a look at the general views on death penalty in countries it is allowed, in which cases it is practiced, how commonly impacted is the population of violent crimes, terror, physical harm in a given country (Freedom House, 2020a).

When it comes to laws, policies how equal is the treatment of various groups and segments of the population? Thinking of religion, gender, sexual orientation, or any other factor, the equality has to be shown to all human beings before the law in a democratic country. And violence against these groups and the judgement of these actions are a serious indication of the status of freedom in a country.

Personal autonomy and individual rights

This part is in regard to the personal rights, like freedom of movement, if people are able and free to change their place of residency, for citizens to travel to foreign countries or nonstate actors to move within the country. The possibility to change education and what kind of permissions/ administration from the government do the process involve. In case of certain restrictions, it is important to see how those are enforced, and what are the consequences if someone fails to comply.

Furthermore, another significant point is the ability for individuals to exercise the right to own, purchase or sell properties. Also, to be free to establish private businesses without state interference and examining the complicated or overly hard process of obtaining permissions, licensing and other requirements for such purpose (Marosán, 2015).

The next personal right which has to be reviewed is the social freedom to marry and start a family with anyone of the person's choosing, meaning without restrictions from the state regarding interfaith marriages, same-sex partners and is there are laws against child-marriage. Whether divorce is possible, and the custody matters judged fairly. To what extent does the state have a say in the matters of abortion and the number of children per household.

And lastly, the next indicator is the level of economic exploitation. Are employees protected by the state against exploitation by their employers or government actors, are the working conditions regulated to protect human life? To what extent does the government have a control over the economy, whether state ownership is significant and if they have a say in matters like setting price floors or ceilings, controlling production quotas (Freedom House, 2020a). Are there laws preventing unjust economic advantages such as cartels, monopolies whether private or state practiced, or concentration of ownership.

Democracy Index -The Economist Intelligence Unit

The Economist Intelligence Unit's *Democracy Index* was first published in 2006, since then, they publish their report each year, which analyses countries of the world based on the 'purity' of their democratic system.

Methodology

The EIU uses a scale of 0 to 10 for its index of democracy, and the index is based on the individual ratings for 60 indicators, these indicators are arranged into the five major categories:

1. Electoral process and pluralism
2. Civil liberties
3. The functioning of the government
4. Political participation
5. Political culture

The composition of the final score is based on the individual, yet interrelated categories, where each have a rating on a scale of 0 to 10 and the five subcategories together create a conceptual whole at the end. The final score, the overall index is an average of the category indexes. The individual category indexes are based on the sum of the indicators scores of the given category, also on a scale of 0 to 10. However, if a country scores less than one in the following critical areas, then adjustments has to be made to the category scores (The Economist, 2020).

The critical areas:

1. Whether national elections are free and fair.
2. The security of voters.
3. The influence of foreign powers on government.
4. The capability of the civil service to implement policies.

In case of the first three areas, in case the score is 0, then 1 point, if the score is 0.5 then 0.5 point is deducted from the indexes of the relevant category, most likely either from 'The electoral process and pluralism' or 'The functioning of the government'. Regarding the 4th area, if the score is 0, then 1 point shell be deducted from 'The functioning of the government' category index (The Economist, 2020).

Based on the index values countries can be sorted into the following 4 types of regime:

1. **Full democracies:** scores greater than 8

Countries where the basic conditions for democracy came true, the elections are fair and free, there is two or more party that has significant chance to get elected, meaning not only one political party holds the majority of the citizen's vote. There is respect for basic human rights, political freedoms and civil liberties, the government and its functionality are in line with democratic values and standards. The media has to be independent from government influence, so that freedom of speech and opinion is granted for the public. The judiciary system is free of government pressure and corruption, and the decisions made are lawfully enforced. Basically, where democracies have only limited problems, and none of them disrupts its functionality.

2. **Flawed democracies:** scores greater than 6, and less than or equal to 8

In these countries elections are held regularly, they are free and fair, however there tends to be one party holding significantly more political power than their opponents, so a power transfer is not likely from this party to another in election period. Even so one of the basic criteria for democracy gets fulfilled, however there are problems in the system's functionality, such as government involvement in the media or significant corruption. Basic civil liberties and human rights are respected. The weakness of the democratic aspect lies in underdeveloped political culture, or poor levels of political participation (The Economist, 2020).

3. **Hybrid regimes:** scores greater than 4, and less than or equal to 6

Regarding the election in these countries, there are significant irregularities, which means we cannot say they are entirely free or fair. The ruling government may inflict pressure on opposing parties and their politicians. The political participation is low, political culture and the functioning of the government shows serious weaknesses. The media is not free of government involvement, journalists are under pressure to comply with government objective on their articles, corruption is widespread, and the rule of laws is weak, judicial systems are not independent (The Economist, 2020).

4. **Authoritarian regimes:** scores less than or equal to 4

In this category we can the countries with non-democratic systems, dictatorships, communist regimes and other authoritarian states are categorised here. There might be elements of democracy present, but they are insignificant. Elections might be held, but it's not a frequently reoccurring trend, and even if there are, they are not fair or free. Serious infringements are present in the recognition for civil liberties and human rights. The media is not free, typically state owned or controlled by the government

and used for propaganda purposes. There is absolutely no freedom of speech or criticism and the judicial system is not independent.

The scoring system

The 60 indicators are scored with combination of dichotomous (0 or 1) and three-point (0; 0.5; 1) scoring system. The dichotomous system basically means that there are 'yes' or 'no' answers, where 'yes' is worth 1 point and 'no' equals 0 point, with the possibility for a score of 0.5 for some more problematic, complex questions, "grey areas", where 'yes' or 'no' would simply not suffice. The experts ultimately did not decide on a higher scale system because of its inherent problems, it is difficult to define a meaningful and comparable criteria or guideline for each score, not to mention, the subjective score of the individual experts and of course these problems are only magnified when introduced to a bigger scale, on a country or region level (Marosán, 2015).

In addition to their experts' assessment, the EIU uses the opinion of the public for its analysis, in the form of public-opinion survey, primarily the World Values Survey. The surveys mostly influence the questions where the rights, liberties and participation of the citizens are concerned, these are the 'Political participation' and the 'Political culture' categories. According the experts working on the report, there is a significant correlation between the voters' turnout and the level of democracy in a given country. Citizens of developed states with highly functioning democratic systems are more likely to turn up in bigger numbers (approximately more than 70% of the eligible population), than of the less-free and democratic counterparts' (The Economist, 2020).

The Worldwide Governance Indicators

The World Bank's democracy measuring methodology, the *Worldwide Governance Indicators* (WGI) was initiated by acclaimed experts, Daniel Kaufmann and Aart Kraay with the contribution of several professionals of the field in 1999. WGI are a research dataset that contains views on the quality of governance from a significant number of enterprises, experts and citizens of a given country. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. It is important to note, that since the Worldwide Governance Index contains multiple data sources, it does not represent the views of any of them individually, and their finding might differ from the used sources (Worldbank, 2015).

The Worldwide Governance Indicators analysis over 200 countries each year to determine their political freedom, the report is based on six broad dimensions of governance:

(Individual variables from each data source used were taken into account to construct this measure in the Worldwide Governance Indicators)

1. Voice and accountability

This dimension captures views of the degree to which citizens of a nation are able to engage in the selection of their government, as well as freedom of speech, freedom of association and free media.

Major variables that were used are to determine the measures: democracy index, accountability of public affairs, human rights, political rights, civil liberties, freedom of elections on a national level, freedom of the press/ association/ assembly, general media pluralism etc.

2. Political Stability and Absence of Violence

The second dimension evaluates expectations of the possibility of political instability and/or politically motivated crime, such as terrorism.

Major variables that were used are to determine the measures: armed conflicts, social unrest, international tension/ terrorist threat, intensity of internal conflicts/ violent activities/ social conflicts, and government stability etc.

3. Government Effectiveness

The performance of the government captures expectations of the quality of public services, the quality of the civil service and the degree of its freedom from political

constraints, the quality of policy formulation and implementation, and the legitimacy of the government's adherence to these policies (Worldbank, 2015).

Major variables that were used are to determine the measures: quality of bureaucracy/ institutional effectiveness, quality of infrastructure of roads/ railroads/ ports/ air transportation, quality of primary education etc.

4. Regulatory Quality

Regulatory efficiency captures expectations of the government's capacity to devise and execute sound policies and regulations that facilitate and encourage the growth of the private sector.

Major variables that were used are to determine the measures: unfair competitive practices, price controls, discriminatory tariffs/ taxes, extent of market dominance, investment freedom, financial freedom etc. (Worldbank, 2015).

5. Rule of Law

The rule of law dimension examines and evaluates the extent to which upholds and the public has respect for the rules society is based on, more precisely the ones regarding property rights, public safety, the quality of contract enforcement, how well and justly does the Court of law functions and lastly, how common and grand is the likelihood of violence and crime.

Major variables that were used are to determine the measures: violent crime, organized crime, fairness of the judicial process, intellectual property rights protection, reliability of police services etc.

6. Control of Corruption

Corruption control takes a deeper look at the extent to which the power yielded by the public is used for private gain and interest, basically the prospect of corruption among government officials.

Major variables that were used are to determine the measures: corruption among public officials, public trust of politicians, diversion of public funds, irregular payment in exports and imports/ public utilities/ tax collection/ public contracts/ judicial decision etc. (Marosán, 2015).

The methodology WGI uses is slightly different from Freedom House's and The Economic Intelligent Unit's, while those two rely primarily on their own questionnaire with a support of external surveys or data sources, The World Bank's indicator composes of 30 underlying data sources that report the views and experiences of citizens, entrepreneurs, and experts in the

public, private and NGO sectors from around the world, on the quality of various aspects of governance.

The WGI categorises its data sources in four categories:

- Surveys of households and firms
- Commercial business information providers such as Economist Intelligence Unit, Political Risk Services etc.
- Non-governmental organization like Freedom House, Reporters Without Borders, Global Integrity
- Public sector organizations such as EBRD Transition Report, CPIA assessment of World Bank regional development banks etc.

These data sources are rescaled and combined to create the six aggregate indicators using a statistical methodology known as an unobserved components model. Users are encouraged to voice their opinion on the construction of the individual indicators influencing the WGI scores, in order to get more accurate results and get a more in-depth look into the specific areas of strengths and weaknesses identified. So, we can say that while the other two puts the emphasis on customized, directed question, WGI has more of a scientific method. One of the most interesting result of this technological approach is that as a result, they gain a key feature, their method generates a margin of error for each government estimate, that will be taken into account when year-to-year comparisons are made (Worldbank, 2015).

TAIWAN

Taiwan, or on its official name The Republic of China, this beautiful, technology based island in East Asia that has such rich history. From a democratic point of view the island has quite the challenge dealing with the 'Mainland' for its independence. As it is commonly known and accepted in the world, that the ROC is part of China, however, their internal workings, their governance are completely different. The reasons for this distinction and how do they function in practice are the questions I attempted to find the answers to and describe those in the following sections.

History

Regarding this country's rather interesting and eventful past, before its first occupation by foreign conquerors in the 16th century, Taiwan was terra incognita, presumably a self-governing island but without any central authority or power, they occasionally traded with outsiders, however no one, not even the China, which was in close proximity, knew much about the island (Cooper, 2020).

Starting first, with the Dutch East Indian Company and Spanish sailors establishing permanent bases on the South, around the area what we today know as Tainan, and eventually, in a few years they expanded to the northern parts as well, around Tamsui. Mainly taking advantage of the habitants of the region as cheap laborers growing grain and rice, besides that they also traded in spices, sugar, silk, satin, porcelain etc., this operation was highly profitable for the Dutch, unfortunately for them they could only enjoy it until they lost their territories on the island in 1662 to Zheng Cheng-gong, Ming dynasty loyalist fleeing China after Manchu warriors brought the downfall of the ruling family and founded the new Qing Dynasty (Britannica, 2020).

Taiwan as part of the Chinese Empire

Towards the end of the 17th century after a few years of relative peace, the Qing dynasty took control over the western and northern coastal areas of the island, this rule would go on lasting two centuries. After gaining possession over the territory, the Qing Empire had trouble deciding what shall be the future of Taiwan, some of the advisors were on the view that it was worthless and best would be to abandon it, eventually it got incorporated into the Chinese

empire, however they didn't see much use for the area, all migration from any province of mainland China to the island was prohibited, however some inhabitants of poorer provinces ignored this rule and sought after a possibility of a better life in Taiwan. In the second part of the Chinese rule, the 18th century, Taiwan reached many important milestones, like the foundation of some major cities like Taipei and many of its most important temples. On the other hand, because of the lack of attention on the island and its governance, banditry was widespread, immigrants from other province fought each other for better land rights. In the meantime, population grew, by 1811, the total exceeded two million, most of the marriages were between original habitants and immigrants, that counts for the quick assimilation of outsiders. Over time, in the late 19th century Taiwan's favourable strategic location and countless economic possibilities started to attract foreigners from the west as well as Japanese interest (Britannica, 2020). Over this period several important ports were established near the big cities, with special rights and privileges, like immunity from arrest for internationals such as citizens of the British Empire, Russia, Japan and some other countries. Finally, in 1885 Taiwan's rights were updated and it officially became an individual province of the Chinese Empire.

Relations with Japan

In 1894 the First Sino-Japanese War raged on between Japan and China, and even though Taiwan had not been involved in the matter, as a result of the Chinese defeat, the Qing empire signed a treaty ceding over Taiwan's sovereignty to Japan, which maintained authority over the country until the end of World War II., 1945. The transition, or rather takeover was hard on some Taiwanese, for six months the Japanese Army kept the order on the island and dealt with the resistance of the people. During that six months spent in Taiwan, countless of Japanese soldiers lost their lives, mainly not as a consequence of violence, but rather the poor public health system, malaria and cholera was raging on and the tackling of these diseases became the number one priority of the new rulers of Taiwan (Cooper, 2020). As a result, the first 20 years of Japanese rule was quite successful, from the point of view of healthcare as well as the development of transportation, roads and railway networks were built and expanded. However, Japanese control of natural resources such as coal and forests (in the latter, camphor was an especially valuable commodity) led to resentment. Another additional grievance from the indigenous Taiwanese population's side was the strict treatment they received from the authorities, the people had to give up their weapons and ancestral lands,

because the government forced them to provide labour for their projects. Eventually this led to an uprising against the Japanese, which resulted in the slaughter of countless Japanese citizens and soldiers, the rebellion ended shortly with the Japanese authorities' inevitable victory. When World II came, Taiwan was utilized as a staging base for Japan's Southeast Asian conquests, the Japanese army enlisted more than 200,000 Taiwanese into their forces and the authorities established POW camps on the island, where they held thousands of Allied prisoners-of-war, a big number of the soldiers died of malnutrition and overwork. Naturally, the economy was also greatly damaged during the war, and American air raids killed thousands of civilians. Despite the hardship and suffering that came with the war, at the end the Taiwanese people were found to be cautiously optimistic about their future (Britannica, 2020).

The Republic of China

In 1943, one of Taiwan's most significant historic figures, Chiang Kai-shek, who met U.S. President Franklin Roosevelt and British Prime Minister Winston Churchill in order to restore Taiwan and other small nearby islands as the Republic of China, he was successful and the result was recorded and released in the Cairo Declaration (Cooper, 2020).

The actual fulfilment of the declaration took place in 1945, following the defeat of Japan in WW II, the Potsdam Declaration, calling for the carrying out of Cairo Declaration and unconditional surrender of the Axis ally issued jointly by ROC, United States and United Kingdom. Finally, Japan surrenders, and the Chief Executive of Taiwan Province, Chen Yi issues a memorandum stating, "As the Chief Executive of Taiwan Province of the ROC, ...I restore all legal territory, people, administration, political, economic, and cultural facilities and assets of Taiwan..." (Ministry of Foreign Affairs, 2020).

In the following years, Taiwan's history is directly intertwined with and influenced by the happenings in Mainland China's, so in order to understand one, we must look at both.

China has extremely rich history throughout the years, particularly during these decades, one of the most significant influence on these happenings came from none other than the Nationalist Party of China, also known as Kuomintang. The party was founded out of a revolutionary group in 1912, their goal was to end the era of dynasties ruling China, and they succeeded, the last emperor of the Qing dynasty was overthrown by the radical leader and his

supporters, who following the incident founded the Republic of China in 1911. The leader of both the party and the revolutionary group was Sun Yat-sen. The main ideology of the party is nationalism, hence the name, as from an economic point of view the orientation of the party's program is socialistic. Therefore, when in the middle of the 1920s the Soviet Union approached Sun and offered help to the Kuomintang party, it wasn't a surprise at all, and since Sun couldn't expect any help or support from the powerful West, meaning France, Britain or the U.S. he accepted the help. The price of the USSR's help was, that The Nationalist party shall form an alliance with the freshly forming Communist Party of China and the merger happened in the coming months without any significant problems between the two and ended successfully (Watkins, 2020).

Upon the sudden death of Sun Yat-sen, the leadership of the emerged Kuomintang party's left-wing descended onto Chiang Kai Shek, he became the present of the Republic of China and the right-wing leadership onto Hu Han-min. However, a bad situation turned that much worse by Chiang's descendant, the result of the faulty leadership was a declining economy and massive amount of corruption in Taiwan, by 1947 the citizens' frustration and anger with the new regime became palpable as a full-scale riot started in the capital, Taipei, a direct result of mob interference upon unjust government violence on a young women selling untaxed cigarettes on the streets. The governor waited for the reinforcements' arrival, and upon that, thousands of people – some were actively opposed to the KMT, but many were innocent – were massacred in what's known as the 2-28 Incident (the name derives from the fact that the protesters attacked the government offices on February 28).

Meanwhile in China, in the Nationalist Party communist members were rising fast in the hierarchy, which was Chiang perceived as a threat to his position, so when the Nationalist Army was mobilized for the Northern Expedition, he acted (Cooper, 2020). The Expedition's main goal was to neutralize the threat of the many warlords operating on the northern- and central- parts of China so when, after a successful operation they neared Shanghai, where the communist power was very strong, that's when Chiang decided to take care of the growing influence of the right-wing and take back the control over the Party. Another reason for the sudden action was the attack on the American, British and Japanese consulates by the Nationalist Army but without Chiang's knowledge, presumably planned by the Communist within the party in order to provoke the foreign powers against the Kuomintang (Watkins, 2020). The attack on the Communist ended in success, from Chuang's point of view, since for most of them the attack was lethal, only some of them managed to fled Shanghai. However,

those few united with the Communist on the south, formed a government with Mao Zedong's leadership and started planning. The situation reached its climax in December 1949, when Mao's forces totally defeated the Nationalist Army, only to have the survivors with 1.2 million people from China relocating to Taiwan.

Chiang Kai Shek set up residence in Taipei, as the head of the Kuomintang assuming leadership on the island, declared martial law and what he claimed to be the legitimate government of all China, with a clear socialist trend, central planning and state-domination of the economy. He was fairly aware of the fact that they failed to improve the life of China's poor, rural population was one of the main reason the KMT had lost the power over the mainland. For that reason, the new regime launched a land reform program that was acknowledged as a great success by experts the world. Farmers enjoyed greater protection, and the compensation they obtained was used by many former landowners to build factories. Manufacturing took over sugar as the no. 1 export between the 1920s and 1950s. Furthermore, after the 50 years of Japanese occupation, the leader believed that the people have lost their Chinese cultural and political identity, and soon the re-culturalization program started, to teach the public 'how to be Chinese again', through the education system. (Albert, 2020).

The Japanese past of the island is fully concluded in 1952, when Japan and the ROC signs the Treaty of Peace, the formal ending of the 'state of war' and Japan officially renounced all its right to Taiwan, between China and Japan all previous war related consequences have been deemed void and null at the end of 1941. In 1954 Taiwan managed to establish international relations with the world leading power, the United States as they sign the Mutual Defence Treaty in Washington (Bush and Hass, 2018).

Following Chiang Kai-shek's death in 1975, the political leadership descended upon Chiang's son Chiang Ching-kuo. The unfortunate event of the United States of America breaking off all relations with the island came in 1978, they did so in order to establish diplomatic ties with the People's Republic of China. In the years leading up to the president's death in 1988, KMT started to lose their power over the political scene. Due to this, martial law was lifted and the opportunity to form new political parties was permitted. The media became more free and bold with their opinion and occasional critique, soon after the overseas travel restrictions got lifted, the vacations to abroad, including the PRC became more common and popular (Watkins, 2020).

The country's first Taiwan-born president was Lee Teng-hui, an agricultural economist born in 1923 and educated in Japan and the US. He was one of the biggest advocates for democracy at his time in Taiwan, and he helped the island get on the road towards democracy. Elderly lawmakers were forced to retire, so that Taiwan's politics can be led and shaped by young politicians who had deep knowledge on the current world and system and who were able to adapt and accept the nuance of democracy. Taiwan's parliament and newspapers began to reflect public opinion. In 1996 Lee Teng-hui became the ROC's first freely and fairly elected president, and four years later the first power shift between political parties in the history of Taiwan happened, when Democratic Progressive Party (DPP) – the main opposition grouping – won the election, showing the true fair nature of the system, where other political parties have a chance to grab the power (Ministry of Foreign Affairs, 2020). Yet another peaceful power transition have taken place since, in 2008, when the KMT had won the elections and against the DPP, they were in power until 2016 this time, after 8 years, both the presidential and parliamentary elections were won again by the DPP.

Political system

One of the most important factors in Taiwan's political scene has always been, and continues to be its relation to the People's Republic of China (PRC), which has long since declared the objective of "reunification" to end Taiwan's de facto independence and self-rule, and has refused to renounce the use of force to achieve that goal. However, as of now, no steps were taken by the Mainland China to achieve its goal and enforce its own communist system on the island (Rigger, 2002).

Nevertheless, Taiwan is no stranger to ideologies on its own, since the early 1990's we can observe the emergence of nationalism amongst the Taiwanese people, this is most likely the result of democratization and its complicated relations to PRC. There is a strong sense of self as Taiwanese, as a result of some survey's we know that over 90 % of the people feel that they are Taiwanese or Taiwanese and Chinese, on the other hand, less than 10% said that they are Chinese, which shows that the people think of themselves and the Taiwan as a separate, independent entity from China. The duality of the problem starts when the majority of the citizens are asked, if Taiwan should be an independent country, their answer and views don't match the one of nationalism. Therefore, since the early 90s, the question stands, where exactly should they draw the line regarding their relationship with China (Bush and Hass,

2018). Should it be a purely economic one, disregarding the political questions and differences? How thoroughly and definitely can they even answer these questions and making choices without, first, declaring to much independence in the eyes on China or second, making a decision that might anger Beijing and their viewpoint on the situation?

History of political system changes from 1949

In 1949, when Chiang Kai-shek and the Kuomintang Party arrived in Taiwan, and set up its authoritarian rule, they were set on the view that the War between them and the communist in China is not over, merely a momentary step-back happened and Taiwan shall be the base for “glorious mainland recovery” (Watkins, 2020). In order to solidify his power China Kai-shek declared martial law in Taiwan, when someone was accused of a political crime, they were to be tried at a military court, these measures were all in effect to neutralize the communist sympathisers and any possible local opposition groups, this period is known as “white terror”. Further changes were, that the legislature and national assembly which were responsible for selecting the president were suspended, on the count of them being elected in an all-China basis, however the mainland was under communist control and therefore impossible to go through with the process. On the island intelligence agencies were in charge of conducting widespread purge in order to identify and nullify communist supporters, spies or advocates. The transition to a democratic system was not a result of circumstances, or any outsider impact, it was conscious decision and a consequence of long negotiations in the 1980s. Chiang Ching-kuo, the president at the time decided to end the authoritarian rule, after this for the first time during the 1996 presidential election, the outcome was determined on a direct, popularity basis (Ministry of Foreign Affairs, 2020).

Nevertheless, there were exception to this totalitarian autocratic rule, elections at a local level, for magistrates, mayors and local assemblymen. The reason for this indulgent treatment was actually tactical, that two or more local Taiwanese groups were campaigning and competing with each other, all the while giving more of the political opportunity for gaining power and influence to the KMT. Not to mention, when these native, local candidates run against a Kuomintang party official, the central party could use the scale of the KMT victory as a barometer of grassroots officials’ performance and then the government immediately knew the “problematic” areas, where the support for them wasn’t the strongest. Another one of these exceptions was related to the economy of Taiwan, well into their regime, KMT made

the decision to foster economic development based on a strategy of export-led growth. The not so immediate result of this action was the emergence of the middle class, two decades later, who eventually started to push for a more free and open political system (Watkins, 2020).

Then, around 1970 the grooming of Chiang Ching-kuo the leader's son to follow Chiang Kai-shek, his father, as Taiwan's political leader. The younger Chiang was actively involved in the political scene, he had carried out the purges for communist allies in the that eventually earned him the reputation of being a man of the people. Furthermore, the young successor recognized the pressures for more political engagement. Three decades after the first authoritarian decisions were made regarding the elections for legislature and national assembly, that were suspended then due to the complicated relations with China, the leadership in order to reflect the growth of Taiwan's population instituted supplementary elections for these positions. This gave a great opportunity for loyal, native Taiwanese to get incorporated into the regime and therefore be granted more say in the policy making, inevitably leading to a growing opposition against KMT and its rigid, dictatorial rule (Bush and Hass, 2018).

An additional trend of this period was the fact, that the ROC's position in the international sphere has started to deteriorate. For a while the situation seemed manageable, since in major international organizations like the United Nations for example, the island managed to maintain its status as the official government of China, however, when the People's Republic of China with its communist leadership started to gain more support from newly independent third world countries, the situation started to worsen for Taiwan. In 1971 the PRC replaced the Taiwan in the U.N., this event seriously undercut the KMT's regime. In 1978, the world-leading power, the United States switched its recognition as China's official ruling entity from the ROC to the People's Republic of China (Albert, 2020). Meanwhile, the situation in the international scene worsened for the KMT, the opposition movement grew in strength in the domestic scene, in response to which they implemented tighter, stricter measures. This was the moment for Chiang Ching-kuo, to begin the transition process towards democracy. He understood that for the KMT, to remain in power world have put more emphasis on promoting economic development and running elections. All the while, China also embarked on a progressive economic reform, meaning that the only way to get ahead in this competition would be through a political reform. Just as he understood the need for strong new allies, the obvious choice was the United States since its strong support for democracy and opposition

towards authoritarian systems, also considering their past diplomatic relationship, and mutual defence treaty. So in 1985 Chiang Ching-kuo started to implement changes for the political transaction in the near future. The final indication for the change was, when the opposition group, dangwai announced that they are officially forming a political party, which by the way, was a clear violation of the law, and to which the president did not raise any objection and a few days later declared to lift the martial law, still in effect in Taiwan at the time, this promise was fulfilled in the summer of 1987. One year later the president tragically passed away, but his successor, who was a native Taiwanese, Lee Teng-hui, was determined to continue his work and finalize the change (Rigger, 2002).

The process was not easy, when making any decisions, the president and his advisors had to take into account two groups of widely opposing interests, one that wanted democratization to happen as soon as possible, and the other, who didn't want any change, navigating between these two has proven to be quite the challenge. The newly founded political party DDP continued to organize demonstrations in order to ensure and remind everyone that change is coming and keep the pressure on KMT. However, these demonstrations happened with the agreement and involvement of the current authorities. The memberships and right of the National Assembly and the Legislative Yuan were restored, with the slight change of removing the members responsible for mainland China districts and replacing those with elected representatives of Taiwanese origin. The first free, popular election for the National Assembly was held in 1991, while the one for the Legislative Yuan happened in 1992. Finally, in 1994, a constitutional amendment came into effect instituting direct, popular elections for president, and the first election took place in 1996, in which Lee Teng-hui won the presidential title (Albert, 2020).

This has proven as a turning point in the Taiwan-China relations, the events pushed Beijing to take action towards the pledged incorporation of Taiwan into the PRC system. Their standpoint on the matter was simple, they wanted to implement the formula of semi-autonomy for Taiwan that was originally implemented in effect in Hong Kong. Meaning guaranteed civil and political rights for the people but denying them the freedom of electing their political leaders. Before the democratic transition China had high hopes for a political reconciliation, taking into account that they were economically interdependent, but after the shift in the political system the people of Taiwan got a say in the matter, democracy means the people, collectively have the right to voice their opinion and collectively make decisions based on what the majority of the citizens want, and the Taiwanese people opposed unification with

Mainland China, they had a strong sense of Taiwanese identity. The problem is getting more and more urgent as China has gained significant economic and political power and became one of the world-leading powers in the past three decades (BBC News, 2020).

From 1996, since the democratic system is present in Taiwan three major power transfers happened between these two parties. regarding their relationship with China. This system grants regular election and the right for the public to change or reverse policy trends as they see fit, with the free media and an active civil society who can check the executive power.

In the past three decades, the leadership's view on the question has been versatile, the first democratic president, Lee Teng-hui and the one following after him, Chen Shui-bian have been more on nationalism's side, they used the strong sense of being Taiwanese as a way to gain and hold the political power, risking national security meaning their relationship with Mainland China to some degree. The most recent former president, Ma Ying-jeou who was in power until 2016, have shown more caution in the matter, he believed that by showing economic interdependence with China and therefore avoiding the provocation of it, is an important factor in keeping Taiwan safe (Albert, 2020). Finally, the current president, Tsai Ing-wen, a politician of the Democratic Progressive Party, has decided the approach the problem by maintaining the status quo, not achieving more economical freedom or risking less of a political one, but keeping things as they are and avoiding the anger of Beijing, however, the Chinese leadership insists that the president's goals are to achieve *de jure* independence even if that is not possible (Nachman and Drun, 2020). Over the years Beijing has made significant effort to undermine President Lee's power and weaken the Taiwanese economy and governance by harder and softer means. They have established diplomatic relations with Taiwan's allies, making them sever their Taiwanese ties, from an economic perspective, China encouraged several Taiwanese entrepreneurs, students and jobseekers with generous incentives to relocate to the mainland. China has also sought out a way to penetrate the political system, since the system is firmly independent, creating a China policy that is sensible to both sides, takes security into account and yet widely supported by the people is extremely difficult.

Undoubtedly the citizens of Taiwan are in favour of democracy as a political system, it is clear that they do not necessarily approve with the performance of their own, which is completely in their rights (Albert, 2020).

However, the China issue is not the only one factor that's challenging for the Taiwanese democracy. Its economy has matured, growth has slowed, and entrants to the job market do not necessarily possess the skills that companies need. It soon became clear that Taiwan cannot keep up in competitiveness with more advanced economies like the United States on the one hand and rapid growing giants like China on the other hand. To make matters worse, social and economic inequality has increased, the older segment of the population is growing, retirees who can't work and make money anymore, especially since we are tackling this issue in an Asian society, therefore the respect and obligation to take care of the elders are a lot more stronger, the young generation is facing the responsibility to work more and provide money for their parents, grandparent, when on the other hand birth rate has shown a steady decrease over the past few years, from an annual 14,000-16,000 in the 1990s, this number fell to approximately 8000 in the 2010s (Macrotrends, 2020).

Political system - Nowadays

Taiwan has a semi-presidential system of governance; it contains elements of both presidential and parliamentary system. The ROC president and vice president are directly elected every four years by simple majority popular vote, they are eligible to run again for a second 4-years term and a successful first 4 years. During legislative elections, each voter casts one ballot for their district and another for at-large seats.

The president is the head of state, and commander in chief of the armed forces, represents the nation in foreign relations, it's in his authority to appoint the heads of the five branches of the government, the Executive Yuan, the Legislative Yuan, the Judicial Yuan, the Control Yuan, and the Examination Yuan, including the premier who acts as head of government. He presides over the Council meetings, they have the responsibility to prepare and decide on policies, budgets, excluding policies regarding national defence, foreign affairs and the relations with China. The premier is completely at the president's disposal, he can remove him/her and members of the Executive Yuan Council at his/her will. Since the adoption of the semi-presidential system, which has happened before, in order to tackle certain problems or scandals arising from time to time (Ministry of Foreign Affairs, 2020).

The premier leads the Executive Yuan, or Cabinet, and must report regularly to the Legislative Yuan, or Legislature which functions as the law-making body, consists of 113 members with each member serving a four-year term. He/she also has the power to appoint

the heads of ministries, commissions and agencies under the Executive Yuan, all the heads of each yuan together form the Executive Yuan Council. The Judicial Yuan administers the court system, including the high courts, the district courts and the supreme court, the president is in charge of appointing the justices with the approval of the Legislature, for this body the appointment is a lifetime one. The Control Yuan is responsible for monitoring the public and investigating any impropriety or corruption cases. Its members are appointed by the president and approved by the legislature for 6-year terms. The fifth and final branch is the Examination Yuan, it contains the Ministry of Examination, this office runs competitive selection program to test individuals, select and recruit them as officials for civil service (Rigger, 2002).

In addition to the central government, Taiwan also maintains local governments divided into 13 counties, three cities, and six special municipalities. From 2014, the elections for the local governments are held simultaneously all across Taiwan, in every city, in every four years. The six special municipalities, New Taipei, Taichung, Kaohsiung, Taipei, Taoyuan and Tainan cities, they are top-level administrative entities, directly under the jurisdiction of the central government. This position grants them ability to set up additional agencies, employ more civil servants and access greater funding.

The two major parties are granted, the Kuomintang Party and the Democratic Progressive Party, every major power transition since the democratization happened between these two in the past three decades, all of the peaceful and fair. Besides this two, other major parties that have a presence in the Legislature include the New Power Party and the People First Party, none of them has won an election and gained significant political control before (Rigger, 2002).

Relationship with China

Since 1941, Chiang Kai-shek's arrival, there were a sharp and lasting disagreement on the status of Taiwan. After decades of hostility and passive aggression, in the 1980s the China-Taiwan relationship started to show improvement. China presented the formula, known as "one country, two systems", under which Taiwan would be given significant autonomy on the condition that they accept reunification with the mainland. The offer was rejected by the island, however in the following years their policies and rules regarding commercial or business visits and investments have been relieved. In 1991 they also formally ended the state of war with the PRC has officially ended. The People's Republic of China insists on the fact

that Taiwan is bound because in the past it already accepted its status as a part of mainland China. The “One China” Policy the most discussed concept in the matter, the term was first mentioned in the 1992 Consensus, that states the existence of only “one China”, however, it does not specify the nature of the union. While China interprets it as Taiwan being the part of China, a point on which Taiwan agrees on, the agreement does not specify the governing entity of this “one China”, this is the question Taipei and Beijing disagree on. The tacit agreement underlying the 1992 Consensus is that Taiwan will not seek independence. Beijing became alarmed in 2000, when Taiwan elected Chen Shui-bian as president, knowing he openly backed "independence" from China, even more so when following his term, he got re-elected in 2004, the mainland's response was to pass a so-called anti-secession law in 2005, stating China's right to use "non-peaceful means" against Taiwan if it tried to fully separate from China (Bush and Hass, 2018). The president following after was an advocate for improving the relationship between the two countries and hoped to achieve this objective by growing economic interdependence. The most recent development on the matter happened in 2019, when Tsai Ing-wen, Taiwan's president publicly rejected the consensus, she declared that the “one country, two systems” proposed by Beijing is unacceptable (Nachman and Drun, 2020).

Another important indication is the international view on this issue, what does the rest of the world think about the Taiwan-China relationship, whether or not they accept the country as independent or not, whether they are economic ties with it, completely separately from China. Taking the United States for example, after a mutually beneficial relationship, taking the communist party's growing influence in China into account, Washington have decided to conclude all formal, previously established diplomatic relations with the Taiwanese government, and in 1972 they declared that they acknowledge the One China policy, therefore Taiwan is not a separate government. However, months after this decision the U.S. Congress passed the Taiwan Relations Act (TRA) that conforms important unofficial relations with the island, allows arms force sales to be concluded with Taiwan and doesn't officially rule out the possibility of military support in case of a Chinese attack (Taiwan Relations Act). In spite of the decision it maintained a sound, ongoing business relations with the island, they account for more than 25 billion USD worth of arms sales to Taiwan, which does not go unnoticed on China. Following the political transition in the states in 2018, the already existing tension between the U.S. and the PRC has grown, the then-elected president Donald J. Trump and his

administration deepened ties with Taiwan with a more than 200 million dollars' worth of business deal for example.

The situation of the military of a country has proven to be an important toll in measuring its independence. According to a 2019 U.S. Department of Defence report, China's military, the People's Liberation Army, "continues to develop and deploy advanced military capabilities needed for a potential military campaign" against Taiwan. In the 2005 Anti-Secession Law Beijing stated that in the event secessionist forces seek independence, Beijing would "employ non-peaceful means" to protect its national sovereignty. In response to the threat opposed, Taiwan continues to import weapons, primarily from the U.S., to the point where they were ranked among the top twenty largest recipients of firearms globally in 2017, they also account for more than 5% of the total U.S. arms export (Wezeman et al., 2017). However, should it come to military involvement, in the recent years the emerging military imbalance between Taipei and Beijing became alarming and therefore in case China decides to act, Taiwan would not be able to reciprocate their military force. In 2019, President Tsai announced their intention to raise annual defence spending, with a 20% increase by 2025 (Macy, 2018), the expanded military budget will be dedicated to modernization and advancement of the weapon system, training and missile defence.

The economic relations between the two countries are tight, it can be categorised best as economic interdependence, that means is system where companies and nations are dependent upon each other, either because of labour specialisation, or highly advanced economy where in a country not all companies can produce all the inputs that they need to make the products they sell. Therefore, each industry must rely on other industries to make their components (Davis, 2018). The PRC is Taiwan's largest, most significant trading partner, accounting for more than 80 % of the total trade the island concludes, approximately 150.5 billion USD in 2018. Under the leadership of formal KMT president, Ma Ying-jeou, between 2008 and 2016, more than 20 pacts were signed and came into effect between Beijing and Taipei promoting economic cooperation, including the 2010 Economic Cooperation Framework Agreement (ECFA), that grants the abolition of all trade barriers between the two countries. On one hand, the big corporations favour the strong ties with the mainland, however the residents fear over the independent economic security and that, these tight relations give too much power to Beijing over Taiwan's economic well-being. The public believed that President Ma brought Taipei closer to Beijing without transparency and against the will of the Taiwanese people, which ultimately led to his and KMT's electoral losses in 2016. In the following years as an

attempt to avoid its outright economic dependence on China, Taiwan sought after new trading and business partnerships, it signed multiple free trade agreements all over the globe, with New Zealand for instance, its first formal agreement with a developed economy.

Taiwan have also agreed to allow banks, insurers, and other financial service providers to work in both markets. Despite the actions, the economic relationship has presented some hardships during recent years. There was a significant decline in Taiwanese investment in the mainland for the fourth consecutive year in 2018, just as well the Chinese investment to the island has slowed down, less rapidly yet still a noticeable trend (Freedom House, 2020b).



Source: Taiwan's Bureau of Trade.

Another interesting phenomenon of this relationship is, that there are merely a handful, currently fifteen countries that acknowledge Taiwan as the ROC, the official government of China, (and thus do not have official relations with Beijing): Belize, Guatemala, Haiti, Holy See, Honduras, Marshall Islands, Nauru, Nicaragua, Palau, Paraguay, St Lucia, St Kitts and Nevis, St Vincent and the Grenadines, Swaziland and Tuvalu (Australian Government, 2018). Despite the poor recognition, Taiwan has a seat either as member or observer in more than fifty official and global organizations alongside China, including the World Trade Organization, Asian Development Bank, APAC etc.

The rising Taiwanese identity is another factor that makes China's agenda for the one united China quite hard to achieve. According to a recent survey conducted by Statista's research experts in 2018, out of the entire population, more than 55% of the people see themselves as exclusively Taiwanese, 38 % identifies with a Taiwanese-Chinese duality and only 4 % of the citizens consider themselves just Chinese. Especially since 2016 the DPP gained authority over the island for the second time, with significantly higher votes than the opposition, KMT, an action that ensured the direction of societal views of the public towards Beijing. The reason for the change is clear, Taiwanese people value their de facto independence and the KMT's president in power from 2008 till 2016 was not supporting the growing distance from China, instead he tied their relations closer, as a result lost the election. The 2020 re-election of the current DPP president, is an obvious sign that people support the direction taken by the government towards growing independence, and their success in reducing Taiwan's economic reliance on China. According to experts, President Tsai's win and the tightening relations between the U.S. and the ROC might lead to one of the most tense period in the China-Taiwan history. "The status quo is admittedly imperfect, but it is far less imperfect than what would follow unilateral actions and attempts to resolve a situation that doesn't lend itself to a neat solution" (Haas, 2019).

Methodology evaluation - Results of the indexes 2019

The comparison of the democracy indexes' result is a complex task, for multiple reasons, each one of them work with different source data, they are all breaking down their analysis for similar yet slightly different sub-categories. Furthermore, obviously since the categories differ the questions determining them are also different. Not to mention, that the methodology that follows the scheme where each question is worth a specific point, that earns a score for the distinct categories and these scores are added-up to the country score the experts base the country's status on is on only true for 2 categories, for the Freedom House and the Economic Intelligence Unit methodology. Regarding the World Governance Indicators' scores, I am going to analyse them separately and talk about the finding and what they represent for Taiwan.

Fortunately, commonalities can be found when examining the Freedom House's and the Economic Intelligence Unit's individual categories further. After carefully studying them together, I established the following common criteria based of which, an analysis can be made on how they are categorising Taiwan, what are the similarities/ differences in the scores and therefore getting a clear picture on Taiwan's status regarding its democratic system.

First of all, two main categories can be established, Political Rights and Civil Rights.

In the Political Rights section, one subcategory 'Functioning of the Government' is present in both democracy indexes, so examining the results show a clear picture on Taiwan's government after analysing the following topics, whether the elected leadership the actual determinator of the policies of the policies, the effectiveness of the measures safeguarding against corruption and finally, if the government operates with openness and transparency. In this section the biggest factor is China's influence in Taiwan's policy making, the threat Beijing opposes on Taiwan's sovereignty is significant, they have a powerful impact on Taiwan's diplomatic relations, with economic pressure and financial incentives, they managed to achieve that just in 2019, five countries severed diplomatic ties with the ROC. Corruption in the Taiwanese political scene is not unheard of, although significantly less nowadays than it was in the past, business is closely intertwined with politics. In 2019, more than 550 people were prosecuted in corruption related cases by the Ministry of Justice (Ministry of Foreign Affairs, 2020). A law regarding the transparency of government information came into effect in 2005, Freedom of Government information Law enables the public to access information

held by government agencies, including financial documents. The government operates with significant openness, the only exception is policies and regulations related to business. The Freedom House score for this category is 10 out of a maximum 12, that shows that according to their scores there are no major issues in the government's functionality, where the deducted points can be contributed to China's involvement with the government and the influence they have globally on countries, where they can and do have a say in the ties they establish with the island as one of the world-leading economies. The EUI index shows an overall 8.21 out of maximum 10, these findings can also be explained by the above mentioned reasons (Taiwan News, 2020).

The next part that contains commonalities is the 'Electoral Process' section within the Political Rights category, where the area of examination is the fairness and freedom of elections, furthermore, if the framework and laws are implemented by an impartial relevant management body. The framework of the elections in Taiwan is clear and fair, the president is elected by popular votes, he or she holds the most executive authority, upon winning the election, the president appoints a premier with the consent of the Legislature and the Cabinet members get appointed by the president depending on the recommendations of the premier. The most recent election concluded in January 2020, President Tsai-wen got re-elected with 57 % of the total votes, which is historically one of the highest percentages, the direct elections for the presidential title have been considered fair and credible by the public and experts alike. There have been certain speculations that in the past, namely during the 2018 local elections, there might have been some Chinese interference, in the form of social media propaganda against the DPP and financial support for their opponent the China-friendly KMT, but in the end these claims were not proven, therefore it is impossible to say whether or not Beijing affected the outcome of the elections. During the 2020 Legislative elections, DPP won 61 seats, KMT 38 seats the remaining 14 seats were divided between the rest of the parties, according to international observers, the legislative elections were free and fair. These findings result in maximum points for Taiwan in Electoral Process segment. *Freedom in the World* gave a 12/12 maximum points for this part since the electoral procedure is fair and free in Taiwan as mentioned above. The EIU score is similar, with 9.58 out of a maximum of 10, this shows that the two methods roughly examine the same area and are based on similar criteria even though there cannot be a 100% match in the results, nor the sources (Freedom House, 2020b).

Next comes Political (Pluralism and) Participation, the main areas in question are regarding the people's right to organize and participate in political parties and groups, if there is an actual fair competition between parties and the opposition have realistic chance to gain power during the elections, finally if the people's political choices are free from external forces. Since the transition to a democratic system, there was always vigorous competition between the two main parties KMT and DPP, there have been three major power transfers between the two parties which shows that the competition is fair and there is opportunity for the opposition to gain power. Smaller parties are present as well, they can function without any interference and gain votes during the elections. The EIU index shows 6.11 score out of 10, one of the lowest score for the Taiwan, out of all the categories whereas according to Freedom House, the score is near perfect 15 out of 16 points. The reason for this deviation might be the difference in the questions, as well as in the scoring methods. Chinese interference might be a factor in the low EIU score as well, there have been serious concerns over the past years as to what extent does the mainland have an influence on some of the KMT's politicians, and on the media outlets. Taiwan even passed a new Anti-Infiltration Act that will prohibit foreign powers from funding or directing lobbying efforts, election campaigns, or election-related disinformation in Taiwan. Violations can draw penalties of up to five years in prison (Freedom House, 2020a).

According to Freedom House methodology, the "Civil Liberties" section consists of 4 parts, out of which the first is the Freedom of Expression and Belief, this part examines the independence of the media, freedom to express religious faith without any limitations in public or private, the freedom and independence of the educational system and finally, freedom to express individual opinion and views on politics. Like on many other aspects of Taiwanese life, China has managed to gain influence over some actors of the Taiwanese media. It does so through mean of business interest, some of the biggest media owners have business relations with China and so Beijing has tools to pressure them in topics they consider sensitive to the PRC (Haas, 2019). In 2019 there were several cases when official bodies had to interfere because of false report, for this reason The National Communications Commission proposed official means to protect against media monopolies. Every religion may be practiced freely in Taiwan, the government even grants tax-free status for religious organizations. School of all types and levels have academic freedom to teach without restrictions or interference. Citizens are free to express their political opinion; the authorities do not threaten with any retribution on the matter.

Next is the Associational and Organizational rights, whether not there is freedom of assembly, freedom for human-right and governance related organizations and if labour organizations are free to operate. In 1988, authorities passed the Assembly and parade Act, which basically requires all citizens to follow rules and obtain a permit in case of organizing public assemblies, however in practice the freedom to assemble is respected by the government. Registration with the government is a condition for these organizations, but the process is not overly complicated and upon registration they can operate peacefully. Labour organizations and trade unions are free to operate, independent from the authorities, the only regulation in this area is regarding the strikes, teachers, employees of the defence industry and government workers are prohibited from the activity (Freedom House, 2020b).

The third component of this section is the Rule of law, in which we take a look at the following aspects, the freedom of the judiciary, whether the due process prevails in civil and criminal matters, if there are guarantees or protection against the illegitimate use of physical force and lastly if laws, policies, and practices guarantee equal treatment of various segments of the population. The judiciary in Taiwan is fairly independent and free of any political interference. Due process and basic defendant rights are upheld, although the system itself is just, the actors – prosecutors and law enforcement officials sometimes tend to abuse their rights, mostly on politics related cases. The Taiwanese police is respectful of the citizens' rights, they do not engage in violent acts, prosecutors may even be present for interrogation to ensure the suspects' rights are honoured. Death penalty is practiced in the ROC from 2010, after a 4 year moratorium, in almost all cases they are imposed for manslaughter, and the family members of the convicts are not notified about the scheduled date (Ministry of Foreign Affairs, 2020). According to Taiwan's constitution, every citizen is equal before the law, however in practice, this might not always prove to be true in case of indigenous people, for years on, they were victims of unfair social and economic treatment, consequently we can observe a trend of high unemployment rates, lower wages and limited rights for education among them. Even though gender equality is guaranteed in the constitution, women face discrimination in the workplace and regarding their compensation, men tend to receive more money in the same or similar positions. Taiwan is remarkably progressive when it comes to LGBTQ+ rights, it is prohibited by law to discriminate on the workplace based on sexual orientation, all kinds of violence against these groups are addressed by the police forces.

Furthermore, the ROC remains a pioneer among Asian countries in the acceptance and respect of equality as in the May of 2019 it became the first country in Asia to authorize same-sex partners to be married.

Lastly, this section contains the views on Personal Autonomy and Individual Rights, where the questions cover the following topics; if people are allowed to move freely, to change their residence, their employment and their education; individuals' rights to own property or establish businesses; whether people have the freedom to make their own choices in the matters of marriage and family and if there is a granted protection from domestic violence and the last topic is if people enjoy equality of opportunity and freedom from economic exploitation. First of all, citizens of Taiwan have the freedom to live, work and study anywhere depending on their choices, including China where bans on travel and business relations have significantly eased in the recent years. Property right of the residents are honoured, however there have been some issues regarding the displacement of people during urban renewal or industrial projects (The Economist, 2020). The freedom to marriage is general, in case of a marriage between a Taiwanese and Chinese person, there has to be a 6 years waiting period before the Chinese spouse gains citizenship. Domestic violence and race cases are present in the ROC, mainly because of societal norms women often unable or afraid to report these cases to the authorities, however recent reforms resulted in an increased rate in the reports that might eventually reduce the commonality of such acts.

The reason for examining the Civil liberties scores in their entirety and not by individual category is because this is the only way to compare it to the EIU scores, since the equivalent match for this category is the 'Civil Liberties' from the Economist's index. The Civil Liberties score is perfectly in line with the Freedom House findings with a result of 9.12 out of 10. Altogether, the scores achieved on this section by Freedom House is 56 out of 60, with only some points deducted from each category, this means that the civil contribution and freedom in politics is general, the public has a right to express their opinion and participate in different government related discussion/ activities.

So now we know the individual, category scores for Taiwan according to *Freedom in the World*, overall, this gives us a total of 93 points out of a 100, that means the ROC falls into the category of 'Free', the highest status a country can achieve according this methodology. This tell us two things, even though the world views Taiwan as a part of the People's Republic of China, it is in fact far from it politically, since the two systems are exact

opposites to one another. The general conditions for a free and functioning democracy all exists on the island, regardless of its closeness to China.

However, there is one remaining category from the EIU report, the 'Political culture' score is the lowest here for Taiwan, with 5.63 out of 10. With these results, according to the EIU findings, the overall score for Taiwan is 7.73 on the overall index, this has been the third consecutive year for the island to achieve this score. The index categorized Taiwan as a "flawed democracy" and put it in fifth place in Asia behind countries such as South Korea, and Japan. As a 'flawed democracy', Taiwan is still among the fairly well functioning governments, they hold free and fair elections, basic civil and human rights are honoured and adhered to. The underlying problems can be tied to the heavy influence china has on Taiwan.

The third index, World Governance Indicators works on a different, more scientific basis, where the analysts don't base their data on their own questionnaire, but an in-depth research from different databases and data collected from corporations and households of each states. WGI also has a different calculation method, on the one hand it shows a 'Estimate' that gives the country's a score on the aggregate indicator, in units of a standard normal distribution, approximately from -2.5 to 2.5, then, on the other hand it has 'Percentile rank' that ranks the examined country among all countries covered, in a scale of 0-100 on where 0 is the lowest and 100 is the highest rank (The World Bank, 2015). (Of course, there are other data available on their website, but these are the relevant ones to this comparison.) Because of this, a comparison between the World Bank index and the previous two is not possible, because their method and observed areas are so significantly different (Worldbank, 2015).

The WGI method findings are the following, on the 'Control of corruption' indicator Taiwan achieved 1.0 Estimate which is well on the positive side of the scale (mentioned above), we can safely say that while the control is not a 100% on corruption, there are public cases of such, as well as newly introduced measures against it, Taiwan is fairly well with keeping corruption at bay and not letting it majorly interfere with its political system. As for the 82.7 Percentile rank, it is among the higher scores achieved by countries. All of these numbers are in line with the Freedom House and EUI indexes since in their numbers we can also notice a slight decline when talking about corruption, and the Chinese influence.

For 'Government Effectiveness' the scores are 1.4 for estimate and 90.9 for Percentile rank, these mean that the country has a quality public service, the policies and their formulation is effective, and their implementation is firm, the government is committed to the keeping them

is place. In the recent years, with the DPP in power the government has laid a huge emphasis on staying true to their decisions and not letting outside forces influence those (The World Bank, 2015).

The 'Political Stability and Absence of Violence/Terrorism' Estimate is 0.7, whereas the Percentile rank is 70.5, the results here are emphasising how great of a threat China's growing power is to Taiwan, by far, the lowest percentile rank among the other categories. Meaning that even though, Taiwan is in the higher category, it is not impossible, that sometime in the future, the country may be projected to the likelihood of political instability or politically motivated violence. After all, the PRC was clear on their view, that when it comes to the protection of the 'One China' principle, they will intervene by any means necessary, even by force.

'Regulatory Quality' Estimate is 1.4 while the Percentile rank is 90.4, this category represents the extent to which the government is able and willing to implement their policies and by doing so, promote private sector development. Taiwan's private sector is blooming, several Taiwan-owned and multinational companies can be found, with a great emphasis on technology that ensures the future of the island as a firm participant in the global economy.

'Rule of Law' Estimate is 1.1 and the Percentile rank is 85.1, this section refers to the public safety of the citizens, as well as the protection of property rights, the effectiveness of the police and the court of law. The determined scores are high, meaning that Taiwan is a pretty safe from a domestic politics point of view (The World Bank, 2015).

'Voice and Accountability' Estimate is 1.0 and the Percentile rank is 80.3. The 'Voice and Accountability' section refers to the basic freedoms of the citizens, freedom of speech, association, media etc., also to what extent can the public have a say in the selection of government actors. As discussed previously, the election process is pretty fair, every party has an opportunity to convince the people, who have the rights to participate in the process as well as state their opinion freely. This section the freedom of the media is discussed, and the lowest score might be caused by the underlying Chinese influence on some bigger media outlets.

CONCLUSION

After taking a closer look at the different democracy measuring indexes, their methods and findings, one thing is clear, there are several different ways of analysing the topic, each one is right and gives us useful, relevant information.

The main question posed was, 'What makes a good democracy?', looking at the results it is clear that the answer to that question is more complicated than it first seems. Even if we think about the different 'statuses' countries can achieve, solely based on the 3 indexes I mentioned, there are differences between 'free state' and 'free state' as well, even though they all achieve reach a certain score that makes their workings and functionality similar.

When looking at the democratic development that happened over the last few years, there is a clear tendency in the growth and expansion of it globally, however consequently with that comes the decline in the quality of it. With this comes the inevitable distrust towards its institutions and values, people started to dislike the system because of its weaknesses. The days of 'good' and 'bad' political systems have disappeared when the USSR and USA divide, it is not about fighting for the freedom of the individuals anymore but finding a government model that can take care of its citizens fully, provide welfare and safety to them. So inevitably, with the deterioration of one system there has to be growing popularity in other options, this brings the alarming rise of authoritarian rules.

Looking at these different indicators and reports is a great way to see these falling and rising trends in the popularity of different political systems. Where does the world stand with the various ideologies, where did their importance regarding their leaders' qualities shift and how does the process begin? Let's think about the basic requirements for the democratic governments, freedom of expressing opinions, the quality of electoral processes and the degree of corruption, all important and thinking about it, the shift in the importance of each being fulfilled are a great first sign of a public opinion change.

The different categories within each indicator is extremely useful to determine the 'weaker' areas, globally, but on a country level as well, the governments can see what to take notice at, where they might have to interfere in the name and protection of democracy.

For example, during this analysis, when examining Taiwan and its democratic system, one distinct feature was present in all 3 indexes, the level of corruption in Taiwan is still high, compared to other categories, areas of examination, this was the one part where the country

produced the lowest scores compared to other states in 2019, the researched year. A corrupt government brings the underlying threat of an unfair system, this very well might be a downward slope in most cases.

In Taiwan, the leadership is aware of the problem, they have since decided on policies and measures that will make a stop to the growth of corruption among government actors.

The most important findings regarding the democratic situation in Taiwan are, first of all, the China factor. Taiwan remains a strongly democratic 'country' within a strongly communist system, that is a challenge Taiwan has had to overcome over and over again throughout the years, and as of right now they are pretty successful in keeping up the fragile balance of economic interdependence with political independence. The leaders always have to be wary of the imminent threat of the Chinese interference in case they show too much global initiative or making decisions on policies or actions that are not in support of the one-China policy. Besides the PRC's looming presence, the government is strong, the second term for DPP president Tsai Ing-wen has just begun in January 2020, with a strong direction towards a more independent Taiwan. The general finding in the indexes are positive, according to Freedom House, the country is 'Free', the highest rank achievable by any country, while the EIU acknowledges Taiwan as a 'Flawed democracy', which is less good, but nevertheless this means that while the system has its flaws, it is still a functioning democratic system.

Despite its occasional shortcomings, democracy still remains the desired form of governance, just by looking at the economic correlations with the quality of freedom clearly points towards the fact that free countries with free people that runs a freely competing economy is more 'healthy' for the citizens and the companies monetary wellbeing than as of a system run by authoritarian values.

Finally, the key takeaway from this topic is that democracy remains to be the majority 'leader' as a form of governance, but people, as active participants of the political scene have to cherish the power and responsibility given to them, because with that comes the undeniable fact that the future of the freedom is in their hands.

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