

# Taiwan's New Southbound Policy: A Shape of Chinese Democracy and Southeast Asia \*

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## ABSTRACT

After Tsai Ing-wen took office in 2016 until present, Taiwan's foreign policy has heavily relied and implemented on the New Southbound Policy (NSP). This paper tried to answer the question that how Taiwan's New Southbound Policy shaped Taiwan position in Southeast Asia. Documentary review, foreign policy, and soft power were conducted as a qualitative research methodology. Thus, the New Southbound Policy shaped Taiwan in jeopardized between Taiwan and China relations. However, it reconnected Southeast Asia people through Taiwan's soft power. Also, it gained more sympathy and created an alliances which was favor democratic system and against China on social media and international relations as well. Therefore, the cross- strait relations no longer only two government conflict but also it pulled other countries more involved as well.

**Keywords :** Taiwan; New Southbound Policy; Chinese Democracy; Southeast Asia

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## 1. Introduction

Since the 1970s Taiwan has been squeezed by one China policy, it has become a contested state and has been greatly isolated on the world stage. To survive and find a way back on global political space, Taiwan is obliged to maintain diplomatic ties with non-official diplomatic countries. Therefore, to maintain Taiwan's existence and survival, it is imperative that Taiwan find a way to maintain identity by relying on the concept of soft power to build diplomatic ties with other countries, which we can trace back to the early Southbound Policy of President Lee Teng-hui. Since then, it has shaped Taiwan diplomatic ties with other countries.

## 2. Southbound policy: An identity and survival of Taiwan

One China policy make many countries break diplomatic relations with Taiwan. However, Taiwan needs to reconnect with other countries, but first and foremost Taiwan needs to exist. It begins when President Lee Teng-hui creates a “pragmatic diplomacy” which focuses on economic and culture ties on unofficial diplomat, and it is the key to succeed as he says.

“There is no reason for not cultivating ties with other countries just because there are no official channels. The strengthening of private ties with individuals of other countries, including the maintenance of sturdy links with key individuals, is bound to have a positive influence on their governments and public opinion. and I believe that if this approach is maintained, Taiwan will continue to exist” (Lee, 1999, p. 96)

Meanwhile, Southeast Asia, especially in ASEAN countries, their economy has been growing and needs more trade and investment. Therefore, Taiwan has been engaged and quickly offered to be a main player in this situation. Like Jing (2016) who emphasized that the emergence of Taiwan as a newly industrialized economy in Asia in the 1980s has become the main source of its growing economic



clout and influence in Southeast Asia. Building on momentum from the advancing ASEAN-Taiwan relations, LEE Teng-hui officially launched his “Go South” policy at the beginning of 1994. This policy was the apex of initiatives that Lee took with respect to advancing Taiwan’s relations with Southeast Asia through pragmatic diplomacy.

Later, CHEN Shui-bian took office and declared aggressive diplomatic to ASEAN and especially to China. The implementation of this Southbound Policy signaled that Southeast Asia was of great importance in President Chen Shui-bian's foreign policy strategy, especially in the economy. However, Samuel C. Y. KU (2009, pp. 91) pointed out that Taiwan's investment in Southeast Asia fell to just \$1.2 billion in 1998 and still maintaining similar levels a decade later with a registered capital of \$1.6 billion. In 2000 Taiwan's trade volume with Southeast Asia has steadily increased from \$38.71 billion in 2000 and then in 2004 to 44.40 billion dollars and \$60.08 billion in 2007.

Indeed, President Chen Shui-bian tried to provoke foreign policy. Taiwanese national identity, democracy that is key to the claim of non-mainland Taiwan and its politically created a high tension in the region. especially the relationship between Taiwan and China rather than focusing on economic-oriented ties.

In May 2008, MA Ying-jeou came to office determined to promote cross-strait reconciliation and put an end to the confrontational foreign policy to adopted by his president Chen Shui-bian. Moreover, President Ma's firm the commitment to cross-strait peace and regional stability came as a significant relief. The rapid unfolding of cross-strait rapprochement successfully turned this former East Asian flashpoint into a peaceful Strait. This development was quickly applauded by the ASEAN leader. At the 41st ASEAN Ministerial Meeting in Singapore on July 21, 2008, Foreign Affairs Department Minister of the ten ASEAN countries issued a joint communique had expressed the bright side of the cross-strait relationship. This positive reaction from the ASEAN Foreign Affairs Department



Ministers appeared to justify MA's "viable diplomacy" an approach of warming ties with mainland China while expanding Taiwan's role in the international arena (Jing, 2016).

Nevertheless, President Ma Ying-jeou's first term, Taiwan's relations with Southeast Asia have changed. Despite the global financial crisis Taiwan's trade with ASEAN has also increased during 200-2008, but by 2009, the number of trade-in and imports between Taiwan and ASEAN began to decline. Hong (2011, p. 49) pointed out that Taiwan needs to increase its competitiveness and deepen its economic relations with Southeast Asia.

However, despite President Ma Ying-jeou's foreign policy efforts to balance both economic power and relations with China, but it seems like President Ma Ying-jeou is unable to meet needs of Taiwanese people. Teenagers are displeased with a free trade deal with China that has led to protests for the second term of the president. This led to a political movement in a movement known as the "Sunflower movements" took place from March 2014 to April 2014 leading to the establishment of Taiwanese identity and independence from China. Ho (2018) pointed to the massive protests and civil rights campaigns of the past few years in Taiwan. The impact of the mass protests in March 2014, youth protesters transformed Taiwan's political landscape. By temporarily seizing control of the National Legislative Assembly Anti-free trade activists pending an actionable deal with China gained broad public attention and support and helped spur change in government in early 2016. This caused a wave of young activists who continued to reshape Taiwanese politics.

Finally, in the January 2016 election, President Tsai Ing-wen and the Democratic Progressive Party (DPP), a long-standing opposition to Taiwan's independence policy are able to usurp power from the Kuomintang (KMT) party. Tsai Ing-wen won the electoral vote and took control of the legislature, thus it ended the political domination of the Kuomintang (KMT) and ushered in a new



Taiwan's political first woman to become president and the foreign policy it led to soft power in the new southbound policy and created an enhancement of a relationship with ASEAN and the rest of the world. Therefore, the spotlight on this island and Taiwan became a recognition country once again.

### 3. A New Southbound Policy: People to People

Taiwan's New Southbound Policy (NSP) focus on soft power is a key to succeed to implement this policy. It is without a doubt that both military and economy of scale that Taiwan could not beat China, but suddenly everyone eyes on this island and major power are back up for Taiwan. The New Southbound Policy heavily deployed in President Tsai Ing-wen in her both terms especially in her first term. The NSP is designed to strengthen Taipei's relationships with the ten countries of the Association of Southeast Asian Nations (ASEAN), six states in South Asia, Australia, and New Zealand. The policy aims to leverage Taiwan's cultural, educational, technological, agricultural, and economic assets to enhance Taiwan's regional integration and promote the broader development of the Indo-Pacific region. The plan hinges upon forging a "sense of economic community" and forming "a consensus for cooperation" with the 18 nations identified by Taipei as potential partners (Glaser, Kennedy, Mitchell, & Funaiolle, 2018)

Since one China policy, Taiwan does not have a formal diplomatic tie with the countries targeted by the NSP. Thus, President Tsai Ing-wen and her administration need to enhance Taiwan relations with other countries, but this time the NSP expands not relations on economic, cultural, educational, technological, agricultural, but also their political agenda as well.

The NSP consists of four pillars, five flagship projects, and three innovative fields. The NSP's first pillar is to promote economic collaboration. The second pillar is conduct people-to-people exchanges. It deepens bilateral exchanges through the cultivation of scholars, students, and industry professionals. The third



pillar is enhanced resource sharing by promoting bilateral and multilateral cooperation in culture, tourism, medical care, technology, agriculture, and small and medium-sized enterprises. This makes Taiwan's tourism more inclusive by expanding the language-training of tour guides and creating a Muslim-friendly travel environment. Especially for ASEAN, Taiwan waived visa for 15 days for entry Taiwan. The fourth pillar is forged regional links, it is a systematize bilateral and multilateral cooperation with partner countries while strengthening negotiations and dialogues. Finally, it connects with overseas ethnic Chinese and overseas Taiwan business networks to strengthen their links with corporations in Taiwan.

In conclusion, the goal is fostering closer multilateral friendships or co-prosperity, people-to-people exchanges lie at the core of the New Southbound Policy (Office of Trade Negotiations, executive Yuan, 2017). However, NSP will not succeed unless the implementation that used a “soft power” as a strategic tool behind this campaign.

Soft power was originated by Nye (2004) where Nye proposed the term soft power to mean power that makes other countries willing to comply with our needs (co-opt). without the need for coercion or have an exchange. In other words, the ability to satisfy others in accordance with our needs leads to the pursuit of universal acceptance. This is different from the use of influence power that is hard power such as military power, economic power, etc. The use of soft power is including culture, political values or having an outstanding foreign policy or being able to gain admiration in the industry so using soft power is therefore an extremely effective diplomatic tool and an important tool for diplomatic policy. Nye also sharing the requirements of soft power is divided into three categories as follow:

1. Culture is an important part of soft power because culture is the beginning of values and good practices of society. Also, culture can be divided into two types:



2. Values are examples of success. Its initiatives at image promotion and create attractiveness of the country, such as the values of the United States, including democracy, individual freedom, and free trade.

3. Foreign policy, it is a foreign policy appropriate to be a resource of soft power that consists of two main parts which is a policy that carried out by means of persuasion rather than by means of force. or persuasion and it is a policy that other countries see as legitimate. Therefore, a Comparative of the differences between hard power and soft power as shown in the following table.

**Table 1:** A Comparison of the differences between hard power and soft power (Nye, 2005: p.8)

| <b>A Comparison</b>            | <b>Hard power</b>  |                   | <b>Soft power</b> |                               |
|--------------------------------|--------------------|-------------------|-------------------|-------------------------------|
| <b>(spectrum of behaviors)</b> | Coercion           | Inducement        | Agenda Setting    | Attraction                    |
| Command                        | ←     →            |                   |                   | Co-optive                     |
| <b>(resources)</b>             | Force<br>Sanctions | Payment<br>Bribes | Institutions      | Values<br>Culture<br>Policies |

The resources of Taiwan's soft power in terms of values and policies, since the idea of Annette Lu Hsiao-lien (Taiwan's Vice President under President Chen Shui-bian) has transformed Taiwan into a more political space and can be recognized on the world stage. By virtue of informal relations are established in both political society and economy through the five elements: human rights, democracy, peace, love, and high technology especially in politics in which Taiwan has continued to take steps to democratize (Lee, 2005)



Taiwan has transformed itself from an authoritarian regime to a mature democracy not with guns or money but with the belief in human rights and justice, soft power instead of hard power which creates a democracy miracle in Taiwan.

In terms of culture, it is irony that Chinese characteristic uses in Taiwan and the Chinese simplified uses in China. Thus, people who want to study original Chinese characteristic must study in Taiwan rather than in China. Also, the study of Confucianism, although it originated in China itself, but it blossomed and retained its Confucian philosophy in Taiwan. Importantly, Taiwan is a point of interest in culture and teachings of Confucius that people come to study and visit.

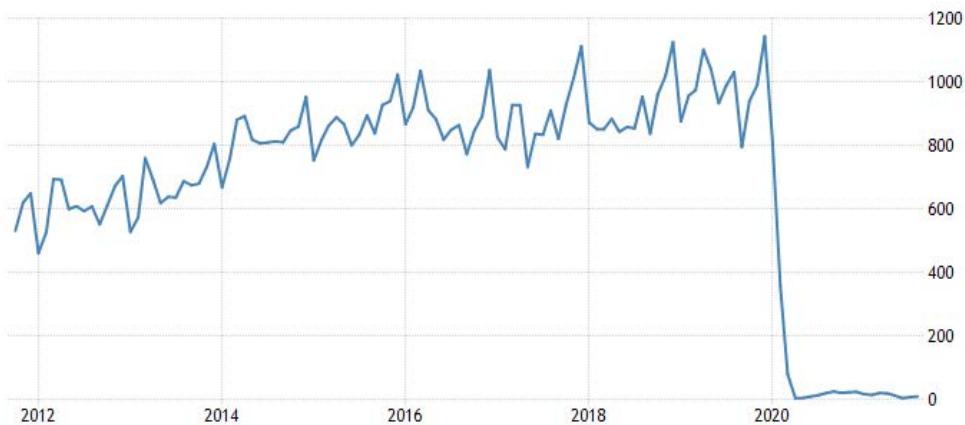
Moreover, Taiwan's food plays one of the main roles in soft power. It created an attractive for foreigner such as dishes like xiaolongbao, or soup dumplings, especially Taiwan's Din Tai Fung, have become universally synonymous with soup dumplings. Besides, the original branch in the heart of central Taipei brings out an endless supply of Shanghai braised pork dumplings with broth. It includes many foreign branches around the world. There's also stinky tofu, the world's most famous dish and it has a unique smell with a foul smell.

Furthermore, the drink that can be regarded as known all over the world is boba. Known by many names around the world, bubble tea is especially called the simplest bubble milk tea made with milk, black tea, and a combination of tapioca and caramel pearls. This type of beverage has spread throughout the world. Bubble tea is also involved in the relationship between Taiwan and Thailand is a phenomenon. "Milk Tea Alliance".

Thus, under President Tsai Ing-wen, a new southbound policy that focused on connecting people between Taiwan and ASEAN led to the announcement of the cancellation of Taiwan visas for ASEAN countries in 2016. It has been extended continuously until the covid-19 pandemic. The cancellation of visas to Taiwan, causing the number of tourists traveling to Taiwan to increase.



**Table 2:** The number of tourists entering Taiwan before the Covid-19 pandemic (trading economics, 2021)



Also, one of the most important soft power in NSP is education. Education policy has been intensively used as an important tool in the New Southbound Policy under President Tsai Ing-wen, especially on her second term. As a result of the implementation of this educational support policy, the number of students of all levels from high school to doctoral level are increasing in both short-term and long-term, as well as exchange programs that focus on education and culture, such as Taiwan International Higher Education. As for the overall students from ASEAN, South Asia, New Zealand and Australia in Taiwan, Taiwan's New Southbound Policy has attracted students from 18 countries to study in Taiwan. This includes the number of international students. number of degree students Preferred Field of Study for Degree Students (Excluding overseas Chinese students) as table 3 follow:



**Table 3:** Total student's studies in Taiwan since 2015-2020 before the Covid-19 pandemic (The New Southbound Talent Development Program, 2020)

| Year                                   | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------|------|------|------|------|------|
| <b>Total</b>                           | 1481 | 1749 | 2125 | 3236 | 4001 | 2803 |
| <b>Student with a degree program</b>   | 768  | 784  | 847  | 955  | 1083 | 1197 |
| <b>Student with non-Degree program</b> | 713  | 965  | 1278 | 2281 | 2918 | 1606 |

Moreover, Taiwan offers scholarship programs for Southeast Asian and other target countries (MOE Scholarship). Taiwan is stepping up their academic cooperation more than ever and active in the exchange of academic personnel and technology transfer activities (Ministry of Education Republic of China (Taiwan), 2021) Furthermore, Taiwan heavily relies on social media, including the Taiwan Education Guidance Center's Facebook, Line with Line @TTedu, and websites on education. It can be said that the New Southbound Policy has succeeded in linking people and society, creating a long-lasting relationship.

Therefore, President Tsai Ing-wen used the New Southbound Policy as a tool in international relations and used it heavily for her second term (until present). It is for this reason that the soft power that Taiwan as a key to open a space and created for Taiwan to exist and be recognized in world politics. Moreover, as we mentioned earlier “Milk tea Alliance” it created informal political movements that arose among the new generation (Milk tea Alliance) through social media. Formed a network (Netizen) that supports democratic regimes and opposes China and its authoritarian regime.



#### 4. Milk tea alliance: A hidden politics agenda

Bubble tea is also involved in the relationship between Taiwan and Asian. It also expands beyond expectation in this phenomenon. “Milk Tea Alliance” is an online movements. In the beginning, it is a loose or ad hoc group for democratic solidarity, consisting of Hong Kong, Taiwan, and Thai netizens, because all 3 nations are unique, but they have a similar preference for drinking milk tea.

Chen (2020) pointed to the beginning of this movements as the main reason for the April 2020 Wachirawit Chivaaree, host and Thai actor in the series “Because we are together” which is popular series in China. He posted a photo on Twitter describing Hong Kong as a “country” after which Chinese internet commentators attacked him and called for a boycott of his performances. Later, he apologized and deleted the photo, but Chinese netizens discovered a post by his girlfriend Weeraya Sukaram on Instagram back in 2017. It stated that Taiwan is an independent country, thus making the attack multiply. Then the Facebook page of the Embassy of the People’s Republic of China in Thailand posted a message denouncing online criticism and fierce social media battles between Thai netizens and the Chinese embassy. Thai netizens have used social media to counter and defend him, with their criticism becoming more widespread, and opened the issue of Chinese politics, turned into a message war on Twitter (Twitter)

Moreover, Everington (2021) pointed out that the Twitter response is raging. Until the Chinese Embassy issued a statement commenting on this matter as “Incitement by certain groups of people” and “Chinese and Thai are not far away brothers and sisters” cause #milk tea thicker than blood to show the position of the milk tea alliance responding to the Chinese embassy’s attitude. The Taiwanese continued to send encouragement to Thailand and Hong Kong, including organizing a parallel Thai-Taipei rally as well. this shows a support for the protests in Thailand and the gesture of Tsai Ing-wen’s first tweet wishing Thais Songkran until the interpretation is related to this current as well. In addition, milk tea



alliances tend to expand among young people who prefer to use social media in Asian countries who often have problems with China in one way or another such as, the disputes in the South China Sea, border areas, natural resource sharing, or trade exploitation.

Thus, ad hoc groups banded together in social media also known as the social world of milk tea partners. Therefore, there is a combination of the ideology of liberal democracy of the new generation with intense nationalist, social, economic, and geopolitical issues like in the Philippines. Also, there are two more nations to join the alliance: India and Myanmar. India has a dispute on the border of the Himalayas with China, and it led to a violent clash that lost the lives of soldiers on both sides. It triggered a wave of resistance against Chinese products in India. For Burma, it was caused by the uprising against the junta in Burma. The latest member country of the Milk Tea Alliance that uses the symbol of raising 3 fingers like in Thailand.

In addition, news and information of the movements group are shared in social media as well. This phenomenon explained that not only power states are a main role to international relationship policy and activities, but it turned out that the new generation stand up and play a main role along with major power in international activities as well. Young activists across Asia are taking their struggles online under a transnational network to counter China's increasing influence in the region (ABS-CBN News, 2021)

Therefore, Taiwan's immature power, especially popular culture, is an important tool that enables Taiwan plays role and can create networks. As well as allies in the new generation, which can be considered a positive effect for Taiwan itself. Moreover, President Joe Biden again says, "US forces would defend Taiwan from Chinese attack" (Guardian News, 2022) Also, in EU, the parliament strongly condemns the recent Chinese aggressive military exercises in the Taiwan Strait, while calling for strengthened EU relations with Taipei (European Parliament

News, 2022) As a result, it showed that Taiwan became a well player in modern international relationship with soft power and social media that made Taiwan became a shining spot in political map and Taiwan became a recognized as a country not only in Southeast Asian countries or Taiwan's target countries but also a great power countries which is their stand for a democracy regime.



Figure1. Milk Tea Alliance against China (The Irrawaddy, 2021)

## 5. Summarizing

It can be said that the New Southbound Policy is successful in the implementation of international foreign policy for Taiwan. Taiwan became an island that many countries keep an eye on it. It shapes other countries empathy with Taiwan and brings Taiwan closer relations than they used to be. Also, the soft power has been playing main roles to make Taiwan reconnect with Southeast Asian counties and others. Education and tourism are a great strategy for Taiwan's soft power. Many of the young generation pursue their study in Taiwan and a number of overseas students there dramatically increases as well as tourists. A waived visa for Southeast Asian countries and other target countries made people to commutes Taiwan easier before NSP lunched the campaign.



Moreover, social media has become significant tools for Taiwan to promote education, tourism, and political situation. It makes that made Taiwan's politics more delicate and create more empathy and awareness alliance in cross-strait relations issue. The political democratic system in Taiwan as a bottom line to gain both formal and informal alliances which is against China. On the other hand, NSP creates more tension between Beijing and Taiwan governments. Therefore, the cross-strait relations no longer only two government conflict but it also pulls other countries to be more involved as well.

## 6. New Knowledge

From study, it has been shown that the soft power for a small and medial power country may create a huge impact in a world stage. Taiwan is one of the examples and it could be a model to study. Also, soft power is an important tool in foreign policy as well especially, it creates alliances on social media that cross nation and border.

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