

The Real Source of Taiwan's Campaign Corruption

Written by Jerome F. Keating Ph.D.

Wednesday, 16 September 2009 07:20

In its laws on campaign funding and party donations as well as the use of special government allowances, Taiwan has a corrupt system, created by a corrupt party to justify and shelter its corrupt gains. It was created by the Chinese Nationalist Party (KMT) in its one-party state colonial heyday, and has been in place in Taiwan for over sixty years. What is the source and cause of this corruption? The United China Daily in an editorial in September, 2008 put it plainly, "The primary reason is the lack of laws compelling public servants to explain the source of their wealth." Armed with the protection of this system innumerable politicians have been able to profit all the way from the KMT's one-party state days on up to the present. Further, the pan-blue controlled Legislative Yuan has refused to change this gravy train because they do not want to kill the goose that lays their golden eggs. Chen Shui-bian's recent crime and fault is not in his alleged money-laundering and misuse of funds, but because he is a Taiwanese outside that corrupt system but has dared to use it and make similar profit.

Taiwan does have laws on political corruption. But as David Huang had presented in an analysis of Taiwan's Campaign and Election Laws for a National Endowment for Democracy forum in 2001, "the laws contain overlapping provisions and set different penalties for similar actions, resulting in genuine confusion among candidates as to which provisions apply to them. The laws establish penalties for recipients but not for donors. They contain no provisions regulating contributions to politician-related nonprofit foundations, for example. As a consequence, many politicians have established nonprofit foundations to channel financial contributions to their campaigns and even to their personal accounts." Ma Ying-jeou is one such person with nonprofit foundations.

While most politicians participate in varying ways in this aforementioned "gravy train;" the KMT only pursues those who disobey their established hierarchy of handouts. James Soong became tagged as a highlight offender, because he did not wait his turn in running for the presidency. The US\$36 million Soong of campaign funds, donations etc. that he was charged with vis-a-vis the Chung Hsing Bank scandal far outweighed the total amounts in Chen Shui-bian's charges. Soong also was tagged as the "bagman" for the gigantic US\$400 million Lafayette frigate deal which involved not only vast sums of money to both Taiwan and even China but also murder. Soong put large "gifts" of thus earned funds in his children's bank accounts. Yet Soong never saw the shadow of the jail door in all of this. He was even brought back to the gravy train fold by agreeing to pay some back taxes on a much lesser amount of "undeclared income." Taiwan has a corrupt system, created by a corrupt party to justify and shelter its corrupt gains.

A lesser but prominent semi-rebel who used the system's loose and grey laws on campaign funds was Zhao Shao-kang (Jaw Shau-kong) of the now all but defunct New Party (NP). When the NP tents began to fold, Zhao used campaign funds and donations to buy a media empire;

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he is now President of UFO Broadcasting Company etc. No one questioned this. Taiwan has a corrupt system, created by a corrupt party to justify and shelter its corrupt gains. Chen Shui-bian's fault is that he is Taiwanese and remained outside the hierarchy.

Lee Teng-hui of course is one Taiwanese who clearly made profits; he broke into the hierarchy system and reached the top ahead of many others who felt so entitled. That is one of the reasons why he is most hated by the KMT. James Soong, ironically, helped him in that process, but that is another story. By having been in the inner circles and upper echelons of the hierarchy, Lee, like Soong has enough dirt on everyone in the system that he can never be frontally attacked. Chen Shui-bian does not have that immunity.

Return then to Chen's corruption trial with its numerous inconsistencies and abuses of judiciary power. It is a trial by speculation, a trial by media perception, a trial of pre-judged guilt selectively focused on one outside the system. It is a trial in which the prosecutors have developed volumes of evidence tracking the money but that is all. They have wasted taxpayer's money and time tracking money that Chen had already admitted had been sent (some US\$20 million). This is not a large amount by standards of Taiwan campaign funds and donations. Yet all the prosecutors have done is to show that they like good detectives could track admitted money as if their tracking would then make it guilty money. What the prosecutors had not done in this process is to prove what specific amount of that money was not unused campaign funds ala the system.

The balderdash of the prosecution and judiciary did not end there. One of the big items in Chen's unsubstantiated conviction is his misuse of the special allowances fund. Yet while Chen's unsubstantiated conviction on misuse of his special allowances fund was being processed, the KMT requested that the special allowances fund for Ma Ying-jeou be increased. Then it had the gall to request that this system fund now be "decriminalized" so that Ma and anyone else in the future would not have to abide by the same judgment standards as Chen Shui-bian.

There are over 200 incumbent or former government chiefs (both blue and green) indicted on this same charge. Ma was already indicted once but got his secretary to take the fall and go to jail for him. Now the court does not want to waste any more time in the future by being obligated to give each of the 200 cases the same scrutiny that it gave the case of Chen Shui-bian. Taiwan has a corrupt system, created by a corrupt party, to justify and shelter its corrupt gains. The court does not want to be the one held liable for killing the golden-egg goose.

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Ironically we must go to the KMT's official website to see the explanation of all this. Last year it posted the translation of the aforementioned September 15 2008 editorial from the United Daily News, a well known Pan-blue paper. This editorial in true Pan-blue fashion tries to smear Chen Shui-bian and his family as the only guilty people in Taiwan while protecting the goose that has laid golden eggs for KMT members for over sixty years. It begins by showing how the Justice Ministry changed its mentality on what constitutes a fair trial for holding public servants accountable for the source of their wealth. "The main reason the Justice Ministry gave for opposing the amendment (i.e. to change the loose laws) was that if public servants were unable or unwilling to account for the source of their wealth, they would be presumed guilty. This would violate the principle of 'presumption of innocence.'"

The editorial continues, "Justice Minister Wang Ching-feng (Ma Ying-jeou's appointment) pointed out that Wu Chih-yang's Public Servants Unaccounted for Wealth amendment included such legally fuzzy provisions such as wealth significantly in excess of income and property of suspicious origin. A public servant's fate would then depend entirely upon the discretion of law enforcement officers. (How true this is in Chen's case) This is clearly contrary to the principle that an action is punishable by law only if it was a statutory crime at the time of its commission. The law risks violating Constitutionally guaranteed rights requiring proof that a crime has been committed, merely because a public servant, a spouse, or immediate family member refuses to explain the source of the wealth, or provides an incorrect explanation of the source of the wealth. Such an amendment would be contrary to the principle of the presumption of innocence, and to the principle that the burden of proof is on the prosecutor." Yes at first by KMT admission, Ma's Minister in principle ironically agreed with arguments that supported Chen Shui-bian. This would change.

What made the change? Once Ma's Minister realized that the accused person was the outsider Chen, the focus changed. The editorial continues, "But once the Chen family money-laundering scandal erupted, the Justice Ministry changed its mind." It is ironic but so true to form that in trying to paint Chen as the villain, the KMT's editorial and official website reveal their true side. The final icing on the cake in the editorial is this admission. "If the legal system cannot make a breakthrough (i.e. on convicting Chen), the legislature must amend the law." Read this as, if by hook or by crook and by judge shopping, the KMT prosecutors cannot find Chen guilty, then the Legislative Yuan will finally after sixty years have to change the law and derail the gravy train.

Unless the reader is dumb to the history of Taiwan, he/she will know that Taiwan's legislature has always been dominated by and controlled by the KMT. The reason why nothing has been done for over sixty years is Taiwan has a corrupt system, instituted by a corrupt party, to shelter its corrupt profits. Chen Shui-bian's crime is that he is a Taiwanese outside that system. He has used the beggars system and made profit as well. It is no wonder then that the people of Taiwan have lost faith in Taiwan's judiciary under Ma Ying-jeou. While that faith is lost, one

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would at least hope that they would finally realize how they have been consistently duped by the KMT dominated Legislative Yuan. Taiwan can only be saved when the colonial KMT beggar who has taken over its temple (廟) is thrown out once and for all.

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