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Taiwan’s Transition From Authoritarian Rule
With Special Reference To South Korea

A DISSERTATION SUBMITTED TO THE GRADUATE DIVISION OF THE UNIVERSITY OF HAWAII IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF

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ABSTRACT

During the Kuomintang's 45-year rule of Taiwan, the most significant democratic reform perhaps was the creation of the opposition parties in 1986. Readers familiar with the political history of modern China know that the legalization of a real opposition party is not a simple matter. Yet the pace of Taiwan's democratization has been rather protracted since then, compared to Korea's abrupt process of the aftermath of the June 1987 transition.

Based on the pluralist approaches—a combination of the modernization theory, elites-centered analysis, society-led perspective, and external environment's explanation, this study has addressed fundamental questions: under what conditions the KMT initiated economic and political reforms for democratization and what are the differences and similarities between Taiwan and South Korea, with respect to economic and political changes.

In the economic realm, both countries under pressure of the U.S. undertook land reform programs and more liberal economic policies in order to strengthen the role of the private sector in economic development. However under the official doctrine of "bureaucratic capitalism," the state in Taiwan, unlike its counterpart in Korea, took a more active role in pushing its own resources into heavy, upstream, capital-intensive, and oligopolized sectors.
Extensive state intervention in key industrial sectors enabled it not only to control Taiwan’s private enterprises to some extent through its control of upstream sectors and other regulations, but to provide enormous resources for electoral support.

Politically, since the early 1970s the democratization movements in both countries gradually gained momentum as a result of the de-legitimation problem. The KMT regime, with consistently comfortable electoral victories, felt little need to crack down on the resistance movement abruptly, while the military regime in Korea suffering the alarmingly declining electoral support had little alternative but to seek to seal up political space through coercive means. Yet the harsh measures against the dissidents would be counterproductive, even causing more social unrest. The KMT’s powerful organizational penetration into the society along with the long-standing imposition of martial law on the island are often considered to be two key determinants of cautious and incremental democratic transition in Taiwan. In contrast, none of these seem to have had counterparts in South Korea. Perhaps, for these reasons, Korea has moved faster on the track of democratization than Taiwan since the "June Democratic Movement" of 1987.
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CHAPTER I
THEORETICAL FRAMEWORK

A. The Significance and Purpose of This Study

Perhaps the most encouraging political development, since the mid-1970s, has been the regional or global trend moving toward democratization in most parts of the Third World as well as in socialist countries.

The democratic breakthrough has begun to witness the collapse of Southern Europe's last three dictatorships in Greece, Portugal, and Spain since the mid-1970s. It has swept most of Latin American countries like Peru, Ecuador, Bolivia, Argentina, Brazil, Uruguay, Mexico, and even to some extent Chile. Since the early 1980s, the wind of democratization has been blowing in Asia as well, such countries as Philippines, South Korea, Pakistan, and Taiwan. Most recently, it has made major headways in Eastern Europe; the countries like Poland, Hungary, East Germany, Czechoslovakia, Bolaria, Romania, Albania, and even the former Soviet Union. Yet despite the evident importance of these transitions, most studies have mainly focused on the cases in Latin America and Southern Europe, paying little attention to other countries' experiences. In general, the East Asian experiences have been largely ignored. This leaves much room for theoretical and
historical contributions. Here I select Taiwan as a case study and at the same time make comparisons between Taiwan's and other Asian experiences.

The reasons for choosing Taiwan as a case study are four-fold:

First, Taiwan's economic success and social change have primarily become a research focus since the 1970s, but political change in Taiwan has been largely neglected, especially since the 1980s, by the researchers. Thus, there is ample space for historical and theoretical contribution in the study of political development in Taiwan.

Second, from a comparative perspective, Taiwan, unlike Latin American or East European countries, did not have a past of democratic tradition. The traditional culture—Confucianism—not only idealizes a hierarchically ordered, harmonious, and patriarchal society, but also encourages collectivism and discourages individualism. There is no doubt that this paternalistic nature of political culture makes democratic transition of a polity much more difficult. Therefore, the study of democratic transition of Taiwan helps us figure out how the political culture is subject to evolution and change over time.

Third, Taiwan, unlike South Korea, has experienced a gradual and smooth democratic transition rather than a sudden collapse or violent confrontation. According to
Alfred Stepan, the biggest obstacle to democratic transition is the possibility of a military coup, while the transition by gradual change is more likely to prevent such a possibility. Thus when and under what condition can the transition occur smoothly? The answers can be found in the study of political change in Taiwan.

Finally, as Confucian states, both the PRC and Hong Kong have witnessed democratic frustration in the 1980s. The democratization movement in mainland China, aftermath of the bloody suppression of pro-democracy rallies in Tienanmen Square on June 4, 1989, suffered a serious setback and entered a period of "cold winter." Similarly the democratic movement in Hong Kong since 1985, seemed to lose momentum in fighting for its own democracy and self-determination with the PRC—the Peking government firmly declared that the establishment of any political party in Hong Kong would not be tolerated, that any major political reforms would be unlikely in Hong Kong before the promulgation of the Basic Law in 1990, and that only 25% of Legislative Council members are directly elected and the chief executive is appointed by the central government. In contrast to the poor prospects for democratization in both the PRC and Hong Kong, the democratic development in Taiwan since 1986 has impressed many researchers. Thus
the study of Taiwan’s experience can offer a useful comparative reference for other Confucian states.

The Kuomintang government in Taiwan has long been perceived as an authoritarian regime with highly centralized leadership and party organs which have deeply penetrated the state apparatus. However, the past five years have been extraordinarily significant for liberation and democratization in Taiwan, with many encouraging developments. The most prominent of these may well have been the July 15, 1987 lifting of martial law, which abolished military trials for civilians, and eliminated military involvement in censorship. Since then, press freedoms have increased a great deal. Other positive developments include: the release of "rebellious" prisoners; the government’s de facto recognition of a opposition political party (the Democratic Progressive Party, or DPP); the government’s increased tolerance of street demonstrations; and its permit of its citizens' travel on mainland China.

After the lifting of the martial law, a large number of civic organizations have been forming and articulating their interest primarily through street demonstrations. During the period between 1983 and 1988, there were 2,892 massive social movements taking place in Taiwan. The mass rallies have intensified with growing frequencies: The number has sharply increased from a total of 175 in 1983 to
Taiwan's mass movements can be divided into nine major categories: (1) the consumer protection movement, (2) the opposition against martial law movement, (3) the environmental movement, (4) the labor movement, (5) the student movement, (6) the farmers movement, (7) the mainlander veterans' movement, (8) the urbanite movement for public housing, (9) the aborigines human rights movement. Their common target was the state that was unable to meet socio-economic-political goals.

All of these collective sentiments were reflected in the 1989 election: the opposition candidates made very strong showings in races for local government and legislative positions, capturing 28% of the votes up from 24% previously. Even though the ruling Nationalists still maintained their dominance of Taiwan's politics in the election, their authority has sharply declined. For the ruling party (KMT), there is no other alternative but to transform itself from an one-dominant party system to a two-competitive party system. Taiwan, as many researchers have noted, is moving to an irreversible course of democratization. But some take a skeptical view of Taiwan's political changes, mainly because there have been the lack of consensus on Taiwan's future and other basic political issues between the governing and opposition elites.
These democratic transitions raise the following research questions: what are the principal elements causing such transitions? what are the differences between Taiwan's and South Korean democratization process? how far are the democratization movements in both countries allowed to go? and what are the nature and prospects of the democratization?

In order to respond to these three questions, this dissertation will devote itself to the study of the three basic areas: (1) an attempt to build a theoretical framework for democratic transitions, in general, based on contemporary theories of democratization, (2) a case study of Taiwan’s democratic transitions as an attempt to apply the proposed comprehensive framework to a particular political setting--the case of Taiwan, and (3) making comparisons between Taiwan’s and South Korean transitions to democracy. The reasons for comparison are based on several facts:

The first reason is that as Confucian states, both countries share basic traits of Confucian tradition which is hierarchical and authoritarian. It is necessary to consider the role of cultural variables in the process of democratization. Second, both experienced Japanese colonial rule for a long period of time. It is important to note the relationship between colonial legacy and democracy. Third, both have witnessed rapid socio-economic
transformation as a consequence of land reform and industrialization. The political consequences of socio-economic change in these two countries are worthy of examination.

The purpose of this dissertation is to address a number of fundamental questions: how a strong party-state was formed in the 1950s; under what conditions the KMT allowed the emergence of an economically visible class of the private firms in the 1950s and 1960s; and what were the limits as to how far they could go; what were the conditions under which the KMT gradually opened up national politics for limited competition starting in the early 1970s; and how important were the popular movements, most notably Taiwan's Tangwai movement and external factors in the process; what were the different and similar types of democratic transitions that Taiwan and South Korea took in the 1980s, especially with respect to the opposition politics such as the student movement, international environment, and the degree of the regime's control of the process; and what are the prospects for democratic transitions in Taiwan. This study seeks to explore the resistance of the opposition, the calculations of the ruling elites, the impact of socio-economic change, and the role of foreign forces in the process of the two regimes' transitions from authoritarian rule.
B. Concepts and Definitions

Before reviewing different theories of democratization, it is essential to define some important concepts and terms to be employed throughout the dissertation. The term "democracy" will be used in this study to mainly focus on a political system rather than on the social and economic system. That is to say that besides political liberalization, issues of economic and social democracy would be analyzed. Although this study mainly stressed political change, it does not ignore socio-economic bases of democracy. The reason for this is: Taiwan, unlike most developing countries, is one of the most egalitarian countries in terms of income distribution, though the pattern has changed somewhat in the 1980s. Therefore, it makes sense to assume that equitable income distribution gives a helping hand to the regime in dampening the sentiment of popular movement for the purpose of economic or social bases of democracy. That is a reason why the political agenda of the opposition in Taiwan has been essentially centered on political liberalization. Nevertheless, issues of socio-economic democracy in Taiwan should not be lightly ignored because starting in the early 1980s, many various types of social movements in Taiwan mushroomed raising questions about a wide range of "bread and butter" issues, such as the environment, consumer
benefits, energy, agriculture, transportation, education, and job security.

The notion of democracy primarily, if not exclusively, employed here will be Robert Dahl's (1971) definition of "polyarchy" in which a political system must meet three essential conditions: (1) political competition: free, fair and contested elections for all effective positions of government power, (2) basic civil rights: freedom of expression, freedom of the press, and freedom of association, (3) rules of game: political elites exercises power within formally well-defined limits (constitution). Focusing on Dahl's vision of democracy but with socio-economic bases of democracy, such as the social costs of economic development, this study will adopt a relatively broad definition of democracy.

The concept of transition refers to a period of evolutionary and incremental changes within or between regimes. It is neither intense violent struggles for power nor revolutionary change of the social order. In addition, the transition from an authoritarian to a more democratic regime involves some certain degree of social pluralism, the liberalization of civil rights, and the form of new rules of game, even at highest level of political competition.
By authoritarian rule, Linz's definition of authoritarianism remains useful as he describes it as:

- political system with a limited, non-responsible political pluralism; without an elaborated and directing ideology (but with distinctive mentalities); without intensive or extensive political mobilization (except at some points in their development); and in which a leader (or occasionally a small group) exercise power within formally ill-defined limits but actually quite predictable ones.

In this definition, the authoritarian regime would be characterized by limited political pluralism—imposing strict restrictions on political participation from popular sectors, whereas a democratic regime has responsible political pluralism with a varying degree of political participation through political parties and interest groups; an authoritarian regime can possess one or two official-guiding mentality such as anti-communism, while a democracy has a variety of competing mentalities and ideologies; an authoritarian regime mobilizes its people only at some crucial moments and its political arena is restricted to members of the ruling elites, yet a democratic political system is open to societal inputs. Finally, a leader within an authoritarian regime is likely to maintain, expand, and even abuse his power at all costs, while a democratic regime's leader has to exercise power in accordance with well-defined constitutional regulations.
C. Review of Democratization Theories

It would be instructive here to look at the literature on the theories of democratization. Four major approaches are discussed. These might be termed the modernization school, "society-led," "democracy from above," and outside influence's perspectives. Each approach has provided an important understanding of the conditions facilitating democratization from different angles.

1. The Modernization Theory


As this school has argued, the introduction of modern economic and technological processes would generate an inevitable process of transformation in which the growing social diversity and competition force the non-economic aspects to take on their modern form, for traditional patterns of behavior and organization would fade away as industrialization and economic development proceed.
Lipset also points out that "It seems clear that the factors of industrialization, urbanization, wealth, and education are so closely interrelated as to form one common factor—the political correlates of democracy." Cutright, in his study of seventy-seven countries' democracy, further tests Lipset's analogy by demonstrating the degree of association between the measures of a country's socio-economic development and its level of democratic performance, as shown in Table 1.1.

Table 1.1

Matrix of Correlation of National Level of Political Development, and Measures of Communication, Urbanization, Education, and Employment in Agriculture (N=77)

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<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tr>
<td>1. Communication</td>
<td>74</td>
<td>88</td>
<td>-86</td>
<td>81</td>
</tr>
<tr>
<td>2. Urbanization</td>
<td>--</td>
<td>77</td>
<td>-75</td>
<td>69</td>
</tr>
<tr>
<td>3. Education</td>
<td>--</td>
<td>-78</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td>4. Agriculture</td>
<td>--</td>
<td>-72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Political Development</td>
<td>--</td>
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Source: Cutright, 1969:200

It is found that there is a strong and positive correlation between political development and communication (r=0.81), between political development and urbanization (r=0.69), and between political development and education (r=0.74). Yet, the result also shows that there is a highly negative correlation between agriculture and political development (r=-0.72), between agriculture and
communication \( (r=-0.86) \), between agriculture and urbanization \( (r=-0.75) \), and between agriculture and education \( (r=-0.78) \). For these reasons students of democracy postulate socio-economic progress as one of essential conditions to democratic development.\(^{14}\)

What links socio-economic development to democracy is social and political diversity which is the consequence of modernization. Since rapid economic development has always generated social pluralism in which a growing number of social groups becomes more differentiated, more conscious of their own political system, more independent of the state's control, and more capable of aggregating their own interests. Supposedly, the social base is homogeneous in terms of values and interests, competition between groups or between group and the state is unlikely to materialize in the political arena.

The modernization theories, however, have been called into question for several reasons. First, it does not necessarily mean that there is a highly positive relationship of high levels of urbanization, education, and communication, with democracy. As Robert Dahl has suggested: "the evidence simply does not sustain the hypothesis that a high level of socio-economic development is either a necessary or a sufficient condition for competitive politics nor the converse hypothesis that competitive politics is either a necessary or a sufficient
condition for a high level of socio-economic development.\textsuperscript{15}

Second, democracy is not incompatible with a low level of socio-economic development. Both India and Sri Lanka, having maintained full-fledged democracy at a low level of socio-economic progress for many decades, can serve as the classic examples, even though the stability of their democracies have been threatened by ethnic conflicts. R. D. Gastil, in his study of rank order correlation between per capita income and the levels of democratic development, tested the hypothesis by showing that there is no association between these two variables.\textsuperscript{16}

Third, economic progress also can constrain or prolong democratization in several ways at least in the short to medium term, although modernization theorists believe that rapid socio-economic change would create challenges to the regime. A wealthy economy is a principal source of regime legitimacy--useful justification for the continuation of authoritarian rule as were the cases in South Korea, Taiwan, Singapore, Mexico, Brazil, and Venezuela during the period of 1970s; a more highly developed economy can increase the state capability to strengthen its new social control--efficiently supervising and dividing the dissent by means of advanced communication technology, wiretapping systems, and extensive network of intelligence agency; in
addition, by providing economic benefits for those newly recruited employees of the state enterprises, or for those big private enterprises, the regime with greater economic resources can easily broaden its social base. All of these enable the regime to hinder or delay any measure that would facilitate democratization.

Fourth, the modernization perspective's heavy emphasis on socio-economic development as the key to democracy has been often criticized as a conservative formulation.\(^{17}\) Since what kind of levels of economic development are required for democracy, particularly comparing with western standards, are very difficult to measure, it clearly gives ambitious leaders of authoritarian regimes good excuses to slow down the pace of democratization in the name of social stability and future prosperity.

Finally, theoretically, the modernization approach has been accused by critics of ignoring the play of the political elites, and the phenomena of historical legacies and international force in the process of democratization.

Nevertheless, several scholars of democratization have applied the modernization paradigm to the case study of Taiwan's democratization movement.\(^{18}\) As Lucian W. Pye has suggested, "Taiwan is possibly the best working example of the theory that economic progress should bring in its wake democratic inclinations and a healthy surge of pluralism, which in time will undercut the foundations of
authoritarian rule common to developing countries." Following this argument, Wu further tested it and made comparison between Taiwan and other Asian countries by using a number of major socio-economic indicators such as secondary education enrollment rate, higher education enrollment rate, literacy rate, agriculture population, industrial population, per capita GNP, economic growth rate, and annual rate of inflation, 1980-1985. The findings are that most Asian countries, except Japan, lag far behind Taiwan on most socio-economic indicators, and that increased political consciousness among the Taiwan's public are growing accompanying the rapid economic development. There is little doubt that wealthy economy, to modernization theorists, would automatically lead to democracy. In fact, the industrialization of the periods from the 1950s to 1960s in Latin America, instead of bringing about democracy, had moved toward authoritarianism. O'Donnell has observed that the authoritarian rule was pervasive during the 1960s throughout Latin America in spite of the booming economy. Because these authoritarian regimes make a serious effort to provide a stable investment climate for foreign capital in order to "deepen" its economy and to repress social mobilization. However, this is not to ignore the general positive association between democracy and economic development in the larger
Nor is it deny the great pressure for democracy resulting from socio-economic change. As L. Diamond, J. J. Linz, and S. M. Lipset have argued, in the study of the rise and fall of democracy for ten Asian countries, the higher levels of economic development not only justify the regime's legitimacy, but also may generate new pressure on the regime. That rising social expectations is difficult for the regime to fulfill. 22

Modernization approach, serving as background factors, may be helpful for our understanding of the different degree of social diversity at different periods of time in a given country, but it is unable to account for the dynamics and causalities of democracy which always derive from the consequence of interaction among economic development, the opposition, and the regime at different stages. As Robert Dahl has concludes, "whatever the causal relationship may be, they are not simple and one-directional." 23

2. The Elites-Centered Perspectives

Since socio-economic structuralism is insufficient to grasp the result of regime changes, it has generated increased interest in the actions and choices of political elites in the process of democratization. Why has structuralism proved to be useless for predicting the outcome of actual transition process? The reason is that
even though the breakdown of authoritarian regimes may take place under the same structural conditions, the outcome of the transformation, mainly relying on the choices of the elites, would be quite different. That is, structural factors under some circumstances constitute constraints on the elites' policy alternatives on regime changes but cannot determine the results of actual transition, because the elites' values, attitudes and behavior are unpredictable until the dynamics of the transition process become known. Thus, more and more scholars shift their research focus to the elites variable in order to develop reliable parameters in predicting the dynamics of regime change. As Linz argues that what consists of the actual dynamic of political change is behavior of political elites.24

In an extensive study of democratization movement in Spain, D. Share has observed that although factors such as popular mobilization, domestic opposition and foreign forces may be important parts of democratic transition, the initiation of transition to democracy in Spain is best understood in terms of skillful leadership of King Juan Carlos and President Adolfo Suarez in the Spanish transition. Both the King and Suarez cultivated dual images throughout the transition. On the one hand, they won initial confidence from the military by carefully showing their respect for Franco's traditions and then
convinced regime hard-liners that democratic transition was the best solution to the regime's legitimacy crisis. On the other hand, they persuaded the radical forces of opposition to rule out the revolutionary path to democratization and to accept the limited reforms. This balance between implementing some reforms and bringing reforms under control won considerable popular support. Likewise, Peeler, in his study the three most stable democracies in Latin America like Columbia, Costa Rica, and Venezuela, has acknowledged that elite accommodation at critical junctures is a key to democratic transition. In the same line of argument, Diamond, Linz, and Lipset, in the study of rise and fall of democracy in Asia, have concluded that "in each case, the outcome will depend on the capacity of the political leaders to make the democratic system work." That is democratic transition requires effective and democratically committed leadership.

Why is political leadership so important in democratic transition? One of the main reasons is closely related to the nature of authoritarian rule. According to Share and Mainwaring, authoritarian elites fundamentally control most aspects of transition. The reasons for this are:

Democratization in the classical cases occurred in a context of limited popular mobilization, limited or non-existent cultural legitimacy of democratic institutions, and limited global interdependence and external influence in domestic politics. This context
facilitated a gradual, elite-controlled democratization that seems highly unlikely in today's world. It is worth noting, however, that contemporary transitions through transactions share a major similarity with these classical cases -- entrenched elites control much of the democratization process. Like the classical cases, transition through transaction involve considerable continuity of political structures, elites, and practices.28

It is clear that the weakness of social movements, domestic opposition, and foreign pressures all contribute to the personal nature of leadership in search for political change.

What is critical in bringing about political opening of authoritarian regimes is the internal disintegration within the ruling elites, regardless of the presence of social forces.29 According to Przeworski, O'Donnell and Schmitter, the cleavage between the hard-liners and the soft-liners within the regime is a key factor in bringing about political thaw of authoritarianism, no matter how strong the forces of society are. This is because if the regime remains unified and tightly controlled, it responds to the challenge from society by suppression; on the contrary, if the regime is split or weak, it may initiate democratization on its own terms, no matter how strong or weak the opposition is. For instance, Schmitter attributes the demise of authoritarian rule in Portugal solely to the internal conflict of the ruling elites.30
Similarly, Stepan suggests that the defeat in the Falkland war not only made the Argentina state much more weakened, but also caused the ruling elites to be more tolerant of opposition forces.\(^{31}\)

Even though elites' leadership, decisions and agreements for democratic transition have been viewed by a number of scholars as crucially important in the analysis of democratization, very few of them have attempted to specify when, how, and why these decisions made by elites have occurred. Linz, Peeler, Diamond, Lipset just point out the importance of political leadership for democratic transition, but have not proposed some conditions and processes that compel elites to reach agreements. While an agreement represents individual elite choices about the course and pace of democracy, these choices are always affected by a specific historical context. It is very hard to imagine that elites alone can make settlements without outside influence. Thus, it is important to point to the conditions that cause elites to reach settlements. Such perspective helps account for why elites suddenly choose to initiate democratic reforms, while in the past they were unwilling to make any concessions to their opponents.

In the study of Taiwan's democratization movement of the 1980s, Chou and Nathan (1987) have argued that the smooth liberalization of the Kuomintang (KMT) regime in Taiwan has been attributed solely to Chiang Ching-kuo's
leadership, son of Chiang Kai-shek. As a ultimate decision-maker, Chiang Ching-kuo, just like Deng Xiao-ping in mainland China, had tremendous capability and power to lead the polity into whatever direction he wanted. His decision to implement political reforms, however, was motivated by three long-term factors and two pending problems facing the KMT regime. The long-term factors were: "the KMT’s ideological commitment to constitutional democracy; the economic, social, and political maturation of the population; and the increasing appeal of the Tangwai!" The two immediate problems that remain to be resolved were: the problem of succession and a series of scandals taking place during 1985 and 1986. Also, Chiang’s decision was based on his calculation that the KMT was trying to take a risk in relaxing its control over the society in order to improve its own image domestically and internationally and thereby win popular support in the 1986 election.

Similarly, Tien’s analysis of Taiwan’s liberalization and democratization in the 1980s has noted that Chiang Ching-kuo played a key role at critical junctures, because "political reforms initiated by President Chiang Ching-kuo in 1986 stemmed from a conscious decision to pursue democratization rather than simply a hasty response to external pressures." According to Tien, in April 1986,
before the new political party (DPP) was established on September 28, 1986, it was Chiang who instructed the Central Standing Committee of KMT to form a new 12-men committee to do research on a number of proposals for reform. The reform measures included: to lift martial law; to legalize new civic associations; to hold a large-scale supplementary election to the national legislative bodies, etc. Besides that, following the formation of the DPP on September 28, Chiang dissuaded the conservatives within the regime from taking hard-line action against the DPP. Therefore, "his role in the reform initiatives was pivotal during 1986-1987."34

Chou, Nathan, and Tien recognize that Chiang, rather than social resistance, played a crucial role in the regime's transition, but this perspective seems to underestimate the essential feature of the structural variable in the process of democratization in Taiwan. The long-term and constant struggle of the opposition for liberalization and democratization since the late 1940s constitutes the structural processes of resistance culture in Taiwan. Without a strong challenge from the social forces, it is very hard to imagine that the authoritarian regime in Taiwan finally was willing to legalize the opposition party in 1987. Although late president Chiang Ching-kuo had decided to loosen the party's control over society in early 1986, the fact is that all of these
opening gestures were just paper work and had not been put into practice until the Tangwai announced its formation of a new political party on September 28, 1986 which obviously violated the martial law. The response of the regime was that at the beginning it threatened to suppress the new party and later on had no other alternative but to recognize the party. Therefore, as Wang has suggested, we should "locate his (Chiang's) contributions as a 'switchman' that directed the track toward liberalization. Chiang himself was not the engine of historical movement."35

3. Society-led Perspectives:

The society-led literature tends to consider grassroots' movements as the key to the success of regime change. The power of such movements can create and channel enormous social pressures on the regime in which the soft-liners would convince the hard-liners that democratization is the best way for the regime to survive.

This school asserts that the state is socially created and separated from civil society. That is, the state represents the will of society and functions as one partial organization among the other powerful interest groups of the society. The primary goal of the state is to protect citizens' interests or to promote their ideals. The state
therefore ought to be constitutional in its nature; the citizens should have the right to define norms and to establish government. Thus, the state is determined by society.\(^{36}\)

The elite-centered analysis of democratic transitions believes that the division within the ruling groups is fundamental to the success of regime change, without regard to the presence of social pressure. However, this perspective underestimates the essential feature of authoritarianism which usually resists change at all costs. For instances, Philippines under Ferdinand Marcos' rule and South Korea during the Syngman Rhee, Park Chung Hee and Chun Doo Hwan period are presented as typical examples of overwhelming personal ambition to stay in power by any means without regard to popular opposition.\(^{37}\) Therefore, according to the society-led perspective, elite-centered analysis of regime change seems to be doubtful.

a. The Role of the Middle Class

After studying democracies in South America, Douglas Chalmers has concluded that the larger middle class plays a key role in the democratic transition. The reasons for this are two-fold. First, the authoritarian regime should appeal for middle class' support which provides a minimal requirement for the regime's legitimacy. Second, their demands for democratization do not include plans for socio-
economic fundamental change, thus, their demands for democracy are likely to be the most effective in convincing the regime to reform. Following D. Chalmer's thesis, Hagen Koo, in his comparative study of South Korean and Taiwan's middle class politics, has observed that

The middle classes have received much attention from media recently, because of their important role in democratic movement in South Korea and Taiwan. The most dramatic incident occurred in Korea in June 1987, when a large number of white-collar workers and shopkeepers joined students' street demonstration shouting anti-government slogans and battling with tear-gas shooting police forces. Their massive participation in these street protests was instrumental in forcing the Chun government to accept the people's demand for a direct presidential election in December 1987. This event created political opening for democratization and paved a way for significant political liberalization in Korea. ... As in South Korea, Taiwan has recently experienced a democratic breakthrough.

Why are the middle classes politically so active in both countries? According to Koo, simply because the professional and intellectual segments of middle class are most exposed to western democratic ideas which help them in their evaluations of the authoritarian regime. In the cases of democratic transition in East European countries, as Jeffrey Goldfarb points out in Beyond Glasnost: The Post-Totalitarian Mind (1989), the role of independent intellectuals should be paid much attention. He has
observed that intellectuals in East Europe have devoted
themselves to the European Enlightenment ideals of civil
liberties, self-goverance and critical inquiry, in spite of
repression. The strategies of the intellectuals play a
key role in the process. That is, the intellectuals from
the beginning would not emphasize the necessity of directly
transforming the state or politicizing the large sectors of
the society and instead focus on rebuilding a zone of
independence from the state’s control. For instance,
Vaclav Havel emphasizes the importance of the public living
in truth which could demonstrate the power of the
powerless. Hannah Arendt further explains why the power
of the powerless may prevail.

b. The Role of the Labor Movement

The impact of labor movements on democratic transition
recently have attracted considerable attention, as a number
of countries like Brazil, Uruguay, Greece, and Spain
restore democratic rule, although several contemporary
works have downplayed the role of labor movements in
explaining regime change. The workers, unlike other
segments of society, occupy a strategic position. At the
mobilization level, the labor has a greater capacity for
extensive and effective mobilization in general than other
social segments. In terms of its impact on the national
economy, the labor movement, unlike other social groups,
can directly disrupt or even jeopardize the economy through strikes. As a result, labor demands for political or socio-economic change are the most sensitive ones for the authoritarian regime and can not be lightly ignored. J. Samuel Valenzuela (1989), in the study of labor movement in transition to democracy in countries such as Argentina, Brazil, Greece, Peru, the Philippines, Portugal, Spain, and Uruguay, further lay out four general dimensions that can help account for the relationship between labor movements and democratization. They are:

1. "The stronger the labor movement, the more likely it is to assume an important role in the transition..."

2. "...if union organizations and collective bargaining were highly centralized. Were this the case, a small number of top labor leaders would be so empowered that they would be more likely be participants in the negotiations of the transition process and they would have a good chance of obtaining satisfaction of important labor movement goals..."

3. "The more restrictive the labor legislation, the greater the propensity for such overstepping (strong wave of strikes and demonstrations)"

4. "Unless they are preceded by periods of liberalization, transitions following a rupture route to
change are likely to face the outbreak of social mobilization at the same time that the process of democratic transition begins... By contrast, the mobilization followed by restraint sequence is more likely with reform route to change."49

c. The Role of the Church

What is interesting about the process of democratic change in Brazil since 1970s is that a critical factor--the Church's commitment to profound societal change--forces the authoritarian regime to liberalize political life. As Thomas Bruneau and Leonardo have stated that the Brazilian church, the strongest identification with liberation theology in Latin America, has called for a greater role for the people and sought to build coalition through political action in order to modernize both Brazilian society and the church as an institution.50

d. The Role of a Coalition

In the extensive studies of democracies in Eastern Europe, Manfred Henningsen (1990) and many other scholars like Z. A. Pelczynski (1988), David Ost (1990), Adam Michnik (1976), and Jacek Kuron (1977, 1981), have emphasized the important role of civil society in the transitions to democracy--a coalition of different sectors
of society such as working class, the church, the intellectuals, and so on. These concepts derive from so-called new evolutionism—a strategy of change from below by society. The essential feature of the new evolutionism is that political change in state socialism can be achieved only through separating society from the state. Social forces have to work together and openly present their demands on the state for transforming the system of power and for establishing an independent civil society.

Even though the state tends to control the life of every citizen, social forces should reject state domination over society and reconstruct social ties. What forms independent associations take are that discussion clubs, political forums, diverse newsletters and even ad hoc organization should be created. The educational activity is organized and developed through these channels of a freer public sphere. For instance, the most famous organized group in Poland during the 1970s was KOR, the Committee for Workers' Defense. This group played a major role in establishing links between workers and intellectual by inviting liberal professors to give addresses to the workers, by providing legal and financial assistance to those workers who need help, and by helping workers organize an independent trade union. As KOR has done in Poland, the Catholic Church in Poland, according to Bogdan Szajkowski (1985), represents not only religious beliefs,
but also Polish culture and traditions—searching for defense of civil society. Church’s consistent and determined actions on behalf of the ignored and repressed majority of the population include:

(1) Demands for respect of human and civil rights...
(2) Demands for ending the state’s monopoly over the education system
(3) Insistence on the harmful consequences of the domination of society by one group...
(4) Demands for the ending of repression...
(5) Mediation...
(6) Creation of institutions supporting elements of civil society...

Based on above-mentioned elaboration of society-led movements, it becomes clear that the pressure from civil society has put the state on the defensive and speeded up the process of transition to democracy.

From classic Marxism through the studies by many others, all of these have suggested that aggressive social push forces a democratic opening within the political system.

Even though each perspective stated above has provided an important approach in accounting for the transition to democracy, all these are not complete in important ways, particularly since each focuses only on the internal
structure of the developing countries. Each approach highlights the internal factors such as healthy economy, elites' leadership, and social push to explain why democratization takes place. What is missing in these analyses is the relationship between the domestic structure and the international environment in the process of democratization.

4. The Outside Influence's Perspectives

Although most of the democratic impulse, according to many researchers, is home-grown and the impact of external variables have been relatively marginal in most cases, pressure from foreign forces in some cases plays a critical role in forcing authoritarian regimes to accept the oppositional proposals. For Dahl, two conditions are necessary for the emergence of democracy: (1) the increasing economic independence of the state on external forces, and (2) the loss of governmental monopoly on coercion. In a similar vein, Huntington (1984) attributes the presence of classified thirty-three democratic countries in 1984 largely to American and British efforts. He stresses that the economic development experienced by a number of developing countries since 1950s strengthens possibilities of democratization of these regimes, due to U.S. foreign aid package to these
countries. Such package encourages developing countries to move toward market economies, a more equitable distribution of income of society, and a more democratic direction. Whitehead further demonstrated the relationship between the U.S. and the motives, the methods, and the results of its efforts to gear foreign policy towards the democratization of authoritarian regimes in South Europe and Latin America. According to him, U.S. government obviously possesses a large number of policy instruments in the forms of economic aid, most favored nation's status, embargo, military threats, and so forth, for inducing a concession from authoritarian regimes. For example, economic aid may be offered, denied, or made contingent on some improvement in human rights. Therefore, in case of the absence of these U.S. policy instruments, a significant increase in the number of democratic regime in these regions in unlikely.

Donald Share, in his study of democratic transition in Spain, presents two conclusions concerning the impact of international environment on the authoritarian regimes. First, the more isolated the authoritarian regimes are in international community, the more difficult the democratic transition is. Second, the powerful states such as United States or powerful regional organization such as European Community could exercise more influence on authoritarian regimes. Following the similar thesis, Larry Diamond
also develops two generalizations in terms of external influence on democratic transition in Asian countries. First, the smaller states are more vulnerable to outside influence. Second, democracy is more likely when the regional or global trend is moving toward democracy, and when the powerful democratic states have geared their foreign policy towards the democratization of authoritarian regimes.\(^6\)

In spite of the importance of the impact of the foreign forces on regime change, most scholars have observed that the impulse for the breakdown of authoritarian regimes is not primarily external. Thus, contemporary students of democracy should pay close attention to domestic variables rather than external factors.

D. Comprehensive Theoretical Framework

All the perspectives mentioned above have been identified by Alfred Stepan (1986) as three major patterns of regime change. They are: (1) paths in which war and conquest speed up the process of transition to (re)democratization, (2) paths in which power-holders themselves relax authoritarian control and move toward (re)democratization, and (3) paths in which democratic opposition plays the major role in challenging authoritarian regimes and in setting the framework for (re)democratization.\(^6\)
The fall of Portuguese authoritarian rule, the demise of the Greek colonels, and the retreat of Argentina's generals in the aftermath of the Malvinas/Falklands war may illustrate the first category.

Spain and Brazil are prototypical of the second pattern. According to this approach, transition from above is more likely when political leadership is aware that changing socio-economic and political conditions no longer preserve their long-term interests. Thus, they seek to maintain their power by transforming authoritarian institutions to democratic institutions. Under such circumstance, authoritarian elites are able to skillfully manage and control the process of regime evolution. Oppositional forces rooted in civil society are secondary factors.

The third pattern is exemplified by the student uprising of 1973 in Greece. Society-led regime change is possible when oppositional forces gain momentum from civil society and then have sufficient power to keep the state in check. The forms taken by the opposition against the state contain "diffuse protests by grass-roots organization, massive but uncoordinated labor strikes, and general withdrawal of support for the government."

As shown above, each approach clearly has considerable analytical power in analyzing broad patterns of democratic
transitions in developing countries. However, I believe that the notion of any of the forgoing category alone can not capture fully the complexities of regime transitions in the third world, which are usually characterized as the "indeterminate transition process," "the ubiquity of change, contradiction," and "unpredictability of political elites."65 This is to say that the similar or same structural conditions (i.e. similar level of socio-economic progress) facing the two countries, the outcome of the democratic transition, mostly depending on the choices of political elites, may be totally different. In this view, structural approaches such as modernization theory and society-led democratization are clearly unable to capture the result of different choices made by political elites. Instead, we should concentrate on elite-centered analysis. Nevertheless, I do not think that democratization from society is more prone to be aborted. Contrary to the elite-centered analysis, scholars of society-led democracy believe that the potential to counter the state power comes from society. They stress that democracy is more fragile when democratization is initiated by ruling elites before democracy takes roots in society. In most cases, particularly the countries in Latin America, have shown that democracy from above is the continuation of authoritarian rule from hard authoritarianism to soft ones, not a restoration of democracy.66 In this sense, we should
shift analytical locus from the elites to society—the
engine of political change. But it is rare to see
opposition forces take over the whole process of democratic
transition and become the only actor on the stage. If this
scenario takes place, it is invariably an armed opposition,
and the result is not a democratic regime. Therefore,
without the ruling elites' introduction of political forms
(no matter what they are forced to do, or they initiate),
the society alone is not capable of dominating the whole
process of the transition to democracy. As Stepan argues
"the society-led upheavals by themselves are virtually
incapable of leading to redemocratization but are,
nevertheless, often a crucial, or in some cases are an
indispensable, component to the redemocratization."67

In theory, therefore, these two approaches seem to be
mutually exclusive. But, in reality, they are complementary
to each other in triggering a transformation from
authoritarianism to democratization. That is, society-led
movements by themselves cannot usher in a political thaw
of the authoritarian rule; the positive response by ruling
elites within an authoritarian regime to strong demands
from civil society is a major factor in contributing to
the breakdown of authoritarianism. From the theoretical
point of view, at the macro level, structural variables
such as internal socio-economic change and external
regional or global trend toward democracy, on the one hand, do provide a useful framework in analyzing the linkage between structuralism and democracy in a given country but fail to predict the result of choice of political elites. On the other hand, at the micro level, elites-centered approach helps us distinguish main political elites into the hardliners and the reformers within the regime, and the moderates and the radicals within the opposition and further delineate each group’s perception of democracy, social bases, and strategies in a complex socio-economic-political situation. As Huntington has argued, "the relation between the "macro" socio-economic changes and "macro" political changes have to be mediated through "micro" changes in the attitudes, values, and behavior of individuals."

In this view, the outcomes of regime change are shaped not only by elites’ choices but also by the resistance of civil society and by the impact of external forces.

With regard to these pluralist approaches, many contemporary studies of democratization attempt to explain the breakdown of authoritarian regimes by a combination of various external and internal socio-economic and political factors. Howard J. Wiarda’s (1990) analysis serves as a reference for recent studies on democratic transitions. Wiarda attributes the demise of authoritarianism to the internal "new forces" and to external pressure in favor of
democracy. He stresses that since the 1970s, the new forces have emerged in the form of new grass-roots popular movements which coordinate with each other through trade union, peasant organizations, and neighborhood organizations, aimed at disputing state hegemony in organs of civil society. Facing such challenge, the ruling elites acknowledge that military rule has lost almost all legitimacy, and that world public opinion, particularly from powerful democratic states, also seeks to push for democracy. Under these circumstances, the elites have no other alternatives but to accept the transition to democracy. Thus, it is driven purely by the elites' pragmatic decision, not by their commitment to democracy.70

It is important to note that although the above-mentioned approaches such as modernization theory, elites-centered analysis, and society-led movement reveal important dimensions of regime transition in certain countries, each approach attempts to overemphasize the independent role of socio-economic change, elites' calculations, and the pressure of social push respectively, paying little attention to any others. Therefore, there is the need to reject simplistic explanations based on one variable. As Adam Przeworski (1986), in the strategies of research on democratization, has suggested, a complex historical situation at play can not be reduced to simple
formulae. He notes that the pluralist approach is required for the study of democracy. Mainly because it takes into account links between internal and external variables, allowing light to be shed on possible common causes of the crises experienced by authoritarian regimes in Southern Europe, and Latin America. Meanwhile, he argues that four circumstances favor the emergence of democracy. They are: (1) For the ruling elites, democratic institutions are more functional than authoritarian ones; (2) the regime has suffered a legitimacy crisis characterized by the development of important opposition movements; (3) the transitions to democracy originate within an internal crisis of authoritarian regimes, particularly the divisions within the ruling blocs; and (4) external influences play a significant role in the emerging transitions to democracy. 71

The case of Taiwan in democratic transitions seems to fit well with the eclectic and pluralist approaches for following reasons.

From the modernization theory’s perspective, Taiwan represents one striking example of rapid socio-economic change leading to the democratization. Its extraordinary economic growth rate combined with improved mandatory education over the past four decades have produced a middle class with rising political consciousness and expectations.
Consequently, the demand for political liberalization and democratization has become a loud chorus.

In terms of elites-centered analysis at the micro level, undoubtedly the late President Chiang Ching-kuo, son of Chiang Kai-shek, played a leading role in the transition to democracy in Taiwan. Outsiders might not really know what motivated Chiang's decision to stand up with political reforms in the last two years before he died on January 13, 1988, but available information has confirmed that despite the objection of the old guards within the regime, he decided to transform the Leninist-style party-state to a more democratic one. It was he who ordered the KMT Central Standing Committee to form a research committee in order to handle a number of political agendas such as lifting martial law, legalization of oppositional forces, and so on, before the new party was formed on September 28, 1986. In October 1986, President Chiang, in an interview, formally declared that the regime would suspend martial law and recognize the opposition party if the opposition accept certain conditions. During these periods, despite great pressure from the KMT's conservatives camp for strong action against the opposition, Chiang's prestige managed to overcome the obstacles very well. This is a very significant event in Taiwan's political history, because for the first time in forty years the opposition was able
to emerge as legal political parties and theoretically compete with the KMT for power.

From the society-led perspectives, the Tangwai (literally, outside the party), the common symbol of the oppositions' long-term struggle against the authoritarian rule in Taiwan, played a significant role in speeding up the process of democratization. The period between the 1950s and the mid-1980s, any organized political opposition had been outlawed under martial law in Taiwan and any attempt to push the limits would not be tolerated by the regime. The strategies taken by the Tangwai was to use two tools for "educating" the masses. The first weapon was a propaganda campaign of politicized magazines. Even though all of these journals were neither engaged in rational debates, nor proposed public policy alternatives, they served as a powerful weapon by expressing various dissidents' ideas, by disclosing the "secrets" of the Chiang family and the KMT, and by promoting the culture of resistance. Their impact on the process of democratization in Taiwan was significant. They made a large number of people aware of the need for political change. Out-spoken speech, combined with the image of the oppressed during the period of election campaign were another useful strategy. Generally speaking, the Tangwai-endorsed candidates were very skillful in propaganda campaign during the election. On the one hand, they intentionally showed the "courage" to
the public by harshly attacking the KMT and the Chiang family. On the other hand, they attempted to obtain the sympathy votes from the voters by singing sad songs on the stage in hoping for the release of political prisoners. The combination of showing courage and expressing grievance in the election campaign did help the Tangwai capture around twenty to thirty percent of the votes since 1977. This portion of popular support not only increased the regime's costs of suppression, but also presented a strong challenge to the system of political representation and control.

Finally, in the light of the external environment, as an island nation heavily depending on the world market, Taiwan's prosperity and its political stability were vulnerable to external influence beyond its control. By the early 1980s the U.S. and various international organizations such as Amnesty International criticized the KMT's human right violations in several cases, and the authority, affected by the criticism, sought to improve its image in the political arena. In addition, when the wind of democracy was blowing in an Asian country such as the "people power" revolution in Philippines in 1986, it demonstrated that democracy was likely in Taiwan's neighborhood which eventually had a great "demonstration effect" on Taiwan.
For the analysis of Taiwan’s democratic transitions, each explanation has relative and approximate value under different circumstances. In rejecting simplistic visions based on one formula, we would assume that all these approaches are equally important in constituting a complete model for the study of democratization process if we put it together. Nevertheless, much of its relative weight depends on the complex historical dynamic.

In the dissertation, therefore, I like to take a more comprehensive approach similar to the pluralist perspective. This approach assumes that regime transitions are shaped not only by elites calculations but also by the resistance of civil society, and by the impact of foreign forces. The analytical focus is not the individual factor but the interplay among these four sets of variables. It is important to note that we can not describe the specific ways in which each variable influences the process of democratization, if we do not explore these variables in their dynamic inter-relationship. For instance, ruling elites’ devolution of power can not be fully understood unless we take into account the influence of both civil society and external forces. Similarly, political decompression and opening can not be specified until we investigate the ways in which interaction between internal and external factors leads to the demise of the authoritarianism. More specifically, the role of the
ruling bloc in the process of democratization can not be adequately understood without putting its linkages to the civil society and to the powerful democratic states. Therefore, a comprehensive framework for the study of regime transition must integrate these four sets of variables and comprehend the democratization's process as a result of their interplay.

E. Outline of the Study

Based on this framework, the dissertation will investigate the process of regime transitions at both the macro and micro level and further explore the linkages between them in shaping political development in Taiwan from the period of the 1950s to 1989, the time when the regime legalized the oppositional forces. In addition, I attempt to compare Taiwan's experience with that in South Korea. Such comparison will be made throughout the study. As such, it will contribute to democracy theory building in the Third World. The structure of the study is based on historical sequences of the regime's transition toward liberalization. The process of transitions toward democracy in Taiwan can be divided into three stages: the first phases, reformation of an "hard authoritarianism" in the 1950s and the 1960s;\textsuperscript{72} the second phases, rapid economic growth and its socio-political consequences--
growing middle class and the rise and fall of the opposition (or Tangwai) movements in the 1970s; and the final phases, emergence of the civil society and the KMT's response to the challenge--political opening in the 1980s.

Following this chapter, chapter II will present the historical review of the formation of the hard authoritarian regime in Taiwan. It tries to examine a number of principal determinants--Confucianism; the legacy of Japanese colonialism; the evolution of the KMT party-state after 1949; the relation between the state and the society; and the impact of U.S. aid to Taiwan--which all helped shape a hard authoritarianism in Taiwan.

Chapter III will examine the political dimension of postwar agricultural and economic development in Taiwan and South Korea, in terms of the state's development strategies, its external linkages, its relation with the private sector, and the consequences of public sector development. In so doing, this chapter will deepen the meaning of state control of the economy, showing that it involves such fundamental issues as the state's squeezing strategy in agriculture, the degree of concentration on the public sector, and the extent of participation of Taiwan's private sector in industrialization. The causes of the
great difference between both countries' labor movement in terms of the level and intensity will be analyzed.

In Chapter IV, I will first focus on the de-legitimation problem, as the result of diplomatic setbacks and economic downturn, facing the KMT party-state beginning in the early 1970s and its responses. Second, the rise and fall of Taiwan's resistance movement between the mid 1970s and late 1970s, especially with respect to its strategies, its radicalization trend, and the regime reaction, will be explored. The similarities and differences between Taiwan's and South Korea's opposition movement in the 1970s will be noted.

What modes of democratic transitions both Taiwan and Korea took in the 1980s and what were the differences and similarities between Taiwan and Korea, especially in light of social movements, the opposition politics, external factors, and the degree of the regime's control of the pace of change. These are two central questions that Chapter 5 seeks to answer. The analysis consists of four parts in Chapter 5: (1) a brief theoretical review of mass protest movement and a detailed discussion of the types and characteristics of Taiwan's social movements in the 1980s; (2) a comparison of Taiwan's and South Korea's student movements; (3) a description of the reemergence of Taiwan's Tangwai movement, the international environment, and the regime's response; (4) a comparative analysis of Taiwan's
and Korea's democratic transitions, especially with respect to the opposition politics, their external linkages, the scope of the regime control.

In the closing chapter, I will deal with the impact of structural socio-economic change and the leading actors' role on both countries' democratization process. In order to assess the nature and prospects of democratic reform in both countries, the brief analysis of the late 1980s' democratization movement will be made.
Notes for Chapter I


4. For the main sources on this, see Alvin Y. So and Ludmilla Kwito, "The New Middle Class and the Democratic Movement in Hong Kong" paper presented at the Annual Meeting of the Pacific Sociological Association at Reno, April 1989; Alvin Y. So and Sai-hsin May, "East Asian Democratization in the late 1980s: Taiwan Breakthrough, Hong Kong Frustration," paper presented at the Annual Meeting of the American Sociological Association, Washington D. C. August 1990; Yao, Y. C. et. al. (ed) Hong Kong and 1997. (Hong Kong: Center of Asian Studies, the University of Hong Kong, 1985).


7. See note 5.


22. Diamond, et, al., eds., Democracy in Developing Countries, p. 35.


27. Diamond, et, al. eds., Democracy in Developing Countries, p. 45.


33. Tien, Liberalization and Democratization, p. 9.

34. Ibid, p. 10.


37. For the breakdown of democratic institutions in Philippines during Marcos' years, see Karl D. Jackson, "Philippines: The Search for a Suitable Democratic Solution, 1946-1986," in L. Diamond, et, al., eds., Democracy in Developing Countries (Colorado: Lynne Rienner Publishers, 1989), pp. 231-265; For an elaboration of the failure of democracy to be instituted in South Korea, see Sung-Joo Han, "South Korea: Politics in Transition," pp. 267-304.


40. Generally Speaking, Goldfarb’s Analysis puts much emphasis on the intellectual’s struggle for cultural freedom in Eastern Europe, see Jeffrey C. Goldfarb, Beyond Glasnost (Chicago: The University of Chicago Press, 1989).


43. A couple of works de-emphasized the role of labor movements in accounting for the result of the transition to democracy. Barrington Moore suggests in Social Origins of Dictatorship and Democracy: Lord and Peasant in Making of the Modern World (Boston: Beacon Press, 1966), the development of agrarian structure is much more important than workers’ organization in shaping the political outcomes. Following a similar line, Theda Skocpol stresses that the workers’ mobilizations play relatively unimportant role in achieving the goal for successful social revolutions. See Theda Skocpol, State and Social Revolutions: A Comparative Analysis of France, Russia and China (Cambridge: Cambridge University Press, 1979).


46. Ibid, p. 452.

47. Ibid, p. 454.


54. Ibid, pp. 80-81.


56. In South Korea’s case, the United States played a crucial role in persuading president Chun Doo Hwan not to brutally suppress the opposition and to accept the opposition’s proposal for a direct presidential election. See Larry Diamond, "Introduction: Persistence, Erosion, Breakdown, and Renewal," p. 42; another similar successful case in Dominica, see Enrique A. Baloyra, "Democratic Transition in Comparative Perspective," in E. A. Baloyra, ed., *Comparing New Democracies*, p. 6.


60. D. Share, Transition through Transaction, pp. 39-41.


64. A. Stepman, "Paths toward Democratization," p. 78.


70. Wiarda, pp. 58-88.


72. The terms "hard" and "soft" authoritarianism are adopted by Edwin E. Winckler in his study of Taiwan's...
democratic transition in the early 1980s. By his definition, "hard" authoritarian rule on Taiwan in the 1950s and 1960s meant that the politics had been predominated by the mainlander elites and that elections just provided means of co-opting politically active Taiwanese into the KMT and the elections results would not alter the power structure of the KMT. He views "soft" authoritarianism as "joint mainlander-Taiwanese technocratic rule under collective party leadership. The dominance of the ruling party would still be guaranteed." See E. Winckler, "Institutionalization and Participation on Taiwan," China Quarterly, no. 99 (Sep. 1984), p. 482.
Chapter II
FORMATION OF A "HARD" AUTHORITARIANISM

In a comparative study of the modern authoritarian regimes the special interest of Taiwan's case resides in one fact: Taiwan is authoritarian, but has enjoyed high levels of political stability and general social peace over the past four decades. In Asia, if one considers Singapore's case as exceptional, the regime in Taiwan is the only authoritarianism to have experienced a remarkable and enviable record of political stability since the KMT retreated to Taiwan in 1949. The party-state in Taiwan in the 1950s and 1960s could be characterized as "exclusionary one-party system" in which "the dominant social forces monopolize power and the subordinate social force is indefinitely excluded from political roles,"¹ but "the modernizing countries which achieve high levels of actual and presumptive political stability possess at least one strong political party."²

Thus, it is necessary to ask an important question: what crucial factors in the early years of the Kuomintang in Taiwan help account for the emergence of the hard authoritarian regime? This chapter therefore underlines the critical roles of several long-term developments in creating the opportunity for the Kuomintang regime to shape a hard authoritarianism in the 1950s and 1960s: (1)
the legacy of Confucianism; (2) Japanese colonial rule; (3) U.S. aid to Taiwan; (4) the evolution of the Nationalists' party-state; and (5) the relation between the state and society.

A. The legacy of Confucianism

On the one hand, due to its heavy stress on educational attainment and diligent attitude, Confucian tradition is considered a significant contributing factor in achieving economic miracles in newly industrialized countries (NICs) i.e., South Korea, Taiwan, Hong Kong, and Singapore. Confucianism is, on the other hand, viewed as a critical factor in making democratic rule more difficult.

There are three critical features of the Confucian tradition which seems to support the paternalistic authority.

First, in the Confucian tradition, government possesses the strong ethical-moral basis to rule the country. In the cultural context of the ethical values, officials not only have the right to intervene in people's lives, but also have a definite obligation to do so if it is considered as a necessary step to improve the people's living standard. Such obligation to intervene clearly helps strengthen the state's power.
Second, Confucian philosophy emphasizes the importance of the virtues of the upright man who embodies leadership. Those officials who rule are supposed to know best what is justice and fair treatment for all sectors of the society because they are well-trained and own the appropriate skill. Meanwhile, all the citizens are taught that they should never be aggressive or demanding on the state. Instead, they should seek sympathy from the officials. Thus, there is no need for formation of interest groups in order to aggregate and articulate the private interests. The political order, therefore, is remarkably monolithic—with all political action centered in a single bureaucracy headed by the Emperor.

Third, Confucianism has the strong sense of group orientation which heavily stress social harmony and political conformity. The value of harmony means that the society as a whole should blame those who are indulged in selfishness or disrupt social order by getting involved in anti-government activities. Bureaucrats as guarantor of public interests are supposed to play the most important roles in preserving social order, preventing social confusion, and even punishing those who are likely to rupture social relationships. Under these circumstances, any kind of individualism, which in western society is held to be the inviolate basic tenet, is hard to prevail.
Authority is assumed to be absolute, harsh, and even ruthless, but in reality it was seen as being more flexible, tolerant, and accommodative. Since the Chinese bureaucracy believes that the ideal of social control should come from individual’s self-discipline rather than the bureaucrats’ interventions. Also, there is no effective institution to carry out completely the absolute quality of authority. As a consequence, a number of informal associations i.e. the gentry class, clans associations, county’s, city’s, and provincial organizations, and even secret societies are historically tolerated.

Nevertheless, Confucian culture in China has nurtured social norms and values that foster a harmonious, group-oriented society. It becomes clear that this traditional culture reinforces the conception of a strong, bureaucratic state capable of depressing every sector of society.

Confucian philosophy has been used to strengthen the persistence of traditional patterns of authoritarianism. As R. Wilson, in his extensive study of the process of Taiwan’s students’ political socialization in elementary school, has concluded that "the congruence of authority patterns between home and government provides an effective link with the past for all members of society, at the same time that the political leaders themselves are a focus and
a mechanism whereby loyalties may be developed toward the national group as a whole."^5

In spite of the heavy influence of Chinese philosophy, the Koreans, have developed out of their peculiar form of centralized authority. As Harold Hinton points out, "Korea was probably the most centralized and uniformly administrative state in traditional Asia."^6 According to G. Henderson, several major factors such as ethnic, cultural and linguistic homogeneity combined with the territorial compactness have made the traditional Korean polity extremely homogeneous and centralized in comparison with its neighboring societies of China and Japan.^7 This central authority has apparently given the bureaucracy in Korea good opportunities for inculcating an official ideology and in imposing its control over the society.

Another difference between Korean and Chinese Confucianism is that politics in Korea usually takes the form of zero-sum game in which the winner takes all worth having: power, prestige, and wealth; the loser, on the other side, loses all. The reasons for this are that social behavior in Korea tends to create a form of personal loyalty which is total and uncritical due to the society as a whole placing heavy stress on the rules of conformity. When one joins one group, he (or she) has to keep loyal to the group, no matter whether the group leader’s position is
valid or not. It is considered as virtuous conduct in the society. Chong Lim Kim describes one of Korean cultural conditions as "the norms of conformity." According to him:

There are probably no other societies in which social conformity is stressed as strenuously and at times as harshly as in Korea... The norms of conformity are pervasive everywhere... The demand for conformity is by no means the exclusive preserve of those in power. The same pressure for conformity exists in the ranks of opposition politicians and antigovernment groups, who are presumably most strongly committed to a democratic rule, i.e. an open and orderly process of political competition...

He concludes that when social and political conformity are demanded to an excessive degree by all levels of Korean society, any form for rational debates, bargaining and negotiation between those in power and those in opposition seems unlikely. Therefore, the political system in Korea may be best characterized as "the high risk system."

There is little doubt that the influence of traditional culture becomes a contributing factor to make authoritarian rule easy.

B. Japanese Colonial Rule

Even though some analysts view Japanese colonial rule in Taiwan (1895-1945) as "beneficial" and "progressive" in an economic realm, generally speaking, Japanese colonialism in Taiwan, just like in Korea, was far
more repressive, and comprehensive in contrast to British colonialism in other Asian countries. As Larry Diamond, in his study of democracy in ten Asian states, has observed that "the developing countries with the most successful democratic experience since independence are, by and large, former British colonies. It should therefore not surprise us that those countries whose colonial histories were more uniformly authoritarian fared even more poorly with democracy after independence. Here one may cite the former French colonies, and still more so the former Spanish and Belgian, or in this volume, the former Dutch colony, Indonesia, and the former Japanese colony, Korea." The reasons for this are simple. Under British colonialism the systems of legal and constitutional procedures have been instituted, while Japanese rule, by contrast, usually brought into its colonies a modern form of centralized state authority,-- relatively sophisticated socio-political control system. This helps to explain what was happening in Taiwan under Japanese colonialism.

Taiwan's experience under Japanese colonial rule left serious political, social, economic legacies in the development process of the subsequent period of the KMT rule.

In the political realm, the central authority in Taiwan was the Governor-General who was appointed by and directly responsible to the emperor. The Governor-General has
supreme authority to wield bureaucratic, military, legislative, and judicial powers over the colony. From the Japanese perspective, a highly centralized authority was necessary for the objectives of colonial rule--the total incorporation of Taiwan into its empire, and becoming a stepping stone to Southeast Asia because the authority was considered the most effective means of controlling its colonies. In this sense, Taiwan's society was deeply constrained. Thus the native people were denied a voice to express their own opinion, needless to say the access to political participation; any resistance to the colonial rule was brutally suppressed; and the colonial court just played a role in justification of colonialism.12

At the local levels, the Japanese penetrated the local society to a deeper degree than the officials in Ching Dynasty China. A modern strong police system combined with the adoption of the Chinese traditional "pao-chia" system were instituted. This organized social control system was established on the basis of mutual responsibility -- a chia consists of around ten households; a pao was composed of around ten chia; each chia and pao had a headman who was responsible for the local authority; and any one within the pao failed to comply with pao-chia rules, all others within the same unit would be punished. The primary goal of this system was to wipe out anti-Japanese activities from local
communities through the mechanism of social control. The duties performed by the pao-chia system included: "making regular reports to local police authorities on any local population change, be it a birth, death, arrival or departure; informing the police of the discovery of criminals, suspicious-looking outsiders or people suffering from contagious diseases; assisting police offices in the search and punishment of criminals; instructing pao-chia residents to be law-abiding; and disciplining those who violated the pao-chia rules."13

In order to pacify the local collaborating gentry class, Japan, on the other hand, created the Central Advisory Council to consult with them and to allow them to enjoy some certain social, economic, and political privileges. For example, those landlords who helped the colonial government to eliminate anti-Japanese elements at local levels were given the title "Decorations of Gentry." It meant that these decorated landlords were authorized to monopoly sales of tea, sugar, wines, salt, cigarettes, and so on.

Education was another useful instrument in the implementation of social control, particularly in the areas of social and cultural assimilation, even though the colonial offices recognized that education was the most difficult task they ever confronted. According to T. Gold, the goal of assimilation education was to transform
Taiwanese into the subjects of the Emperor with basic skills. The education system in Taiwan, however, offered the important channels of mobility for the lower classes.\(^\text{14}\)

Japan initiated a policy of compulsory elementary education in Taiwan in the late 1930s, but only a small number of Taiwanese were able to go beyond a primary education. Education programs were designed for not only the instruction of basic knowledge of agriculture, engineering, telegraphy, and matters concerning colonial administration, but, more importantly, rigid indoctrination in Japanese nationalism. Many of the graduates became lower-to-middle level government officials such as auxiliary police officer, assistant officials, etc., and constituted an important part of the bureaucracy.\(^\text{15}\)

However, Taiwanese were still considered second-class citizens and, except for a few collaborating landlords, very few were able to enjoy social, economic, or political privileges as the Japanese residents of the island were.

Although Japanese colonialism made serious efforts to reorient the identity of the Taiwanese toward "the empire of Greater Japan," most of the native Taiwanese never forgot their own Chinese heritage and the discriminatory policy in the island. Consequently, the anti-colonial rule movement, led by both intellectuals and non-collaborating landlord class, began to emerge; de facto discrimination
against the Taiwanese continued. By and large, the means used by the opposition were peaceful, such as founding various associations, holding mass rallies, making speeches, publishing newsletters, and making petitions. Their goals were seeking self-rule and social, racial equality. In spite of the internal disintegration of the opposition, the self-rule movement, later led by left-wing faction, was successful in arousing the political consciousness of the Taiwanese, and mobilizing the peasants against colonial exploitation. For example, there were a total 565 cases of peasants' revolts launched by the peasants' association between 1927 and 1928, which was under the influence and direction of the self-rule movement. Nevertheless, through a highly disciplined, penetrating, and repressive bureaucracy of colonialism, the opposition had little chance in achieving their goals for the end of the policy of discrimination. The modern form of centralized state control still remained unchanged.

Economically, the role of the Japanese state in Taiwan has been described as having neomercantile characteristics. The features include, state planning of the economy; extensive intervention in the economy; the important role of a few powerful Zaibatsu (conglomerates); and political and economic exclusion of the working class. According to Callaghy, "mercantilist policies was specifically designed to aid in the formation of stronger
states, to help achieve unity, to centralize and concentrate power, and to struggle against internal particularism and external dependence." Economic policies of the Japanese colonialism in Taiwan just adopted this approach which was designed for the incorporation of Taiwan into the Japanese colonial system. Thus, in spite of Taiwan’s impressive economic progress under the colonial rule, much of it served the Japanese empire.

In short, during Japanese occupation, the colonialism left Taiwan with various political, social, and economic legacies which have greatly affected the Taiwan’s development after the Nationalist government came to Taiwan in 1946. Recent evidence has demonstrated that after World War II, the development experience of most former colonies has been greatly influenced by the colonial pattern of bureaucracy, and by the impact of that bureaucracy on the colonial polity, economy, and society. It becomes clear that one of the most significant legacies left by the Japanese colonial power was a strong state. Therefore, one might reasonably assume that the KMT regime inherited a strong military-administrative apparatus; its task was to subordinate all the indigenous classes to its control in order to mobilize resources (material and human) to implement development policies.
C. The United States' Aid

Perhaps, it is not fair to say that the United States' relation with the Republic of China (ROC) is more important than all other nations combined. However, The U.S. aid between 1950 and 1965 played a key role in contributing to good relationships between both countries, because the U.S. aid not only helped Taiwan to become a strong and stable anti-communist bastion, but also incorporated Taiwan into the world capitalist system which has provided the environment for Taiwan's booming economy.20

After defeat in mainland China, the Kuomintang retreated to Taiwan in 1949 with two million refugees. Some of them were well-trained, and experienced technocrats. But they by themselves were unable to solve the problem of worsening economic conditions and the military threat from the Chinese Communist Party. At that time, everyone seems to expect that Taiwan, sooner or later, would be "liberated" by the communists. The outbreak of the Korean War in 1950, however, reversed that situation. The United States began to recognize Taiwan as an important strategic position in containing communist expansion in that region. Accordingly, the U.S. shifted its "hands-off policy" towards the Chinese Civil War to its commitment to protecting Taiwan by providing massive military and economic aid to the island.
U.S. aid programs to Taiwan can be basically divided into two major categories: military assistance and economic aid. Both were equally important to help Taiwan build an adequate defense without imperiling its basic economy, to help curb the constant threat of inflation, to help improve the development of infrastructure projects and human resources, and to provide the framework for future foreign investments.

From the U.S. standpoint, geopolitical, not economic, considerations were behind the U.S. aid package to Taiwan. Those political interests consisted of deterring communists’ aggression in East Asia. Thus, strengthening the security of Japan, South Korea, and Taiwan became the principal rationale for the aid.

In order to check Chinese Communists aggression and to recover mainland China someday, the ROC constantly maintained huge military forces during 1951-1965, a total of 600,000 military personnel, which constituted around 8 percent of Taiwan’s total population. That was among the worlds’ largest military machines in terms of its proportion to the country’s total population.\(^{21}\) To keep such a military machine going, the KMT spending on the military consistently formed 81 to 90 percent of the national governments’ budget from 1953 to 1961, or around 10 percent of the GNP which was among the highest in the world in terms of its proportion to the GNP. This amount
of military expenditure, however, was simply used to pay for military personnel's salaries, and "for operation and maintenance of equipment."22 Thus Taiwan carried a heavy burden of defense. However, the U.S. gave Taiwan a helping hand to offset the military burden at critical moments. For examples, most Taiwan's military hardwares such as military aircrafts, warships, and vehicles were supplied by the U.S..23 Even though Taiwan has had a growing capability to produce its own military equipment since the 1980s, for crucial components of high-tech weapons, it still heavily depends on the U.S.. In addition, during the aid period from 1951 to 1965, a total of U.S. $4.1 billion of U.S. aid flowed into Taiwan, of which U.S. $2.4 billion, or 58.5 percent of total aid, went to military assistance. Such assistance was responsible for about 61 percent to 70 percent of the total military spending each year on Taiwan from 1951 to 1965.24 To the ROC, this huge amount of aid not only far exceeded the amount required to balance the military budgets, but had extra effects--being used for funding other aid programs such as imports of industrial materials, capital goods, know-how technology, and consumer goods for domestic needs.

Another important assistance was economic aid. U.S. economic aid was sent to Taiwan--a total of $1,465 million during the aid period, 1951-1965, or an average of
about $100 million a year. To put it on a per capita basis, according to Jacoby, "U.S. economic aid was equivalent to about $10 per capita per year over the whole period 1951-65. Aid obligations averaged about 6.4 percent of Taiwan's GNP over the entire aid period. Weighed against total gross investment in the Taiwan economy, aid averaged about 34 percent over the entire period."²⁵

Generally, U.S. military assistance clearly helped the regime to offset the military burden without imposing severe hardships on its people. Psychologically, the presence of military assistance made people on Taiwan feel more secure about their future because it would deter the Chinese Communists from attacking Taiwan. U.S. economic aid also played a key role in financing the ROC's budgets' deficit, in keeping the inflation under control, and in developing infrastructure, subsequently creating a hospitable environment for foreign and private investment. Similar to Taiwan, South Korea also received massive U.S. assistance during the aid period, 1946-1974 due to its regional geopolitical role in the North East Asia. As happened in Taiwan, U.S. aid to Korea was primarily allocated for the support of defense effort, the balance of government's payments, the development of infrastructure, and the build up of manufacturing industries. Certainly U.S. aid to Korea was also very important because it helped
to stabilize the economy, the society, and the regime at the time.\textsuperscript{26}

In sum, it is fair to say that the inflow of U.S. military and economic assistance to Taiwan became contributing factors to support the Nationalist military establishment, to sustain Taiwan's balance of payments, to help curb the threat of inflation, and to help rehabilitate Taiwan's economy. Indeed, U.S. aid contributed a great deal to the Nationalist's authoritarian rule in Taiwan. As Jacoby suggests,

Certainly, U.S. economic assistance helped to preserve the cohesion of the Mainland minority and to consolidate its political power. Had no external assistance come to douse the fires of inflation and improve the material conditions of the Taiwanese during the early 1950s, it is doubtful whether the Republic of China would have endured in its present form.\textsuperscript{27}

D. The Evolution of the KMT Party-State

The fall of Mainland China to the Communists in 1949 was the biggest blow the KMT ever had. When the Nationalist government under Chiang Kai-shek retreated from Mainland China to Taiwan, the top priority on political agenda was how to regroup itself and rule over a rather alienated populace--the Taiwanese, constituting more than 80 percent of the total population. Taiwan was viewed by Chiang only as a temporary base from which to retake China
someday, and he attempted to legitimate authoritarian rule on the basis of law.

Thanks to the general fear of the Communists' attack on Taiwan, those who challenge Chiang's leadership on the mainland either fled to the U.S. or elsewhere, or surrendered to the Communists and remained in the mainland. Others who chose to come to Taiwan had either strong personal loyalty to Chiang or lost their power bases on the mainland. Thus, among the mainlanders minority, there were no politically powerful figures threatening Chiang's leadership. On the other hand, the famous "Ehr-ehr-ba" incident of February 28, 1947, in which several thousand Taiwanese were killed and arrested by the Nationalist officials, had silenced the Taiwanese for the next three decades and provided Chiang a great opportunity to tighten his personal control. However, it left deep scar between the Taiwanese and the mainlanders.

The first technique used by the KMT to consolidate its power was imposition of martial law and the "Temporary Provisions Effective during the Period of Communist Rebellion" in May, 1949. These permitted the President to run for an unlimited number of terms and to have enormous emergency power without legislative control. Accordingly, both Chiang Kai-shek and his son, Chiang Ching-kuo were able to exercise power as a supreme leader until they died. The security forces were also authorized great
discretionary power. In Thomas Gold's *State and Society in the Taiwan Miracle* (1986), he identifies an extensive network of intelligence-security systems as a major factor in purging the opposition, in controlling the military, and more importantly in keeping the KMT in power.30

Among the security forces, the Taiwan Garrison Command was perceived to have the primary responsibility for internal security and to receive more criticism in Taiwan. Under the martial law, the Garrison Command received the authority to suspend freedom of association, assembly, to check mail, to censor or shut down publications, and to monitor domestic and international phone calls. It is inevitable that an extensive security system easily committed errors and abuses. Perhaps the most famous denial of press-freedom was the arrest of Lei Chen in 1960. Lei, publisher of the political journal *Free China Fortnightly*, who was repeatedly critical of the KMT authoritarianism, nepotism, and favoritism demanded more freedom for the Taiwanese and urged cooperation by liberal mainlanders and native Taiwanese to promote democracy. In 1960, he attempted to work with anti-KMT Taiwanese elites to form an opposition party. As a result, he was arrested on sedition charges for harboring an ex-communist agent on his staff and received a ten-year prison term.31 This
incident was a typical example showing the KMT's intolerance of any kind of extra-party opposition in its early years on the island. Another famous sedition case which also attracted international attention was the arrest of Professor Pen Ming-min and two of his students in September 1964. Peng, former chairman of the political science department at National Taiwan University, who along with his fellow-defendants, Hsieh Tsung-min, and Wei Ting-chao were sentenced to eight, ten, and eight years in prison, respectively, for having secretly printed a pamphlet urging Taiwanese to unite against the regime by any means. Although over the years the regime attempted to ease security regulations somewhat, a constant tension between the regime and political activists still existed.

From the regime's perspective, it had a very good reason to be worried about Communist infiltration and subversion when it retreated to Taiwan from the mainland in 1949. During the KMT years on the mainland, particularly in the civil war, 1945-1949, all levels of administration and the military, deeply penetrated by the Communist agents, were viewed as major factors for the KMT defeat. Thus the KMT did not hesitate to exercise power in strengthening the government's control of an extensive network of security apparatus in order to prevent Communist subversion when it came over to Taiwan.
Generally, although the networks of security systems, under martial law, played an important role in contributing to political stability in Taiwan, much of the stability depended on the KMT's adoption of "other political techniques." As Ralph N. Clough argues, "The government's control of a large military establishment and a pervasive internal security apparatus has certainly helped (to maintain political stability). But outside observers who have lived on the island and studied its political system testify that the employment of a variety of other political techniques has permitted the government's resort to military and police control to be highly selective and relatively moderate."\(^{33}\)

The defeat on the mainland taught Chiang a serious lesson. He attributed the defeat of the KMT to four major factors: an army without a "soul," the corrupt civil administration as well as the military, the strong warlordism, and the Communists' infiltration of the army and the bureaucracy.\(^{34}\) This clearly made him very conscious of avoiding the same mistakes again in the rest of his life. For Chiang, the first task was how to retain control of the gun, and the bureaucracy in general in order to prevent any individual or organization becoming too powerful to control. Several measures were taken in an effort to achieve that goal. First, to assure that "the party leads the military," Chiang Ching-kuo, established a
new political Cadre Academy (later renamed the Political Warfare Academy) to train political officers in 1950. Meanwhile, a party control system was also instituted both in the civil administration and the army, because President Chiang firmly believed that a party control system was indispensable to retaining an efficient bureaucracy and to rebuilding a revolutionary army in order to stage a comeback to the mainland someday.

Several political programs were designed to achieve that goal as follows: 1) Political organization: Following a Leninist-type party structure, the KMT's party system had hierarchical structures parallel to the military command system and the bureaucratic structure of government at all levels. The purpose of organization work was to develop a party organization in the army and the government bureaucracy in order to make sure that "the party leads the government." It is not surprising that a membership in the party was not only a symbol of the loyalty to the party-state, but a ticket of advancement. As such, almost all career officers of the military were KMT members. The percentage of party members in civil administration was relatively lower, as compared with that in the army. Jacob's field study of local politics of a rural Taiwanese township has identified the party's membership as "an unofficial requirement for the promotion" to the higher
echelons of government. Around 60 percent of the teachers in a township joining the party, due to careerist motivation, offers a splendid example of this.\textsuperscript{36} 2) Political education: To inculcate in the troops a sense of why they fight and for whom they fight, anti-communism was one of the most important goals of political education which was strongly stressed. This was based on the convictions that the Communism would inevitably fall and the lost Mainland would be recovered. Meanwhile, in order to maintain integration propaganda, the party censored publications and information which would undermine the party’s ideological purity. 3) Surveillance of personnel: The party or security systems kept a watchful eye on the military officers and civilian bureaucrats in the main branches aimed at preventing them from corruption, and more importantly securing their loyalty to the party.

Second, a two-year term of the military rotation system for the commanders of the armed forces was introduced to assure that no commander had enough time to preserve their own military strength and resources in order to stage a coup.\textsuperscript{37}

Third, Chiang’s personal charisma had been able to firmly control the military. He had led the Northern Expedition to destroy warlords in 1926-1927. During the war against Japanese invasion of the mainland, 1937-1945, he was elected President of China and the commander-in-
chief of the armed forces. During the civil war, 1945-1949, his leadership was recognized by the Chinese Communists. When the Nationalist government retreated to Taiwan, he held the same posts. Overall, the charismatic Chiang had provided a necessary exemplar and counter-weight to militarism.

Finally, beyond control of the army, the principle of party leadership over the government was instituted. That is, the Central Standing Committee (CSC) of the party initiated and made final decisions on important policies on every Wednesday, while the next day the cabinet would discussed the party’s proposals and made serious efforts to formulate and implement them. Even though cabinet members with party membership were more qualified than party cadres to be chosen by the two Chiangs to join the CSC, the principle of "the Party leading the Government" remained unchanged.

Consequently, due to Chiang’s personal charisma and these party control devices to check both the civil administration and the military, it was unlikely that political and military figures in a position would challenge Chiang’s authority, even though Taiwan maintained oversized armed forces in the 1950s and 1960s. South Korean military roles, unlike their counterpart in Taiwan, have been historically decisive in politics since both
President Park Chung-hee and Chun Doo-hwan came to office through a military coup.

The First Republic (1948-1960) under the President Syngman Rhee was toppled by the students' uprising in April 1960. Even though he was able to control South Korea's powerful armed forces through his personal charisma, the military, fed up with the regime's corrupt incompetence and resentful of the ruling Liberal Party manipulation of internal military affairs, finally refused to suppress the demonstrating students when they had been ordered to open fire. As a result, President Rhee was forced to resign. It becomes clear that the students' uprising of 1960 could not succeed without the political neutrality of the military, which had functioned from the beginning as a crucial power base of Rhee for the purpose of putting down popular revolt. However, the army's neutral stand in the political crisis of April 1960 was not because there was a tradition of military profession in Korea, but because the military officers felt superior to corrupt civilian politicians and showed their contempt for them. Thus, the lack of civilian efficiency and the absence of extensive networks of the party and security control system to check and balance institutional militarism might explain the fact that the Korean polity is more vulnerable to military intervention.
The martial law in Taiwan also required all civil associations to register with the government and allowed only one social group in each administrative area. Therefore, the party organ could easily penetrate the registered group and thereby control it, including party control of the selection of union leaders and supervision of union activities. As a result, in the 1950s and 1960s, all the private organizations such as the union of peasants, laborers, fishermen, and teachers had been incorporated into party-sponsored associations. The purpose of the state corporatism was not to mobilize the union for state-directed effort to get some certain jobs done, but to ensure that the hegemony of the party had never been challenged. Thus, it was preventive that the development of social movements on the basis of multiple sector alliances should be prohibited. This feature is quite different from the President Park’s Factory Saemaul Movement of mobilizing labor for a highly ambitious target of industrial production. In comparison with South Korea, although both Taiwan and South Korea share the feature of authoritarianism combined with the state corporatism, Taiwan’s workers have been more obedient than their counterpart in South Korea. As Hagen Koo argues, in the comparative study of South Korea and Taiwan’s labor movements, "(In South Korea) labor protests are frequently
organized by independent, grass-roots labor unions and
linkages are slowly being forged between radicalized
students and grass-roots labor organizations. In
comparison, Taiwanese labor has been relatively passive.
There have been few overt manifestations of class
formation, and Taiwanese capitalists have enjoyed great
industrial peace."41 Lacking an effective party control
system in South Korea is one of the reasons that it has
suffered great social disorder.

The "Temporary Provisions" in Taiwan also allowed the
original members of the three national elective bodies--
Legislative Yuan, Control Yuan, and National Assembly to
retain their seats until "the end of the Communist
rebellion on mainland"--new elections could be held in
their own constituencies. The sitting members of the
various bodies, except some of them who remained on the
mainland, have been holding office since 1947, the year
when they were elected by their constituencies on the
mainland. This is justified by the claim that the
government of ROC is the legitimate government of all
China. In this view, the government of ROC had to keep the
government structure and the constitution intact.42 Yet it
was obviously impossible to continue conducting elections
on the mainland and thereby the original members could
continue to enjoy de facto life tenure. Thus, at the
national level, the people on Taiwan could not choose their own representatives at all between 1947 and 1969.

The tenured members of the three bodies are known as "the party's voting troops"—simply playing no more than a rubber stamp role, while important decisions have been made by the high ranking bureaucrats. Over the past four decades, the party has been very successful in indoctrinating the tenured members with the party line. The successful indoctrination can be explained by four reasons.

First, the tenured members shared the similarity of educational and pre-legislature career backgrounds. Before becoming law-makers, most of tenured members held a position in the army, in the party, or in the government which made them vulnerable to the party's influence.

Second, the degree of unity between national elites and tenured members was also enhanced by their recognition of their common interest in keeping their political dominance intact by two means: the first one was to reject potential military threats from the PRC; the other was to resist domestic rising pressure for political participation from the native Taiwanese majority.

Third, simply because the tenured members served as representatives of their original constituencies on the mainland, there was no need for them to touch social
reality in Taiwan. Such isolation from electoral pressure also facilitated the party's indoctrination of them.

Finally, since the early 1970s, the Tangwai, the most powerful opposition force in Taiwan, has been highly critical of the tenured members as "old thieves," "lack of representativeness," and "privileged class" and even urged them to step down by resorting to the interpellation by the Tangwai members inside the Legislative Yuan or to the mass rally outside the Legislative Yuan. It has certainly enhanced the sense of solidarity among them and also reduced the factional conflict that they experienced before, because they have faced the common formidable enemy -- Tangwai. This situation clearly provides a great opportunity for the party's indoctrination among them.

The political implication of the predominance of the tenured legislators are that first, from the opposition perspective, it is absolutely not possible through elections to change the government and thereby the opposition becomes "the permanent opposition forces;" second, due to the party's successful indoctrination, the tenured legislators simply express the official line inside the Legislative Yuan, and therefore the exercise of executive power is insulated from checks and balances. Under these conditions, it is not surprising that the Executive Yuan in Taiwan can easily build a strong instrument, both in size and in power, for governing.
As in Taiwan, the legislative process did not define the policy-making universe in South Korea. The legislative body was considered a subject of the executive power. For instance, the case of the Seventh Assembly, 1967-1971, was a good example. During this period, the National Assembly never rejected any of the administration-endorsed bills.\textsuperscript{43} Since President Park took office, he never exercised his veto power over legislative actions mainly because the legislature was dominated by the ruling Democratic Republic Party (DPP) that with a two-thirds majority had no difficulty in enacting whatever laws it pleased.

E. The Relation Between the State and Society

Before the Nationalist government retreated to Taiwan from the mainland in 1949, there were several preconditions favorable to the KMT authoritarian rule. First, under fifty years of Japanese colonialism, in spite of the opposition's promotion of the self-rule movement for more social and political equality, people in Taiwan, by and large, were used to the authoritarian rule. Some collaborating landlord class, at that time, had enjoyed political, social, and economic privilege and thereby established their own social bases at the local level. This helped them to get elected as provincial representatives in 1946 when the Japanese surrendered, but their prestige was confined to the local area. None of
them was able to entrench acquire island-wide prestige. Needless to say, they would create multiple sector alliances to challenge the regime's authority.

Second, the tragic "February 28 Incident" in 1947 in which thousands of Taiwanese were eliminated including a large proportion of the island's elites by a corrupt and incompetent Nationalist General Chen Yi, did have the effect of chilling the opposition activity in particular and of weakening the Taiwanese will to participate in politics in general. In Chinese culture, this is known as "killing the chicken to warn the monkey." However, this incident also "left behind a lasting legacy of hostility and suspicion between mainlanders and Taiwanese." Some Taiwanese elites who survived the suppression left the island for Japan or the United States and began to advocate the Taiwanese independent movement.

As a result, when the KMT came over to Taiwan in 1949, there were no strong local elites either to penetrate the state apparatus or to retain a central place in the political system. The absence of local elite influence from the formation of state policy enhanced the KMT party-state autonomy and capacity relative to other sectors of the society. However, hostility and tension between the mainlanders minority and Taiwanese majority still existed because of the "February 28 Incident" and thereby political
and social strain came between these two sub-groups in society. Of Taiwan's total population, around 85 percent are those Taiwanese who came over from the mainland China three hundred years ago. The mainlanders are those people who migrated from the mainland to Taiwan after 1946, constituting 15 percent of the population.

Even though both groups share common cultural heritage, there are marked differences in dialect, job, and residential patterns between the two groups. The Taiwanese speaking Fukienese or Hakka dialect, hold positions in the categories of agriculture, industry, and commerce, and live in both urban and rural areas. While the mainlanders speaking Mandarin, are generally urbanities, who hold on to their positions in the government, military, and academic circles. These differences of spoken language, job, and residence between these two communities made social communication between them very difficult in the 1950s and 1960s. These barriers between the two have, however, been gradually overcome because of the promotion of Mandarin at school, intermarriage, and social mobility. Nevertheless, quarrels over the policy of discrimination against Taiwanese in the areas of politically sensitive government, military, party, and security positions still exists, mainly because most of the positions of strategic importance have been occupied by the mainlanders.
In order to ease tension between the two groups, in the 1950s and 1960s, the KMT recruited a couple of "returnee" Taiwanese, those Taiwanese who remained on the mainland during the civil war period and had a close personal ties to the KMT elite, to the top echelons of the government and the party—the cabinet and the KMT Central Standing Committee.

Table 2.1
Composition of Taiwanese in the Central Standing Committee in the 1950s and 1960s

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>No. of Taiwanese</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>16</td>
<td>1</td>
<td>6.3</td>
</tr>
<tr>
<td>1952</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1957</td>
<td>15</td>
<td>1</td>
<td>6.7</td>
</tr>
<tr>
<td>1959</td>
<td>15</td>
<td>2</td>
<td>13.3</td>
</tr>
<tr>
<td>1964</td>
<td>17</td>
<td>2</td>
<td>11.8</td>
</tr>
<tr>
<td>1966</td>
<td>19</td>
<td>2</td>
<td>10.5</td>
</tr>
<tr>
<td>1969</td>
<td>21</td>
<td>2</td>
<td>9.5</td>
</tr>
</tbody>
</table>

Source: Huang, 1986, p. 86.

Table 2.2
Composition of Taiwanese in the Cabinet in the 1950s and 1960s

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>No. of Taiwanese</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>20</td>
<td>1</td>
<td>5.0</td>
</tr>
<tr>
<td>1954</td>
<td>17</td>
<td>1</td>
<td>5.8</td>
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<tr>
<td>1958</td>
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<td>2</td>
<td>8.0</td>
</tr>
<tr>
<td>1960</td>
<td>19</td>
<td>2</td>
<td>10.5</td>
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<tr>
<td>1963</td>
<td>24</td>
<td>2</td>
<td>8.3</td>
</tr>
<tr>
<td>1966</td>
<td>24</td>
<td>3</td>
<td>12.5</td>
</tr>
</tbody>
</table>

As Shown in Table 2.1 and Table 2.2, only a very small number of Taiwanese were recruited into both the party’s Central Standing Committee and the Cabinet between the 1950s and 1960s. The percentage of Taiwanese in both organs were between 5 percent to 12 percent. This clearly indicated that Taiwanese were underepresented at the top of the state power structure compared with their composition of the population. Their recruitment into the core of state power was much more symbolic, because during this period Taiwanese elite never retained cabinet responsibility for defense, finance, economic, education, and foreign affairs. This practice obviously narrows the base of political recruitment and is viewed by many politically conscious Taiwanese as a device for ensuring the retention of power in the hands of mainlanders.

However, local politics in Taiwan differs sharply from national politics in many aspects. First, political participation at local level has been much expanded. Since 1950, citizens in Taiwan can directly choose their own representatives for the seats of councils, mayors, and magistrates, which have great influence on local affairs. Thus the electoral process in this way formalizes local self-government for people participation. Second, "( Taiwanese) involvement in local government has somewhat relieved Taiwanese frustration at mainlander domination of
government at the national level." Third, when Taiwanese voters are accustomed to local electoral process, this process can eventually be applied at the national level. That is expansion of political participation.

Fourth, elections provide a channel of integrating Taiwanese elites into the political system through their participation in local politics. When the two sub-groups are slowly being mixed together, it will help to strengthen a sense of common identity among them and thereby gradually curb Taiwan's malaise. Fifth, elections, in which the overwhelming majority of the KMT-endorsed candidates win offices as representatives in each election definitely legitimize the KMT rule, these elections at local levels are not meaningful because they have nothing to do with changing government at the national level. Last, more importantly, elections facilitate the role of the KMT as a "boss machine which sits on top of the local factional system." 

For the KMT, to win elections means so much in terms of a continuation of legitimacy, because it realized that it can not depend solely on coercion. Instead, it has to substitute soft sell for hard measures and new political strategies are necessary to achieve the goal--the KMT's dominant position at local politics. The strategy adopted by the party to manipulate local factions is divide-and-rule. Under this rule, at least two viable factions are
allowed to compete and check each other so that no one will become too powerful. The power balance between the two rival factions must be insured. For example, there is an unwritten law that the position of strategic importance at the local level, such as the city and county mayorships or speakers of city and county council, should be occupied in turn by two relatively equal factional elites. Such arrangement is to prevent any faction from becoming too strong to be checked. The chance of alliance between the two factions against the party is very slim. A couple of reasons may be cited for this.

First, the interests of the party and that of the two local factions are basically complementary. For the KMT, electoral support helps to legitimize its regime. Therefore, the party must insure that a great majority of candidates who win office are identified with the party. The native local elites, depending on personal social connections, kinship groups, and localism, have done pretty well in the elections. They are coopted by the regime into the KMT. It means that the regime has been supported widely by the native Taiwanese. On the other hand, the local factions, if endorsed by the party, are easily elected, mainly because a KMT-nominated candidate would have an effective campaign organization and substantial campaign funds. The KMT is a mass political party. Since
the early 1970s, membership in the party has increased rapidly. For instance, 19.5 percent of Taiwan’s adults had joined the party in late 1979.\textsuperscript{50}

Besides that, the party grass-roots organization has penetrated deeply into every sector and every locality of the society to provide all kinds of service—ranging from free medical care to job procurement. These massive party organizations are totally beyond local elites’ reach and are manipulated by the party. Moreover, perhaps the KMT is one of the most wealthy parties in the world. It owns three major types of profitable businesses, namely manufacturing industries, financial sectors, and cultural enterprises. The party’s manufacturing sectors include industries in textiles, cement, electronics, electrical construction, paper and printing, fiber and glass, chemicals, pharmaceuticals, and so on.

The party’s financial sectors possess such companies as insurance, the investment and trust business, a securities and brokerage house, and currently a newly-established bank. The party’s cultural affairs department owns a number of influential businesses, including a television network, a motion picture company, a radio network, a daily newspaper, a news agency, and several printing and publishing companies. The total value of the party’s assets is estimated at more than NT$ 70 billion, equivalent to US$ 2.8 billion.\textsuperscript{51} The extraordinary
advantage of the party enterprises to the local factions is that the party not only provides substantial campaign finances for the party-nominated candidates in the elections, but exerts great influence on the formation of public opinion through its power over the masia media. Obviously, the local factions do need the party’s support.

Second, the local factions are divided, since there has, historically, been much conflict, friction, and suspicion at local levels, especially between villages, between kinship groups, and between ethnic groups. Since 1950, local elections, which occur every four years, have been pretty competitive. Since the number of political offices is constant, one faction’s gain is at the expense of the other. From historical and political competition’s perspective, it is hard to imagine that the two rival local factions will walk hand in hand to challenge the party’s authority.

Another useful device applied by the party to manipulate local factions is high turn-over rates of local politicians. If a local politician holds a position as a mayor or councilman long enough, then he can easily broaden his social base. Since, in the context of Taiwan’s politics, local politicians usually use their position of power for personal gain in order to raise sufficient funds for re-election or to further cultivate their own factions which could dominate the local politics. Under these
circumstances, the party never hesitates to find ways to purge them by no longer nominating them as candidates or by immediately replacing them by someone else. Therefore, the turn-over of local politicians has been accelerated by the party.

According to the party’s regulation, the party’s re-nomination rates for the incumbents should not exceed 30 percent. Consequently, the probability that an incumbent can serve a second term is around 45 percent; to serve a third term drops to 21 percent; and more than four terms only 10 percent. It indicates that high rate of local elites circulation was due to a strong, serious state effort to carefully manage local electoral process in order to insure that local politician will not outgrow party control. However, it is not to say that the increasing intervention of the party in local politics did not create a backlash. On some occasions, the party nomination process aroused ill feeling among a couple of local factions so that a large number of party members decided to run against the party nominee. These conflicts sometimes led to the defeat of the party in the elections. Nevertheless, the party was, in most cases, able to exert tremendous pressure on the "anti-party" factions to terminate their against-party-discipline campaign.
As a whole, the political system in Taiwan appears to be somewhat coercive, but these harsh measures are designed to deal with the few most committed elements in order to chill many others. Taiwan's national elites, on the other hand, have proven remarkably good at adopting control devices for co-opting local elites aimed at securing the Nationalist dominance. This is similar to what Arthur J. Lerman has argued: "The national elite (in Taiwan) acts as the boss, using its control of resources to induce most potentially threatening vote-getters to join its machine.... The boss keeps the bought-off local level politicians divided by fostering a balance of power between rival faction leaders. Each leader is kept satisfied, but no leader is allowed to control resources to the extent of driving rival factions out of existence." It becomes clear that this management of local factions is viewed as an important means of winning sufficient popular support to legitimize the KMT regime and to enable it to go on governing effectively.

Although the result of local elections in Taiwan has nothing to do with the change of national power, it can consume the energy of large numbers of Taiwanese, thereby preventing them from paying too much attention to national issues, and subsequently relieving the central government of its heavy duties and tasks. Local electoral process also may diffuse political power between the central
government and local government, thereby preventing both the ruling party and the opposition forces from focusing all their attention and energy on one battle--fighting for national power, and consequently reducing the potential for a zero-sum game between the ruling party and the opposition forces. This in turn may promote political stability. As mentioned above, the institutionalized local self-government in Taiwan is one of the major factors contributing to political and social stability.

However, the seemingly progressive measure of self-rule at the local level should not be exaggerated. In reality, the powers of the local-level governments were relatively limited, while the national government controlled most financial, educational, local police, and staffing matters. The conduct of the local governments, which were organized through popular suffrage, was subject to the veto power of central government over a wide range of matters. In addition, it is important to note that the dysfunctional consequences of local self-government, resulting from the implementation of local autonomy over the past four decades, have become well-known in Taiwan. Several highlights include: the increasing wide-spread vote-buying during election campaigns, intense local factional and clan strife, mismanagement of local
governments' funds and personnel, and the predominance of the factions in local affairs.

As noted, the KMT and its service centers throughout the island operates, as Lerman points out, as a nationally based "boss machine sitting on top of the local factional systems," mainly because the party has tremendous organizational and financial advantages over society-at-large. Thus, the operation and sometimes, even the survival of local elective politicians and their factions depends to some extent on the support of the national ruling elites, particularly during the election campaigns. Generally, the local politicians would be dismantled by their rivals if they were unable to gain the support from the party, which enjoys great autonomy in the island and is beyond the local factions' reach. Under these conditions, the KMT party-state would help them survive or succeed by nominating and financially supporting them in the elections.

On the other hand, due to the lack of a constituency and of previous social connections, the regime had to rely on the local factions for the development of social and political ties with the native Taiwanese in various social associations, through which they could subsequently mobilize political support from their personal networks and gained an overwhelming majority through electoral process. The regime with this electoral support from
native Taiwanese was essential to its ability and determination to stay in power; otherwise it had to rely more on bare force to rule. The reason for this is that with the consistent electoral victories in the island, the regime could easily overcome its social isolation and even claim to represent the whole society. In fact, with the intensive and extensive social networks of the local factions, and the elections conducted with restrictions placed on expression and association, the local politicians endorsed by the regime had big advantages over the opposition forces and consistently defeated the latter in the elections.

Thus, the regime had to depend on the local factions for popular support and showed willingness to give the latter more autonomy in local affairs. In order to get (re)elected, the local politicians, most of whom were wealthy businessmen, grasped the opportunity to build a wider personal following throughout the constituency with the support of a local-level faction. In doing this, the local politicians must always rely on great amount of their own money in sending people gifts when there was a funeral or wedding party, in buying votes when the election campaign took place, and in lending loan to their clients who were in trouble. Once in office, the local politicians might use the political power either to distribute favors,
such as the jobs in the public sector, to their followers, or to dismiss local government officials who belonged to another faction and did not campaign for them. Another big problem is that no matter what one’s position on the issues, few politicians, except those who were nominated by the Tangwai, can win the election without the support of a local electoral faction. 55 Despite the heavy criticisms of the side effects of local self-government, the regime seemed unwilling to make fundamental reforms, aimed at reducing or even eliminating the level of "money politics" on Taiwan.

In Korea, a system of local election, which had been implemented between 1952 and the 1961 military coup, revealed evidence of the dysfunctional outcomes similar to that in Taiwan. For this reason, local autonomy was suspended since 1961 and restored again in 1991. Perhaps, the lack of institutionalization of local self-government in South Korea over the past three decades might explain its failure to acquire some stability. Simply because South Koreans focused all their attention on national issues that put a large burden on the central government, subsequently becoming too heavy for the government to bear. However, on the other hand, the government in Korea, unlike its counterpart in Taiwan, had escaped the dysfunctional consequences deriving from the implementation of local
self-government and thus effectively utilized human and material resources for national development.

Besides, the party-state system between Taiwan and South Korea are quite different in three ways. First, South Korea has never had a strong political party compared with the Leninist-style Kuomintang. Although the KMT arrived from the mainland and was isolated from Taiwanese society, it has deeply infiltrated every sector of society that were yet to be mobilized, creating permanent island-wide grass-root branches which were staffed by professional party workers providing all kinds of assistance to local people. Meanwhile, all of the secondary associations were not allowed under martial law, except only one group per association function that had already been controlled by the party through pre-emptive incorporation. Moreover, the regime also could effectively manage local factions through its control devices of divide-and-rule in addition to stepping up its efforts to cooperate local elites. These strategies helped the KMT to consistently gain considerable ground in the elections. This not only legitimized the KMT’s authoritarian regime but also strengthened the KMT’s dominant position over the past four decades. Thus, the KMT had little need to resort to massive coercive measures to deal with the opposition.

In fact, for almost three decades of its rule on the island, the KMT had faced little challenge from very weak
and unorganized opposition forces composed primarily of a small number of isolated non-partisan individuals. The latter were not interested in building on organizational framework linking their activities with the mass and meanwhile were effectively controlled by the security authority, thus posing no threat to the KMT's hegemony.56

Also, different from the factionalism during its mainland period, the KMT's cohesion within the ruling elite of the mainlander was consistently maintained by a unanimous acceptance of the supreme authority of the Chiang family and by a strong consensus to avert serious political instability in the face of both the perceived threat from the Communists and the potential from the vast majority native Taiwanese. The Mainlander elite certainly enjoyed their political dominance of the bureaucracy, the military, the legislature, the security service, and the party organization, even though the regime's effort to recruit promising Taiwanese elite into the party and government was under way but in a limited way. However, this is not to say that the clique system within the party-state disappeared forever and that there was no factional strife among the ruling elite. As a matter of fact, because the traditional Chinese values of stressing the importance of family relations, local affinity, the similarity of educational backgrounds, and other intimate social networks
were still very strong and very much intact in social life; groups, which were formed based on a primary and intimate means of communication, were hardly banned in an authoritarian political system like Taiwan.

But, a couple of factors had weakened the roles of factional politics at the national level. First, as Chiang's authority as a supreme leader was recognized by the ruling elite, he never allowed the factionalism to operate in public or interfere with the operation of the party and the bureaucracy since the party reform in 1950-1952 in which several corrupt elements were removed. Thus, there was no open factional activity during the Chiang's years, not to mention the creation of a "party" within the party. A second weakening factor was that the party and government officials who chose Taiwan tended to be among the most sincerely loyal to Chiang, and had lost their original power bases. In the 1950s and 1960s, no individual within the party, except Chiang had the reputation, power base and popular following needed to emerge as a successor to him. More importantly, with his personal charisma, Chiang monitored the clique networks through the separate security agencies and attempted to keep balance among them. Any one who went too far would find himself being reduced in power substantially or even removed from his position. There was no exception. From
1978 to January 1988, when his son Chiang Ching-kuo (CCK) came to office as the President, CCK still followed suit. \^\textsuperscript{57}

The smooth and peaceful transition of the succession to power was another important stabilizing factor in Taiwan. In course of his own gradual succession to his father, CCK was carefully groomed to preside over the key power institutions of the security sector, the military, the party, and the bureaucracy and gradually consolidated his power through his continued supervision of all of these. Therefore, in 1978 when he succeeded his father, CCK had a firm base of support in all the major institutions in the island. CCK’s legitimacy as the national leader, like his father’s, was widely accepted at least by the ruling bloc. The regime under his leadership was not only capable of formulating solutions to problems confronting the nation, but also implemented them. This made many observers of Taiwan’s politics describe him as constituting the very "center of (Taiwan) political stability". \^\textsuperscript{58} In spite of the heavy criticism of the Chiang family’s dynastic succession from the dissidents, the succession to power was accomplished smoothly at the time. The stability in the island was in turn achieved through such an arrangement thereby allowing the operation of the party and government to keep going without any interruption.
The size of bureaucracy and the degree of turnover among the incumbents are also important. Partly because the Taiwan authorities claimed to represent all China, and partly because of the great influence of the KMT's experience of the strong statist roots during its period on the mainland; Chiang Kai-shek transplanted a relatively large and sophisticated state apparatus and party organization to Taiwan. Over time, this bureaucracy, particularly the administration, security, and party sector, had expanded considerably in terms of its size and power. According to the ROC government statistics and other survey, by the end of 1986, an average one out of five employees in Taiwan was employed by the KMT party-state. From this figure, we cannot simply jump to the conclusion that all of these bureaucrats were the core supporters of the KMT party in the elections. But it seems safe to say that such a huge bureaucracy not only contributed to the authorities' ability to implement policies, but also constituted a solid base used by the KMT for electoral support, particularly in a country like Taiwan where the line between the party and the state has been blurred since 1949.

Meanwhile, under the strong influence of Confucianism's deference to the elderly and of the Chiangs' practice of divide and rule among factions and institutions, the political system in Taiwan, particularly
the Central Standing Committee of the KMT—the highest echelon of the party-state power structure, was filled with a large number of senior leaders of the three major sectors governing Taiwan: government, party, and military during Chiang Kai-shek era. Chiang attempted to make all three institutions receive equal representation in the Committee and kept them in check and balance in order to prevent any individual or agency from becoming too powerful. CCK ruled through his personal charisma and by following his father's practice of balancing factions and institutions. Although he gradually restaffed top bureaucracy and party posts by appointing his loyal subordinates to take charge of these organizations, the pace of this process was relatively slow and the scope was rather narrow.

More importantly, the nature of the predominance of the old guards in the top remained intact. In 1987, of the 31 members in the CSC, two-thirds were over 70 years old; among them seven were at least 80 years of age. This was also true in the three national representative bodies. Edwin Winckler considers this phenomenon in Taiwan as "gerontocratic authoritarianism".60 There is little doubt that such a gerontocracy would block the upward mobility of the younger officials and might bring excessive conservatism and inflexibility to the political system which was in turn unwilling to adjust to changing
circumstances. Nonetheless, the record shows that his gerontocratic authoritarian regime had made some contributions to stability in the 1960s and 1970s when the general public on the island paid little attention to the deficiencies of the predominance of old guards. In sum, the two Chiangs strongly believed that an abrupt change in the political leadership pattern might lead to political instability that would in turn threaten the party's hegemony.

A relatively stable party-state system unable to take root in South Korea presents several problems for political stability. The top leadership of Taiwan, who had learned a serious lesson from Communist China regarding the organizational effectiveness of the Chinese Communist Party during the civil war and after the retreat to Taiwan, they made serious efforts to revitalize the KMT modeled after a Leninist party aimed at building a hegemonic party system. Whereas, those of Korea, particularly the leadership with military backgrounds, placed more emphasis on administrative authority. The Park regime (1961-1979), for example, was very suspicious of party politics. The military coup of 1961, led by him, was a reaction to internal chaos and political polarization during the Chang regime which the military junta believed was caused by the consequences of party politics such as factionalism, nepotism, and corruption. The public's mistrust of
faction-ridden politicians was also pervasive. After the coup, the military junta took immediate action to suspend the activities of the existing political parties until December 1962. Furthermore, in March 1962, more than 3,000 old forces of politicians, under the political Purification Law, were purged and deprived of their political rights to run for public office for the next six years. All of these moves taken by the military authorities against the "old evils" (i.e. the political parties) might be rationalized by Park’s advocacy of "administrative democracy" during the period of military rule, in which he tempted to depend much more on the bureaucracy than political party to formulate and implement the policies of the national development and political stability. It is clear that the achievements of economic development and political stability were, in his mind, determined by only one factor: a strong and competent administration.62

Nevertheless, in order to perpetuate their rule, the junta leaders felt the need to organize a political party which would serve an instrument of creating the political arrangements for their entering the civilian politics, despite the fact that they publicly promised to return to the barracks within two years. Before Park in December 1962 announced that he would run in the 1963 presidential election, several members of the military junta, led by Kim
Jong-pil (who was Park's nephew-in-law, a young ex-colonel, the architect of the military coup, and the head of South Korea's Central Intelligence Agency (KCIA) during most of the military rule), had begun to implement their secret plan of founding a political organization, called the Democratic Republican Party (DRP), to back Park.

Kim basically followed Leninist principles of organization in forming the DRP which resembled the Nationalist Party in Taiwan in several ways: it was (1) organized on democratic-centralist principles to ensure strong party leadership, (2) a system of strong party secretariat at the central and local level, (3) a mass base in membership recruitment in order to mobilize popular support for election and for the promulgation of party policies, and (4) the continuous education of party members through the party education agency, aimed at creating a highly disciplined party. It is evident that these party's organizational principles were designed to cultivate and maintain a mass base that was strong enough to help the party establish its political dominance over the society.63

In the Third World, ruling elite from the very beginning has not only doggedly clung to its power, but also enjoyed a tremendous advantage over its rivals through the manipulation of the rules of the game. Both Korea and Taiwan were no exception. Accordingly, with the collection of vast financial resources which derived partly from the
manipulation of the Korean stock market and partly from the illicit importing of a huge amount of Japanese goods, Kim Jong-pil and his lieutenants were able to create a relatively effective political organization before the DRP was formally founded on January 1, 1963.

At the national level, he introduced a strong secretarial-dominant organization originally supported by KCIA money and staffed with the able young cadres recruited from the military, the bureaucracy, the academia, and the press. This organization was designed to implement Park's directive, to control the party's parliamentary group, to suppress the factionalism within the party, and to promote local development projects and other social services. At the local level, the four-man secretariats were assigned in each electoral district and eight-man cadres in each city and province. Later, the DRP further set up grass-roots-level branches ("punhoe") in 2,275 townships cut off of a total of 2,679. These organizations were composed of four or five cadres who attempted to create organizations and to develop support in their neighborhoods.64

As a result, the DRP, like its counterpart in Taiwan, claimed in October 1963 to have developed itself into a mass party with a membership of 1.5 million, constituting 6 percent of Korea's entire population and 11 percent of its adult population.65 According to Y.C.Han,
such a majority of DRP’s members became meaningless because most of them should be considered as opportunists who were more concerned with personal gain than with party ideology or programs. But, it seems fair to say that with such a huge amount of party members, the DRP would secure a mass base of support during elections and help carry out party policies. As Samuel Huntington points out, one major indicator of the strength of a political party is the greater emphasis placed on quantity of party members.

Although the DRP had set up its local-level branches across the country, it confronted enormous difficulties in penetrating into the local communities which had been occupied by the old forces for a decade prior to the inception of the DRP. As the 1963 presidential and National Assembly elections approached, combined with the restoration of political rights of most old-line politicians in early 1963 who were since permitted to run for public offices, the DRP’s leaders based on the realistic reasons changed their previous exclusionary policy into an inclusionary policy in dealing with traditional figures. The party began to incorporate many traditional politicians and senior local gentry, particularly those serving under the Liberal regime of Rhee (1948-1960), into the power structure so that this alliance could win forthcoming elections. But in the mean time the junta group still discriminated against those who were
perceived as "bad elements;" most of them were members of the Democratic regime of Chang (1960-1961), which constituted the largest bloc of the victims of the purge under military rule and became the arch-enemies of the junta leaders.

The well-financed and well-organized DRP, through the manipulation of the electoral rules, working together with the old-line politicians seemed too formidable to be beaten by a faction-ridden opposition. From the coup of 1961 to the end of the Yushin (Revitalizing Reforms) regime of Park in 1979, there had been five general elections for the National Assembly and three direct popular ballots for the presidency. The DRP won all the elections; it indicated that military intervention in politics with authority based on the use of force had translated to military participation in politics with legitimacy based on electoral support.

However, even though the DRP's nominees could defeat their opponents, particularly in the rural areas, the margin between them had narrowed down sharply as time went by. The DRP's candidate Park Chung Hee, for example, receiving 51.4 percent of the votes defeated his major rival, Yun Po-son, with a big margin -- 11.5 percent in the 1967 presidential election. In the 1971 election, Park gaining 53.2 percent of the votes defeated his opponent,
Kim Dae-jung, by a smaller margin: less than 8 percent. Considering the heavy dependence of Park’s victory on the support of voters in his home region of Kyongsang area where he captured a surplus of 14.4 percent of the votes, Park’s popular support deteriorated to some extent on the national level.\footnote{68}

The DRP’s electoral dominance was also threatened by the strong showing of the major opposition parties in the National Assembly elections. In the 1967 election, the DRP won 52.8 percent of the votes and 129 seats which constituted almost three-quarters of the total seats, compared to only 32.7 percent of the popular votes and 45 seats given to the New Democratic Party (NDP), the major opposition party. In the 1971 election, the DRP suffered a significant loss of the electoral support, receiving 47.7 percent of the votes and a bare majority of 113 seats out of 204 total. By contrast, the NDP almost doubled its legislative seats in the Assembly, from 45 to 89.\footnote{69} Under the Yushin regime (1973-1979), The DRP’s social base continued to deteriorate radically, receiving only 38.7 percent and 31.7 percent in the 1973 and 1978 National Assembly elections respectively, even though it established its dominance in the National Assembly through the introduction of a gerrymander and the manipulation of the National Assembly’s seats of which one-third were handipicked by President Park.
The decline of the DRP's electoral support over the years demonstrated that the party had enormous difficulty in cultivating the electoral support base. Generally, the DRP was stronger than the opposition parties in rural areas where most voters nursed pro-government sentiments, particularly identifying with Park's origin in an impoverished farming village, while a large segment of urban electorates showed unwillingness to accept the ruling DRP or Park's leadership. On the average, rural voters in Korea were considerably less well educated than their counterparts in urban areas; they were little informed of politics and issues, and they were less active in public affairs. All of these differences might make rural electorates more vulnerable to the pressure of mobilization either by the government party or by other powerful social groups such as clan and kinship associations. Even though the government party had in practice overwhelming advantages over the opposition parties in terms of mobilized voting, the DRP could not stabilize its electoral dominance in the rural communities.

According to Yong-ho Kim, the unstable strength of the DRP in the rural areas may be closely related to two factors. First of all, the rapid industrialization and massive migration from rural areas to urban centers during the 1960s, coupled with the growing disparity between urban
and rural areas which brought the feeling of stagnation, frustration, and inferiority to the rural population, made the DRP's mass base in rural areas gradually erode. Second, the Park's government emphasis on the industrial sector but at the expense of agriculture also hindered the party's efforts to broaden its rural base. 70

It seems that the general level explanations--institutional and socioeconomic--constitute the general background to the continued decline of the DRP's electoral support. Such explanations are not adequate in two respects. First, these explanations fail to account for why the KMT in Taiwan, as its counterpart in Korea, in the face of similar challenges such as extensive rural-to-urban migrations, rapid industrialization, and the neglect of agricultural development, had consistently retained a comfortable absolute majority in every election, taking at least two-thirds of popular votes both in urban and rural communities. Second, the "causal" factors such as the party's inability to penetrate into the general public, the severe factional strifes within the party, the party leadership failure to coordinate the different political institutions and to reconcile factional differences, and the party's inability to control the expansion of a critical mass media (accompanied by rapid industrialization and urbanization), act as the direct major force in
creating an environment that weakened the government party, and cannot lightly be ignored.

The ability of a political party to penetrate into the society, the subsequent maintenance of an agent of absorbing new social forces and of aggregating interests of different groups for policy making are important criteria to measure the level of institutionalization of political parties. By these standards, both Chiangs' regimes had achieved such a development to some extent, whereas Park's regime made little progress. The KMT with an all-penetrating party structure was not only able to control all major social sectors through pre-emptive incorporation of the unions and associations, but also establish permanent island-wide grass-root branches, which were staffed by professional party workers and independent of local factions, providing all kinds of service from free medical care to the donation of wheelchairs to polio victims and various recreational activities year round. There is little doubt that party service more or less increased the vote totals of party nominees. Meanwhile, the party incorporated almost all the local Taiwanese elite and factions into the political system under the party's banner and even shared power with them at the local level. In the mean time it attempted to balance and control them by creating at least two competing local factions striving for electoral offices.71
Both the party and local politicians on the island had benefited from the electoral process: the regime's legitimacy was enhanced by the strong electoral support; local factions could manage local affairs through which they could provide jobs in the public sector for their followers and received illegal or extra-legal favors from the authorities, such as the borrowing of large amounts of money from the state-run banks without any collateral to the enterprises owned by the local politicians. Such political institutions undoubtedly reflected the existing distribution of power but were unable to absorb new social forces into the electoral process, especially civilians such as college professors and independent-minded professionals who had been relatively isolated from the mainstream of the local factions. For this reason, the KMT's ability to assimilate new social forces into the political system was relatively limited.

The DRP in Korea performed the functions of interest articulation and aggregation worse than its counterpart in Taiwan. As noted, the DRP, reflecting much of the same KMT type of organization, had set up its massive grass-roots-level organizational networks throughout the country before the 1963 presidential and National Assembly elections were held. But, under serious attack from the opposition parties that accused these grass-root branches of the DRP's
desire to rig the elections, along with the regulation of Political Party Law which stipulated that permanent party organizations could not be created at the township level, the DRP finally decided to turn these local networks into a temporary committee which became active only during election campaigns. In other words, the DRP simply appeared around the time of the elections and became dormant during a non-election period. Obviously, this measure would seriously damage the DRP's efforts to penetrate into the general public, not to mention its function to provide a link between the leadership and the people. 72

Toward the traditional elite, the DRP adopted a quite different strategy, a combination of replacement and recruitment. But the former was placed more emphasis than the latter. Indeed, partly because the junta leaders, unlike their counterparts in Taiwan, came from within the society and desired to seek political roles in the elections, and partly because the old-force politicians possessing strong name-recognition among electorates had a greater chance of winning elections than the DRP's nominee, the DRP leaders chose to purge and replace many of the old forces with their own people in order to curtail their challenge in the elections. Under the Political Purification Law of 1962, many politicians of previous regimes, particularly the Chang faction of the Democratic
Party, were banned from political activities. The Democrats naturally became the major opponents of the DRP.

Later based on the calculation that the old forces had cultivated a mass constituency before the birth of the DRP, the military leaders had little choice but to co-exist with them so as to consolidate power as quickly as possible. Accordingly, many traditional politicians were successfully persuaded to join the party. Of these figures, the Rhee faction of the Liberal Party constituted a largest bloc. In the 1963, 1967 and 1971 National Assembly elections, the old-force elite, amounting to about one-third of the DRP's nominee, reemerged as a major force within the party. After getting elected, they gradually infiltrated into the DRP and influenced party operations, representing largely the old force. By contrast, the KMT and its local-level service centers have enjoyed full autonomy in their operations because they have been beyond reach of the native politicians.

The "new faces," drawn from the universities, the press, and the civil service, constituted nearly half of the total DRP candidates; this represented the element of newness in the Korean political scene since the military coup. The DRP intended to present itself as a new force at odds with the corrupt old forces, aimed at keeping its revolutionary goal fresh. The representation of former
junta members on the party nomination totaled about 20 percent only, but they had more access than any other force to get the party’s nominee to run for the office of the National Assembly or to be given the proportional representation seats of the Assembly, and the political funds and the party’s organizational assistance during the election campaigns. As a result, the ex-military officers constituted the largest group and played a leading role in the National Assembly and in the party, even though they were short of a majority within the DRP’s parliamentary group and needed the support of their civilian colleagues to enact policies they initiated.

All of these developments clearly suggest that toward the electoral elites, the Park regime in Korea pursued a strategy of moderate replacement in which many old-force politicians had been purged and replaced by the ex-junta members and the junta’s civilian collaborators in the elections but only a small number of the established politicians were able to be recruited into the party running for the contested seats of the Assembly.

This was in contrast to a strategy of non-intervention in electoral politics adopted by the Nationalists in the 1950s and 1960s when the party’s local networks had not been well-organized yet. Under this strategy, almost all the local elites, including the collaborators of the Japanese colonial regime, were not
deprived of the political right to run for public offices; instead they were encouraged by the KMT to compete freely in local elections. Since the 1970s when the party had penetrated more deeply into society, it tried to pursue a new strategy of divide and rule, and checks and balances toward the Taiwanese local elites. But the latter, unlike their counterparts in Korea, had seldom been replaced by the ruling party's own associates in the elections mainly because the KMT was a force from outside the society and felt that the moderate or total replacement of local elites by its own people was unnecessary and costly. The replacement might create resentment among the old forces as well as their followers, thus causing political and social unrest. Consequently, the basic power structure of the society changed little since the Nationalists came to Taiwan: the Taiwanese local elites has enjoyed relative autonomy in local affairs and monopolized local economic activities such as non-bank financial institutions, and transportation systems, while the KMT had dominated the politics at the national level. This was a symbiotic relationship.

By contrast, a strategy of moderate replacement of the old forces taken by the Park regime had proved politically costly because this approach clearly aroused hostility from the old-line politicians who made their own ways in forming
opposition parties, subsequently posing a serious threat to Park's authority and the DRP's electoral dominance.

Intense factional strife within the DRP had frequently obstructed the operation of the party, constituting another major factor in the weakening of the party's support base. It should be pointed out that competing rival factions within the party and government was not something new in Korea. It also could be found in many Asian countries like Japan, Taiwan, Philippines, and so on. In postwar Japan factional politics within the ruling Liberal Democratic Party (LDP), a great coalition containing a number of factions, had been gradually institutionalized, posing no threat to the party's operation and political stability, even though both cabinet makeup and leadership posts are shuffled almost annually by the LDP, aimed at distributing the various posts among its Diet members based on the relative strength of the factions in the Diet. On the contrary, this device has made it possible for the party to adjust to changing circumstances and give the public a constantly new impression of party leadership.

Due to the infighting of rival factions and their abuse of the state apparatus and party organization, the KMT party proved too weak in organization to play a significant role in the controlling of the government bureaucracy during its mainland period. Following its defeat on the mainland and retreat to Taiwan, the party
under the strong leadership of the two Chiangs never allowed open factional activities to exist. Also, they never hesitated to use their supreme authority to punish those ambitious individuals who attempted to overreach themselves. Therefore, under both Chiangs' leadership, clique infighting within the party temporarily disappeared in public from the political scene, although clique networks still built up and operated behind the scenes.

The factional politics in the Third and Fourth Republics under Park were neither institutionalized, nor were they under effective control. In fact, the government party as well as the opposition parties in the First and Second Republic also experienced similar clique infighting from the birth of the parties. Within eighteen years of the DRP's survival, serious power struggles among rival factions caused five changes of the party presidency and twenty-four changes of the party chairmanship. Obviously, factional strife within the DRP seriously hindered the party's efforts to implement hegemonic party rule. From the very beginning of preparation for forming the DRP, Park faced strong opposition from his colleagues of the junta who urged him to keep his promise of returning power to a civilian government in the summer of 1963 after general elections. Although Park could consolidate his own power within the ruling bloc by getting rid of his opponents from
the junta, this measure caused some backlash. In the 1963 presidential election, for instance, as a presidential candidate nominated by the DRP, he received only 33 to 42 percent of the vote in the so-called military areas along the demilitarized Zone in which many military officers provided little support to Park or the DRP; some of them even worked with the opposition parties, publicly questioning his authority.

Later, a series of factional power struggles between the Kim Jong-pil and anti-Kim faction were clearly witnessed. Kim's original plan to form the DRP was based on the Leninist principles of organization, creating a system of permanent central-and-local-level party secretariat through which to control the political process within and outside of the National Assembly, because under this system each of the party's Assemblymen should obey the directive of the secretariat of his constituency, which was responsible only to the central secretariat of the party, most of which controlled by Kim. The Kim faction primarily consisted of his former military colleagues and his civilian recruits who favored a strong secretariat structure. They asserted that the secretariat's control over the party's parliamentary group was essential to the party's success; the party intended to promote the interest of the general public, since the politicians often seek favors for their own factions or constituencies,
representing nothing more than the parochial interests. They also had relatively strong unity.\textsuperscript{77} In contrast, the basic composition of the anti-Kim faction included the senior ex-military officers and many old-force politicians who perceived Kim faction's plan of building a strong secretariat system as Kim personal ambition to expand his power base. They argued that the national assembly selected by the people should be the center of party politics and should not be subject of the party cadres; but they lacked strong leadership. Nonetheless, the Kim faction's idea of a strong secretariat-centered organization did alienate many party Assemblymen and helped them to present an anti-Kim united front within the party.\textsuperscript{78}

In the National Assembly, they were relatively stronger than Kim faction, frequently and openly criticizing the Kim's device as being anti-democratic. Inside the parliament, some twenty of the anti-Kim faction's members demonstrated their strength and ignored the party line by introducing the motions of "non-confidence" for three ministers in March and April 1964, even though the motions were finally killed. But this unexpected move from the anti-Kim faction created some kind of political instability. This immediately forced Parks to cut down to half size the party secretariat both at the central and local levels, in order to placate the anti-Kim
faction. Nonetheless, the basic nature of the secretariat leading the parliamentary group of the party remained unchanged.

For this reason, the anti-Kim faction within the Assembly continued its struggle against the party leadership. Many of them endorsed the members of the opposition-party-initiated proposal to lift the Political Purification Law in May 1964. They also publicly demanded that Kim should be removed as chairman, partly because as the KCIA director during military rule he gathered political funds by resorting to irregular methods and partly because as a key representative he secretly made excessive concessions to Japan in the negotiation regarding the South Korean-Japanese Treaty. Also, the opposition parties, student activists, and other anti-government groups held mass rallies in major cities protesting the Park government's policy toward Japan. In response to growing pressure from inside and outside the parliament, Park decided to send Kim into exile in June 1964.79

It was a setback to the Kim faction, although Kim was succeeded by Chong Ku-yong who belonged to the Kim faction. As a means of maintaining a balance between the two major factions, Park allowed the Kim faction to continue its control over the party organization, while permitting the anti-Kim faction to play a leading role in the parliament. However, the balance of power between them seemed shaky,
and began favoring the anti-Kim group when the size of the party secretariat was further reduced radically, only the total of 150 party cadres remained in office nationwide. This was one of Park's responses to the anti-Kim factions' demands for reorganizing the DRP.

Moreover, the power of the party secretary-general, held by a Kim faction member at the time, to appoint party officials was given to the party chairman who must take the advice from the Chairperson of the Electoral District Office of which an anti-Kim faction member was in charge. The secretary-general's power to manage party finances was surrendered to the chairman of the Finance Committee which was under the anti-Kim faction's control. Since the 1965 DRP's Charter Amendment, the party assemblymen who were largely independent from the party's center, became the local party chairmen who possessed real power, to appoint local party workers and to manage local party affairs. The party's autonomy of its parliamentary groups was seriously damaged because its nationwide branch offices originally occupied by the professional cadres were given to the followers of the parliamentary group members. As the party workers became more identified with their bosses than with the party programs and ideology, the party unity and its ideological purity was undermined. Meanwhile, due to the tremendous
reduction in size and power of the party secretariat, the party's capability to mobilize electoral support had radically declined.

What had led to the DRP's failure to maintain the secretariat's dominance over the parliamentary group? Many observers pointed to Park's strong advocacy of "less politics" in the post-junta era which forced the party to play a secondary role in the government. That is, the Park regime gave priority to administrative and economic development rather than political development, thereby undermining the party's intended role to perform interest articulation and aggression in a rapidly changing socio-economic environment. Within the framework of "less politics," administrative power in the process of carrying out economic development had steadily developed with considerable expansion of governmental functions, while the importance of the party had tended to be downgraded.

J. C. Han further confirmed these statements by noting that the DRP relied heavily on administrative networks (e.g. local bureaucracy and police) as the basis for party strength and political power, since these powerful administrative organizations completely controlled by the national government had no difficulty in mobilizing popular support during the elections. The party, unlike its counterpart in Taiwan, lacked many control mechanisms applicable to the state apparatus. For example, for Korean
public employees, even for those serving in the military
and KCIA that had played a key role in the political
process since the coup, DRP membership was not a necessary
condition for promotion in the government bureaucracy.
Moreover, President Park seemed unwilling to organize a
party-based government from the beginning. In the
formation of the post-junta government following the 1963
elections, only six out of eighteen cabinet members
belonged to the DRP. As a result, the DRP as an
organization had little influence on the major policies of
government. Instead, "it is(was) merely a subordinate
group that can(could) act only as an administrative
hierarchy or play(ed) the role of handmaiden to a few
individuals within the administration and the Assembly".
Besides, government leaders' suspicion of the party greater
role in the bureaucracy, the party's failure to keep the
secretariat's dominance over the parliamentary group also
reflected the practical necessity. Since the 1963 National
Assembly election, a two-party system seemed to have
emerged in Korea because almost all the legislative seats
went to two major parties, while the minor parties just
captured very few seats. Although the ruling DRP, with
nearly a two-third majority, was able to get the
government-initiated laws through the Assembly, it faced a
strong challenge from the powerful opposition party. Given
these situations, the party's hard-line approach to those, especially the anti-Kim faction that strongly opposed the secretariat system would create the possibility of losing a majority in the legislature. Because as Sung M. Pae points out, "politicians in Korea have been busy defecting from their parties, creating a new party or refusing to return to their original party. Merging or separation becomes the matter of calculation for their personal ambition". Therefore, for a realistic reason, it was extremely difficult for the DRP to expand its authority to other sector of the Korean political system.

Factional strife between the two groups did not stop in the late 1960s but instead became more intense as the issue of succession surfaced in the political scene due to Park's second term of presidency coming to an end in 1971. Kim Jong-pil's leadership as party chairman was restored at the party convention held in December 1965. Even though his power base had been radically reduced as a result of the decentralization of the power structure of the party, Kim had long hoped of succeeding President Park after the end of Park's second term. Since Park's presidency was permitted only two consecutive terms under the 1963 constitution, he should step down from the office in 1971 when his second term would terminate. For him, 50 years of age in 1967 might be too young to retire from politics. More importantly, the public had a favorable attitude
toward the Park government because of its remarkable economic achievement in Korea. He probably thought that economic progress would not continue without his leadership.86

For these reasons, Park decided to prolong his presidency by amending the constitution and by purging any individual who was perceived as a threat to his political objective. The Kim faction, considered as the main obstacle to Park's political goal, became a target of the political purge from the pro-Park group. In May 1968, Assemblyman Kim Young-tai, one of Kim Jong-pil closest lieutenants, together with two other members, were expelled from the party under the charge of damaging the party's unity because they attempted to form a "party" within the party. Immediately following this incident was the sudden, unexpected resignation of Kim Jong-pil as the party chairman. This was a serious setback to the Kim faction. Since then, the leading members of the Kim faction were forced to leave from the party one by one because they strongly opposed the constitutional amendment which permitted Park's bid for a third-term presidency. As a result, the anti-Kim faction, favoring the constitutional amendment that exempted Park from the constitutional limitation of two consecutive terms, finally succeeded in controlling the party.87
Despite the strong disapproval of a constitutional revision from the anti-government forces inside and outside the Assembly, the pro-Park group successfully bent the constitution to their will by adopting an all-or-nothing strategy. The strategy was that President Park would threaten to resign from office if the bill of constitutional amendment failed to pass in the National Assembly and at the national referendum because he would regard it a vote of non-confidence for his government. This strategy was designed to frighten the general public into endorsing the bill, since there would be a sudden power vacuum, possibly causing political and social unrest if the bill was defeated.

As noted above, Park escaped a near defeat in the 1971 presidential election. Of the 12.4 million votes cast, the margin between the two presidential candidates was very small, less than 1 million. In the following National Assembly election, the ruling DRP was alarmed by its poor performance: the party’s share of the legislative seats declined sharply, from a previous 73.3 percent to only 55.4 percent, while the opposition party won 43.6 percent of the seats emerging as a serious threat to the DRP’s hegemony. The Park government found it difficult to perpetuate their political dominance under the existing system. In 1972, they finally introduced the more authoritarian Yushin constitution which abolished direct popular vote for the
presidency, permitted the president to stay in office for life, empowered the president to appoint one-third of the National Assembly seats and reduced the power of the legislature.88

Under the Yushin constitution, the DRP was further, isolated from civil society. The reasons for this were three-fold. First, President Park began to rely heavily on a rubber-stamp electoral college called the National Conference for Unification rather than on the DRP to get elected. Consequently, the party felt little need to seek the support of large segments of masses. Second, the party found itself playing little role in coordinating the different parliamentary groups of the Assembly under the Yushin system because the latter radically reduced the powers of the Assembly; the Assembly lost its power to investigate and impeach the President or other cabinet members; interpellation became nominal; the period of the session in the Assembly lasted only 36 days during 1974 compared to 108 days the average annual sessions of the Assembly in the Third Republic.89 Third, instead of strengthening the ruling DRP, President Park further weakened it through the Yushin reforms Accordingly, another about half of local party cadres were laid off and even the DRP was banned from its political activities for two months under marital law. But the KCIA was empowered
to assume a major role in quelling any domestic challenges to Park's power.90

Under the more-authoritarian-oriented Yushin regime, factional strife within the party and government became temporarily inactive. But intense clique infighting reemerged when the assassination of President Park in October 1979 resulted in a sudden power vacuum facing the DRP. There were three critical issues needed to be addressed by the party: (1) who filled the vacancy of the post of party president left by the late Park; (2) whether or not the party would nominate a candidate to run for an interim presidency under the existing system; and (3) what the contents of a new constitution would be if the Yushin constitution no longer worked.

Kim Jong-pil, who had been considered a most commendable candidate for succession after Park's death, was quickly elected as a new party president by an unanimous vote in the party council and his lieutenants were subsequently placed by Kim in the main posts of the party. But the DRP's top leadership circle sharply disagreed on the issues of the nomination and of the contents of a new constitution. Kim attempted to distance himself from the Yushin system by showing his unwillingness to campaign for an interim presidency under the existing system but instead liked to run for a full-term presidency in the next presidential election. On the contrary, Kim's
rivals argued that the party had little chance of winning the presidency in the next direct popular presidential election unless it captured the interim presidency and subsequently consolidated its power while remaining in the office.⁹¹

Although both the interim government and the DRP reached an agreement that the Vushin constitution should be replaced by a new one, the issue of the contents of a new constitution sharply divided the party’s leadership. Before the party’s leadership reached a consensus to present a proposed constitution in February 1980, dozens of younger members in the party staged the so-called "Chongplung (rectification)" movement, calling for the resignation of several party leaders who were allegedly involved in abusing their power for personal gain during Park’s years. Kim Jong-pil did not respond, in fear of creating more demands from the rectification camp. But his non-reaction caused the rectification camp to go further, publicly demanding the internal democracy of the party, immediate holding of the party convention to adopt a new party platform, and even the removal of Kim Jong-pil from the party president. Under the increasing criticisms, the most major targets of the movement were forced to withdraw from the party; some of them joined the rectification camp, further condemning Kim’s leadership, character, and
betrayal of the political line of the late President Park. Although the party under Kim’s leadership was powerful enough to submit the leaders of the rectification group to disciplinary action and even to expel them from the party, the party’s reputation had been seriously tarnished in the process.\footnote{92}

The low level of coherence within the DRP has also been found in B. H. Hahn’s and H. R. Kim’s study of Korean party bureaucrats and party development. In their interviews with the cadre members of the DRP question regarded "how serious cleavages within the party were." 85 percent of all respondents (N=20) recognized that the problem of cleavage within the party was serious.\footnote{93}

Some students of Korean politics even argue that the disarray of the ruling DRP following the death of President Park was "also partly responsible for the failure of democracy," because it gave the military a good excuse to intervene in politics in the name of national security and social stability.\footnote{94} By contrast, in Taiwan open factional activities at the national level would not be tolerated during the two Chiangs’ era; needless to say, the clique within the party dared to defy the party line or challenge the authority of the party’s top leadership. This was a major factor contributing to the island’s political stability.
A third major cause of the DRP's decline of electoral support is its inability to completely control the rapid expansion of negativism of the press into society, particularly in urban areas. The press in Korea, unlike its counterpart in Taiwan, had its long tradition of dissent. This was created by the traditionally opposition attitude of the press and then nurtured by the unhappy experience with the pervasive corruption and stagnant economy during the Rhee years, and with the military rule during the military junta's period.95

It is important to note that the Second Republic (1960-1961) under the Chang government was described as "almost a period of government by a university-press nexus," in which the press community as well as the intellectuals had enjoyed much more freedom than any other period in Korean history. The number of newspapers and periodicals in circulation, for instance, sharply risen from about 600 to nearly 1,600 by April, 1961, employing some 160,000 reporters.96 A great number of political associations and social groups also mushroomed. But all of them exercised little self-constraint, displaying little anxiety for some kind of social responsibility, as Hahn-Been Lee points out, "almost no newspapers had any thoughtful regard or sympathy for the problems which the Chang regime was struggling to solve in a democratic framework".97 Some reporters even went further by using
agitative and untrue news for the purpose of sensationalism or political blackmail.

While these irresponsible journals were eliminated after General Park seized power in 1961, the pro-Park ruling bloc subsequently tried to use these as excuses for curbing the press. However, the press as a whole avoided the expression of sensational, radical and irresponsible sentiments, but maintained a reasonable voice of dissent in the country. The journalists, many of whom graduated from the prestigious universities in Korea but came from the lower social class, generally represented a younger group. Perhaps, for this reason, they were committed to the ideals of liberal democracy, freedom, social and economic equality, and clean and efficient government, while at the same time maintaining anti-communism and a strong sentiment of nationalism. After the Liberation the press had made great efforts to educate the public and to encourage them to be rational, independent, and competent in registering their own political preferences at the polls and in resisting governmental pressures. This serious effort plus its wide readership particularly in urban areas made the press exercise great influence on the public opinion in general, and on the tactics of political opposition in Korea in particular.⁹⁸
Serious and intense factional strife within the ruling DRP and the National Assembly was generally understood to have been carried out by Kim and anti-Kim factions, but it was very doubtful that it could have happened without the newspaper. Similarly, details of the Park government's corruption, manipulation of electoral law, involvement in election irregularities, abuse of its incumbent power during the election campaign and lenient policy toward Japan in the issue of normalizing South Korea's relationship with Japan were widely spread through society by the press reporting. Many of these events provided a rallying point for the anti-government forces, most notably the student activists, who held mass rallies in major cities and violently protested the government's policies and malpractice. As the press appeared to have played such an important political role in the struggle for democracy, the curbs of the news media, such as harassment, threats of violence, government's and government-influenced-business' cancellation of all of their advertising, government-influenced banks' suspension of the credits, and even editorial censorship by KCIA agents, had become intensified under Park since 1968, particularly during the Yushin reforms' era.99

In 1968, the Park regime introduced the Law on Press Ethics designed to curb the mass media. In response to the growing challenge to the Yushin system, the Park regime
felt the need to isolate the critical mass media from the general public. In October, 1974 when the Tong-A Ilbo, the largest paper in Korea and the leading opposition newspaper and its radio station intensively reported on the student riots, its papers were suddenly confiscated at distribution centers by the authorities. Its daily advertising revenue sharply dropped by about 70 percent due to the government's influence, and some twenty of its editors and reporters were forced to resign.¹⁰⁰

Despite the fact that the Korean press faced the growing threat of overt government regulation, or even imprisonment during Park years, some of the leading journalism still maintained their long established tradition of irreverence for the authority of government. Hong Nack Kim and Sunki Choe, in the study of the impact of the high levels of urbanization and communications on the political behavior of Korean voters, argue that the rapid expansion of the anti-government press together with a series of urban problems like housing shortage, inflation, traffic jams, crime, and the growing disparity between the rich and the poor, made Park's government more vulnerable to the criticisms of the oppositional forces, thereby breeding more discontent and instability in Korean urban areas.¹⁰¹
By contrast, the press in Taiwan was rather tame during the martial law period from 1945 until 1988, since each channel of media communication, in its description and comment of political events that influenced Taiwan, was under the Nationalists' rigid control from the very beginning. This was a serious lesson the KMT had learned in the civil war in which the Communists launched an aggressive propaganda campaign attacking the corrupt KMT and its top leadership, eventually causing the KMT's downfall on the mainland. Since its retreat to Taiwan, the Nationalists had exercised stricter control over the press, while in the mean time claiming to represent the "Free China" in Taiwan which meant that it could not seal up all the political opening. This placed the party in a dilemma. "Democratic tutelage" was used as a justification for authoritarian rule.

Generally, some critical journals occasionally would appear but suffered a short life-span, mostly surviving one to two years due to the authorities' banning or confiscation of an issue. Taiwan, unlike South Korea, had the longest-running martial law in the world. Although the nature of martial law was not totalitarian: the regime did not insist that people should say or write the things required and approved by the authorities, many constitutional guarantees of civil liberty and political rights had been seriously restricted such as freedom of
expression, association, and assembly, as well as the rights of initiative, referendum, and recall. Indeed, martial law empowered the Taiwan Garrison Command (TGC), the most powerful security agency responsible for internal security, to ban or seize any material which allegedly "confuse(d) public opinion and affect(ed) the morale of the public and armed forces," or which committed or instigated others to "commit sedition, treason, offenses of interference with the lawful exercise of public functions or against public order." Because these limits on acceptable political advocacy and criticisms were not clear-cut, the law obviously gave the authority the green light to ban whatever publications it wanted.102

The second measure adopted by the regime to control the press was to require registration and licensing of publications during the martial law period. As of 1988, the last year when martial law was still in effect, there were 31 daily newspapers in Taiwan, almost all of them were owned by the government, the ruling party, the military, or the "reliable" persons, not to mention the ownership of the hundred radio and three television stations.103 Even the two small legal opposition parties, the Youth Party and the Democratic-Socialist Party which retreated to the island with the Nationalists in 1949 and were perceived simply as adjuncts of the KMT, were unable to obtain newspaper
licenses, although they published monthly magazines. Meanwhile, newspapers were kept to a small number of pages under strict limitations, only allowed to print 8 pages in 1974.\textsuperscript{104}

The two main newspaper groups, the China Times and the United Daily News, together capturing around 85 percent of newspaper circulation before 1988, were among the most sincerely loyal to the two Chiangs, even though they publicly claimed to be independent of the party. In fact, both papers' owners were old-party men and selected by Chiang Ching-kuo as the members of the Central Standing Committee of the KMT in the mid-1980s.\textsuperscript{105} Furthermore, Taiwan had no prior censorship but when an important event took place, the TGC or the party would "suggest" to the publishers and editors how to treat the story. Not surprisingly, perhaps all the papers displayed a near uniformity of style and coverage, especially dealing with the political news.

The "Chungli Incident" occurring on 19 November 1977, for example, was the first outbreak of popular anti-government violence since the "February 28 Incident" of 1947: an angry crowd of 10,000 set fire to the police station in the town of Chung-\textit{li}, and overturned several police cars because of their suspicion of KMT ballot fraud in the election for magistrate of Tao-Yuan County. The next day, however, none of the newspapers covered this
incident. Until a week later when all sorts of rumors of this event were going round in society, only one of all papers, the United Daily News, began making reports and comments on the incident by praising the police' self-restraint in the process and by condemning the violence. But the causes of the incident seemed to be utterly ignored. The news coverage on the "Kaohsiung Incident" of 1979 basically followed suit. Until the mid-1980s, several papers seemed to be more independent from the KMT, giving more coverage on opposition forces' activity, but seldom focused on the most sensitive issues such as the February 28 Incident, the character of the party top leadership, the party’s monopoly of the airwaves, the release of Political prisoners, critiques of the undemocratic political structure, and the Leninist type of the Nationalist party-state.

Magazines, serving as a major weapon of political combat for the opposition forces, were under relatively few restrictions, when compared to other mass media. Although dissident opinions could be expressed in theory in weeklies or monthlies, these publications constantly suffered banning or confiscation by the authority. For this reason, or because few opposition journals could have circulations of only ten thousand compared to the two main daily papers' circulations of around a million each, the anti-government
forces in Taiwan, unlike their counterparts in Korea, had extreme difficulties in reaching and educating a large crowd through the media of communication. Perhaps the system of the authorities' rigid control over the press, which proved effective to curb the expansion of "thought pollution" in Taiwan's urban areas, was a major factor in the island's political and social stability.

A fourth point relating to the weakness of the Korean party system is the short life-span of the political parties in Korea. Under the successive constitutions of the six Korean republics from 1948 until 1988, there were more than a hundred political parties. Unfortunately, none of them on ruling and opposition sides could have survived across the Republics. More specifically, as Sung M. Pae estimates, "only one party (DRP) had survived for 17 years, which still accounts for less than half of the history of the Republic of Korea. The number of political parties that have survived longer than 10 years is only four. Approximately 82 percent of the political parties have survived no longer than four years." 106

A couple of factors underlie the transient nature of the Korean political parties. First of all, each time a regime changed, the government occasionally banned all existing parties and their leaders from political activities and new parties subsequently moved to fill this political vacuum, as happened during the Park era as well
as the Chun years (1980-1987). Second, the private nature of Korean party politics was deeply rooted in Korean political behavior. That is, political parties had been brought into being as the organizational expression of personal followings; party members were more identified with leadership personalities of the party than with party ideology or programs. It was not surprising that when several party leaders decided to desert their party and create a new one as the result of the failure to win the party’s nomination of the candidacy for the elections or to receive the party’s positions of influence, the defectors’ close associates and supporters within the party also changed sides to follow in the footsteps. For most political figures, the decision to join or leave a certain party was determined primarily by personal rather than by policy reasons. This was another factor contributing to the sudden rise and fall of political parties in Korea.

It is important to note that the unstable and fragile nature of the Korean party system in contemporary Korean history had seriously hurt the government parties’ efforts to penetrate into the society, from which to cultivate grass-roots support. In sharp contrast to the party system in Korea, a predominant party system in Taiwan, in which the same party--KMT happened to consistently win the absolute majority of seats both at the national and local
level, has never experienced a history of discontinuity, thereby enabling it to constantly engage in contact with the masses without interruption and to gradually create a solid base of electoral support throughout the island.

Finally, an additional important difference between the two countries is the nature of civil-military relations. As noted above, the KMT controlled the gun because of Chiang’s personal charisma, because of the military rotation system, and more importantly, because of the party control system over the military; whereas in South Korea, since 1961 the military had played a crucial role in politics either indirectly by providing or withholding support for a government, or directly by taking over power through a coup. As Chiang’s establishment of a party control system in the army, the Rhee regime (1946-1960) also created the Joint Military Provost Marshall and Counter-Intelligence Corps within the military to maintain surveillance on the army. These allegiance enforcing mechanisms proved inadequate when the military refused to obey Rhee’s order to suppress the student’s demonstration in April 1960. Subsequently, he was forced to step down. Factionalism, opportunism, and corruption within the military were the main reasons accounting for this phenomenon. Rhee’s promotion of high-ranking military officers was based on political connections rather than ability.
In fact, Rhee managed to control the high-level military officers by utilizing factionalism in order to manipulate factional fighting within the army. This provoked a split among the intra-army factions. Moreover, a significant segment of the high-ranking officers were politicized either by Rhee's manipulation or by their own ambition. Since corruption among senior military officers in general was well-known during the Rhee regime period, this generated much discontent among junior officers. Worst of all, young officers whose way of promotion had been blocked by the corrupt top-level officers since the 1953 Armistice Agreement intensified uneasiness among young officers. Thus, young officers' promotion of the "Chongkun" movement (Reform in the military) followed in May 1960. It became clear that during the Rhee regime period a seed of military intervention in politics had already begun growing.

Under the Second Republic of the Chang administration (1960-1961), there seemed to be some improvement on the political front, albeit often chaotic, but the economy was a mess--unemployment and inflation rising rapidly, and societal chaos was out of control--more than 2,000 street demonstrations during the period of the Second Republic. The situations seemed to be mature for the military to intervene, mainly because the military came to
see itself as the only salvation for the country. Military intervention in politics was a reaction against civilian inefficiency and its inability to implement national development.

Under Park's rule in the Third and Forth Republic (1961-1979), the ruling DRP under Kim Jong-pil's leadership tried to control the state apparatus, most notably the party parliamentary group, through a strong party secretariat system, but faced stiff opposition from the anti-Kim faction within and outside the Assembly. The anti-Kim faction included the ex-senior-military-officers, many civilian politician, and even the non-partisan leading figures of the KCIA and military; the latter had come to play a key role in the decision-making process since the coup. They seemed to feel their positions would be most secure within the existing power relationship, fearing that the implementation of the party's secretariat structure would lead to an abrupt change in the leadership pattern, and that their vested interest in the status quo would be eventually jeopardized. The tension between the Kim and anti-Kim factions gradually escalated into an open conflict and became the source of some political instability. The anti-Kim faction finally prevailed as the result of the considerable decentralization of the power structure of the party's secretariat.\textsuperscript{109}
As the first attempt of the party's secretariat to control the parliamentary group were defeated, it was almost impossible that the party could expand its authority to the military's sector by which the party's dominance over the army would be established, particularly in a country like Korea where the structure and role of the military in society had become an important factor in economic and political development since the 1961 coup.

Moreover, it is almost axiomatic: once a military regime is in power, it is unlikely for it to relinquish power. The case of Park's military authoritarianism provides a typical example: in order to prolong his grip on power his regime had used almost all the measures imaginable to remove any actual or potential threats to his rule. The measures included: the purge of the old-force politicians under so-called the Political Purification Law; the imitation of the Leninist-type principles of organization in forming the DRP; the abuse of incumbency's power to help the party's nominee to get elected; the removal of Kim Jong-pil as the party chairmen when he showed his ambition to assume power following Park's second term of presidency; the arbitrary arrest of his arch-rival Kim Dae-jung; the change of the presidential electoral system from direct popular ballot to indirect election by a rubber-stamp electoral colleague; and more authority given to the KCIA that assumed an important role in maintaining
the regime under the *Yushin* system.\textsuperscript{110} It should be pointed out that what happened in South Korea is not unique. A similar pattern of prolonging the rule would found in most Third World Countries.

In conclusion, we can draw several factors which are critical to the emergence of the strong state in Taiwan. First of all, Chinese traditional culture--Confucianism, playing an important role, is best classified as authoritarian because of the tradition of dominance by bureaucrats throughout history. All the Chinese people have not been able to develop the culture of political participation and meaningful interaction for decision-making necessary to a precondition of democracy. Therefore, a long tradition of a strong state has been preserved. Second, under Japanese colonial rule in Taiwan, the colonial state was equipped with sophisticated state controlling apparatuses such as the bureaucracy, the police and the social control device of pao-chia. People on Taiwan as a whole were accustomed to Japanese authoritarian rule.

Third, the public confidence in the security of Taiwan restored by the massive inflow of U.S. military and economic aid gave the Nationalist government golden opportunities to offset its heavy burden of defense and thereby to breed the ever expanding state apparatus.
Moreover, the imposition of martial law in Taiwan and the "Temporary Provisions" further strengthened the already strong state apparatus. Both the President and security forces authorized enormous power on the one hand; people’s freedom of assembly, demonstrations, and strikes and their rights to directly participate in national politics had been suspended on the other.

Therefore, the party-state could easily control the development of social movements and maintain its hegemonic rule over the society. Moreover, open factional activity at the national level designed to control political resources would not be tolerated by the two Chiangs. More importantly, the KMT’s Leninist-type of party organization grew stronger and became more influential on local politics partly due to its absorptive policy and divide-and-rule strategy toward the Taiwanese electoral elites, and partly due to its deep penetration into society.

In contrast to the KMT in Taiwan, the ruling DRP in Korea adopted a more exclusionary policy in dealing with the old-force politicians, who had little choice but remained outside the party and became a formidable opposition force. The DRP’s exclusionary formula, combined with serious factional strife within the party that seriously damaged the party’s unity and operation, and the expansion of dissident view in urban areas, made the party more vulnerable to outside challenge in the elections.
What made matters worse in Korea was the government occasional disbanding of all existing political parties from their political activity when a new regime seized power. This seriously hindered the penetration of the party into grass-roots bases. All these mentioned above constitute the main obstacles to the development of a strong party system in Korean politics.
Notes for Chapter II


8. See Chong Lim Kim, "Potential for Democratic Change in a Divided Nationa," in Ilpyong J. Kim, eds., Political Change in South Korea, pp. 61-65. For more analysis of the Political Culture of Korea, see Y. H. Lee "The Political Culture of Modernizing Society: Political Attitudes and Democracy in Korea," Ph. D. dissertation: Yale University,


20. The U.S. aid program to Taiwan has been well-documented by Neil Jacoby in his study entitled, U.S. Aid to Taiwan: A Study of Foreign Aid, Self Help, and Development (New York: Praeger, 1966). Basically, he concludes that the U.S. aid program played a vital role in the island’s development. But official data from Taiwan neither recognizes that nor denies that.


22. Ibid.

23. Ibid.


33. R. N. Clough, p. 47.


38. Ibid, p. 47.


40. For a more critical of the Nationalist's imposition of martial law in Taiwan, see Marc J. Cohen, Taiwan at the Crossroads (Washington D. C.: Asia Resource Center, 1988), pp. 17-29.

41. See Hagen Koo, "The Interplay of State, Social Class, and World System in East Asian Development: The Case of South Korea and Taiwan" in Frederic C. Deyo, ed., The
42. Clough, p. 35-36.


44. Clough, p. 39.


46. Clough, p. 57.

47. Ibid, p. 55.


49. Ibid.


57. E. Winckler, "After the Chiangs..." 1982, pp.107-121.


66. S. J. Han, "Political Parties and Political Developments," 1969, p.463.


73. Ibid, pp.158-161 &271.

74. Ibid, p.160.

76. T. F. Huang, "Local Factions..." 1990, pp. 723-744.

77. S. J. Han, "Political Parties..." 1969, pp. 458-459.


82. S. J. Han, "Political Parties..." 1969, pp. 458-459.


84. S. J. Han, 1969, p. 458.


86. S. J. Han, 1969, p. 460.


88. S. J. Han, "Bureaucratic Authoritarianism..." 1985, pp. 2-10; and Han, "South Korea..." 1989, p. 275.


CHAPTER III

STATE, WORLD SYSTEM, and PRIVATE SECTOR in ECONOMIC REFORM

Economic development in Taiwan has been widely recognized as a rare case of development combining growth and equity.¹ For the world system’s theorists, this phenomena is a classic case of "development by invitation." That is, the U.S. not only provided military and economic assistance to Taiwan but deeply influenced Taiwan’s economic programs through the U.S. Mutual Security Agency (MSA). One reason was that the MSA officials distrusted the Nationalists due to the record of the KMT mismanagement of U.S. aid in China before 1949; another reason was that the aid agency was very committed to a capitalist style of development and social change rather than to the survival of the regime.

In order to survive, the Nationalists had little choice but to accept it. As a result, under the U.S. guidance, Taiwan’s land reform was successfully carried out in the early 1950s and meanwhile the Nationalists sold four state-owned industries, comprising 80 percent of the industrial economy, to the private sector which within ten years would prove to be the more dynamic portion of the economy.

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External factors--particularly, the largeness of the world market (especially America)--also shaped the way the policy of Taiwan's labor-intensive industry for exports was introduced in the 1960s. Taiwan clearly took advantage of the conditions in the global economy. Thus, the case of Taiwan highlights the importance of the U.S. as a key actor in the process of Taiwan's economic development. On the other side, however, the statist school argues that the state and its developmental strategies are the key factors in Taiwan's economic progress and distribution. They attribute the economic development solely to the Nationalists' capacity and dedication. With respect to the role of supranational factors, these authors either ignore them or regard them as unimportant.

My study has called into question the above assertion. Since both of them neglect, intentionally or unintentionally, the possibility of change in the nature of the state developmental strategies which have been shaped by both internal and external factors, and by their interplay over time. Koo's analysis of the political economy of income distribution in South Korea provides a useful paradigm for the interpretation of the East Asian NICs' development. He suggests that global economy should be generally seen as a contextual variable, conditioning influences that can not determine the outcomes of the policies adopted by the East Asian NICs. This explanation
is more complete and more consistent with the socio-economic and political facts of Taiwan's recent history, mainly because the nature of the Nationalists' state is quite different from other states in Latin America.

In terms of the linkages to the world system, due to the regional geopolitical role in the East Asia, both Taiwan and South Korea had received much more U.S. military and economic aid on a per capita basis than any other countries. Much of the aid was grants instead of loans and had nothing to do with the interests of U.S. multinational corporations. This assistance proved vital in stabilizing both regimes, in laying adequate economic foundations in both infrastructure and human capital to provide an environment conducive to foreign investment, and in strengthening both states' capacity to carry out land reform to remove the force of landlords. Obviously, the mechanisms behind this were geopolitical, not economic, interests of the U.S. Both cases are similar to what Wallerstein has identified as "development by invitation" in which the principle of upward mobility in the world system is "many called, few chosen." Taiwan and South Korea were clearly part of the chosen few. This is unlikely to be repeated in other developing countries.

Although the U.S. aid officials exerted great influence on Taiwan's earlier development during the aid
period, 1951-1965, the departure of aid in 1965 alleviated some of the pressure from the U.S. on the Nationalists regarding the state's developmental strategies. This combined with the U.S. domestic consideration (the China Lobby--the major support for Chiang Kai-shek), and with its long-term goal of containing Communist expansion all provided the KMT state a great deal of autonomy from the U.S. and forced the U.S. policy-makers into a relatively nonpolitical track in Taiwan. That is America's Cold War objectives of creating a prosperous anti-communism bastion in Taiwan. Thus, the geopolitical and security aspects of Taiwan and South Korea differentiate them from the dependency of Latin American countries.

In terms of the state autonomy and capacity vis-a-vis the social class, in contrast to the situation on the mainland China, the KMT had no connections with landlords when it came over to Taiwan in 1949. The "February 28 Incident" eliminated a large numbers of Taiwanese elites and thereby made Taiwanese society as a whole quiescent, leaderless, and apolitical.

In addition to the absence of strong local elites, a long Chinese tradition of bureaucracy under the Confucian influence provided the KMT state with great autonomy from the Taiwanese society. However, the state autonomy alone is not a necessary condition for the state to implement its goals. While great autonomy allows the state elites to
formulate transformative policies, the implementation of these policies requires strong state capacities.

A crucial factor for state capacity is the quality of state bureaucracy itself. The defeat of the KMT on the mainland facilitated fundamental administrative reforms. This reform program was designed to reorganize the state bureaucracy as well as the party organs by expelling those who were corrupt and disobedient on the one hand and by recruiting competent technocrats on the other hand. As a result, a group of capable, well-trained, and relatively uncorrupted bureaucrats, backed by the top political leadership, played a significant role in Taiwan's economic development and distribution.

Moreover, between the World War II and civil war on the mainland, 1939-1949, the runaway Chinese inflation added immeasurably to the sufferings of ordinary people, contributed to the general demoralization of the regime, and eventually caused the KMT downfall on the mainland. The KMT state had learned to be seriously concerned about social stability and balanced growth as it adopted developmental strategies. Thus, if necessary, the KMT state has on occasion sacrificed more rapid economic growth in order to prevent rampant inflation and to improve income distribution. Its objective is to mobilize various resources to implement policies of economic development and
to restructure socio-economic relations in order to ensure
the KMT dominance over the society.

Obviously, these features of the KMT state are in
disagreement with the nature and role of the state in Latin
America. The latter is characterized as the triple
alliance--the state, multinationals, and local capitalists,
which, the state, in order to promote economic development,
allies itself with foreign capital and local bourgeoisie to
conduct a policy of economic and political exclusion toward
the popular sectors to the benefit of this alliance.
Although the state in Latin America plays an important role
in capital accumulation, it has been deeply penetrated by
the dominant capitalists and in turn is at best merely an
instrument of the dominant class interest. According to
O'Donnell, the state's high dependence on the dominant
class is primarily derived from the economic factor--the
contradictions of various stages of dependent development.
He notes that the installation of bureaucratic-
authoritarian regimes are necessary to provide a stable
investment climate for foreign capital by suppressing
social movements during the second stage of export-oriented
industries, and to achieve further economic development by
promoting capital concentration in the final stage of
"deepening" economy. 6 Therefore, these states in Latin
America emerged as a result of economic development's
crises.
The case of Taiwan is quite different. From the beginning, no single class among dominant classes was able to penetrate the state apparatus. Under Japanese colonial rule, the local bourgeoisie was underdeveloped, simply because the Japanese used their colonies as sources of raw materials, showing little interest in developing industry. When the KMT retreated to Taiwan in 1949, land ownership in Taiwan was either subject to confiscation, or in the hands of Taiwanese landlords. Both the KMT and its American advisers were well aware that the Nationalists' inability to implement land reform on the mainland was critical to the Communists' establishment of rural bases on which the KMT was eventually defeated in 1949.

For this reason, the KMT had a strong motivation to engage in land reform programs in which subsequently the economic base of Taiwanese landlord elites was destroyed. Hence, the successful land reforms in Taiwan had the KMT to consolidate the political support of rural Taiwanese masses. It is also generally accepted that class conflict has not yet materialized even when the Taiwan's class structure and class consciousness underwent significant changes in the process of rapid economic growth in the 1970s and the 1980s. Overall, the state in Taiwan has enjoyed a great deal of autonomy from the dominant class in
contrast to the state-society relationship in Latin America.

In this chapter, I shall, based on the combination of the statist approach and its external linkages, explore the political dimension of postwar economic development in Taiwan and South Korea, especially the state's development strategies and its outcomes in the process of development. First of all, the focus of many analyses is on the state's initiation of land reform and its consequences, and then on the state's squeezing strategy in agriculture and its effect in the post-land reform era. Second, I shall look at to what extent that private investors were allowed to get involved in new projects (as in the heavy, capital-intensive, and upstream industries). Finally, the political consequences of the state's involvement in industrial policy will be analyzed.

The aim of this chapter is to argue that the KMT, under the pressure of the U.S., began to loosen its economic controls between the late 1950s and the early 1960s, but beginning in the 1970s it tended to penetrate more deeply into the economy by occupying upper-stream industries in order to consolidate its control on the island. As a result, the Taiwanese private sector had few alternatives but to go to small-and medium-scale firms, which primarily reduced the potential for high labor concentration in private enterprises. The organizational
inconvenience of Taiwan's labor, combined with the preventive and preemptive nature of the Nationalist party-state system appeared to have made Taiwan's workers rather quiescent and silent under the martial law regime.

A. The Land Reform

As stated earlier, when the KMT came to Taiwan in 1949, the pattern of land ownership was very concentrated in the hands of a few Taiwanese landlords. Under the unequal tenure system, the tenant farmers, constituting 70 percent of total farming family, had to cultivate an extra small piece of land, with surplus labor, to make a living due to the heavy burden of rents--more than 50 percent of the anticipated harvest, and due to rent payments having to be made in advance no matter what the result of crop. Under these situations, the tenant was poor and helpless in any dispute with his landlord. Thus, land reform became a major priority for the exile regime on Taiwan.

The motivation for the land reform undertaken by the Nationalists in Taiwan includes a number of reasons. First, the authorities realized that the KMT's inability to separate itself from landlords' interests on the mainland was the major factor contributing to their loss of China to the Communists. The defective tenure system potentially threatening Taiwan's social stability made the redistribution
of wealth a particularly important issue for the authorities. Second, they sought to create a mass base of support for the KMT regime, and punished the small- and medium-sized landlords who played an active role in the "February 28 Incident" of 1947. Third, with the encouragement of land reform from the U.S., the KMT realized that its interests would be served by following U.S. advice in this area. Finally, a successful land reform was also considered a help in making Taiwan a model province for all the Chinese people on the mainland, thereby strengthening people's belief in the regime's desire to retake the mainland China someday.

In contrast to the situation on the mainland, the Nationalists did not have a vested interest in the land tenure system in Taiwan. In spite of the Taiwanese landlords' objection, their voices were not loud enough to block the KMT's land reform program, which was an effective way to remove the only potentially strong alternative locus of authority on the island.

Taiwan's land reform proceeded through three steps during the years from 1949 to 1953: (1) the farm rent reduction program that no farm rent could exceed 37.5 percent of the total annual yield of the main crop; (2) a sale of public lands intended to turn tenants into owner-cultivators; and (3) the land-to-the-tiller program, which was designed not only to equalize the distribution of land
holding by setting a maximum of three chia (about 2.41 acres) of medium-grade paddy land or its equivalent for landlords to retain, but also to force the traditional landlords out of the rural sector into the growing industrial sector by providing compensation to landlords for land surrendered. A landlord could receive 70 percent of the land's value in land bonds and 30 percent in stock shares in four government enterprises. 7

The socio-economic and political consequences of Taiwan's land reform are worthy to note in many aspects. In the economic realm, the land reform was very successful because it appealed to the individual farmer's desire to improve his situation, motivating him to till lands as intensively as possible on his own land in order to earn the maximum amount of profit. Land reform also followed by externally oriented drive, has shown that the farmers are very sensitive to market signals (e.g. prices) and have responded to price incentives by diversifying products and increasing productivity with the help of improvements in infrastructure and agricultural technology. As a result, the rationalization of farm operations caused by the reform has led to a real income increase among owner-cultivators; to reduce substantially the size of wealth of landlords had a substantial effect on income distribution; 8 the government could extract agricultural surplus from farmers.
for use in emerging industrial development. Indeed, this process has been shown to be one of the most important factors behind Taiwan's economic success.

Socially, landlords, especially the small- and medium-size landlords, obviously were the big losers as the result of the land reform program. Stripped of their socio-economic basis of the rural areas, many of small- and medium-scale landlords had difficulties in adjusting themselves to the new environment by using their money to establish businesses. Due to the lack of business experience and managerial skill, and due to their distrust in government, many of them sold their shares at a considerable loss and left the rural communities. Some went to Japan and the U.S. and became political activists in promoting the Taiwan independence movement abroad. This left the overwhelming majority of peasants with much room for their participation in rural organizations, e.g., Farmers' Association and Irrigation Association. Meanwhile, land reform had raised farmers' income and their social status by wiping out the landlords' dominant position in rural society. Thus, land reform had a major impact not only on income distribution, but on social power distribution.9

Politically, the Nationalists adopted land reform programs largely for political reasons to generate support from the peasants, and to eliminate possible competitors in rural communities.10 The political support of rural
Taiwanese masses for the KMT reflected in the election of 1954 and 1957 the time after the implementation of land reform programs.

Table 3.1

Distribution of KMT Strength in the Rural County Magistrates / City Mayors Elections 1950-1960

<table>
<thead>
<tr>
<th>Year</th>
<th>Type of election</th>
<th>Total seats</th>
<th>KMT No.</th>
<th>KMT %</th>
<th>non-KMT No.</th>
<th>non-KMT %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>County Magistrate</td>
<td>16</td>
<td>14</td>
<td>87.5</td>
<td>2</td>
<td>12.5</td>
</tr>
<tr>
<td></td>
<td>City Mayor</td>
<td>5</td>
<td>3</td>
<td>60.0</td>
<td>2</td>
<td>40.0</td>
</tr>
<tr>
<td>1954</td>
<td>County Magistrate</td>
<td>16</td>
<td>15</td>
<td>93.8</td>
<td>1</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td>City Mayor</td>
<td>5</td>
<td>4</td>
<td>80.0</td>
<td>1</td>
<td>20.0</td>
</tr>
<tr>
<td>1957</td>
<td>County Magistrate</td>
<td>16</td>
<td>16</td>
<td>100.0</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td></td>
<td>City Mayor</td>
<td>5</td>
<td>4</td>
<td>80.0</td>
<td>1</td>
<td>20.0</td>
</tr>
<tr>
<td>1960</td>
<td>County Magistrate</td>
<td>16</td>
<td>15</td>
<td>93.8</td>
<td>1</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td>City Mayor</td>
<td>5</td>
<td>4</td>
<td>80.0</td>
<td>1</td>
<td>20.0</td>
</tr>
</tbody>
</table>


As Table 3.1 shows, of the total 16 seats for the election of rural county magistracieship in 1950 the time before the implementation of land reform, the KMT captured 14 or 87.5 percent. After the land reform, the KMT won the same election with landslide—receiving 16 or 100 percent in 1957, 15 or 93.8 percent in 1960 respectively. But in the urban areas, the KMT had a relatively weak showing in the city mayorship election during the same period. These results indicate that the land reform made the KMT regime
win the overwhelming majority support from peasants in rural areas, thus providing legitimacy for the KMT's rule.

Taiwan's land reform perhaps was the best example of the state's extraordinary autonomy and great capacity allowing the KMT elites to formulate and implement developmental strategies on their own terms. The KMT state was able to adopt such policies because it was largely autonomous from domestic Taiwanese landlord elites, and this autonomy also derived in large part from military and security strength brought from the mainland, further enhanced by the U.S. military and economic assistance. Therefore, the role of the U.S. in the Taiwan's land reform programs should not be overlooked. The catalyst of the land reform, the Joint Commission for Rural Reconstruction (JCRR), acted as both the de facto department of agriculture of the Nationalist government and the agricultural division of the U.S. Aid Agency.

During the aid period, 1951-1965, it played active roles in recommending the rent reduction program, in monitoring the KMT sale of public land, in acting as the major channel for the U.S. economic assistance in agriculture, and in fostering improvements in rural health conditions and agricultural technology. At the time, the KMT was quite unhappy with this "extragovernmental" body's interference in its domestic affairs, and insisted that all
the final decisions regarding land reform programs must be made without outside involvement. In 1965 when Taiwan became the first graduate of U.S. Aid, the JCRR was less aggressive in the workings of the economic system on Taiwan. It diluted the U.S. pressure on the KMT regarding developmental strategies, but the continued presence of foreign capital and a large number of small-and medium-size enterprises brought new challenges to the regime.

The completion of the land reform in 1953 transformed the picture of Taiwan’s rural areas from a small number of landlord elites into a large number of small farm owners. Through high agricultural productivity, farmers spent much of their extra income on domestic manufacturing, helping to create a market for domestic industries. The Nationalist took advantage of this by pursuing imbalance growth doctrine directed toward high rates of industrial growth at the cost of agricultural development. As Hsiao observes, "Agriculture was expected to maximize output to meet demand for not only domestic consumption but also export in order to earn foreign exchange which was needed for importing capital goods and the raw materials for the expansion of domestic industries."11

A number of policy measures had been adopted by the regime to extract resources from the agricultural sector through three various mechanisms. First, the most negative policy was the rice-fertilizer barter system. Through this
system, the government sold chemical fertilizers to the peasants in exchange for rice at monopolized prices, which were always favorable to the former. This was the most important source of total government rice collection, responsible for between 60 and 70 percent of total collection. According to Amsden’s survey, "the farmers (in Taiwan) had to pay almost 40% higher price per 100 kilogram of ammonium sulfate in 1964-1965 than the price of Japan, American, or Indian farmers."12 Second, all the rice collections were obtained at government purchasing prices, which were between 20 and 60 percent lower than market prices between 1950 and 1965. Finally, the land tax rate was tripled during 1950-1968, while the rice yield per hectare only doubled and the rice price remained unchanged during the same period.

All these coercive agricultural policies can be identified as "hidden rice tax," which had imposed a heavy tax burden on the peasants and was, according to government economist W. Y. Kuo, considered as the most important factor accounting for the decline in the share of rice production in 1952-1960.13 This heavy tax burden also brought about widening income disparity between farming and non-farming sectors. Between 1968 and 1972, this period was marked by a sharp drop in the growth rate of
agriculture production to 0.8 percent annually relative to 4.4 percent between 1954 and 1967.

The state was aware of the stagnant agricultural output and increasing income disparity between agricultural and non-agricultural sectors, and of potential farmers' social unrest. In 1972, new agricultural policies were instituted to abolish the rice-fertilizer barter system, to reduce the land tax, to relax the terms of agricultural loans, to increase the investment in both the rural infrastructure and agricultural research and development, to set up specialized agricultural production zones, and so on. These measures had somewhat positive effects on the farmers who could relieve heavy burden somewhat, but the income gap between farmers and non-farmers still existed.

Table 3.2
Taiwan's Income Comparison Between Farm and Non-farm Sectors, (N.T.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Farm Family(A)</th>
<th>Non-farm Family(B)</th>
<th>(A)/(B)%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954</td>
<td>1,661</td>
<td>2,216</td>
<td>75</td>
</tr>
<tr>
<td>1959</td>
<td>2,500</td>
<td>2,985</td>
<td>84</td>
</tr>
<tr>
<td>1964</td>
<td>3,845</td>
<td>6,277</td>
<td>61</td>
</tr>
<tr>
<td>1968</td>
<td>4,757</td>
<td>8,219</td>
<td>58</td>
</tr>
<tr>
<td>1970</td>
<td>5,350</td>
<td>8,894</td>
<td>60</td>
</tr>
<tr>
<td>1972</td>
<td>7,540</td>
<td>11,341</td>
<td>66</td>
</tr>
<tr>
<td>1974</td>
<td>13,180</td>
<td>19,263</td>
<td>68</td>
</tr>
<tr>
<td>1976</td>
<td>17,076</td>
<td>25,205</td>
<td>68</td>
</tr>
<tr>
<td>1979</td>
<td>29,840</td>
<td>44,833</td>
<td>67</td>
</tr>
</tbody>
</table>

Sources: T. H. Shen, 1975, p. 130; and Taiwan Agricultural Yearbook, 1982. Taiwan Provincial Government.
As Table 3.2 shows, farmers earned only a little over three-quarters of the average income of the non-farm population between 1954 and 1959 the time following the accomplishment of land reform programs. Per capital rural real income sharply fell to around 60 percent of the income of nonagricultural sectors during 1964 to 1970 when coercive agricultural policies were introduced. This unfavorable income distribution to farmers decreased somewhat to about 67 percent of nonfarmers' per capital incomes in 1972-1979. The state's efforts to rescue the agricultural sector from bankruptcy might play an important role in offsetting the farmers' heavy burden of taxation, thereby increasing income for farmers. But the peasants, especially smaller farmers who had to earn one half of their income from off-farm activities simply to sustain the family, belong to lower class in Taiwan, below their urbanizing counterpart.

In an analysis of intersectoral capital flows (from agricultural sector to industrial sector) in Taiwan's economic development, agricultural economist T. H. Lee, currently the President of R.O.C., argues that the prosperous Taiwan's agricultural sector provided great impetus to industrial expansion, largely because more than 22 percent of the total value of agricultural output had been transferred to the industrial sector during the period of 1950-1955. His finding also indicates that the
invisible capital transfer (which refers to unfavorable terms of trade leading to agricultural surplus outflow) was responsible for over 50 percent of total capital outflow from agriculture from 1950 to 1960; the visible capital flow (which is defined as the government squeezing agricultural surplus through coercive policies) accounted for the bulk of the remainder.

According to Lee, "the squeeze on agriculture through the policy of low agricultural prices was obviously effective."14 This is one of the main reasons that prosperous Taiwan's agricultural sector could generate foreign exchange and provided a growing domestic market for manufactured products, thereby helping Taiwan's economy to overcome the initial agricultural constraints and to take off at a much faster rate in the stage of "import substitution" and "export substitution."

Someone may reasonably raise an important question: why didn't the disaffected elements cause peasant revolts? The absence of rural unrest in Taiwan can be explained by four factors.

First of all, rapid industrialization in Taiwan since the early 1960s, characterized as the urban-centered manufacturing and service sectors and labor-intensive industries, has always attracted a great number of rural people to migrate to the cities to find work. For
instance, the rate of growth of industrial employment, around 6 percent annually in the 1950s ahead of the population growth rate of 3 percent per year during the same period, jumped up to 10 percent annually in the 1960s. This trend continued throughout the 1970s and 1980s. Thus, the economy has absorbed much of its surplus agricultural labor and the result was a massive rural exodus. While the politically and socially ambitious elements of rural communities are attracted to move to urban areas, this migration does not often produce the political instability of rural societies. The talents of village populations' energies are absorbed in maintaining their livings.

Second, after land reform, Taiwan's rural areas became a society of vast mass of small land-holders. By the early 1970s, the average farm size was only 2.5 acres. With such a scarcity of productive land, most farmers have cultivated rice which is suited to small-and medium-scale agriculture. There is little reason to convert it to cash crops such as rubber, coffee or cocoa, and to pool it into large-scale plantations with a large number of floating agricultural labor. Taiwan's farms, unlike those in Latin America or the Philippines, look more likes gardens that prevent themselves from exposing the rural economy to the world market in which the produce of cash crops is subject to wild price changes. This is a sharp difference between Taiwan's and most Third World countries' agriculture. The
latter often produces the disaffected proletariat of landless cane cutters or banana pickers, who not only impose a heavy burden on the modernizing parts of the economy, but at worst produce social unrest throughout the country.

Third, Taiwanese peasantry who never identify themselves with a social class have no class-consciousness. Although the farmers’ emotional attachment to farmland remained strong, they transferred their hopes of rising from the peasantry to the next generation. To achieve this they encourage their sons and daughters to receive quality education in the schools, to migrate the cities to find a good job, or to be married to middle or upper social classes. All these have offered escape from poverty. Such cross-class identity more or less dampens the consciousness and integrity of the farmers as a social class.

Fourth, thanks to rapid industrialization and decentralized pattern of industrial growth, these have pushed rural land values to high levels throughout the island, thereby offering farmers the temptation to sell their own land for industrial or housing purposes. Then, they can direct their capital elsewhere or reinvest in agriculture.
Finally, the KMT regime is basically sensitive to the peasants' demands, mainly because it was driven out of China in 1949 by a coalition of peasants and workers. The long-term squeeze on Taiwanese agricultural surplus, especially the purchase price of agricultural products much below the markets', reflected farmers grievances in 1977's County Executive and Provincial Assembly elections in which for the first time a large number of peasants shifted their loyalty to the opposition, most notably the Tangwai. It helped to win more seats in both bodies than ever before, or 33 percent of the votes increase from the previous average 27 percent between 1954 and 1972.

With suffering an unprecedented defeat, the KMT began to focus on agricultural problems, the need for improving the peasants' living standard became evident. The regime announced that it would set up the Accelerated Rural Development Program to increase governmental spending on rural infrastructure, credit and marketing. In 1970, both fertilizer prices and rural taxes were reduced and again in 1971. The rice-fertilizer barter system was abolished in 1972. Since 1978, the state has intensified its policy to promote peasants' welfare: the compulsory purchase price of rice was doubled in cash terms in 1978; in 1988, peasants' insurance programs have been in effect which covers farmer and his wife excluding their children, 30 percent of the
insurance cost paid by the peasant and 70 percent by the state.

The Nationalists now make no profit from agricultural sector and instead incur great expense on farm subsidy and the peasantry social insurance scheme. Nevertheless, income disparity between rural and urban areas still remains widen: the former’s income at only 66 percent of the latter.

As in Taiwan, the landlord class in Korea enjoyed socio-economic and political privilege under Japanese colonialism and continued to protect their special rights under American auspices from 1945 to 1946. However, the eruption of the Korean War and the following three-month northern occupation of the south compelled the Korean landlords to abandon their dominant power base in the rural areas, thereby paving the way for redistributing unequal land ownership through land reform once the war was over in 1953. South Korean land reform is often viewed as an exceptionally successful case in comparison with the rest of the developing countries.

The effect of the land reform in both countries was very encouraging in terms of the creation of a relatively egalitarian society. As shown in Table 3.3, before the land reform more than 60 percent of all cultivated land was tenant farmer in both countries and at least in Korea 50 percent of farm households were pure tenants, which in
Taiwan was about 30 percent; while 4 percent farm households possessed 50 percent of all cultivated land in Korea, similar to 10 percent of total Taiwanese farm families owning 60 percent of land.

Table 3.3
Comparison of Tenancy Conditions Before and After the Implementation of the Land-to-the-Tiller Between South Korea and Taiwan

<table>
<thead>
<tr>
<th>Type of Tenure</th>
<th>Before Reform</th>
<th>After Reform</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S. Korea (1947)</td>
<td>Taiwan (1949)</td>
</tr>
<tr>
<td>Full-owner</td>
<td>16.5%</td>
<td>36%</td>
</tr>
<tr>
<td>Part-owner</td>
<td>38.3</td>
<td>39</td>
</tr>
<tr>
<td>Tenant</td>
<td>42.1</td>
<td>25</td>
</tr>
<tr>
<td>Slash &amp; Burn Farmers</td>
<td>3.1</td>
<td>--</td>
</tr>
<tr>
<td>Total N. of Farm Households</td>
<td>2,172,000</td>
<td>620,875</td>
</tr>
</tbody>
</table>


After the land reform, land ownership in both countries had been radically transformed; in South Korea, only 7 percent of farm families were tenants, 69.5 percent were full owner operators and part owners constituted the remaining 23.5 percent; similarly, tenants in Taiwan composed 23 percent, owner farmers 60 percent, and part owners 17 percent respectively. It becomes evident that
both countries' land reform programs--land-to-the-tiller--successfully deprived the landlords of their economic base and thus created the majority of small landholders by redistributing landownership into relatively small holdings.

A marked difference between these two countries is that in comparison with their counterpart in Korea, the Nationalists were able to extract huge agricultural surplus through the price mechanisms and the rice-fertilizer barter program in order to earn hard currency for the industrial sector. Although Korean peasants carried a heavier burden of 20 kinds of excessive taxes than their counterparts in Taiwan, the top priority for the Rhee regime was to feed the people rather than to extract surplus from farmers. Korea, unlike Taiwan, was unable to develop an agricultural export sector in the aftermath of the Korean War due to great demands for rice consumption from the influx of refugees.16

Since World War II, Korea has become a substantial net importer of grain in general. President Rhee should be blamed for his relative neglect of agriculture. His regime showed little interest in agricultural development by cutting off most of the public expenditure on agricultural research and development. The aim of the state's grain policy was to maintain grain prices as low as possible through the state compulsory purchase of rice in order to
check the inflationary spiral, but targets for the state rice procurement were rarely achieved. As a result, farmers suffered from this system and gained no incentives to work hard to increase grain production, thereby resulting in food shortages during the period from 1948 to 1955.

This situation was aggravated by the Rhee regime's permits of large supplies of cheap American foodgrain imports to South Korea under Public Law 480 (PL480). The total value of PL 480 shipments of grain from 1956 through 1964 "amounted to U.S. $425 million, an average of U.S. $47 million every year,"17 or equivalent to around 9 percent of the annual domestic grain production. It is widely recognized that the PL 480 shipments of grain to South Korea played a significant role in contributing to general economic stability in Korea, but it drove domestic agricultural prices down below the market price of grain, consequently decreasing domestic grain production and causing income disparity between agricultural and non-agricultural sectors. The Bank of Korea's statistics illustrate this point clearly in that the income difference between farm families and non-farm families greatly widened--the ratios of the former to the latter dropping sharply from 56.3 percent in 1957 to 33.4 percent in 1960.18
The Korean administration under Park Chung Hee, who took office in 1961 through military coup, began to adopt statist approaches to agriculture. He started resuming agricultural research and development, spending much more on rural infrastructure, and protecting domestic grain production against imports by raising tariffs. In the early 1970s, he further displayed the form of statism in agricultural policies by raising much higher tariffs for grain imports, by raising the price of official purchases of grain, and by subsidizing farmers' purchase of fertilizers, even though the government carried large public expenditure deficits because of the subsidies.

Three main factors are behind these policies. The first was that the low-cost PL480 American grain imports would come to an end in 1970 so self-sufficiency in grain became an important goal. The second factor was a major income widening of urban-rural gap in the late 1960s, as a result of rapid economic growth.

More important was the fact that growing rural discontent reflected in the plebiscites of 1969 and the presidential election of 1971 in which anti-government vote reached a record high of 45 percent of the total votes, the Park regime felt the need to cultivate the favors of the rural population whom it traditionally viewed as a major source of political support for ruling elites. As "the result of a deliberate change in agricultural policies," 19
the average farm family income had increased at a faster rate than that of urban labor. In 1976, the former income even surpassed that of the latter. But Korea still depends on rice imports, it is extremely difficult for the government in Korea to implement the development of domestic agriculture in favor of industrial development.

The golden age of the mid-1970s came to an end quickly when official high-price-grain-purchase policy could not be sustained. Per capita rural incomes again fell sharply relative to non-farmers'. In 1980, the ratio of farmers' income to urban residents' was 53.6 percent, similar to that in the late 1950s.20

B. The Private v.s. the Public Sector

The Nationalists' economic system on the mainland had been characterized as "bureaucratic capitalism"21 in which the state dominates the ownership and management of China's biggest and most strategically important enterprises in order to reduce the formation of large private fortunes and to prevent inequality of wealth. This ideology was deeply affected by the principle of livelihood, which was one of Sun Yat-sen's "three people's principles." Sun, the founding father of Republic of China, had become a staunch proponent of state capitalism in the latter years of his life. He notes: If we do not
use state power to build up these enterprises but leave them in the hands of private Chinese or of foreign businessmen, the result will be simply the expansion of private capital and the emergence of a great wealthy class with the consequent inequalities in society.... The state should lead in business enterprises and set up all kinds of productive machinery which will be the property of the state."\^\textsuperscript{22}

The attraction of the experiences of Germany's rapid rise to world power and Russia's implementation of state socialism after revolution during the 1930s, combined with the KMT's negative impression of the free world's inability to handle world depression during the same period, also enhanced the Nationalists determination to imitate Germany's and Russia's state socialism by carrying out a pervasive system of economic controls.

Therefore, there was a clear trend toward state domination of industrial production as well as the banking industry during the Nationalists' Nanking period, 1928-1938; such enterprises as machinery, steel, electrical appliances, wood oil, alcohol, matches, and tungsten fell under state control. This bureaucratic capitalism was transplanted into Taiwan along with the KMT. The removal of Japanese colonialism from Taiwan in 1946 left the KMT the banking industry and basic industries such as steel, aluminum, and petroleum to take over. These confiscated
Japanese industries became the basis of state-owned enterprises which throughout the 1950s accounted for over half of Taiwan’s total industrial production or 70 percent of Taiwan’s total exports.

Moreover, state enterprises dominated more important and profitable industries in the 1950s such as chemicals, fuels, fertilizers, mining and metal working, textiles, food processing, and utilities. In order to prevent "excessive" competition and to develop domestic industries, the state adopted a number of coercive policies including tariffs and quantitative restrictions on imports of consumer goods and finished products, restrictions on the entry of new producers, and controlling access to raw materials. On the other hand, the state supplied raw materials directly to the factories, advancing all working capital requirements, and brought up all production.23 It became clear that state control of Taiwan’s industrial production became a prominent feature of Nationalists rule in the 1950s.

Yet the course has been reversed to a great degree since the late 1960s; for example, by 1972 the private industries jumped to 79 percent of total industrial production, or 93 percent of total exports.24 Growing small- and medium-scale enterprises have emerged.
The political implication of the rise of private industrial sectors is that they can influence the political process of decision-making either by lending their financial support to the opposition or the KMT-endorsed candidates in the elections, or by directly running for public offices. As Almond and Powell have argued, as a society develops, its structure creates a vast array of new and complex roles and consequently the state, unable to maintain its ideological purity, and to manage effectively social and political mobilization. This means that the Nationalists may gradually lose autonomy and capacity because of the emergence of growing local private sector.

A number of interesting questions need to be raised here. Why and under what conditions did a growing private industries emerge beginning in the 1960s? And how large would be the role of the private versus the public sector in the direction of economic opening? These are the central questions that this section seeks to answer. The analysis consists of four parts: (A) the role of the U.S. in the process, (B) the reasons for the KMT to relax its control over the economy, (C) the relation between the private and the public sector in Taiwan and South Korea, and (D) the consequences of industrial organization in both countries.
1. American Intervention and Its Effects

There is a dispute regarding how much influence the U.S. had had over economic decision-making in Taiwan, partly because much of the U.S. aid to Taiwan went for military expenditure, partly because the U.S. could not force the Nationalists to liberalize their control over the economic exploitation of agriculture while implicitly opposed to this coercive policy, and partly because the continuing geo-political significance of Taiwan after the end of the Korean War made U.S. policy-makers believe that U.S. interest should be subordinated to the Cold War objectives of creating a strong and stable Taiwan in its western defense.

Even though all these arguments are partially true, the influence of the U.S. over the Nationalists' economic policies should not be underestimated, particularly during the period between the 1950s and 1960s, the time when U.S. economic aid was equivalent to around 6 percent of Taiwan's GNP and nearly 40 percent of Taiwan's gross investment, and the U.S. military aid was much bigger and "in 1957 there were about 10,000 Americans present in an official capacity." At that time, the KMT needed the U.S. assistance desperately to stabilize its economy, society, and regime. Thus, aid leverage was an important channel
for the U.S. mission to induce fundamental changes in the Nationalists’ economic policies.

Indeed, as T. Gold notes, "to be sure, the Nationalists were not America’s vanquished enemy, but they were nonetheless a defeated force in a hostile environment in disarray and devoid of confidence... As in Japan, the locals governed, but the American constituted enough of a shadow government to influence a wide range of political and economic decisions made by the Chinese."27

The KMT regime’s reliance on U.S. assistance made acting independently very difficult, but the U.S. could not go too far due to the potentially military attack from the mainland threatening the Nationalists’ security. As T. Gold continues to suggest, "Controlling the Nationalists’ life-support systems gave the Americans great power to influence the direction of change, while the fact that the Nationalists were not an enemy but a sovereign state in the United Nations as well as ally, and really did face an implacable and threatening force, limiting how far the United States could push the regime in the direction of reform without risking destabilizing it and smashing the whole house of cards."28

During the 1950s, large numbers of the KMT’s economic officials’ positions on bureaucratic capitalism, which
favored extensive government control over economy, remained unchanged.\textsuperscript{29}

Several reasons are cited here. First of all, state enterprises in general would financially provide government access to much needed revenues, because the government officials believed that the state enterprises were potentially the most profitable business with which they would be able to finance investments in priority sectors of the economy, and to invest in social services and local infrastructure in order to modernize poor regions.

Second, the conservative bureaucrats also believed that the private sector was held in low esteem due to its lack of access to adequate levels of capital, expertise, and technology. On the contrary, a large role played by the state in the economy was viewed as the most effective and efficient means for rapid and sustained development.

Third, the return-to-mainland party ideologies lacked confidence in the free market mechanisms and feared that reduction of economic controls over the private sector would eventually lead to the emergence of a powerful private sector, which would act as a dynamic force for political change. Finally, more importantly, the state enterprises consisted of important resources for state elites to be developed and utilized in the form of jobs, political funds, and the servicing of the ruling party.
These attitudes were pervasive among the conservative camp within the KMT regime at the time, even though U.S. aid officials pressed for the adoption of a strategy for broadening the base of local participation in private enterprises.

In spite of the KMT's hard-liners' resistance to economic change, U.S. aid played important roles in helping to reverse the KMT's policy of extensive state control over economy, to strengthen the role of the private sector, and to lay the foundation for the development of capitalism in Taiwan. The U.S. mission strengthened the planning function within the KMT state, first for land reform, and then for general economic planning.

In Taiwan, to encourage the emergence of an economically viable class of small owner-cultivators through land reform, the Joint Commission on Rural Reconstruction (JCRR) was established by the aid mission for this developmental purpose. JCRR was actively involved in all three phase of land reform. Due to the privileged access to U.S. aid funds, JCRR had great capacity to initiate and monitor action in the field. It helped to finance the implementation of the land reform, to work out the schedule for the 37.5 percent rent reduction with the Nationalists, to implement the policy of the sale of public lands, and to facilitate the drafting, discussion, and final adoption of the Land-to-the-Tiller Act and the
Regulations Governing the Issuance of Land Bonds in Kind. JCRR strongly suggested that Taiwanese landlords should be compensated for their divested land property with land bonds and state enterprise stocks.\textsuperscript{30}

Through these forms of compensation, one may reasonably assume that the land reform programs provided a basis for the development of the bourgeoisie class mainly because a growing capital would be transferred from agriculture to industry after the reform. Indeed, the private sector did take advantage of emerging economic opportunities either by engaging in business or by running a small factory as time went on.

Although the Nationalists would win political support from the agricultural sector through the land reform, it feared that the overwhelming majority of small family farmers would become independent of state controls due to the lack of the economic base by the regime in the rural communities. However, in order to avoid a repeat of the same mistake in Taiwan, the KMT had the need to undertake land reform because the failure of the regime to take pro-peasant stance contributed mainly to the success of communism on the mainland.

In the late 1950s and early 1960s, a U.S. mission intensified its efforts to exert considerable influence on the creation of a booming private enterprise system on
Taiwan, and on the formulation of the Nationalists economic and financial reform through oral persuasion, written analyses, and even threats to cut off aid. The U.S. interest in promotion of these reforms was that of the U.S. maintaining the military status quo within the Taiwan Straits. This plus enhancing the economic potential of Taiwan became its strategic objective. Thus, the U.S. urged the Nationalists to reduce the big size of its military and to cut the level of military spending in order to provide more resources for the economic and private sector, despite the Nationalists' opposition.

Obviously, U.S. policy toward Taiwan made a fundamental change shifting from the more expensive direct military involvement in supporting Chiang Kai-shek's return-to-the-mainland to the objective of preserving the existing status quo and of strengthening the economy of the island.

The 19-point program of Economic and Financial Reform of 1960 provided a typical example of aid mission influence on the process of Nationalists' economic policy. U.S. aid officials promised the Nationalists to make an additional loan of U.S. $20-30 million conditional on the implementation of desired change in policy. This program announced in early 1960 touched every major aspect of the island's economic, financial, and trade policy. The positive responses of the Nationalists' government were
that in January 1960 it began improving the investment climate, liberalizing the state control on trade and industry, and enhancing export promotion efforts. In September 1960, the regime further created a hospitable climate for private investment by offering tax and other incentives.

A powerful weapon clearly used by the U.S. officials to induce change in Nationalists' government policy was a promise to increase aid or a threat to withhold aid. R.E. Barrett also points out the importance of U.S. aid influence on the Nationalists government in terms of American bureaucratic factors. According to him, there were five bureaucratic reasons that the U.S. aid mission could exert strong and continuous influence on the formation of the Nationalists' economic policy.32

The first reason is that during the aid period, the American aid-disbursement process was increasingly carried on according to official rules through agencies like the United Nations Relief and Rehabilitation Administration and the Economic Cooperation Administration. Consequently, the efficiency and effectiveness of using aid funds were demanded by the U.S. government.

The second explanation is that through the experience of U.S. aid to other countries the U.S. government had
developed guidelines for evaluating the cost-effectiveness of their aid programs in Taiwan.

Third, according to Barrett, as compared with other countries in Asia, Taiwan was one of a few countries receiving much larger amounts of aid per capita and had used it effectively. Mainly because U.S. mission's effective control of resources enabled them to extract concessions and reform from the Nationalists' government; the latter "had little choice if it wished to survive."33

The fourth factor is that the poor record of KMT management of aid in China before 1947 and in Taiwan during the 1945-1948 period made U.S. mission very conscious of this mistake. As a consequence, the aid "officials had a clearer idea of what abuses would have to be corrected if their programs were not to be discredited by corruption and failure."34

Finally, the U.S. mission had a good understanding of Taiwan's agricultural and industrial development under Japanese colonialism. It no doubt helped U.S. aid officials to know how to mobilize their resources for broad-based economic reform rather than for the survival of the regime.

As a result, with the persuasion of aid mission, an office for Private Investment, the Industrial Development and Investment Center, and the China Productivity Center were established in 1958. The function of these
institutions was to provide advice and assistance to private investment. The U.S. mission also began using much more aid for creating or helping private firms and acting as a catalyst by seeking out private investors for new projects such as glass, rayon, plastics, soda ash, hardboard, and so on.

In addition, an analysis of the influence of American bourgeois groups on U.S. policy toward aid for Taiwan should be included. In the early 1960s, due to rapid wage increases in the United States, there were growing U.S. multinational corporations looking for low-cost offshore production sites that would help it to compete with the low-priced Japanese products. Taiwan, became one of the targets of this industrial migration at the time simply because it was able to provide not only low-cost, abundant, and disciplined labor, but various kinds of incentives to foreign firms.

The finding of an empirical study illustrates this point clearly. This study was based on survey data of 78 foreign firms of Taiwan in 1977 and focused on their views of their reasons for investment in Taiwan. The findings indicate that the primary reason for investment in Taiwan was low labor costs; the financial package of incentives provided by Taiwan were considered as the secondary importance; and the quality of the labor forces ranked a
Thus, an attractive condition of cheap, well-educated labor, and fiscal incentives provided by Taiwan was important to the direct interests of U.S. multinational corporations. The latter took advantage of that and thereby put pressure on the U.S. government to use foreign aid for pushing a capitalist style of economy in Taiwan.

While the U.S. mission used its aid leverage to exercise great influence over the government's policies, its influence should not be exaggerated. For example, the Office for Private Investment within the mission (OPI) would help to enhance the role of private sector by providing encouragement and assistance, but had no responsibility for foreign trade decisions affecting the degree of import protection to be given to private industries. Similarly, in such key areas as making loan or supplying raw materials to the private sector, the OPI also felt powerless.

Nonetheless, as a whole, the aid mission helped to ease the transition to more liberal economic policies of the Nationalist in the late 1950s and mid-1960s. Yet their influence gradually declined in the mid-1960s as U.S. economic aid terminated in 1965.
2. The Reasons for the Nationalists to Adopt More Liberal Economic Policies

As stated above, "nothing in their (the Nationalists) situation--nor in their economic philosophy--motivated Chinese officials to foster the growth of a strong private sector." But the Nationalists did gradually liberalize control over the economy in the late 1950s. Most analysts attributed this liberalization of the economy solely to the U.S.'s persistent pressure. I do not, however, think that the American factor alone can account for the change of the Nationalists' policies, even though the former exerted great power in the process. We should, instead, pay equal attention to the Nationalists' interests for the adoption of less control-oriented policies. This is to say that the short-term or middle- and long-term interests of the Nationalist government could be served by relaxation of control over the economy so that they could support more liberal economic policies.

The Nationalists' searching for economic reform can be explained in terms of their short- and long-term interests.

First, in 1962, the U.S. mission sent a clear message to Taiwan's authorities that U.S. aid to Taiwan should be terminated as soon as possible, based on their estimation that without aid the rate of Taiwan's economic growth could be sustained. It signaled that an end to the reliance on U.S. assistance was inevitable in the near future. Thus,
this impending curtailment of U.S. aid compelled the Nationalists to look for an alternative which was to improve the climate for foreign and local investment by relaxing trade and monetary controls and by simplifying business law and regulations. The prevailing international economic environment also helped to shape the way the package of Nationalist economic reform was carried out in the 1960s. The largeness of world (especially American) markets at the time provided a favorable climate for Taiwan’s labor-intensive exports. The Vietnam War in the 1960s and early 1970s, for example, provided several Asian countries an important stimulus to their economies. This is particularly true for the case of Taiwan which benefited from American offshore purchases for the war.

Meanwhile, multinational corporations played an important role in providing marketing networks for their Taiwan-based firms where local businesses lacked adequate information but had more or less equity participation. Together with the legacy of local Taiwanese close ties with Japan from the colonial era, Taiwan was then in the unusual position of having close connections to both the largest and the potentially fast-growing market in the world. Thus, Taiwan came to seize a set of structural opportunity for upward-mobility in the global economy by adopting export-oriented industrialization and by improving its
investment climate in attracting more foreign and domestic capital.\textsuperscript{37}

Secondly, Taiwan was constantly maintaining a large military force of about 600,000 personnel, which cost over half of the expenditures at all levels of government, or around 10 percent of GNP. It resulted in $1.3 billion government deficit during the aid period; this total deficit was covered to $1.1 billion by U.S. aid, and about $0.2 billion by private capital flows. The termination of U.S. aid meant that the Nationalists by themselves would now assume the responsibility for making its own way. Even though the conservatives within the regime resisted economic change and felt quite insecure about the demise of their economic base in Taiwan as a result of more developmental policies, the top political leadership such as President Chiang Kai-shek and Premier Chen Cheng supported economic reform "because it would enable Taiwan to get off the dole and become self-reliant."\textsuperscript{38} There is no doubt that export-oriented economic development seemed to be the only way for the Nationalists to ease their heavy burden of defense.

Finally, more importantly, since the KMT regime in Taiwan from the beginning had the problem of procedural legitimacy resulting from the lack of directly elected representatives at the national level, its legitimacy depended heavily on good economic performance. As a
result, satisfactory economic performance of the regime may cultivate the popular belief that the authoritarian system is effective. This performance not only lowers political discontent with authoritarian rule, but makes up a deficit of procedural legitimacy.

In this sense, the Nationalists' government began to show a strong commitment to economic development, and focused on economic performance while particularly facing increasingly international isolation in the aftermath of the withdrawal from the United Nations of 1970. Furthermore, the KMT wanted its economic progress to become a showcase of noncommunist development in contrast to Communist China's economic catastrophe due to the Cultural Revolution. Successful economic development and progress gradually became the KMT's major political means for legitimizing its authoritarian rule as well as for making Taiwan a model province for all China.

Thus, from the KMT's perspective, its short-term interests (e.g. in offsetting the heavy burden of defense) as well as long-term interests (e.g. in gaining local acceptance as the legitimate government of Free China) would be served by promoting economic development and liberalization. As a consequence, Taiwan in the 1960s could achieve rapid economic growth which reached an average rate of 9.5 percent.
3. The Public V.S. The Private Enterprises

In spite of the declining share of state enterprises' output in the 1960s as a result of economic privatization, public enterprises have again played a major role in the economy since the 1970s due to the promotion of capital-intensive industries. For instances, in 1980, of the ten biggest industrial enterprises in terms of sales, seven were state enterprises; of the largest fifty, state enterprises occupied nineteen; in the light of assets out of the top ten, nine were state enterprises.  

Besides that, the state enterprises have covered a wide range of strategically important sectors such as steel and other basic metals, petrochemicals, heavy machinery, shipbuilding, fertilizer, transport equipment, in addition to the monopoly of petroleum refining, the banking sector, nuclear power, tobacco and wine, and public utilities like electricity, gas, water, railway, and telephone. The significance of the public enterprises on Taiwan is that they consist primarily of Taiwan’s energy, utilities, most industrial raw materials, and heavy industrial sectors. Through the concentration of these upstream sectors, the state can exert great influence over the downstream sectors of private interests by using the control mechanism of the upstream sectors' prices and supplies.
Meanwhile, there is the absence of state policies encouraging small private enterprises to develop large private industrial groups. As a result, all these leave little space for local capitalists to become great players in the economy. Obviously, the Nationalists can use public enterprises’ leverage to at least check the hostility created by the private sectors, and to at most enhance their autonomy and capacity to achieve their economic goal. One may reasonably suggest that even though the importance of the state’s role as a producer on Taiwan has declined compared with an increasingly important role played by the private sector in economic production, the state dominant position in the economy as a banker, a planner, and an entrepreneur remains little changed.

The reason for such large state enterprises are not simply a matter of the economic costs of benefits, even though the poor performances of the public enterprises have been in heavy machinery and shipbuilding. It is, instead, justified by the party ideology as needed to help expand its power base, develop the national economy, and overcome critical bottlenecks (transitions from labor-intensive to capital- and technological-intensive industries). National security reasons are also added to these justifications, particularly with regards to strategically important heavy industries.
The state’s leverage over the private sector has been further strengthened by its control over banks and access to foreign capital, its control of foreign exchange, its power to screen and monitor the activities of domestic and foreign investment through industrial licensing, import quotas, subsidies, discretionary enforcement of regulation, and other incentives and controls, and its isolation from the Taiwanese private interests.

Yet we can not reach conclusions hastily that most or all of the private enterprises have been under the state’s firm control and without state assistance they hardly survive competition in business. Instead, there are many alternatives and perhaps even more profitable ways for the private enterprises to do business in the booming economy which Taiwan has witnessed over the past three decades without the state’s intervention.

To establish the small and medium local business, most Taiwanese businessmen can obtain their financial needs by borrowing from relatives, friends, and others in the black credit market. This makes the private sector easier to secure capital largely resulting from Taiwan’s very high personal saving rate. To participate in joint ventures with multinational corporations (MNCs), a large number of local capitalists, particularly the older generation, are able to get loans, technology, and marketing networks from
Japanese MNCs due to their close linkage to Japan by ties of sentiment and language from the colonial periods.

For the private sector, the most effective way to undermine the autonomy of the KMT state in regulating socio-economic development is to become a law-maker at the national level through the electoral process. Since 1972, there have been growing vacant seats in the central representative bodies opening to periodic elections. This gives local capitalists obvious advantages to get elected and let their voices be heard or interests be served in these bodies. Mainly because a fundamental feature of Taiwan’s elections is the fact that it is very hard for candidates to get elected without vast personal fortunes, which are necessary for everything from sending people gifts to buying votes, even though the effectiveness of money politics in the races has recently declined somewhat.

Therefore, we can conclude that the emergence of the increasingly stronger private sector in Taiwan as a consequence of the rapidly growing economy has gradually undercut the autonomy of the state in economic policy-making, but its role in the process is not decisive. This is because the Leninist type of the KMT party-state is still powerful enough to formulate and implement the major policies.
In sum, there is little doubt that the U.S. mission with aid leverage pressed the Nationalists for adoption of more liberal economic policies for encouraging the development of private industry, which subsequently emerged with a huge number of small- and medium-scale Taiwanese enterprises accompanying the booming economy, thereby to some extent challenging the state’s dominance of the economy. As Denis F. Simon points out, "although the U.S. assistance missions to Taiwan never actually adopted a policy platform that emphasized the development of democracy on the island, they did advocate a position that stressed the need to integrate local Taiwanese into the framework of economic, and perhaps even political power. One way to accomplish this is through the further development of private enterprises on the island."\(^{41}\)

U.S. persuasion of economic reform was very successful in Taiwan because the Nationalist government realized the urgent need for reform in order to preserve its own interests in relieving the heavy military burden and in legitimizing the authoritarian rule through good economic performance. The political leadership of the KMT saw economic reform in its long-term interests. Moreover, the state’s occupation of a large number of strategic industries, coupled with its control of the banking sector, foreign exchange and other external transactions, and its
power to monitor the activities of private firms led to at least two consequences.

The first is that it left little room for conglomerate business groups to play in the economy; the second result is that it gave the state strong leverage over local capitalists. Yet the latter are gradually strong enough to stand on their own feet through financial assistance from their own social networks, and through the cooperation with the Japanese MNCs. Local capitalists on the island have begun to penetrate the state apparatus and to gradually occupy an important place in the political-economic system because there have been increasing empty seats in the national representative bodies available for elections since 1972. As a result, the state's autonomous and strong role in Taiwan's economy has been gradually undermined.

Similar to the situation in Taiwan, the U.S. mission in South Korea was also dedicated to the growth of the private sector and used its aid leverage to improve the climate for free enterprises. In order to secure the massive inflow of U.S. aid, Rhee's regime, through its control of U.S. aid created and sustained a number of so-called "political capitalists" for the financial resources of Rhee's liberal party in the 1950s. However, this political interdependence did not last long as the new entrepreneurs turned away from Rhee's regime and secretly channeled funds into the opposition Democratic Party in the
latter years of Rhee’s rule due to their losing of confidence in Rhee’s regime.

What concerned Rhee’s regime most during the twelve-year rule was to maximize U.S. assistance and channel a large amount of aid money to the state apparatus aimed at perpetuating the existing structure of social control through harsh measures. Rhee knew little of economics and had no constructive plan for development. All major economic policy decisions were simply based on “conservative policy of patchwork ad hoc resolutions.”42 The Rhee’s regime relied heavily on the U.S. aid to survive. When the misuse of aid, corruption and favoritism of the regime were visible, the United States decided to sharply decrease its aid to Korea in 1957. As a result Korea suffered a great blow to the economy—GNP growth rate plunging from 8.7 percent in 1957 to 5.2 percent in 1959.43 The task of economic reform was postponed until Park Chung Hee took the office in 1961.

On assuming power, Park was aware that the achievement of economic progress was needed as a substitute for the political legitimacy which his regime lacked in the beginning. As D. Cole and P. Lyman have suggested, “the growing emphasis on economic development as a source of final legitimization and popular consensus for the new
regime seems neutral. The growth of economic awareness during the previous decade had made economic performance almost a "must" for any regime that hoped to succeed after 1960."

Park also realized that his regime could not secure the United State’s maximum support without making strong efforts to bring about economic development. This support was crucial for Park’s overall political-economic strategy, mainly because the U.S. was not only an important source of tremendous military assistance, but of considerable technical and capital help.

For the U.S. part, it continued to push its aid objective emphasizing the need for growth of the private sector. In response to these circumstances, the Park regime rated economic development as the center of the national agenda and began a series of economic reform in the 1960s.

As in Taiwan, institutional changes in Korea at that time included tax relief for exporters in 1961, full-scale export targets in 1962, the exchange rate reform -- significant devaluation of won from 1964 to 1965, a rationalization of import controls from 1964 to 1966, and an expansion of credit incentives for export, the period 1964-1966.

The U.S. mission, on the other hand, increasingly directed the aid program towards the development emphasis.
through most of the 1960s. More than 80 percent of aid funds which were heavily concentrated on infrastructure and manufacturing undoubtedly led to investment by private or public enterprises. It became evident that the mutual interests between the U.S. and South Korea governments had grown since Park’s implementation of a more capitalist style of development. Mainly because Korean adoption of more liberal economic policies would, in American eyes, be conducive to the development of a reasonably moderate, stable, democratic form of government that could produce economic progress. This would help both economic development and political democracy in Korea. Thus, there are some similarities between U.S. aid to Korea and aid to Taiwan during the aid period in terms of aid strengthening the role of the private interests.

Some interesting comparisons between the two countries worth mentioning here are the degree of the state control within the economy and its consequence. As in Taiwan, the state in Korea plays a leading role in such key areas as steel, petrochemicals, machinery, nonferrous metals, automobiles, shipbuilding, and electronics, but allows more local equity, especially those large indigenous firms, participation in most of public sectors. Yet the state in Taiwan holds its own and keeps control over key sectors, even though a small portion of some public enterprises’
equity is available to the public in Taiwan's stock exchange.

Table 3.4 is a good example illustrating the difference between the two countries in terms of output and investment shares of public enterprises.

Table 3.4
Output and Investment Shares of Public Enterprises

<table>
<thead>
<tr>
<th>Area</th>
<th>Period</th>
<th>Share in GDP at Factor Cost(%)</th>
<th>Share in Gross Fixed Capital Formation(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>1951-53</td>
<td>11.9</td>
<td>31.4</td>
</tr>
<tr>
<td></td>
<td>1954-57</td>
<td>11.7</td>
<td>34.3</td>
</tr>
<tr>
<td></td>
<td>1958-61</td>
<td>13.5</td>
<td>38.1</td>
</tr>
<tr>
<td></td>
<td>1962-65</td>
<td>14.1</td>
<td>27.7</td>
</tr>
<tr>
<td></td>
<td>1966-69</td>
<td>13.6</td>
<td>28.0</td>
</tr>
<tr>
<td></td>
<td>1970-73</td>
<td>13.3</td>
<td>30.5</td>
</tr>
<tr>
<td></td>
<td>1974-77</td>
<td>13.6</td>
<td>35.0</td>
</tr>
<tr>
<td></td>
<td>1978-80</td>
<td>13.5</td>
<td>32.4</td>
</tr>
<tr>
<td>Korea</td>
<td>1963-64</td>
<td>5.5</td>
<td>31.2</td>
</tr>
<tr>
<td></td>
<td>1965-69</td>
<td>-</td>
<td>24.2</td>
</tr>
<tr>
<td></td>
<td>1970-73</td>
<td>7.0</td>
<td>21.7</td>
</tr>
<tr>
<td></td>
<td>1974-77</td>
<td>6.4</td>
<td>25.1</td>
</tr>
<tr>
<td></td>
<td>1978-80</td>
<td>-</td>
<td>22.8</td>
</tr>
<tr>
<td>Asia</td>
<td>1974-77</td>
<td>8.0</td>
<td>27.7</td>
</tr>
<tr>
<td>(average)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>1974-77</td>
<td>6.6</td>
<td>23.4</td>
</tr>
<tr>
<td>(average)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Taiwan's public enterprises play much more important roles than Korea's, the average of Asia's and Europe's as indicated in Table 3.4. Short, in his comparative study of
the importance of public enterprises globally (excluding communist bloc and oil-exporters) using two indicators—the percentage share of public enterprise output in GDP at factor cost and the ratio in gross fixed capital formation, has found that with regard to percentage share in gross fixed capital formation, Taiwan had 13 to 14 percent in the 1970s in contrast to only 6 to 7 percent in Korea during the same period; in the light of the ratio of public enterprises in gross fixed capital formation, Taiwan, over the 1970s, had 30 to 35 percent much higher than Korea's 22 to 25 percent.

According to both indicators, Taiwan is one of the few countries in the world with the biggest public enterprise sectors in sharp contrast to Korea's, which is in the similar order of magnitude as the average countries' in Asia and Europe.\textsuperscript{45} The difference between Taiwan and South Korea may also reflect in governments' expenditures on research and development (R & D) in new technology, e.g. computer software, semiconductors, biotechnology, and so on. Government in Taiwan, for example, spent more than 70 percent of total R & D expenditures on the information industry in 1985 in comparison with only 45 percent in Korea.\textsuperscript{46}

One basic difference between Korea and Taiwan is the size of private industrial organization. In the late 1960s, the state in Korea was eager to promote the growth
of big companies (chaebol) along the lines of the Japanese zaibatsu by adopting a policy of offering incentives e.g. low interest loans, the state’s tax assessments, and import/export licenses to small firms to merge, subsequently making themselves more competitive globally. As a result, the thirty to fifty chaebol account for the bulk of the Korean manufacturing output.

On the whole, the less concentrated nature of Taiwan’s economy can be found as follows. From 1966 through 1976, the number of manufacturing firms in Taiwan jumped by 250 percent, while the number of employees per firm increased only 29 percent. By contrast, Korean pattern is quite different: during the same period, the number of manufacturing firms increased by only 10 percent, while the number of employees per firm sharply increased by nearly 200 percent. In Taiwan, the average size of manufacturing firms was only 27 employees in 1976, compared to 69 in Korea. In 1987, the top ten companies in Korea accounted for 63.5 percent of the country’s GDP, in Taiwan, only 14.3 percent.47

The reasons for the difference between the two countries’ industrial organization can be explained by a couple of factors. First of all, the expansion of many small businesses in Taiwan is closely related to the absence of state policies promoting the growth of big
enterprises, mainly because the regime felt insecure about the potential for local Taiwanese economic strength to become too powerful to be checked. The historical tragedy of "February 28 Incident" in 1947, the ethnic distinction between mainlanders minority and Taiwanese majority, the party's anti-big-capitalist philosophy, and the lingering perception that the leadership regarded Taiwan as a temporary base from which to drive the communists from power, acted as major motivating influences in this respect.

In contrast, Korea has been considered as one of the few homogeneous countries in Asia in terms of ethnic, cultural, and linguistic homogeneity. In Korea, to both government and large private firms, vertical and horizontal integration of small firms allow "an enterprise to alleviate risks and the uncertainties of market instability and rapid structural change" which they feel are in the best interest of Korea. Under the consensus, the enforcement of interventionist policies is implemented by the Korean government. The state made a serious effort to attract foreign investment it considered desirable while demanding foreign firms with regards to local participation, technology transfer, management control, exports, and product specification. Backed by generous government financing in both won and dollars, Korean firms have more opportunities to develop significant
capabilities. According to R. Luedde-Neruath's survey, out of all the Korean firms' participation in joint venture with foreign investment in January 1976, "only 29.7 percent took the form of wholly owned subsidiaries," compared to 33.1 percent in Japan, and 69.1 percent in the average ratio of all countries in the sample, for the corresponding share.49

Moreover, unlike the Nationalist government in Taiwan, which has been more seriously concerned with price stability in the process of economic development, the regime in Korea ambitiously pursued rapid economic growth but at the cost of high inflation. Park regime, for instance, adopted the "cheap money" policy for most of his rule and ensured that it provided massive amounts of cost funds to targeted sectors, but this policy produced negative real interest rate and discouraged Korean saving rate. Not surprisingly, the Korean saving rate has always been much lower than Taiwan's.

Under this circumstance, the Korean priority sectors backed by the state, squeezing nonpriority sectors, relied heavily on foreign borrowing, which subsequently caused a huge debt rising from about $300 million at end of 1966 to about $7 billion at the end of 1976. As a result of the Korean state's favoritism toward large capital, more than 80 percent of total manufacturing investment went to heavy
industry between 1977 and 1979. This is similar to what Johnson has described the public-private-cooperation model in which both government and large private firms are seen in a collective huddle with the single-minded commitment to an outward-looking development strategy based on international competitiveness. 50

The second factor explaining the striking difference between the two countries' size of firms is the legacy of culture. In Korea, there has been a strong sense of national identity due to Korea's long history of foreign invasions by China, Japan, and the Soviet Union. In particular, Japanese colonial rule left Korea with bitterness and hostility against the Japanese. Those bitter feelings continue to prevail among Koreans in the post-war period. As a result, the desire to catch up with Japan's economy helps to enhance a powerful Korean nationalism able to support national economic objectives which were described by the authority as "an economic war with national survival and the welfare of the masses at stake." 51

Taiwan, like Korea, witnessed Japanese colonialism; most Taiwanese, like their counterparts in Korea, had a negative attitude toward the Japanese colonialism but their attitude turned to be more positive after comparing their lives under the colonial rule with "the darkest days" of life in the early period of the Nationalists' rule on the
island: the most notable event was the tragic "February 28 Incident" and the following "white terror." Instead, especially for the old generation of Taiwanese who enjoyed great social peace and order under Japanese rule who often recalled the "good old days" as compared with social chaos in the early period of the Nationalist' rule. Therefore, unlike the situation in Korea, there is an absence of nationalism in Taiwan motivating people to support the notion of Taiwan’s people as a team against the outside world. In addition to that, a popular saying in Taiwan--"better the head of a chicken than the tail of an ox"--which encourages many individuals to become his (her) own boss rather than to work as a subordinate or member of a team helps to explain the contrast between the two countries.52

It becomes evident that Korea’s chaebol occupying a central position in the economy is not seen as a threat to the regime as it would be in Taiwan. The chaebol groups, however, enjoyed no hegemony of power as a dominant class which can constrain the autonomy and capacity of the state. The big capitalist class in Korea, is, instead, more vulnerable to the state intervention which exercised great power from planning and developmental policy, to the control of prices and wages, and to an examination of
export-led industrialization policy, heavily influencing the activities of the enterprises.

The big business groups in Korea under state protection benefited from the state-led policy of export promotion rather than from their own initiation. Thus, the Korean state like Taiwan’s had "the whip hand" as "the Chairman of the Board." As R. Luedde-Neurath points out, "government authorities can make life extremely difficult for 'uncooperative' firms. Firms respond to this by attempting at all times to remain in favor with the government and maintain a low public profile. The great fear of Korean businessmen is to fall out of favor with government, to have the 'illicit' profits confiscated, or to be punished for activities which are common practice, but strictly speaking illegal."53 Yet the KMT state has a more liberal management structure, even though it enjoys hegemony of power over the society.

Both the governments of Korea and Taiwan have played the leadership role in the economic development plans. But Taiwan’s economic plans, unlike Korea’s, are of an indicative nature rather than command-type. Few Taiwanese firms take them more seriously. Economic plans in Korea, in contrast, have been given exclusive attention to by both government authorities and business groups. For example, after the government issued export targets to firms close contact between them was maintained in monthly trade
compliance and to achieve export targets through the state's extensive use of incentives and discretion. These administrative mechanisms have not been seen in Taiwan.

4. The Consequences

The socio-economic and political consequences of these striking differences between Korea's and Taiwan's industrial organization are that first, this is an unbalanced growth in Korea in terms of the state's favoritism toward large capital because the small-and medium-size firms running out of funds and squeezed from the market as the result of the state discriminatory policy, have little room to develop; second, in social terms, Korea's much larger firms heavily concentrated in few hands is a symbol of social inequality because the overwhelming majority of Korean people have a sense of relative poverty and deprivation as compared with the "octopus-like" chaebol; third, it is inevitable for the chaebol to develop as political capitalists based on the belief that economic power and political power always walk hand in hand.

Indeed, big business' influence upon the state has increased significantly as the regime in Korea began to depend heavily on economic performance as legitimating its rule, combined with symbiotic financial relationships and
depend heavily on economic performance as legitimating its rule, combined with symbiotic financial relationships and chaebol corruption. As K. D. Kim observes, they are big business groups who "play on political connection to gain economic favors in exchange for political contributions;"^54 more importantly, high labor concentration in a small number of chaebol groups nurtures a class consciousness among the massive factory workers, which provides the major impetus to labor disturbances. This is particularly true in South Korea and Latin America which are in sharp contrast to Taiwan.

Chen describes Taiwanese workers in light, labor-intensive industries as a "filial proletariat," whose obedience is based on job insecurity—working being needed to earn minimum wages for maintaining supportive family relationships as insurance against loss of job.^55

A number of factors explain this docility of workers in Taiwan. First, in terms of labor concentration, in 1976 the average size of firms in Taiwan was only 27 employees, compared to 69 in Korea at the same time. Undoubtedly, less labor concentration in small- and medium-sized firms of Taiwan provided organizational inconvenience for factory workers making demands for pay increase and improvement of working conditions. The second factor is based on the labor management that in contrast to Korea's managerial despotism, the predominance of Taiwan's small-scale firms,
owned by the same set of people (usually close relatives), is managed through face-to-face relations rather than chains of command—Korean style. This helps to explain why management has become one of the few targets in Korea’s strike, especially in connection with unfair labor practices. Third, Taiwan’s industrialization in the private sector has been closely associated with a continuation and intensification of primarily light, labor-intensive industries, while the main projects of heavy and capital-intensive industries have primarily been carried out by public enterprises.

According to many analysts, the highly weak labor movements are largely confined to light industry workers, particularly in textile, garment, knitting, and electronics production. The reason for this is that low percentages of unionized workers, being often seen in the light export industries, are highly unfavorable to organized protest because such protest increasingly takes the form of individual grievance, high quit rates, and predominance of small, spontaneous work stoppages.

The labor movements between the 1960s and 1970s in Taiwan, offering a splendid case, demonstrated the weak power and ineffectiveness of labor protest in light, labor-intensive industries. Galenson notes that between 1965 and 1975, female labor-forces in Taiwan constituted nearly 80
percent of all export-processing zones. Female workers in Taiwan, whose majority of them were young and single, were hired at very low wages and were more easily disciplined and controlled at the work place.\textsuperscript{57} A young female's entry into the industrial work force was primarily to earn extra money for supplementing the family, and to meet a future spouse before forming a family of their own.

According to Salaff and Chen, this family-centered work orientation of young female workers increases high turnover rates and high rates of absenteeism and thus reduces the potential for unionization and collective action.\textsuperscript{58} This, plus the KMT's penetration of trade unions and legal restrictions on labor activities, may account for the continuing "pattern of minimal direct intervention by the government in industrial disputes..."\textsuperscript{59} Government data on Taiwan labor disputes indicate that of about 5,000 recorded industrial disputes during the 1976-1983 period, only 21 relied on state involvement.\textsuperscript{60}

Labor disputes in South Korea since the late 1970s, by contrast, have demonstrated tremendous strength, effective organization, and collective action among workers in heavy industries, e.g. automobiles, steel, mining, and shipbuilding, rather than in light export industries. This greater power and effectiveness of labor protest in heavy industries largely derives from workers' greater job commitment and employment security which encourages
Solidarity and independent unionization; only strong and autonomous labor unions can provide organizational focus and resources for effective collective action vis-a-vis employers and state. Most of Korea’s strikes were directed at demanding a substantial pay increase, the improvement of industrial management, and union autonomy from both employers and the state.

High levels of Korean militant-oriented labor protest have been reinforced by "third party intervention"; the Catholic church, radical students, middle-class political activists made serious efforts to educate, organize and politicize more militant labor forces, thus playing important roles in helping workers to organize independent unions at the workplaces, to provide legal assistance in labor disputes, and to maintain morale during the course of the long strike. In contrast to Taiwan’s, the relatively higher levels of Korean labor disputes are more vulnerable to the reliance on state arbitration and repression to contain economic and political disruption. The political and economic exclusion of labor in Korea, however, brought about significant negative consequences. That is, mass unrest, and particularly an offensive by labor would generate a threat to not only the economic system, but to political authoritarianism. Over time, the expansion of Korean politicized workers has been especially apparent in
heavy and capital-intensive industries, along with institutions and patterns of life that reflect their common mode of livelihood, in part a result of substantial economic sustenance and security.

The contrasting situation is posed by Taiwan's industrialization, which attracts large numbers of female workers among whom job instability rates are high and commitment to jobs and unions are low. Thus, this creates the conditions for the emergence of what Gates calls a "part-time proletariat," workers unable to be conscious of themselves as a class, in opposition to employers and state. This is not, however, to say that Taiwan's society as a whole is immune from labor disputes.

Indeed, labor movements in Taiwan have been struggling for more wage and bonus increases, and political recognition, since the suspension of martial law in June 1987. In sharp contrast to that in Korea, there is little evidence that labor movements in Taiwan were politicized by third party intervention; almost all labor demands were confined to more economic benefits; the protest of Taiwanese workers was poorly organized, primarily defensive in nature, and quickly vulnerable to state arbitration; there was no eruption of a wave of strikes, nor were the conflicts violent. As Frederic C. Deyo points out, in terms of the organizational effectiveness of labor movements, the number of workers' involvement in strikes
and the size of stoppages, Taiwan is the "shrimp" compared to Korean "octopi."\textsuperscript{63}

C. Differences and Similarities

As discussed above, an obvious explanation for the marked difference between Taiwan's and South Korean labor movement relates to the level of labor concentration of firms which would provide labor with organizational advantage or disadvantage in industrial disputes. But, such an approach seems too inadequate to present as a comprehensive analysis of the role of the labor movement in both countries' democratic transition.

Valenzuela in the study of labor movement in democratic transitions of Latin America since the mid 1970s offers a more comprehensive framework for analysis because he not only addresses the question of under what condition labor movement may affect the political change and vice versa, but takes four major relevant factors into consideration. He links labor movement to democratization based on the three variables: (1) the effects of the regime's policy toward labor and its political allies; (2) the relative strength or weakness of organized labor and its unity or division; and (3) the relationship between the labor movement and the elites guiding the transition, and the types of the transition.\textsuperscript{64} This study will apply
Valenzuela's methodology to the cases of Taiwan and Korea, aimed at briefly analyzing major differences in the relationship of labor movement to political opening between the two countries, in the 1960s and the 1970s.

Constant threats from North Korea since the World War II provided the regimes in South Korea with effective ideological resources in pursuing the more repressive labor control but the labor policies under various regimes had altered to an extent over time. No matter what the policy of oppression toward organized labor the regimes had introduced in the post-war period, one thing was certain that the Korean working class often possessed some certain autonomy, mainly the freedom of association, collective bargaining and collective action, which resulted from the combination of its long-term struggle, the assistance from "the third party" (e.g. the church and student activists) and the administrative authorities' permits.65

The Rhee regime in the fifties did not intensify its control of labor; what concerned his regime most was to prevent the left-wing union from reemerging. Although the Rhee regime was able to bring union activities under government control, unions were in general allowed to engage in collective bargaining. During the late 1950s, as the opposition forces including the students and intellectual were strong enough to threaten the continued
role of Rhee, his regime was forced to give unions more autonomy.66

Under the Chang regime in the Second Republic, numerous unions from the extreme right to left mushroomed overnight, taking advantage of the lax political climate after the removal of the autocratic Rhee regime. Labor disputes and stoppages also rose sharply. Korean society as a whole was filled with the practice of abuse of freedom, but the Chang regime lacked a comprehensive plan and an effective leadership in handling the worsening political, economic, and social situations. These developments certainly opened the door to the military intervention.

The regime under Park in the Third and Fourth Republic had intensified its control over labor over time, mainly because his regime had deliberately pursued a low wage policy designed to keep a Korean competitive edge in the world market, thereby putting workers under corporate control. At the national level, there were two centralized organizations responsible for labor control. First, the state created a central worker organization, the Federation of Korean Trade Unions (FKTU), through which to monopolize the selection of union leaders, the handling of labor disputes, and the supervision of local labor affairs. The second centralized organization was Labor Committee (LC)
which was empowered to approve or disapprove the newly organized unions to form, to dissolve "illegal" unions, and to distribute the representation in settling labor disputes.\textsuperscript{67}

However, the state control of organized labor was by no means total, particularly at the enterprise level. In fact, the freedom of unions to organize and bargain collectively were taken away in 1961 by the military junta following the 1961 coup but restored to the same extent in 1962 when the junta promised to return power to civilian politicians in 1963. Again, in 1972, the year before imposing a more authoritarian Yushin system, the regime suspended the workers' basic rights. Thus, before the enforcement of the Yushin constitution, the workers were given more room to organize, bargain, and act collectively. Indeed, between 1968 and 1972, with the help of church communities, around 40,000 workers at about 100 companies were unionized, in spite of the fact that the regime attempted to exert firm control over union activities.\textsuperscript{68}

Coincidentally, following the organization of a number of independent unions, the cases of Korean industrial disputes increased radically from 70 in 1969 to 101 and 346 in 1971 and 1972, respectively.\textsuperscript{69} Perhaps for this reason, or perhaps because of Park's very slim victory in the 1971 presidential election, emergency rules and special presidential decrees were established under which the
government including the security apparatus interference in labor control was intensified. The coercive measures such as fearful investigation, blacklisting, physical intimidation, mass dismissal, and crackdowns were justified under the name of social and national security. The establishment of unions in foreign firms was tightly restrained. Under the 1971 Special Law regarding the national security and the following amendment to the law laws in 1973-1974, the government strictly prohibited any unions' collective bargaining and strikes in all factories. Under the Yushin system, the regime also decided to weaken organized labor as legitimate bargaining agents in labor disputes by establishing labor-management councils at all firms with unions. Consequently, the increasingly firm government controls had some chilling impact on union collective action.70

Table 3.5
The Frequency of Labor Disputes in Korea, 1972-75

<table>
<thead>
<tr>
<th>Year</th>
<th>'72</th>
<th>'73</th>
<th>'74</th>
<th>'75</th>
<th>'76</th>
<th>'77</th>
<th>'78</th>
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<tr>
<td>Number</td>
<td>346</td>
<td>367</td>
<td>666</td>
<td>133</td>
<td>110</td>
<td>96</td>
<td>102</td>
<td>105</td>
</tr>
</tbody>
</table>


As shown in Table 3.5, in 1972, the year before the imposition of Yushin system (1973-79), there were 346 cases of labor conflict reaching to a climax of 666 in 1974.
However, in 1975 when the strict government control began taking effect, labor disputes dropped sharply to only 133, and remained at the annual average of around 100 for the rest of Yushin period.  

Table 3.6  Labor Conflicts in Korea, 1963-1971

<table>
<thead>
<tr>
<th>Year</th>
<th>'63</th>
<th>'64</th>
<th>'65</th>
<th>'66</th>
<th>'67</th>
<th>'68</th>
<th>'69</th>
<th>'70</th>
<th>'71</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>89</td>
<td>126</td>
<td>113</td>
<td>117</td>
<td>105</td>
<td>112</td>
<td>70</td>
<td>88</td>
<td>101</td>
</tr>
</tbody>
</table>


Although there was a considerable reduction in the number of labor disputes over the late 1970s, such reduction was very similar to the level found in the 1960s, as shown in Table 3.6. This indicates that Park's regime beginning in the early 1970s used more repressive policies to stop the momentum of labor movement from keeping rolling, but that organized labor efforts to increase its political voice and organizational strength did not discontinue, just making little progress. For example, among foreign companies in export-processing zones, only 10 percent were unionized.  

Nevertheless, organized labor in heavy industrial sectors rose sharply during the 1970s: the rate of unionizing in large factories of more than 500 workers doubled from 20 percent to roughly 40 percent. In spite
of repressive measures, there were a number of labor protests challenging local government and employers. Of them, the most significant dispute was the shipyard workers' strike at the Hyundai Shipyard in 1977. Unlike most other strikes which had posed little threat to the authorities, the 1977 stoppage involved 3,000 workers' fist-fights against one thousand riot police and ended in near full scale rioting, rocking Korea's society. However, on the whole, under stern crackdown from the government many core groups of unions under the guidance of religious activists went underground, continuing their struggle to organize workers in firms without "unions" and to activate "sleeping" unions by educating workers. Their goal was not to directly challenge the government and employers, but to secure the conditions in which they could accumulate the latent class capacity of labor, aimed at planning for the next stage.

During Korea's period of political crisis in 1979 and 1980 which followed the assassination of President Park, a massive number of labor organizations, even in export-processing zones, was born. Labor disputes also escalated sharply from the total 105 in 1979 to 2,168 in 1980. More importantly, not only the management but the state became the targets of the labor movement, simply because more and more workers realized that the triple alliance
among the state, the corrupt top leadership of FKTU and management was solely responsible for the alarming decline of workers' living standard over the years despite the higher growth rates of Korean economy. During this period, labor conflict showed three major characteristics: request for good pay and the improvement of working conditions, the violence-oriented movement; and the high levels of politicization of labor such as calling for the restoration of three basic workers' rights and the democratization of existing unions, and joining the student-led massive anti-government rallies in Seoul demanding the lifting of martial law before the May 17, 1980 coup. Obviously, the Korean workers as a whole had been politicized beginning in the late 1970s.

On the surface, the sentiment of labor movement in Korea was clearly strengthened with a sudden power vacuum created after Park's death. Beneath the surface, the more important fact was that organized labor in Korea had already enjoyed their basic rights to the extent before the 1961 coup. These basic rights, except during the short-term period of martial law, was restored between 1962 and 1972, and taken away during the period of the Yushin system. In practice, unions were given "a little" space to organize, and to bargain and act collectively through most of the Park years. Indeed, a 1973 revision to Labor Law prohibiting any collective bargaining without the
authorities’ issuing a certificate of legality reflected the fact that unions were in principle allowed to bargain collectively at least before 1973. To workers, the independent union was key to realization of their interests.

Although the consciousness of workers was generally low between the 1960s and early 1970s, a number of developments made workers become more conscious. First, in spite of the impressive economic growth, in the 1960s and 1970s, the living standards of most workers continued deteriorating, particularly double-digit inflation rates being blamed most. A very small number of upper class, on the other hand, had dominated the benefits of rapid economic growth, deepening disparity between the rich and poor.78

Second, in the 1960s, under the government slogan of "First Construction, Later Distribution," workers sacrificed themselves for economic development. They began to be frustrated and angry in the early 1970s when management’s selfish misdeeds became well-known. These wrong-doings, as Jeong-Taik Lee describes, "include (employers) absconding with company profits for which workers had sacrificed themselves, the way in which employers dealt with their insolvent firms (employers remain rich while their firms went bankrupt, and workers
jobless), and employers humiliating rhetoric they frequently used in defending themselves against workers' claims for wage increase (they often blamed low wages on the low education backgrounds of workers and being born female). The "Y. H. Incident" of August 1979 served as a typical example, in which some two hundred dismissed female workers of the Y. H. staged a two-day sit-in demonstration, sparking popular riots in Pusan and Masan and eventually leading to the end of the Park regime.

Third, the political consciousness of the Korean workers was also raised by the fact that the government often sided with management, paying little attention to the prevention of workers' exploitation by management. The routine appearance of government control agents at the workplace was perceived by the workers as the evidence of the government-management close alliance in labor repression.

Finally, partly because Korean workers constituted the country's single large group and the principal force that exerted pressure on the regime, and partly because labor continually suffered the worsening living standard, the poor working conditions, and the government firm control over union activities, the Christian community and student activists were sympathetic with the working class in the beginning, then sensitive to labor issues, and gradually became more deeply involved in the labor movement. In spite of strong criticisms from the authorities, these
outside groups made serious efforts to make workers aware of their rights through education, helping workers to form a union through their members at the workplace, teaching workers to seek more reasonable treatment from management in labor disputes, and to form strong ties among themselves. Even many student activists became the leaders of labor movement after graduation.\textsuperscript{80}

As a large part of Korean labor became more politicized, or even militant over the 1970s, it was very hard, if not impossible, for the regime to turn the clock backwards to a policy of total control. The increasingly strict government's control over labor would be counterproductive. As J. S. Valenzuela argues, "(i)n general, a syndically harsh regime will generate a greater accumulation of pent-up resentments and demands among workers, which can lead, when the authoritarian regime enters a crisis or begins a process of democratization, to a singularly strong wave of strikes and demonstration".\textsuperscript{81}

This description would apply well to Korea in the "Spring of Seoul" of 1980 in which the loosened political control after the Park's death made it possible for workers to raise all kinds of demands including the democratization of labor unions and fair distribution of wealth, using all the measures including death threat or violence against
management, and to join the student-led anti-government demonstrations.

In contrast, Taiwan’s labor controls, unlike Korea’s, was far more restrictive politically and socially. Before the lifting of martial law in 1987, labor unions had been tightly circumscribed from the very beginning when the Nationalists came to the island.\(^8\)

The workers’ rights to organize and bargain collectively were strictly limited by Taiwan’s labor-related laws, and enhanced by the actual practices. No unions were allowed among civil servants, teachers, and military-related industry workers. Although the state-owned industries like steelmaking, shipbuilding, utilities, and so on, with hundreds or ten thousand employees were permitted to organize an union, only one single union at the same state-enterprise was approved. In fact, the KMT already organized many state employees into the party-sponsored legally-recognized unions before other workers attempted to organize a second union at the same state-enterprise.\(^8\)

At the private-sector enterprise level, the Labor Union Law forbade the firms with less than 30 employees to organize unions. This small size of Taiwan’s companies made up nearly 70 percent of the total workforce. Although the legislation allowed the existence of the joint union based on a condition that employees at two or more small
firms joined together to organize a unit of 30 or more workers, such multi-enterprise unions in fact were not approved by the authorities. Therefore, given the predominance of the small size of most Taiwan's enterprises in industrial structure, only a very small proportion of Taiwan's laborers working in the medium- and large-scale private sector, theoretically, had the right to form unions. But, this right remained on the paper because as in state enterprises, the second union at the large private enterprises were prohibited; the previously established unions at the same enterprises as a whole had been preemptively incorporated into the party or management-backed control system. In practice, any one who attempted to promote an independent union would not be tolerated.

At the national level, the sole union federation with the authority's certification of legality was the Chinese Federation of Labor (CFL), with seven industrial federations affiliated with it. Other national union federations were not legally permitted. The CFL, with top leaders handpicked by the party, was traditionally regarded as a pro-government organization. At the local level, all unions with a county were grouped into a county federation, staffed by ex-military, security, or government officers, and tightly controlled by the party. As a number of
workers tried to form themselves into independent unions were by and large if not entirely defeated by the authorities or management in the first place, it was not surprising that these unions mainly functioned to enforce worker discipline, and raise funds for government projects. They sometimes addressed labor issues, mostly worker welfare, when the party had a relatively weak showing in the elections, particularly when the party’s candidates were defeated in a race for labor seats in the Legislative Yuan.⁸⁵

Meanwhile, under martial law, the workers’ right to strike had been forbidden outright, though other legislations like the Labor Union Law permitted the affected workers to strike if official arbitration failed. Partly because Taiwan’s Garrison Commander received the authority from martial law and other laws to crack down on any strikes and demonstrations, partly because the protest of Taiwan’s workers was poorly organized mainly small-scale in nature and vulnerable to management and authorities’ repression, it was very difficult to conceive of circumstances under which a massive strike would take place that exerted significant pressure on the regime. The tightly controlled workforce, however, attracted close attention in the international community, particularly from the U.S. government and some human-rights groups. In 1987, the U.S. administration under Reagan threatened to end
Taiwan's benefits under the General System of Preferences, a program giving many developing countries' products duty-free entry into the U.S., unless Taiwan granted full rights to its workers.86

As a result, Taiwan's working class remained acquiescent compared to its counterparts in South Korea. A possible explanation for this relates to the difference in the consistency and capability of government's policy toward labor control. In Taiwan, under martial law, the policy of political and social exclusion of labor remained intact from the very beginning to CCK's death in early 1988. The authorities' constant control mechanisms and the party's deep foray into labor unions had combined to contribute to the very weak labor movements in Taiwan. The effectiveness of labor control policy in Taiwan between the 1960s and the 1970s was due to the fact that the authorities' seldom hesitated to take harsh actions to quell any labor activists' attempt to organize an autonomous union on a national, regional, or industry-wide basis. Without an independent organization, which linked the workers with other sectors of society, it was very hard for workers to bargain and strike collectively.87

Likewise, any opposition forces' efforts to infiltrate the trade unions or form alliances with labor would not be tolerated. Outside groups, except the Tangwai camp, were
generally too weak to permeate other sectors of society or forge multiple sector alliance. Thus, the very low levels of Taiwan’s industrial conflict between the 1950s and the mid-1980s were attendant on the persistent establishment of political control first imposed by Chiang Kai-shek’s regime and later followed by his son, CCK. Neither relaxation in labor controls nor the political crises caused by the regimes’ breakdown provided Taiwan’s labor activists with good opportunities, who could form independent unions or organize protests effectively so as to gain employers’ or the authorities’ concessions.

In contrast, the labor control policies in Korea had often proved inconsistent in various regimes. As mentioned above, the government under Rhee implemented a moderate policy toward labor; the democratically elected government of Chang took a laissez-fair approach to the regulation of workers; the authoritarian regime under Park did not intensify its control of labor until 1972. The relatively liberal political mood, particularly during the period of the Second Republic, gave labor rights activists a great window opportunity to organize the large number of autonomous unions and effectively use strikes as a means of pressing economic and political demands. Such a practice of using power was beyond workers’ imagination because they had not enjoyed it before.
This sense of importance, combined with the deepening of relative poverty among the workers beginning in the 1960s and the "third party" involvement in the labor movement made Korea's working class more aware of its political rights to organize unions freely and bargain collectively. Between 1960-1970, although the main issue dominating labor disputes was still an economic one, the issue of getting official recognition of independent labor unions accounted for 22.3 percent of total labor conflicts in 1968, jumping from 14.3 percent in 1967, and remained high before the imposition of the Yushin system.88

Besides this, a number of independent unions under the help of the religious community began to emerge at the time. Even during the 1970s when Park's regime exercised more control over labor through the repressive extra-legal policies, the rate of organized labor, according to Jang-Jip Choi, accounted for about 20 to 25 percent of the total organized forces, particularly labor in heavy capital-intensive industries were rapidly organized.89

All these demonstrated that as Korean workers were conscious of themselves as a class fraction opposed to management and government, it was difficult for the authorities to wipe them out simply through coercion. On the contrary, government's excessive use of force might create a backlash, making the situation even more explosive.
Another critical indicator for an assessment of the strength or weakness of the labor movement between both countries is the income distribution. Generally, economic progress will dilute labor movement strength but the growing economic disparity between the rich and poor may increase labor movement strength.

By developing country standards, both South Korea and Taiwan in the 1960s demonstrated relatively egalitarian patterns of income distribution. The relatively equitable distribution of land following the land reforms of both countries during the 1950s was the major factor. However, a number of studies of South Korea and Taiwan indicates that a general pattern of growing income inequality in Korea in the 1970s was deeper and became "a very serious social problem, recognized by the majority of Korean people in the late 1970s and early 1980s," while the pattern of income equality in Taiwan had varied slightly during the same period.

Table 3.7 shows the comparison of income distribution for all households between Taiwan and South Korea since the 1960s. Korea’s Gini coefficient decreased from 0.448 in 1960 to 0.344 and 0.332 in 1965 and 1970, respectively, but increased to 0.391 and 0.389 between 1975 and 1980; whereas Taiwan’s Gini index had substantially fallen from 0.448 in 1960 to 0.333 and 0.293, in 1965 and 1970, respectively, but
increased slightly to 0.301 and 0.306 between 1975 and 1980. This indicates that the trend of reducing income inequality in Taiwan was more favorable than it was in Korea.

Table 3.7
Comparison of Income Distribution, 1960-80

<table>
<thead>
<tr>
<th></th>
<th>Korea</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top 20%</td>
<td>Bottom 40%</td>
</tr>
<tr>
<td>1960</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>1965</td>
<td>41.81</td>
<td>19.34</td>
</tr>
<tr>
<td>1970</td>
<td>41.62</td>
<td>19.63</td>
</tr>
<tr>
<td>1975</td>
<td>45.34</td>
<td>16.85</td>
</tr>
<tr>
<td>1980</td>
<td>45.39</td>
<td>16.06</td>
</tr>
</tbody>
</table>


In a similar vein, in Korea, the share in total income of the poorest 40 percent of the population declined from 19.34 to 16.06 percent between 1965 and 1980, while the bottom 40 percent of income group began to increase their share by more than 4 percent during the same period. In this period, the income share of the top 20 percent in Korea increased from 41.81 to 45.39 percent, while in Taiwan the share of the upper 20 percent dropped from 41.39 to 36.86 percent. There is little doubt that income distribution between 1960 and 1980 was more egalitarian in Taiwan than in Korea.
What explains this? The striking difference in patterns between two countries income' distribution can not be fully understood without exploring the impact of the major government policies on economic inequality. Monetary policies that had affected the pattern of income distribution in both Korea and Taiwan lay in their crucial difference.

For Park’s regime, economic development was not only a crucial base for political legitimacy, but also a justification for continuing authoritarian rule. Thus, an active government involvement in the economy with the strong commitment to economic prosperity was necessary. The extensive and forceful use of a wide range of incentives was introduced under Park’s regime intending to assure the targeted private firms' close following of the official line. The main incentive was differential access to low-cost credit. Interest rates on "policy" loans were much lower than those on ordinary loans. The real interest cost of such policy loans was often zero or even negative. This discretionary lending system created excess demand for policy loans, even though the government regulated credit rationing which usually favored large firms. As a result roughly half of all bank loans were allocated to manufacturing, mainly those for export. In order to help the targeted industries to grow much faster, the Park
government also allowed them to accumulate an excessive level of debt.\textsuperscript{91}

Under the drive of an aggressive spirit, the government printed a large amount of new currency during most of the 1970s to finance the targeted firms. The money supply, for example, increased at a 30 percent annual average rate in the 1970s. Total new funds, including the Bank of Korea, banks in general, and non-bank financial institutions, also sharply rose 82 times from 55.7 billion won in 1965 to 10,377 billion won in 1980.\textsuperscript{92}

In addition, the government’s inflationary financing can be found in the politically sensitive spending program. Due to the very slim victory in the 1971 presidential election, the Park government pursued a dual grain price system in an attempt to regain rural support by subsidizing farmers, while keeping low food prices in the urban areas. The total amount of such government subsidies accounted for about 15 percent of central government spending during the 1970s.\textsuperscript{93}

On the other hand, the motive for saving in banks was very low at the time. Under its "cheap money policy," the government policies discouraged personal savings by imposing nominal interest rates on deposits lower than 15 percent during most of the 1960s and 1970s. Given the existing high inflation rates, ranging between 13.4 to 35 percent, real interest rates were often negative.\textsuperscript{94}
Thanks to the government’s push for targeted industries through generous credit and tax incentives, the 20 largest Korean firms accounted for producing about half the value added in manufacturing. Even during the severe world recession between 1974 and 1975, Korea’s real exports increased by more than 30 percent. However, through Park’s years (1961-79) Korea’s double-digit inflation caused by the government’s inflationary financing really hurt the fixed-wage earners, particularly the workers and urban poor. According to Korea’s official statistics, inflation rates held at 17.4 percent on average between 1960 and 1970, and 19.8 percent between 1970 and 1980.\textsuperscript{95}

In the mid 1970s in response to labor scarcity and inflation, the government urged management to adopt an informal indexing of wage increase to the inflationary rates. Between 1976 and 1979, real wages in Korea rose by 78 percent which led directly to the GNP deflator rising 73.9 percent during the same period.\textsuperscript{96}

To make matters worse, the solidly rising values of the housing market at the time were pushed by the "cheap money policy." As mentioned above, the very low, often negative, real rate of interest on savings deposits caused by inflation made the general public unwilling to put their personal savings in banks, thus real estate became an attractive inflation hedge. The worst inflation happened
in the residential construction markets starting in the mid 1970s, when real estate speculation brought about excessive investment in real estate. Workers with no extra money to invest suffered most, while the middle class with property would benefit from it. The general effect was to deepen economic inequalities between the wealthy and the poor. The worker’s feelings of relative deprivation were fueled by the luxurious life styles of the rich, the increase of durable consumer goods and severe housing shortage in the cities. Not surprisingly, the angry workers in Korea provoked a series of labor protest movements during the political crisis in 1979 and 1980.

Unlike Korea’s inflationary financing, Taiwan managed to take the opposite route of monetary policy to development. Because the memories of China’s hyper-inflation during the civil war were still fresh, the Nationalists adopted a mild stabilization program of raising interest rates in an attempt to bring the inflation to a halt, while in the mean time using various means such as credit and tax incentives to promote economic development.

Taiwan was more cautious of granting bank credit at lower cost to approved firms than Korea. This is the major difference between the two countries’ use of credit incentives. As Scitovsky describes, "the criteria that qualify(ed) a borrower for low-cost credit tend(ed) to be
more generally defined in Taiwan than in Korea, and the
cost concession is (was) typically twice or even three times
greater in Korea than it is (was) in Taiwan". 99

Considering the factors of average interest rates and
inflationary climate in both countries, the real interest
cost of policy loans in Korea was zero or even negative,
but the real cost of ordinary bank loans was about 17
percent; while in Taiwan the disparity between the rate of
policy loans and ordinary loans was much smaller. 100 The
purpose of this government's deliberate policy in Taiwan
was to keep the demand for investable funds and the supply
of savings in balance, a standard remedy for inflation.

As a result, interest rates held below their natural
level created excess demand for policy loans which
accounted for between 40 and 50 percent of total bank loans
in Korea over the 1970s, compared to only 4 percent in
Taiwan at the same period. 101

Under the philosophy of "growth with stability" (with
the accent on the latter), the CCK government further
tightened monetary control by frequently raising interest
rates, by narrowly restricting money supply, and by
substantially cutting back governmental expenditure in the
public sector, during the 1974-75 and the 1979-1980 oil
crises. The strong stabilization programs brought the
inflation in Taiwan quickly in check. The implicit GNP
deflator rose by 32.4 percent in 1974 but sharply declined to 2.3 percent in 1975. In a similar vein, the GNP deflator increased by 16.1 and 11.9 percent in 1980 and 1981 respectively, and quickly dropped to 3.8 percent in 1982.102

But, the main side effects of tight monetary control in Taiwan were the sharp declines of export growth and of real GNP growth at the time. Taiwan's real export growth rate was zero in 1974, while the annual average growth rate between 1969-73 reached 33 percent. Taiwan's real GNP growth declined to only 1.1 percent in 1974. From then on, Taiwan managed to keep the inflation under control, while maintaining a 8.1 percent annual rate of GNP growth between 1975 and 1982.103

More importantly, partly due to Taiwan's greater past stability, and partly due to the CCK government's implementation of a comprehensive stabilization package, short-term economic stagnation and recurring inflation during the worldwide recession had no apparent effect on Taiwan's politics. Throughout the 1970s, Taiwan's labor disputes still remained at a very low level. Although a new generation of Taiwanese elite, the so-called Tangwai, came to seek a modern, developed political system and foreign policy, such "new blood" posed little threat to the KMT hegemony. The KMT was still powerful enough to withstand all challenges coming from the internal and

In contrast, Korea’s internal politics proved more vulnerable to short-term recession. During the second oil crisis, the economic downturn caused a series of companies’ bankruptcies and massive unemployment. Some two hundred dismissed female workers of the Y. H. Trading Company launched a sit-in demonstration by occupying the headquarters of the major opposition party in Seoul, triggering popular protests in other major cities, and eventually led to the collapse of the Park regime.104

As noted above, the great difference between two countries’ labor movements is directly related to these two countries’ pursuing different labor and monetary policies. But the governments’ policies’ and actions’ interpretation remains incomplete because it fails to account for different structural factors in both countries such as political or socio-economic conditions that may constrain or favor the policies adopted by the governments. In this sense, labor activism in Korea should be perceived as the part of "structural dissent" rather than as the result of policy input, even though the Korean workers as a whole
were politically weak compared to other sectors of society like student activists and religious groups.

Like Taiwan, South Korea had no historical tradition of democracy. In Taiwan, there was a wholesale transfer of power and resources from war-defeated Japanese colonialism to the authoritarian regime of the KMT in 1945 leaving little room for the development of liberal opposition. The deep and intense American political involvement in South Korea through the occupation of Korea, the surrender of Japan during 1945-1948, the participation in the Korean War during 1950-53, and the involvement in Reconstruction of Korea during 1953-1962, provided a great opportunity for the U.S. to directly and indirectly exercise influence on the attitudes of the general public as well as several key groups like the intellectuals, the press, and students.

Before the American military presence on Korean soil, a number of western missionaries represented the Korean people's strong desire for independence to the Japanese colonial rule and for a democratic country, though mostly in vain. They came to be highly respected in the postwar period due to their strong anti-Japanese sentiment.

Under the period of the U.S. Military Government, the U.S. military officers adopted the policy of democratic education in all levels of schools under the name of New Educational Movement, so-called "Sae Kyoyuk Undong," in addition to reshaping the Korean national consciousness.
The U.S. influence on Korea was also found in the Korean military whose organization, style of management, the educational process, even and the perception of military professionalism were modeled after the Americans’. Perhaps, for this reason, many senior military officers came to question the duration of military rule during 1961-1963, to some extent forcing the military junta to restore civilian government in 1963.105

On the other hand, the Military Government having little knowledge of the Korean situation retained the existing administrative structure by using a number of Koreans who had experience in collaboration during the years of Japanese colonialism. In fear of the Communist insurgency in the volatile situation of Korea, Military Government decided to turn over power to the strongest conservative group, called Korean Democratic Party (KDP). The KDP, headed by Syngman Rhee, was comprised mainly of big landlords, wealthy businessmen, and anti-Communist figures. This camp was strongly supported by Korean administrators from the Japanese colonial period and by the police, it was not expected to play a leading role in the course of democracy or in the recruitment of new forces into the political system. Instead, they were the forces that would prolong the existing structure of social domination.106
Yet the United States as the leading democracy had provided an ideological goal and model for Korea. The image of the U.S. as the special nation was not only regarded in its early role as "liberators" who eliminated the hated Japanese colonialism, but further reinforced in its fighting the 1950-53 Korean War as the "savior" of the South Koreans. After the war, the South Korean military and economic dependence on the U.S. were deepened. The American military presence has since become a permanent fixture in the country. The average annual inflow of aid to Korea between 1953 and 1958 was $270 million, or roughly $12 per capita per year. This aid accounted for nearly 15 percent of the average annual GNP per capita.107

Under such circumstances, the American influence in Korean life was pervasive, affecting the way of life, culture, the educational system, and thinking. The context of Korea's educational system as a whole heavily stressed the importance of nationalism, the need for modernization, and the construction of democratic education for Koreans as the three national goals of postwar Korea. Accordingly, the democratic ideas were gradually internalized among the younger generations. As Cole and Lyman describe, "[d]emocracy, however, has[d] become identified with this nationalist tradition. This flowed almost naturally from the postwar generation's being raised in a world of information-textbooks, newspapers, journals--in which
democracy played an important role, in complete contrast to their elders' world.108

Beyond the formal structure of education, by 1965 roughly 3,000 students, civil servants, and businessmen obtained higher education or technical training in the United States through the aid program. In addition, the U.S. also helped establish the first Graduate School of Public Administration in Korea, whose graduates were to constitute a large part of the Korea's bureaucracy after 1960.109

Ironically, the U.S. in practice had little influence over Korean politics under Rhee, in spite of the fact that America showed dissatisfaction with Rhee's autocratic rule, the political favoritism, corruption, and the misallocation of resources in his government, his manipulation of electoral process, and his failure to carry out a comprehensive economic plan to curb runaway inflation. The reasons for the U.S. showing constraint in dealing with the Rhee government were that American policy toward South Korea was mainly focused on the restoration of political stability rather than the promotion of democracy in the post-liberation Korea society, and the U.S. feared that any harsh measure against Rhee regime might leave the North an opportunity to exploit dissent and revolution in Korea.110 Rhee was, on the other hand, smart
enough to skillfully manipulate the U.S. by emphasizing his strong position on anti-Communism and his Christian background, while at the same time paying lip service to democracy.

Nonetheless, the Rhee government could not escape the criticisms from the press, the academic intellectuals, and the students. These forces, traditionally in opposition to government but without loyalty to any party or specific institution, were closely related in the struggle for democracy. The press constantly educated urban populations by providing a continuous forum for the criticism of postwar Korean governments. The discouraging post-war conditions of undemocratic-style politics in the country, rampant inflation in the postwar society, and poverty in urban areas alienated the younger generation of journalists and encouraged them to speak out on behalf of the masses, although the governments intended to curb and control the press.111

The academics appeared more radical than the press due to their relative isolation from the society. They used the small-circulation intellectual journals as a weapon to sometime introduce the most progressive political thought such as "economic democracy," but usually addressed the existing problems facing the country. The academic profession as a whole avoided the open advocacy of radical movements. The most radical element was the student
activism, who had a very strong commitment to principles of democratic government in Korea, the peaceful unification of Korea. The autocratic realities of the Rhee government plus its inflexible official policy on reunification provided the student activists two rallying points.\textsuperscript{112}

As noted above, in the 1950s and early 1960s, the leading forces of change in Korea were the press, the academic profession, and the students. Rapid urbanization and increasing education, two of the most explosive forces of postwar Korea, at the time brought a growing number of the working and middle class greater political awareness and a sense of involvement. The rate of urbanization in Korea was increasing radically, with the population in the urban areas nearly doubling between 1949 and 1966 to account for 33.6 percent of the population.\textsuperscript{113} The post-liberation period also witnessed an educational explosion. The rate of literacy jumped from 22 percent to more than 80 percent between 1945 and 1965. The higher level of popular education was also impressive: there were 142,000 college students in 1965 rising from only 304 in 1945.\textsuperscript{114}

As Korean society became more modernized through rapid urbanization, educational and communications development, all of which were occurring at a spectacular pace in the 1950s and the 1960s, one could expect that democracy would become the accepted norm not only for the elite, but also
for the people at large. The student-led uprising of April 1960 joined by a large number of residents successfully led to the fall of the Rhee regime. This demonstrated how angry and frustrated Korean people were, particularly the students, with a massive rigging of elections. Perhaps, for this reason, the Park regime had learned to choose a fundamental change in the rules of the electoral game, the so-called Yushin constitution, when facing the twin threats of alarmingly declining electoral support in the 1971 elections and limited ability to manipulate votes.

Overall, there is little doubt that objective structure of the participant political culture including violent anti-regime participation emerged in Korea in the postwar period, which constituted constraints, limiting the choices the Park regime was confronted with. Two possible choices facing it, one was to employ a strictly exclusionary policy toward labor, taking away all kinds of the basic workers’ rights, but this harsh approach was costly because it would be likely to create large-scale labor disputes and jeopardize the productivity. Another choice was to pursue a moderate strategy, in which the authoritarian regime to an extent limited "the channels for this expression of collectively formulated worker grievances, for labor actions, and for effective labor input into the process of collective bargaining",115 but tolerated some political activities joined by organized
labor. The Park regime was forced to choose the latter because it was less risky.

Indeed, the regime under Park is, according to several students of Korea's labor movements, best characterized as a "socially harsh and politically open regime".116 The regime was socially harsh, since it adopted the centralized corporatism of labor containment. But, the regime was more tolerant of "areas for political activity by identifiable different groups, including among them those linked to the labor movement or to at least one of its segments." As the result of organized labor taking advantage of the political space offered by the regime, labor activists would "eventually initiate their own course of action, becoming an independent but more radical sector in the constellation of anti-authoritarian forces".117

By contrast, the regime in Taiwan, particularly from the 1950s through 1970s, can be perceived as a "socially harsh and politically close regime," with regard to labor controls.118 That is, under enforcement of Leninist style party organs, strict political and labor controls systematized and strengthened by martial law, which had prevailed from 1947 to 1987. Under the long-standing imposition of martial law and other emergency legislation, all unions were preemptively penetrated and tightly controlled by the party, and all opposition political
activity associated with labor movement would be eliminated.

In Korea where American military forces moved in to accept the surrender of Japanese forces gradually leaving their moral impact of the democratic value system on Korean society. The Nationalist administrators filled the power vacuum on the island left by the Japanese pullout at the end of the war, offering no room for outside forces. The tragic civil disturbance in 1947 in which an island-wide Taiwanese uprising against KMT mismanagement and corruption in Taiwan turned into a massive bloody crack-down. Based on the latest disclosure of an official investigative report, it is estimated that between 15,000 and 25,000 Taiwanese, mainly educated elites, were executed by the Nationalists’ troops. 119

Undoubtedly, this incident had a chilling effect on all subsequent political activity on the island, contributing to a very unorganized and weak political opposition in Taiwan. It was primarily composed of defiant local factions which concentrated on their own constituencies, unwilling to chance forming a political organization. The two efforts to organize extra-party opposition, the Democratic Party founded by Lei Cheng in 1960 and the Formosa Magazine organization sponsored by the Tang-wai in 1980 led to ten-year prison terms for most of their leaders. Without an organizational framework linking...
the opposition with the workers, it is very hard to imagine that the laborers in Taiwan were able to bargain or strike collectively.

As for the U.S. role in the political life of Taiwan, there was no evidence to indicate that America used aid as an instrument to bring about government’s political or educational reforms which in turn created a favorable environment for democratization. Like Korea, Taiwan received massive economic aid during the aid period. By 1973, nearly 9,000 U.S. military ground personnel were engaged in implementing the mutual security treaty on the island. Although the U.S. played a large role in the defense of Taiwan and in its economic development, American influence on the island was primarily confined to these two areas—military and economic policies.

During the aid period, Taiwan, like Korea, witnessed a regular flow of students, technicians, and other professionals to America for further study or training. But Taiwan, unlike Korea, experienced few returnees. Starting in the early 1960s when Taiwan’s economy began to take off, a growing number of American businessmen poured into the island, doing business with their Taiwanese counterparts in the private sector. However, their presence had little cultural impact on Taiwan’s society, because, according to Goddard’s observation, the West which
meant American and Europe was a closed book to most people on the island at the time. 122

Regarding the U.S. influence on Taiwan’s education, U.S. aid, according to Jacoby, played an important role "in the development of Taiwan’s public school system, which was the driving force for the spread of mass literacy and the diffusion of new skills (particularly concerning practical skills and technical knowledge)". 123 But Aid was unsuccessful in producing any significant changes of Taiwan’s educational system, that was solely designed by the Nationalists to be authority-centered. Curriculum and instructional materials, placing heaving emphasis on the correctness of Sun Yat-sen’s and Chiang Kai-shek’s personalities and philosophies, on the need for the subordination of the individual to the group, and on the evils of communism and the need to recover the mainland, were standardized across all educational institutions and levels. 124

Sun Yat-sen’s Three Principles of the People -- the official ideology refers to nationalism, democracy, and people’s livelihood, which has become the most important required political course in all high schools and colleges. Although Sun’s dream of democracy was a full-fledged one, he also believed that the realization of democracy required three stages. That is, the first stage was military government; the second, democratic tutelage; the final,
constitutional democracy. From the late 1940s through the mid 1980s, the Nationalists in Taiwan continued using Sun’s notion of democratic tutelage as a justification for authoritarian rule, because the condition of civil war between the KMT and CCP regimes still existed.

More important was the KMT’s uneasiness at the mutual distrust and hostility between the Taiwanese and Mainlanders, which resulted from the February 28 uprising. Education was thus considered to be among the most important institutions in the acculturation process. The teaching of Mandarin—the official language—in all schools was the first step for the cultural indoctrination. Children would be punished if they were caught speaking Taiwanese on the playgrounds. The ideological effort was to get the Taiwanese people to identify with the "lost" mainland as their home land, creating a sense of common Chinese among the entire population on the island v.s. the regime on the mainland.125

If TIME or other international magazines carried a picture of a PRC leader, it would either be inked out or stamped over with the Chinese character, "bandit." All foreign publications offensive to the regime would be confiscated or banned. Foreign correspondents were denied visas, if they were on the "blacklist."126
Toward campus dissent, the party from the very beginning gave careful attention to preventing Taiwan's universities from becoming the nucleus of student activism. First of all, because the Japanese colonial government kept Taiwanese from studying social sciences in universities, almost all the positions of university professions, particularly the more potentially troublesome departments like political science, sociology, and law, were held by the mainlanders, who supposedly displayed loyalty to the regime. Second, the faculty did not receive life-time tenure and were on one to three year contracts which the university authorities renewed at their sole discretion; all the national university presidents, who have the final say in their school affairs, are handpicked by the president of the Republic or the premier.\textsuperscript{127}

Third, each campus contains many military instructors, who not only taught students the required courses on military matters, but also are responsible for "campus stability." Fourth, student activities on the campus also faced close scrutiny; student publications were subject to pre-publication reviews by the university authorities and the president of the student council is usually chosen by the delegates of various student associations, not by the whole student body; the former are more vulnerable to the authorities' influence (for more, see part 3 of chapter V).
Given this environment on the island, not surprisingly, Taiwan's students remained rather compliant, compared to their counterparts in Korea. As the schools and society were under the party's strict supervision, U.S. aid, unlike its role in Korea, clearly had extreme difficulty influencing Taiwan's democratic educational system and culture. Perhaps, the U.S. failure to have impact on Taiwan's educational policies and culture is closely related to the mutual distrust between the two countries' top leadership, which derived from the U.S. termination of all mediation efforts between the Communists and the Nationalists, and withdrawal of most of its military and economic assistance to the KMT in later years of civil war. As Payne describes, "[a]lthough the government of Formosa could not have survived without American aid, the Generalissimo [Chiang Kai-shek] continued to distrust Americans. He was suspicious and uncomfortable in their presence, realizing that they viewed him with detachment as a necessary evil to be tolerated and encouraged only because no other anti-Communist leader was available".128

However, it is a mistake to jump to the conclusion that the impact of Americanization on Taiwan's society did not exist from the 1950s through the 1970s. In fact, a sense of uneasiness was growing especially among intellectuals, regarding the presence of the large number
of American military personnel on the island in the early 1970s when the Vietnam War came to a head. But, to most residents in Taiwan, the American way of life was nothing more than "the GI culture" or "the chewing gum culture," because what they had seen were the downtown's glaring neon signs, bars, drunken American soldiers, pimps, and prostitutes. The acculturation process in this way easily was distorted for both countries.

In sum, the political culture between Taiwan and Korea was different in the post-war period, with respect to the political role of the students, the intellectuals, and the mass media in society. In Korea, the growing number of the political public including the working class was largely the result of extensive democratic education, rapid urbanization, and increasing education following the Korean War. This, conditioned influences that had significant effect on narrowing the policy alternatives for the Park regime, while it dealt with labor or other social movements. Whereas in Taiwan, the regime under martial law was harsh from the very beginning in terms of derecognizing the right of independent unions to organize and collectively bargain, meanwhile preventing the formation of oppositional political parties that might be associated with labor movements. This policy was essentially consistent during martial law's period. Such a hard-line
approach, along with the Leninist type of party system and powerful, pervasive but not visible security agencies, made workers extremely difficult to organize and bargain collectively for their own benefits, not to mention their ability to crusade for political reforms.
Notes for Chapter III


8. See Kuo, Rains, and Fei, The Taiwan Success Story, pp. 38-44; and Samuel P. S. Ho Economic Development of Taiwan pp. 168-170.


31. The best discussions of the impact of U.S. aid to Taiwan, see N. Riegge, "The Role of Fiscal and Monetary Policies in Taiwan's Economic Development," unpublished Ph. D. dissertation, University of Connecticut, 1978; and N.
Jacoby, U.S. Aid to Taiwan (New York: M. E. Sharpe, 1988), pp. 121-137.


33. Ibid, p. 133.

34. Ibid.

35. Excellent case studies of interactions between the KMT state and foreign capital can be found in Chi Huang, The State and Foreign Capital: A Case Study of Taiwan, 1986; and D. F. Simon, Taiwan, Technology Transfer, and Transnationalism, 1980, pp. 363-364.

36. Jacoby, U.S. Aid to Taiwan, p. 137.


38. See T. Gold, State and Society in the Taiwan Miracle, p. 77.


40. Ibid, pp. 130-145.

41. Simon, Taiwan, Technology Transfer and Transnationalism, p. 158.


44. D. Cole and P. Lyman, Korean Development, p. 80.


56. For a discussion of this concept, see Manuel Castells, "Small Business in a World Economy: The Hong Kong Model, Myth and Reality." Paper presented Seminar, Urban Information Sector on Center and Periphery, June 8-10,


73. J. J. Choi, 1983, pp.54-56.

74. Deyo, 1989, p.78.


77. Ibid, pp.318-328.


80. Ibid, p.137.


86. Ibid, Sept.15, 1988, p.66.


89. J. J. Choi, 1983, pp.54-56.


100. Chu, 1987, p.78.


103. Ibid, p.86.


116. Ibid.


122. W. G. Goddard, *Formosa*, 1966, p. 120.


125. Ibid, PP. 90-91.


CHAPTER IV

POLITICAL AND ECONOMIC CHALLENGES AND THE CONSEQUENCES

In the 1950s and 1960s, the KMT tended to legitimate its rule by pursuing rapid economic growth and foreign recognition of the ROC. Starting in the early 1970s, both economic downturn and increasing international isolation of Taiwan began to undermine the KMT’s legitimate basis, thus creating a favorable climate for the Taiwan’s intellectuals to voice their dissatisfaction and to provide the authorities with a coherent program for implementing it. They coalesced around a journal called the Intellectual, which called for political opening and greater respect for political and civil rights.

The resistance movement in Taiwan has changed dramatically since the mid-1970s in terms of the commitment to the course of democracy, the desire to raise the public political consciousness, and to establish a stronger organization base. The opposition, led by the Tangwai’s (literally, outside the party) Formosa magazine group had become bold and vocal in its hard hitting criticism of the KMT policies and corruption, despite the dramatic increase in the suspensions of the Tangwai-published journals. The Tangwai leaders, became more cohesive in their efforts to gather up strength at the grass-roots, in spite of the
regime threat to arrest their leaders for violating martial law.

By late 1979, Formosa took shape, operating as a political party rather than a magazine. It became quite clear that Formosa had become increasingly threatening to the KMT leadership as an alternative party but without a name. Yet it suffered a serious setback and lost most of its leaders in the Kaohsiung riot and the subsequent trial and sentencing. It was clear that the KMT regime did not allow dissidence to mature into an organized opposition with significant grass-roots support at the time.

In this chapter, I will first look at a series of external and internal challenges confronting the KMT in the early 1970s as well as the government’s response and adaptability to the challenges. Second, I will explore the reasons for the rise and fall of the Tangwai movement (or the new middle class movement) in the mid and late 1970s. Again, a comparative study between Taiwan’s and South Korea’s democratization movement in the 1970s will be examined throughout this chapter.

A. Economic and Political Challenges and KMT’s Response

In the eyes of anti-KMT Taiwanese activists, the KMT party-state came to power in Taiwan much as a "colonist" occupying an unfriendly region, because the native Taiwanese, who constitute 80 percent of Taiwan’s
population, have been disfranchised under the KMT rule and have held few top positions in the state or party. The party responded by enforcing authoritarian rule, but realized that authoritarianism alone was not a viable base of legitimacy. It sought to legitimate its rule by pursuing economic prosperity and foreign recognition of the R.O.C. in the 1950s and 1960s. Economic progress, on the one hand, would help to provide the populace with material gain and higher living standards, thus cultivating the belief that the authoritarian political system is effective in solving the basic problems of society. The regime did bring about rapid economic development in the 1960s: nearly 10 percent of annual economic growth rate.

On the other hand, the KMT state was at the time recognized diplomatically by a large number of foreign countries, especially by the world’s most powerful democratic states e.g. the United States and Japan. Such official recognition had justified the Nationalists’ political legitimacy—the claim that it represented the rightful government of all China. However, both serious political and economic challenges in the 1970s facing the KMT state reversed that situation.

The first seriously external blow to the KMT was the issue of the Tiao-yu-tai islands or Senkaku in 1971. These island were geographically very close to Taiwan rather than
to Japan, serving as a shelter for Taiwanese fishermen for several decades. But the U.S. had occupied the tiny islands since the end of World War II, and agreed to turn them over to Japan at the end of 1970, when the latter declared its intention to occupy them as part of Japan's territory. The American announcement triggered a series of anti-Japanese and anti-American demonstrations outside and within Taiwan.¹

The KMT regime at first reiterated its claim to the islands but later took a low-key posture toward Japan following the American decision. Such an inconsistent position of the Nationalists made the spearhead of anti-imperialism turn to the anti-government movements, questioning the regime's ability to control Taiwan's fate in world politics. As a result, this incident paved the way for the subsequent political reform movement initiated by the intellectuals.²

The growing derecognition of the Republic of China also seriously hurt the KMT at the time. After the ouster of the ROC from the United Nations in 1971, a large number of states have transferred their diplomatic recognition from the ROC to the PRC. In 1972, Japan recognized the PRC as the only legitimate government of China and broke up all diplomatic relations with the Nationalists' government. In the same year the President of the U.S., Richard Nixon, made a historic trip to Peking. This trip was based
primarily on the strategic thinking; Taiwan’s value as a military and logistical base for containing communist expansion was substantially inferior to the PRC’s value as a counter to the Soviet Union. This strategic context of U.S. policy reflected the facts at the time including the increasing military strength of the Soviet Union in Asia, the ebb of U.S. strength since the Vietnam War, the Communist China-Soviet split, and Peking’s intention to improve relations with the west.\(^3\)

In December 1978, President Carter used these arguments to justify the switch in relations, thus increasing the international isolation of the KMT state. The figures of other countries severance of diplomatic relations with the ROC illustrates the KMT’s isolation; 93 countries’ recognition of the ROC in 1970 sharply reduced to 29 in 1979. When more and more countries jumped into the wagon heading for Peking, and at the same time stopped recognizing the KMT regime as the China, the legitimacy of the political system in Taiwan came to be questioned by the opposition and the intellectuals.

The oil crisis in the early and mid-1970s and the 1974-1975 world recession hit Taiwan’s industries very hard, especially in the light export industries. This further undermined the KMT authoritarian legitimacy. The skyrocketing oil price in 1974 resulted in a 40 percent
rise in the wholesale price index in Taiwan. Due to the regime's strong deflation policy, Taiwan could achieve price stability by 1975 rolling prices back by only 5 percent, but at the cost of a sharp drop in economic growth, and massive lay-offs. For instance, the economic growth rate declined rapidly from nearly 13 percent in 1973 to 1 percent in 1974 and rebounded a little bit to 4 percent in 1975; during 1973-1975, the work force in electronics and electrical machinery dropped sharply by nearly 17 percent.

Recession and high unemployment would be unstabilizing factors for the authoritarian regime whose economy is the major basis of legitimacy, since no basis other than economic performance exists to uphold legitimate rule. Thus, a sluggish economy would be easily translated into questions of political legitimacy. This is particularly true in Taiwan in the early 1970s the time when the regime confronted the legitimacy crisis resulting from the combination of economic recession and increasing international isolation, thus creating an environment for Taiwan's intellectuals (both sympathetic to the KMT and critical of the KMT) to voice their discontent and to question the KMT's authority.

These intellectuals, greatly affected by the legacy of intellectuals-led "May Fourth Movement" of 1919 in China which addressed the importance of democracy and science to
the modernization of China, decided to follow in the footsteps of Lei Chen’s democracy movement of the 1950s and early 1960s in Taiwan by founding a magazine called the Intellectual.6 This journal which had its great influence in the early 1970s represented a new voice from the postwar generation of educated youth, including both mainlanders and Taiwanese. They, encouraged by the vice premier Chiang Ching-kuo (son of Chiang Kai-shek) 1970’s speech in which he urged youth to dare to speak the truth, began to address a variety of socio-economic issues e.g. economic crimes, exploitation of peasants and workers, environmental pollution, capital flight, and so forth, but meanwhile paid much more attention to political problems, which touched on the sensitive questions of the legitimacy and representativeness of KMT rule, including the aging and inability of national power structure, violations of human rights, lack of access to the national politics, and reduction of military expenditures.

Some articles even questioned the official policy on returning to the mainland and the autonomy of the judicial system, and called for a comprehensive welfare policy toward low-wage peasants and workers. The Intellectual definitely pushed against the limitations on freedom of expression by broadening the areas of permissible debate. Actually this camp in its criticisms primarily focused on
development of constructive program alternatives rather than harsh attacks on the regime.

Its basic position on the issues could be best characterized as pro-democracy and anti-communism. The editors frequently stressed the importance of constructive criticism which was needed to save the country from moral and political decadence, the result of long period of the same government remaining in office without the challenge of the opposition. Thus, to them, the top priority for the regime was to establish the rule of law and an efficient administrative system, aimed at preventing the government from abusing power and meanwhile promoting the public welfare. 7

However, the long outlawing of any left-wing or secessionism ideology and of the freedom of assembly in Taiwan had precluded the open expression of radical sentiments such as advocacy of Taiwanese consciousness and promotion of any mass movements. In this atmosphere, the Intellectual as a whole was not a staunch defender of either social or economic equality, or touched the sensitive topic such as Taiwanese-Mainlander relations. Because of the modest tone of the magazine, the KMT tolerated these criticisms at the beginning.

The appearance of the Intellectual collective seemed to bring political reforms to a climax between the late 1971 and 1973; in December 1971, more than 300 faculty
members from various campuses signed a declaration calling for complete re-election of the people's representatives at national level and recruitment of men of talent into governmental service; most newspapers, expressing the official line as they did, began to sympathize the intellectuals' movements by urging political reforms, but took a middle-of-the-road position in order to avoid confrontation with the regime. Even Chiang Ching-kuo attempted to establish regular communication with some members of this camp. 8

Overall, there was a sense of great excitement and rising expectation in the air that the regime, under the pressure from the Intellectuals in particular and public opinion in general, would be forced to change its political system. However, the conservatives within the KMT resisted any change simply because the reformist demands were too many and too liberal to be acceptable to them.

Some radical figures within the magazine felt increasingly impatient with status quo and decided to take a bold action. This was based on their belief that the Chinese traditional form of "literary politics" (which meant that the intellectuals just sat in the ivory tower to talk about politics) was not enough to exert pressure on the regime. Such form could not reach into society from which the intellectuals would cultivate the support from
various sectors of the society. In this sense, they began to reach into the university campuses, principally the National Taiwan University, to educate and organize students. They encouraged students to go into society, speak to the ills of the society, and act as spokesmen for the people. Some editors even urged the authority to allow the creation of "democracy walls" on the campuses through which faculty members and students could speak their minds freely.

As the Intellectual went beyond what the regime could accept, the Nationalists began to take actions against this group. The authorities removed several outspoken academic professionals of this camp from their teaching positions, attempting to demoralize other individuals and newspapers. Under a combination of government pressure and internal division, the Intellectual camp eventually fell apart. On the other hand, in order to get rid of "thought pollution" among the public, the party published an article called "Voice of an Ordinary Citizen," which was widely distributed among all segments of the society. The basic argument of this essay was that it strongly condemned the irresponsible nature of liberalism which expounded social and political chaos, thus threatening the high standard of living Taiwan's people had enjoyed. 9

No significant change took place until 1972 when Chiang Ching-kuo (CCK), groomed as the successor of
President Chiang Kai-shek, assumed the premiership. CCK was the man who was eager to establish a liberal image of his own on the one hand, and to create an honest, efficient, and capable government as a whole so as to win domestic and international support on the other. With his father’s deliberate arrangement, CCK held almost all the strategically important positions in the security, the military, the party, and finally the entire state administrative apparatus, thus gradually consolidating his own authority. Therefore, he was able to implement some political and economic reforms, in spite of the resistance from the conservative camp.

A number of political reform measures were put into effect by CCK and his administration. The first step was to create a clean and competent government by adopting a policy of Ten Point Administrative Reform Program. According to this program, government officials at all levels were prohibited from entering bars, night clubs, and dancing halls, from entertaining guests and visitors (with the exception of participating in government-sponsored dinners and parties), from accepting invitations for opening ceremonies and ribbon-cutting of all kinds, from taking presents of all kinds from other people or groups and so forth. As a result, a number of government officials were fired because of violations of these rules.
and more importantly several high-ranking officers, including a distant relative of CCK named Wang Cheng-yi who was the chief of the Personnel Administration Bureau of the Executive Yuan, were sentenced to life terms for the crime of bribe-taking.

In order to make this administration more sensitive to the people's demands, CCK repeatedly took unexpected trips to the remote rural areas and fishing villages, talking to the ordinary people and showed that the government would "serve the people with sincerity and enthusiasm." This made him highly visible and close to the public—a new image of the KMT regime.

The most important accomplishment of CCK's political reforms was the gradual opening-up of national politics for limited competition, which included the recruitment of many young and talented Taiwanese into the decision-making positions at the national level, and the regular supplementary elections for the national parliament. All these were called "Taiwanization policy."

As indicated in the previous chapter, through the KMT's implementation of the "Temporary Provisions" and martial law in Taiwan, the citizens' rights to select their own representatives at national levels through a general election had been suspended in the 1950s and 1960s. By 1969, the average age of the National Assemblymen was 65, while it was more than 70 in the Legislative Yuan.

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According to the constitution, the Assembly functions to elect the president and vice-president and amend the constitution; the Legislative Yuan passes the laws, approves budgets, and confirms emergency orders (submitted by the president).

A significant portion of these representatives began to fade away at an accelerating pace in the late 1960s, and the KMT began appointing "selected alternate delegates," who ran for the 1946 election in the mainland and lost as replacements, to fill vacancies. This succession method, adopted by the KMT aimed at maintaining territorial representation to justify its claim to be the only legitimate government of all China, received harsh criticism from the intellectual community. The first supplemental elections to these legislatures was held in 1969 with only 11 seats, or less than 3 percent of the total, available to the public but elected to a life-term position in the Legislative Yuan. Such a practice had only a symbolic meaning causing lots of criticism.

However since 1972, many more supplemental seats in the parliamentary bodies have been available and subject to re-election. They have been increased from 51 (or 8 percent of the total) in 1972 to 100 (or 30 percent) in 1989 for the Legislative Yuan and 53 in 1972 to 84 in 1986 for the National Assembly. Although it is simply not
possible through elections to change the government due to the predominance of the life-long legislators, the new members elected to the Legislative Yuan have played active roles in the legislative process. Since these "new bloods" have to face re-election every three years, showing great sensitivity toward their constituency becomes necessary if they want to get reelected. The pressure from their voters has pushed the newly elected law-makers, particularly for both independent and young KMT members, to capture any kind of opportunity inside or outside the Legislative Yuan to give voice to grievances for their constituency, thus creating favorable public images of themselves and exercising great pressure on the KMT regime.

It is not surprising that a more responsible and democratic government would take shape when the lively debate, brought by the new faces, took place inside the parliament. In early 1988, the Nationalists, under the mounting pressure from every sector of society, issued a plan for "rejuvenating the parliament." This provided significant retirement benefits of roughly U.S. $100,000 each for lifetime legislators who were willing to retire voluntarily. However, these old guards resisted proposed institutional reforms, viewing themselves as guardians for the legitimacy of the ROC’s constitution, and insisted the argument that a parliament made up only of members elected
in Taiwan would simply represent the Taiwan area rather than all of China.

A significant change did not occur until the 1990 presidential election of the ROC. The old members in the National Assembly attempted to enhance their power by demanding an implicit price tag for their support in the presidential election, and an annual meeting instead of every six years' to have a veto power over legislation. This sparked unrest in Taiwan. Over 10,000 Taiwan students rallied and staged a hunger strike at Chiang Kai-shek Memorial Hall calling for sweeping reforms, including the speeding up the retirement process of senior assembly members and legislators, an emergency meeting to devise policy reforms' packages, and so forth. In early 1991, the judges in Supreme Court of Taiwan arrived at a final solution based on their interpretation of the constitution that the elderly assembly members should retire no later than December 31, 1991. Each old member could receive pensions of nearly US$200,000 after retirement. A general parliamentary election would be held in late 1991.

Taiwanization policy also reflected in the recruitment of more native Taiwanese elites into the cabinet and the Central Standing Committee of the party (CSC). In the 1950s and 1960s, those who had been incorporated into the KMT ruling circle were "returnee Taiwanese." They received education and training under the KMT rule on the
mainland and had developed close ties with the KMT ruling elites.

Since the early 1970s, more and more Taiwanese elites with various backgrounds, including scholars, local politicians, owners of big industries, technocrats and bureaucrats, have been recruited into the KMT decision-making echelon. For the first time this marked a departure from the past, even though aging mainlanders remained remarkably influential within the highest echelons during the CCK's years.

Table 4.1

Numbers of Taiwanese in the Central Standing Committee of the KMT(CSC) 1972-1988

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Members(A)</th>
<th>Taiwanese(B)</th>
<th>B/A(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>21</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>1976</td>
<td>22</td>
<td>5</td>
<td>23</td>
</tr>
<tr>
<td>1979</td>
<td>27</td>
<td>7</td>
<td>26</td>
</tr>
<tr>
<td>1981</td>
<td>27</td>
<td>9</td>
<td>33</td>
</tr>
<tr>
<td>1984</td>
<td>31</td>
<td>12</td>
<td>39</td>
</tr>
<tr>
<td>1988</td>
<td>33</td>
<td>16</td>
<td>52</td>
</tr>
</tbody>
</table>


As shown in Table 4.1 and Table 4.2, the Taiwanese growing share of both the cabinet and the CSC positions since 1972 has become a steady trend; Taiwanese comprised of 14 percent of the total CSC members and 26 percent of total cabinet members in 1972, jumping to 52 percent and 55
percent in 1988, respectively, compared to only 6 percent for both categories in the 1950s and 1960s.

Table 4.2

Numbers of Taiwanese in the Cabinet, 1972-1988

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Members (A)</th>
<th>Taiwanese (B)</th>
<th>B/A(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>23</td>
<td>6</td>
<td>26</td>
</tr>
<tr>
<td>1976</td>
<td>23</td>
<td>7</td>
<td>30</td>
</tr>
<tr>
<td>1978</td>
<td>20</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>1984</td>
<td>20</td>
<td>7</td>
<td>37</td>
</tr>
<tr>
<td>1988</td>
<td>22</td>
<td>12</td>
<td>55</td>
</tr>
</tbody>
</table>


As indicated in previous chapter, the military in Taiwan has been institutionalized by the party’s device of supervision of both party and security systems since the 1950s. But in reality, due to an oversized armed forces, coupled with huge military spending, the military was able to exert great influence on the formation of the state policy through the party and personal networks rather than through military intervention. Nevertheless, its important role in the handling of state affairs has gradually declined since 1972 as a constant trend of the KMT regime toward Taiwanization has been in place. For instance, the military expenditure accounted for 81 to 90 percent of the central government’s spending in the 1950s and 1960s, sharply decreasing to the level of 50 percent from mid-
1970s; military personnel consisted of more than 30 percent of the total cabinet members in the 1950s and 1960s, reducing to below 10 percent since 1972.

All of this illustrates the fact that the demilitarization of the state in Taiwan has become an irreversible trend. This is not, however, to say that the military would die off from the political arena as time goes by. The Chinese Communists' military threat, combined with the conservative nature of the regime, act as major forces in motivating the military to play a bigger role in the regime's decision-making. But its role is limited because there is a tradition of keeping the military out of domestic disputes. Hence, Taiwan's military is basically nonpolitical.

However, such a Taiwanization of recruiting more promising Taiwanese into the power structure should not be exaggerated because it did not necessarily guarantee true democratic experiment. Indeed, although this process was moving positively toward greater democratization, none of these newcomers held real power from their posts. The real power was kept in the hands of a small number of mainlanders, particularly the long-time associates of the two Chiangs. Meanwhile, the party kept a close eye on the new blood, preventing any of them from pursuing or broadening a political power base of his own.11
For these reasons, the Taiwanese at higher levels had little choice but to act as yes-men. In order to ensure that old guards received equal treatment from the policy outcome, these Taiwanese attempted to be impartial and unprejudiced with respect to political factions at the national level, while making major policy decision in their offices. They realized that the strategy of favoring one faction at the expense of the other might be risky and costly, because such an approach would most likely to arouse hostility from the old party’s bigwig. However, the Taiwanese at the top believed that time was on their side and that CCK’s successor sooner or later would probably be a native-born Taiwanese. The reason for this is very simple: the Taiwanese constitute more than 80 percent of the total population on the island; a native Taiwanese president would serve to render the regime more representative.

The CCK regime’s response to economic crisis was preoccupation with economic stability rather than with economic growth. In doing so, it repeatedly raised interest rates and restricted credit. Although the deflation policy slowed Taiwan’s real GNP growth to 1.1 percent in 1974, it kept inflation in check.12

The most significant step initiated by the regime in 1974 was the Ten Major Development Projects which involved several large infrastructure projects including a north-
south express highway, railroad modernization, a new international airport, and a series of public enterprises' projects such as a nuclear power plant, a giant shipyard, an integrated steel mill, and a huge petroleum company. The political implication of the Ten Projects was that huge public investment in infrastructure development of Taiwan was superior to retaking the mainland—a symbol of the new beginning of CCK's political era.

Confronted with the world-wide oil crisis, the Park regime in Korea, unlike its counterpart in Taiwan, at the time continued its big push for economic growth sacrificing economic stability; the money supply maintained a high level of growth at 30 percent annual rate; the won was depreciated by over 20 percent during 1974-1975 against the greenback; interest rates remained the same; and promotion of exports through financial incentives were still in place. Thus, South Korea could achieve the growth rate of its real GNP from the average of 9 percent annually in the early 1970s to an average 10.8 percent between 1975 and 1978, but at higher cost—consumer prices rising sharply between 30 and 40 percent through the 1970s. This runaway inflation, plus a severe housing shortage for the workers, and government corruption, had become causes of public discontent in Korea.
Given the economic fluctuations the workers, who had long suffered most from low wages and miserable working conditions, under the guidance of religious activists and radical students, voiced their demands for high pay by resorting to street protest. The Park regime never hesitated to use oppressive measures against anti-government demonstrations in the name of national security and economic prosperity. Since the installation of the Yushin constitution, President Park had issued a total of nine emergency measures between January 8, 1974 and May 13, 1975, which had become his major instrument for levying political and economic control.14

The emergency decrees were primarily designed to prohibit any form of protest against or criticism of the Yushin regime by outlawing any political activities, or any spreading of "falsehoods." Violators would be subject to arrest and detention without judicial review. However, force alone could not suppress the voice of the people. On the contrary, it would further undermine the legitimacy of the regime and deepen the radicalization of the opposition, thus enhancing the determination of the opposition. Indeed, in spite of the repression, the Korean demonstrators calling for the restoration of democratic constitution had become a loud chorus since the enactment of the Yushin constitution which granted Park enormous emergency power including the "life-term" presidency, the
power to issue emergency decrees, and the privilege to pick up one-third of National Assemblymen.

Responding to a series of anti-government protests, the Park regime made serious efforts to maintain its hegemony by using more oppressive measures including the harassment and imprisonment of political protesters. But this just temporarily silenced the voice of anti-government forces; it could not stop the resolve of the opposition. As these protest movements developed on a large scale after suffering temporary setback, government authorities in Korea did not hesitate to use violence to suppress them. This in turn resulted in more radical actions on the part of demonstrators.\textsuperscript{15}

In October 1977, for example, the democracy movement initiated by the student activists drew more than 1,000 students taking to the streets. They demanded radical reforms, including the revision of the Yushin constitution, the autonomy of student activity bodies, and the restoration of campus freedom. President Park ordered the immediate shut down of major universities for several weeks and expelled many student activists. But these harsh measures could not suppress students’ aspiration for freedom and democracy. In 1978, anti-government student forces gradually penetrated into other cities e.g. Taegu and Kwangju and became more violent. They threw cocktail
bombs at tear-gas shooting police forces, battling with riot policemen, and raided police stations. Since they were convinced that non-violent tactics produced no effect on governmental authorities, the only way for them to defeat the authoritarian regime was through the use of violence which had played a crucial role in toppling the Rhee regime.

The dissatisfaction of the general public with the Yushin system was also reflected in the 1978 National Assembly’s election. The election’s results showed that the opposition New Democratic Party (NDP) captured 32.8 percent of the votes, surpassing the ruling Democratic Republic Party (DRP) by 1.1 percent; this is the first time in the history of Korea that the ruling party was defeated in terms of popular votes, even though the DRP won more seats (68) than the NDP did (61) due to the various size of the electoral districts. This clearly indicated that the Park regime had suffered a loss in legitimacy.

In fact, because electoral support for the DRP had sharply declined since the 1971 presidential and National Assembly elections, the pro-Park camp introduced the more authoritarian Yushin constitution in 1972 in order to prolong its rule. Under the new constitution, the president not only acquired enormous power, including the power to select one-third of the Assembly membership but he was
permitted to remain in office for life, being elected indirectly by a rubber-stamp electoral college.

Accordingly, the elections lost their conventional meaning and the DRP played a minimal role in the political process. Nonetheless, constantly declining electoral support, though not likely to alter the power structure under new electoral rules, was considerable evidence that the growing number of the people were no longer behind the Park regime. The regime had little choice but to increasingly rely on the security apparatus like the KCIA as a major instrument to counter any domestic or external challenges with repressive measures.

In sharp contrast to its counterpart in Korea, the authoritarian regime in Taiwan continued to win the elections with a landslide, although the Tangwai group began to challenge the KMT's hegemony in the elections. It became evident that the continued electoral victory of the KMT was living proof of the people's support of the regime, so it felt little need to clamp down on the opposition abruptly. Similarly, Stepan concludes from his study of the military authoritarian regimes in Brazil that they are less likely to be overthrown, as they win elections by larger margins through which their legitimacy is acquired. 17

Therefore, faced with the decline of legitimacy stemming from increasing international isolation and worldwide recession of the 1970s, the CCK regime in Taiwan,
unlike their counterpart in Korea, adopted "open-door" policies of recruiting many more Taiwanese elites into the power bloc on the one hand, and of holding supplemental elections of the national level to allow more Taiwanese politicians to fill the seats on the other. Even though both measures had only symbolic meaning rather than real political representation at that time, it not only eased the participation crisis created by the intellectual community but won the support of the Taiwanese majority as a whole. To the KMT, more important was the fact that the hegemonic status of the KMT in Taiwan remained intact as the policy of political opening-up was underway.

By contrast, confronting similar challenges from the opposition forces, the Park regime's policy was inflexible and coercive. But force alone did not dampen the opposition's commitment to democracy. On the contrary, it enhanced the solidarity and radicalization of the opposition and facilitated the disintegration of the regime's legitimacy. This is similar to what Claude Welch has described the "cycle of discontent--protest--coercion--rebellion." The Park regime obviously had fallen into this cycle. The differences between the two countries seemed to be reflected by the very different approaches of the regimes to the legitimacy crisis. The KMT regime applied to accommodate the Taiwanese majority
through the Taiwanization policy without losing its hegemony, while the Park regime unhesitatingly used coercion to deal with the opposition aimed at maintaining its authoritarianism, but failed.

In fact, Park’s regime, like other authoritarian regimes, depended on coercion to secure political stability, but few of them could afford either a loss in the election, or the alarmingly deteriorating electoral support. Electoral defeats or declining electoral support would not only create bolder and formidable opposition forces, but quickly eroded the regime’s legitimacy. To the regime, the heavy use of bare force seemed to become unavoidable, eventually leading to its collapse.

B. The Rise and Fall of Tangwai Movement

As stated above, one of the significant steps in Taiwanization policy was to recruit promising young Taiwanese into the party and government, while at the same time the out-spoken intellectuals who pushed the limits in such issues as sympathy with Communist China were fired from the position of professors in the National Taiwan University. This, combined with diverse political interests of the members of the Intellectual, caused the magazine to be "reorganized" in 1973 and eventually stopped publishing.
Some of its members, consisted exclusively of Taiwanese, began to coalesce around a new political magazine called Taiwan Political Review, in addition to seeking elective offices.\textsuperscript{19} There were a number of striking differences between these dissidents and their predecessors in terms of social backgrounds, strategies, and social bases. Between the 1950s and 1960s, dissenting activities in Taiwan, led primarily by medical doctors and landlords, were seasonal, isolated, and unorganized in nature. These activities appeared only during election campaign when they were allowed to attack such less sensitive issues as the KMT's monopoly of power, government corruption, restrictions on freedom of the press, and so on. What concerned the individual opposition leader most was to get elected, with the support of his own local-level faction, paying little attention to allying other dissents to develop a powerful organization. As a result, none of them were able to entrench themselves with island-wide prestige, and to reach the broad masses of workers and peasants.

On the contrary, resistance movements in Taiwan have changed radically since the mid-1970s. The opposition, led by the Tangwai (meaning outside the party, the KMT) composed primarily of intellectuals--dedicated to "full-time" democratization, has been increasingly bold and vocal in its criticism of the KMT regime. The articles in the
Taiwan Political Review, for instance, began to raise sensitive and explosive issues such as promotion of Taiwanese consciousness and Taiwanese nationalism, and open questioning of the legitimacy of the KMT regime, even though they were repeatedly suspended or confiscated.

Moreover, in spite of martial law prohibition against organizing a formal party, Tangwai became more cohesive in the late 1970s by forming a coordinating committee which could link their activities in a way not previously seen. A couple of events taking place at the time encouraged them to go further. The first one was the result of the 1977 Provincial Assembly and County Executive elections in which the Tangwai captured more than 30 percent of the votes for the first time.

The second was the fact that riots broke out in the town of Chungli on election eve in which a police station and 16 police cars were demolished because thousands of Tangwai followers were doubtful of the KMT's rigging of the election. At this time, the KMT took no action against them. All these developments were interpreted by the Tangwai as a strong and clear signal of the coming of an era of the masses—the result of advocacy of "Taiwanese consciousness."

Following the elections and incidents, one of the prominent moderates in the KMT, Lee Huan, as the KMT’s
chief organizer favoring tolerance of opposition activities and the broad process of democratization, was forced to resign. This meant that the conservatives within the regime favoring the crackdown on the opposition had gained the upper hand. Indeed, the conservatives in the KMT characterized the Tangwai as staunch supporters of Taiwan independence and traitors and agents of the Communists, and were convinced that a regime making reforms and granting concessions to the opposition would "encourage demands for still more changes which can easily snowball into a revolutionary movement." Therefore, "reform, it can be argued, may contribute not to political stability but to greater instability and indeed to revolution itself."21

However, the Tangwai cared less about the reform in reverse at the time and became, instead, more aggressively anti-KMT. They began to form the Tangwai Campaign Assistance Corps to co-ordinate their campaigns around the island for the purposes of capitalizing on the momentum and obtaining an even more impressive showing in the incoming national-level elections scheduled for 23 December 1978. At this time, the Tangwai behaved like a political party in many aspects. During the 1978 election campaign, it presented a common platform for the incoming elections, nominating "genuine" Tangwai candidates, and held fundraising dinners with discussion of campaign issues.22
In addition, it formed a "mutual aid group" to help each other in campaigning and even erected a "Democracy Wall" in front of the main entrance to Taiwan University for public debate of democratic issues by means of pen, brush, and mouth, which was similar to the wall posters put up by the mainland China's student in the 1986 democratization movement.

However, with elections postponed as a result of the United States' recognition of the People's Republic of China, the KMT stopped all campaign activities in order to meet the pending national crisis -- the potential military threat from Chinese Communists. In January 1979, Yu Dengfa, one of the prominent Tangwai elder politicians, was arrested by the regime, under the charge of "failing to report a communist agent and making pro-communists propaganda," and sentenced to eight years. It sparked the first street demonstration in the aftermath of the Kaohsiung Incident, even though only a small number of Tangwai elites attended.

Throughout the rest of 1979, the Tangwai stepped up its efforts at street rallies, and a number of critical political magazines calling for sweeping reforms, most notably Formosa, were published. The moderate faction within the Tangwai, led by Kang Ning-hsiang, published a couple of political journals called The Eighties and The Asian championing the cause of democratization. This group

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stressed the moderate-means strategy (e.g. electoral mobilization and parliamentary struggle) rather than the radical strategy (e.g. mobilization of mass movement) for advancing political reform. This was based on the moderates’ long-term observation: the KMT had strong capacities to easily wipe out the more militant political elements in the name of the national security. As Kang, in his interview, argues: "radical efforts to change Taiwan’s domestic or international status quo have only, and can only, result in disaster."23 Thus, he "rejects the views of more radical elements within the Tangwai, those advocating a strategy of mobilizing a mass movement for national independence."24

The "activist faction," on the other side, grouped under its popular magazine Formosa. This activist group was much more concerned with sweeping and radical changes inside and outside the system by means of the combination of mass mobilization and electoral activities. They put much more emphasis on the mass politicization, simply because they argued that given the de facto political system—the predominance of the life-long law makers, it was absolutely unlikely for the opposition to change the government through elections. Therefore, for them, the only way to pressure the KMT regime to change was through high levels of popular politicization and mobilization.
Based on this mass-line doctrine, Formosa operated as a political party rather than as a magazine, since it made serious efforts to push for the political and social movement; it opened service centers in most of Taiwan’s counties and cities and sponsored various meetings and forums on political topics which attracted a large number of audiences. It held 13 street rallies from September to December of 1979; by the publication of the November 1979 issues of Formosa, it reached a record high—a self-proclaimed circulation of a hundred thousand around the island. By late 1979, the radical faction apparently became the dominant force in the Tangwai movement and more important was the fact that it had become increasingly threatening to the Nationalist leadership as an alternative political party but without a name. Indeed, in terms of a strong core leadership, organization strength and grass-roots support, by 1979 the Tangwai had become a more highly visible and formidable force than had ever been seen in Taiwan’s history.25

These high levels of popular politicization facilitated by the radical camps within the Tangwai certainly decreased the sense of security of the KMT regime and at the same time increased the possibility of the regime’s repressive response to the opposition movement. On December 10, 1979, between 10,000 and 30,000 people attended the rally in Kaohsiung city held by the Tangwai to
celebrate International Human Rights Day which turned into a violent confrontation with the riot police. The latter were ordered not to use force if attacked by the demonstrators.

In this incident, the government claimed that 183 policemen were injured and none of the rioters had been hurt. Although a number of interpretations of the events, some of them sympathetic to the Tangwai were voiced afterwards, the popular threat, where it was perceived by the KMT as a part of plan to overthrow government, resulted in a return to repressive measures against the Tangwai.

Within fifty hours after the rally, more than 60 Tangwai members, charged with "treason," were arrested. In an effort to sustain the policy "killing one to warn one hundred" eight major defendants were tried by the military courts and sentenced to stiff jail terms ranging from twelve years to life imprisonment, while others were either tried by civilian law or released after a two-to five-year imprisonment. Those associated with moderate Kang Ning-hsiang were spared. Meanwhile, the government quickly suspended the publication of all the political journals connected with the Tangwai. Suddenly, Taiwan's Tangwai movement suffered its biggest setback, temporarily entering a cold winter.
What factors contributed to the radicalization of the Tangwai? The answer can be found in terms of the predominance of the mainlanders' minority in the power structure and the provocative action taken by the ultra-rightists at the time.

Within the resistance movement, there has traditionally been an "anti-system opposition," which perceived the KMT as "colonists" and opposed the rules of the game as well as the KMT's hegemony of power. For the radical group, the opposition would change nothing in the de facto political system via the electoral system, since the elderly mainlanders frozen in office for the past 30 years, comprised more than 80 percent of the Legislative Yuan and 90 percent of the National Assembly. Under such political arrangements, only a small fraction of the legislative seats were subject to periodic elections, but the people on Taiwan had to pay 100% of the taxes and performed 100% of the obligations of citizens of the Republic of China.

The enormous concentration of political power in a very small segment of society had thus given rise to a sense of relative deprivation on the part of the opposition in particular, and on the part of a vast majority of Taiwanese people in general, thereby increasing radicalization of the opposition. Even though the "Taiwanization policy" was under way in the 1970s, the
number of the recruited members was relatively small, compared to Taiwanese composition of the population and their positions were more symbolic than substantial. As Harrison points out, "The KMT had a bunker mentality, and it excluded Taiwanese from positions of importance. In this setting the fight for democratic rights was a black-and-white struggle of the Taiwanese against the Mainlanders."  

The second factor was that the resistance movement seemed to gain momentum in the aftermath of the 1977 elections, but a countermovement emerged at the same time which was organized by the ultra-rightists group in Taiwan. They had close ties to the conservatives within the KMT and repeatedly harassed and intimidated the Tangwai on several occasions, thus producing a vastly enhanced coalition of the disaffected coalescing around the Formosa magazine. The ultra-rightists, labeling themselves as "anti-communist heroes," published a magazine, Chi Feng, which editorially accused the Tangwai of being "the traitors," "the hooligans," "the communists," and so forth. In early 1978 the ultrarightist group stormed a public meeting of the Tangwai and began to provoke a number of fights with the Tangwai, but the police took no action against the former. These developments certainly enhanced radicalization of the
Tangwai and gave them new resolve--favoring direct confrontation with the regime.

Between the late 1970s and the early 1980s, the people in South Korea had suffered more serious political instability and social unrest than their counterparts in Taiwan. Korea has not escaped the cycle of repression, massive protest, and further repression, although the regime's harsh measures against the opposition was largely blamed for this phenomenon. There were two critical factors helping the Park regime to enhance his authoritarian control of society. The first was Korea's impressive economic development which provided the Park regime with performance legitimacy.

The second factor that enabled him to maintain authoritarianism was the Korean Central Intelligence Agency's (KCIA) effective control over society. With possession of enormous manpower and resources, the KCIA expanded vastly and infiltrated every sector of society aimed at preventing anti-government activities and eliminating the threats to the rule.³⁸ However, these two key elements contributing to the survival of the Park regime had reversed dramatically in the late 1970s when Korea suffered a sharp economic downturn and the KCIA went beyond the state's control.

The second oil crisis of 1979 hit Korean industry very hard; the prices of commodities skyrocketed and many firms
went bankrupt. This, along with political repression and economic exclusion of the Korean masses, triggered massive protests. On August 9, 1979, around 200 female workers of YH Industrial Wig Company which had just gone bankrupt, joined by the biggest opposition party in Korea at the time -- New Democratic Party (NDP), staged a sit-in demonstration inside the NDP headquarters demanding workers' self-management of the company. After some 1,000 riot police raided the building, one woman was killed and more than 100 demonstrators, including several NDP members, were injured and arrested.29

In the wake of this incident, the NDP, led by its party president Kim Young Sam, further made a provocative move. Kim, in an interview conducted by the New York Times, urged the United States to "make a clear choice between a basically dictatorial regime... and the majority who aspire to democracy."30 The Park regime's response was to expel Kim from the National Assembly under the charge of "disgracing" the country. Kim's ouster provoked large-scale riots in his hometown, Pusan, the second largest city in South Korea.

On October 16, thousands of students launched a number of anti-government protests in Pusan, shouting "Down with the Dictatorship." Later, it was joined by local residents, subsequently speeding to the adjacent city of
Masan. On October 18, peaceful demonstrations turned into riots; 21 police boxes and 18 patrol cars were destroyed; 56 policemen were injured; the offices of pro-government newspaper and radio stations were stormed.

To block the proliferation of such strong uprisings, the Park government declared a state of emergency in Pusan and placed it under military control. However, around 800 students of Kyongnam University located in Masan continued the students' defiance by staging provocative and violent protests. The government also put the city under the army's control but the mass protests in both cities continued.

With the social situation so volatile, the ruling elites within the Park regime were divided into two major factions. One faction argued that the best way to deal with the crisis was through moderate plans, e.g. to meet some of the students' demands and to reduce repression, which were advocated by KCIA director Kim Jae Kyu; whereas another faction, led by the Presidential Security Chief Ch'a Chi-ch'ol, opposed any compromise, fearing that it would be interpreted by the opposition as a sign of Park's political weakness. More importantly, a more conciliatory stance in coping with the students and civilian demonstrations would, in the eyes of Ch'a camp, bring about a snowball effect, eventually leading to the regime's collapse. At the meeting attended by President Park, Ch'a,
and Kim in the KCIA compound, the Kim was blamed by President Park and Ch’á for his policy failures in handling the worsening chaotic societal situation, and Kim pulled out his pistol and shot them both to death.31

According to Kang Ro Lee, Park’s death was not an accident. On the surface, his assassination can be explained as the outcome of growing conflict between Ch’á and Kim, with respect to their different approaches to deteriorating domestic politics. Beneath the surface, the power imbalance among Park’s close associates (who constituted the ruling bloc) was a key factor contributing to the breakdown of his regime.32

The main feature of the Korean authoritarian regime under Park, like that of his counterpart in Taiwan, is a high personalization of power. The different groups of governing coalition, including the army and KCIA, were highly dependent on Park’s decisions. In order to prevent any individual or institution from becoming too powerful to be checked, Park put five major security agencies including the KCIA, the Army Counter-Intelligence Corps (CIC), Presidential Guard Corps, the police, and the Seoul Garrison Command or Presidential Secretariat into check and balance.

However, due to Park’s growing loss of interest in politics, the balance of power changed in favor of the
Presidential Secretariat. Starting in the late 1970s Ch' a broadened his power base from the post of the Presidential Secretariat to other institutions such as the military and the National Assembly. Meanwhile, he even edged the KCIA. Such an ambitious move made Jae Kyu Kim as the director of the KCIA feel increasingly insecure and uneasy. The intensified social movements of 1979 further deepened the rivalry between these two figures. Under these circumstances, Kim finally decided to kill both Ch' a and Park at the last moment. 33

By contrast, since he assumed the premiership in 1973, CCK in Taiwan did not allow any political figures, including his long-time associates or his family members, to over-extend themselves from their offices. For example, at the end of 1977, a very powerful figure--Lee Huan, CCK’s right-hand man in youth work and party organizational and training affairs and the architect of CCK’s policies of Taiwanization, was forced to step down from all his positions because he was considered a future successor and because one of his Taiwanese clients proved unreliable. With the supreme authority, CCK’s political manipulation of various institutional sectors and individuals proved much more skillful at the time. 34

Park’s death created a serious power vacuum in which many Koreans hoped that a new opportunity to restore democracy in Korea was likely, but it turned out to be an
illusion. An interim government was organized and led by Acting President Choi Kyu Hah, former prime minister under President Park. He was soon elected as president by the National Conference for Unification—the rubber-stamp electoral college, which had been formed by the provisions of the Yushin constitution.

As a career diplomat, Choi possessed neither a social base, nor the political leadership, which was necessary to preside over political transitions and uncertainties following President Park's assassination. President Choi initiated a couple of political reforms, e.g. the release of many political prisoners and a promise of open presidential election within a year. He was, however, unable to manage an constitutional transition in which a new constitution could meet the students' and opposition forces' demands for quick political liberalization.

When the mass movements became intense and widespread in early 1980, and the Choi government proved ineffective to manage the critical situation, the military again seized the great opportunity to intervene directly in politics. At this time, a group of younger military officers, headed by Major General Chun Doo Hwan, the commander of the Army Security Command, successfully carried out a two-stage military coup.
In order to take over the military, the first step of the coup leaders was the revolt against General Chung Seung Hwa, the martial law commander after Park's death. On May 17, Chun was able to consolidate his power base by declaring a more extensive nationwide martial law to ban all kinds of political activities, both indoors and outdoors, when escalating campus sit-ins and rallies calling for the repeal of the martial law and the resignation of General Chun continued into the spring of 1980. Finally, on May 31, Chun and his associates were plotting to take power from the Choi government by forming a 25-member "Committee for National Security," which eliminated many powerful political figures from the government, National Assembly and the opposition camp in the name of political purification. Choi remained in office as the president but with no real power, and was forced to resign on August 16, 1980. Chun resigned from the army two weeks later and was elected the country's president by the National Conference for Unification, the rubber-stamp electoral college. 35

C. Differences and Similarities

Both Taiwan and Korea witnessed a dramatic political change in the late 1970s, in which the demand and aspiration for democracy from both countries' intellectual community and the opposition forces had been intense and
forceful. But, the "Spring in Taipei and Seoul" quickly came to an end as the result of the authorities repression in the early 1980s. Why did the democratization movements in both countries fail to take root at the time?

In looking at the oppositions' role in the political process, I propose that the popular threat, perceived as being high, would increase the regime's or the military's willingness to uproot the democratic movements. However, this does not mean that the authoritarian regime should not take responsibility for the democratic failure. In fact, the regime was largely to blame for the consequence because, in most cases, challenges to the regime have constantly been countered with coercive measures justified in terms of national security. Nonetheless, oppositions' efforts to radicalize large sectors of the population would increase the sense of growing uneasiness and insecurity among the regime power-holders, thus decreasing the latter's willingness to liberalize the regime to any meaningful degree.36 Truthfully, this is what happened in Taiwan and Korea in the late 1970s. However, in sharp contrast to the situation in Taiwan, where the regime maintained firm control over the military through the party's control devices, military intervention in Korean politics under Major General Chun's leadership, was a reaction to the interim civilian government's powerlessness...
to deal with political crisis that followed the assassination of Park.

Similarly, both countries shared an experience of radicalization of the opposition in the late 1970s. That explains the decrease of the sense of security among the authoritarian leadership, thereby making democratic transition more difficult.

After the Chung-li riots of 1977, the opposition Tang-wai took heart from the success of this event and began aggressively pushing for political reforms, partly because it won an unprecedented percentage of County Executive and Provincial Assembly seats in 1977 and partly because the authorities took no formal repressive action against the rioters of the incident. Domestically sensing that the KMT's position had weakened, and internationally inspired by U.S. President Carter's foreign policy of human rights and the Iranian revolution, the Tangwai under the direction of the Formosa magazine camp, insisted that the opposition movement in Taiwan should pursue a more direct confrontational strategy toward the regime. This confrontational attitude, combined with the ethnic composition of the Tangwai's leaders and workers and the party's right-wing group's harassment, made the Tangwai successfully appeal to Taiwanese people through magazines, organizations, demonstrations, and "birthday parties".37
In addition to fierce denunciations of the KMT, the opposition-published journals frequently tested the limits of the KMT tolerance by expressing a new Taiwanese consciousness and pride and by hinting that the only way for the Taiwanese to control their own destiny was to abandon the official one-China policy. Then the self-determination of Taiwanese people became feasible. Although their essays exposed the harsh conditions of workers and peasants and demanded government's active role in social welfare, the Tangwai essentially stressed a free market economy based on the Western model rather than socialist ideas. This was closely related to their middle or upper economic position. Strictly speaking, the Tangwai had a widespread tendency to oppose for the sake of opposing, but were unable to present positive policy alternatives to what the government proposed. The opposition aggressive advocacy of Taiwanese consciousness was, in the eyes of the KMT, equivalent to the radical Taiwan independence movement that was too provocative to be tolerated. The regime's uneasiness with the Tangwai movement was fueled by the wide-circulation Formosa magazine: some 100,000 copies per issue.38

In order to get their messages across the island, the Tang-wai leaders established a network of "service offices" in most of Taiwan's cities and counties, in the mean time sponsoring a number of meetings on the more sensitive
issues and even staging several anti-government rallies and demonstrations. By 1979, the power and influence of the Tangwai peaked, becoming the most effective and powerful opposition force that Taiwan had ever seen in its history. But the Tang-wai suffered a serious setback and lost most of its leaders in the aftermath of the Kaohsioung riot.

Clearly, the Tangwai miscalculated the limits of KMT tolerance, and was convinced that any harsh measure taken by the regime against it would create widespread social unrest that might eventually topple the regime. But the Tangwai misjudged the level of political consciousness among the general public who, in fact, still remained apathetic as the result of the influence of long-term authority-centered education of Taiwan. Moreover, the termination of the Mutual Security Treaty between Washington and Taipei as of 1 January 1980 did unify Taiwan’s people who displayed their loyalty to the government by contributing substantial amounts of funds aimed at purchasing a number of more sophisticated combat aircraft. Such solidarity within the island also justified the regime’s crack-down on the Tangwai movement that received less sympathy outside the regime. Needless to say, the public gave the Tangwai widespread backing.

However, this is not to say that whatever the Tangwai camp did was doomed to be suppressed by the authorities.
Due to the KMT's desire to "present a benign image of itself as a fair, electorally oriented party," domestically and internationally, the expanding scope of political opening could be found in its growing tolerance of peaceful political gatherings like the Tang-wai "birthday party," of electoral opposition political organizations, and of more freedom of speech and press. In this atmosphere, the Formosa group should have taken advantage of this opportunity by presenting itself as an alternative political force with positive and constructive programs with which to win votes from the vast majority of the middle class. If it had garnered more than 35 percent of the vote in various elections, the KMT would have recognized it as a legitimate political force and allowed more democratic transitions. Under such circumstances, the Nationalists would have restrained from overt repression of the Tangwai because any harsh measure against the expanding Tangwai could only help the opposition politicians at the polls.

Unfortunately, in practice, the Tangwai spent most of its energy on the aggressive advocacy of Taiwanese consciousness, which sounded good but alienated many Taiwan's middle class in general and mainlanders in particular. Such emotional appeal was likely to create suspicion and hostility between these two sub-ethnic groups in the first place. It eventually developed into a
separatist movement that has never been tolerated by both the Nationalist and the Communist governments. The middle class in Taiwan had vested interest in the status quo, fearing that any political uncertainty caused by the independence movement would jeopardize their existence. They, by and large, under the influence of the state-controlled mass medias, were suspicious of the Tangwai democratic movement.

During 1979, the Formosa camp operated like revolutionaries, and often called its followers to take to the streets, and engage in anti-government protests. Some protests joined by a large number of anti-establishment figures ended with violence which not only gave the public impressions of the violent nature of the opposition activities, but offered the regime a window of opportunity to eliminate "dangerous" democratic trends.

In sum, the Tangwai efforts to promote the Taiwanese consciousness and to favor a confrontational strategy combined to make it more vulnerable to the regimes repression and discouraged the young urban intellectuals and middle class to stand up with the opposition force.

The similar phenomenon of "self-radicalization" among various opposition activists can be found in Korea in the late 1970s, particularly in the aftermath of Park’s death. During this period, partly due to the creation of a power
vacuum after Park's assassination, partly due to the a relaxation of controls over the press and social movements, an unprecedented wave of militant labor disputes and student demonstrations swept the country. In early May of 1980 when the interim government declared nationwide martial law, some 70,000 anti-government students joined by a large number of workers filled the streets of Seoul demanding the retraction of martial law, the ousting of pro-Yushin remnants from the state apparatus and the guarantee of workers' basic rights.

The main-stream demonstrating students did not pursue a revolutionary change—a complete overhaul of the existing socioeconomic order. Some radical students' aggressive advocacy of the left-leaning radical ideology and the cry of revolution hindered the democratic transition in Korea. Their appeal of radicalism plus growing street violence did worry the vast majority of the middle class, putting the interim government in a difficult position to meet these demands, and exceeded the tolerance of the military that had been politicized during Park's era. Therefore, the radicalism of opposition forces in both countries is a foremost contributing factor in the failure of the democratization process.41

However, the contents of radicalism were quite different between the two countries. Unlike Taiwan, where radicalism exhibited traits of Taiwanese consciousness and
self-determination and reflected a lack of consensus on Taiwan’s future between mainlanders and the Taiwanese, radicalism in Korea was a reflection of the intellectuals strong commitment to social or economic equality. Indeed, the tension between the two ethnic groups was created by a massive civil disturbance in 1947, and nurtured by the linguistic difference between the two groups. According to an official poll, by 1986, between 25 to 30 percent of native Taiwanese could not communicate in Mandarin, the official language, while between 40 to 50 percent of mainlanders still were not able to speak the Taiwanese dialect fluently.42 The difference in language clearly created barriers between them. To make matters worse, the mainlanders had pre-dominated the top leadership positions of the state apparatus and party organization, although a gradual process of Taiwanization moved toward more democratization starting in the early 1970s.

South Korea, unlike Taiwan, is homogeneous in terms of language, and ethnicity. Given the lack of any traditional basis of social cleavage, the intellectual community and the "deprived" groups showed greater concern with the problems and social costs of the government economic development strategy. Thus, the radical sentiments of social and economic democracy, perceived by the conservatives of the regime as a great threat to national
survival, became a priority in social movements. Any open expression of radicalism might create a degree of social instability that would raise fears among the army about the possibility of the North exploiting dissent and disorder in the South. Such fear also came over the general public, giving the military an excuse to intervene directly in politics. 43

A second explanation for Korea’s democratization setback of the late 1970s is the inability of the interim government. After Park’s death, an interim government was organized and led by Acting President Choi Kyu-hah. He was a career diplomat throughout all of his political life and lacked a power base either in party organization or in state apparatus. Accordingly, he could not provide the strong leadership needed to maintain political stability, which was a precondition for peaceful democratic transition. In the mean time, he also lacked mediating capacity to reconcile the difference between the ruling DRP and the opposition New Democratic Party (NDP) with regard to constitutional transition. In response to mounting student demands for quick political liberation, his appeal proved incompetent. When he tried to moderate their demands by convincing them that any revolutionary change in the existing socio-economic structure or the social instability accompanying the democratization process would not be tolerated by the military. 44
It seems that only the good team-work among the "Three Kims," including Kim Jong-pil, Kim Dai-jung, and Kim Young-sam, might get the job done. Kim Jong-pil, commonly considered as the second man during Park's years and newly elected as the president of the ruling DRP, had a strong power base in party organization and government bureaucracy, in spite of the fact that sometimes his arrogant behavior created a number of enemies within the ruling bloc. He was regarded as the most promising candidate for an interim presidency after Park's death but, was more interested in running for a full-term rather than an interim presidency if a new constitution was passed. Furthermore, he had been plagued by the serious factional strife within the party, and showed no intention to seek cooperation of the other two Kims in restoring political and social order, and placated students' demands for a sweeping political reforms. If social order and law had been restored, such stability would have prevented the military from using social unrest as an excuse for reasserting the authoritarian regime.45

The other two Kims, prominent opposition leaders, had been long-time rivals since their competition for the party's nominee for the presidency in 1970. Kim Dai-jung was released from prison in December 1979 but was prevented
from rejoining the NDP under Kim Young-sam stiff objection. The former decided to form a new political party.

None of this mentioned above seems to have had a counterpart in Taiwan. The KMT regime rules in Taiwan remained firm, compared to the frequent political regime changes in Korea. The feuding factions of the Tang-wai in Taiwan were able to work together to form a united front and challenge the KMT’s hegemony, compared to the unceasing factional infighting within the opposition NDP.

Finally, a contributing factor in the breakdown of democratic transition in Korea was the politicized nature of the Korean military. The Korean military, like many other Latin American countries, had become a crucial variable in political and socioeconomic development since the 1961 coup in terms of its role and the composition of the ruling elite. Partly due to the constant threats of the North invasion and internal unrest, and partly due to civilian organization failure to manage national crises, the military in Korea came to view itself as the sole hope for the nation’s survival and rose in a bloody or bloodless coup against civilian politicians. Once in power, the military junta transformed itself into a "civilian government," and more importantly a leading sector in national development within the government.46

In the Third Republic under Park’s leadership, the ex-military officers, for example, occupied around 33 percent
of executive positions, compared to only 5 percent in the First Republic under Rhee. If we put the executive and legislative posts together, they accounted for 38 percent of the total position in the Third Republic, compared to only 1 percent in the First Republic. Moreover, in terms of the allocation of high-ranking government posts, Park also manned the important government posts with many retired military officers, especially those from his home town region, Kyeongsangdo. In addition, because of the maintenance of the over-size military forces since the beginning of the Korean War, which comprised approximately 622,000 active duty personal during 1975-1980, the Korean military expenditures were among the highest in the world in proportion to the GNP. During 1978-1980, military spending averaged 6.2 to 6.5 percent of the GNP.

All in all, there is no denying that all these massive political advantages made the Korean military prevail over the civilian organization. Under such conditions, the civilian bureaucrats had no choice but to obey orders from their superiors, thereby becoming the faithful instrument of Park's regime. This politicized nature of the Korean army coupled with the civilian politicians' ineffectiveness in dealing with the political crises after Park's death, left the door open again for the military to take power from its civilian masters, this time under the leadership
of Major General Chun Doo-hwan. As a result, another chance for Korea to move toward democracy was aborted.

The case in Taiwan was somewhat different. Taiwan’s military forces during the 1970s, like their counterparts in Korea, were among the world’s largest in proportion to the country’s population. They were composed of 350,000 equal to 1.9 percent of Taiwan’s population at the end of 1979. In 1978, military expenditures reached 9.5 percent of the GNP, compared to 6.2 percent in Korea. But a tradition of non-interference of the military in domestic disputes seemed to be widely accepted by the public, even among the military officers, despite the fact that Taiwan Garrison Command (TGC), a military agency primarily responsible for internal security, had enormous power to censor and shut down publications, to check mail, and to interrogate "rebellions" suspects under martial law. The TGC received many negative remarks about its violation of human rights such as the harsh censorship, ruthless suppression of dissidents and tight social control, but there was no evidence to show that the TGC involved itself in power struggle within the ruling bloc.

In fact, warlordism, that local military figures owned private armies independent of the Nationalist during the KMT’s mainland period, was one of the causes of the KMT’s defeat on the mainland. The top leadership was determined to insure that this cause did not repeat itself in Taiwan.
The system of a two-year term for rotating professional military officers, and the Leninist party control of the military were designed to check and balance military leaders' power from within. Meanwhile, the three major institutional sectors of the state apparatus and party organization, namely, the government, party, and military, were put into competition and cross-check. Each leader of these sectors was directly responsible for CCK; key figures in charge of important organizations particularly security agencies should report directly to CCK rather than to their formal superiors. Equally important was that CCK never allowed any individual to imitate his strategies of "check and balance" and "divide and rule".\textsuperscript{50}

Beside these, a Taiwanization policy adopted by CCK beginning in the early 1970s was intended to recruit more promising Taiwanese elite into the party and government, which meant that at the same time militarism within the party was supposed to be diluted by this democratization process. However, in the 1970s, many senior military leaders, all of whom were CCK's father's associates, still held the positions in the party's Central Standing Committees and had a strong voice in party policy. They exerted political influence primarily through personal ties to CCK rather than through direct intervention.\textsuperscript{51}
In addition, a third important variable explaining the immunity from direct military intervention in Taiwan’s politics is the quality of economic bureaucrats. A group of economic elites who came to Taiwan in 1949 constituted a powerful cadre of technocrats. Backed by the peak of the government hierarchy, they performed beautifully in the jobs which included analysis of the economic situation, the draft of policy proposals, and the adoption of a series of socioeconomic development plans. These competent economic bureaucrats contributed to Taiwan’s rapid economic growth a great deal, leaving little room for the military to play a pivotal role as "strategic elite" in the process of the state’s socioeconomic development.52

A fourth explanation for the inactive role of the military in Taiwan’s politics was the absence of widespread domestic disorder. Although Taiwan witnessed the Chungli and Kaohsiung riots, such unrest did not serve a catalyst to broader civil turmoil mainly because most Taiwanese as a whole were satisfied with the existing socioeconomic order. Long-term Taiwan’s social stability along with the lessening of Communist military pressure gave some ambitious military leaders no excuse to broaden their power bases.

Therefore, the combined effects of the party control of the military, the Taiwanization policy, the quality of economic bureaucrats, and the absence of internal violence
made it extremely difficult to conceive of circumstances under which a military coup in Taiwan might take place.

In contrast to military officers in Korea, where many of them could take off their uniforms, put on civilian clothes and find secure jobs on the National Assembly as lawmakers, Taiwan's ex-military officers, except very few who resided in the so-called military communities in urban areas, had no chance of becoming politicians because almost all of them were mainlanders and had an enormous difficulty appealing to the Taiwanese electorate.

Given the over size of the military force in Taiwan, most senior military personnel, whose loyalty was unquestioned, were offered positions on the security agencies of the government, the state enterprises, and the state-own Vocational Assistance Commission for Retired Servicemen (VACRS) when they retired. The kept a close eye on the activities of civilian bureaucrats, aimed at preventing anyone from becoming secret supporters of opposition movements, Taiwan independence and communist subversion. Yet in Taiwan these personnel with military backgrounds, unlike their counterparts in Korea, were under genuine civilian control and had very little access to top government posts. In short, unlike the military in Korea, where it had become—the most powerful institution of the state apparatus since the 1961 coup, Taiwan's military had
never been allowed to play an active role in domestic politics. It was firmly subordinate to civilian government, although the armed forces exerted great influence on the matters of domestic security.

Given the strong military establishment in Taiwan and mainlanders filling most high-ranking military posts, the military's potential influence in the future of Taiwan's politics can not be lightly ignored with respect to its role in the process of the "Taiwanization" of the KMT, and of government measures to deal with radical Taiwanese oppositionist elements, particularly Taiwan's independence movement. The armed forces as a whole were staunch anti-communists and anti-separatist who believed that one day the Communists on the mainland would follow in the Soviet Union's footsteps and become history, thus creating a condition favorable for the KMT's return to the mainland. Accordingly, they opposed "Taiwanization" of the KMT, fearing that the younger Taiwanese elites have fewer emotional ties with the mainland. The military favors greater restrictions on political activity of Taiwanese opposition forces, particularly pro-Taiwanese-independence elements, because it believed that the conciliatory approach to the Taiwanese secessionists would give the dissidents an opportunity to rebuild momentum, eventually leading to widespread domestic violence.
A military coup might occur if the civilian leaders were not responding adequately to the threat of Taiwan independent elements. Once the "stable constitutional democracy" had been restored, the military would be under great pressure from society to return power to civilian politicians. The conservative role of Taiwan's military fits well with Huntington's description of the political role of the military in developing countries. He concludes that "the more advanced a society becomes, the more conservative and reactionary becomes the role of its military." Such cases can be found in countries like Argentina, Cuba, Venezuela, Colombia, and Brazil during the 1950s. The Korean military is no exception.
Notes for Chapter IV


16. Another small opposition party (Democratic Unification Party) and independent candidates as a whole garnered 7.4 percent, or three seats, and 28 percent, or 22 seats, respectively. For further elaboration, see Eugene C. I. Kim "Significance of Korea’s Tenth National Assembly Election," Asian Survey (May 1977), pp. 523-532.


21. Ibid.


31. Ibid.


33. Ibid, p.256.

34. E. Winckler, "Institutionalization and Participation on Taiwan," 1984, pp.486-487.


43. S. J. Han, 1989, p. 40.

44. Kihl, 1984, p. 77.

45. H. B. Im, "Politics in Transition..." 1989, p. 64; and E. S. Chung, "Transition to Democracy..." 1990, p. 48.


47. K. R. Lee, 1990, pp. 54-55.


Chapter V
SOCIAL MOVEMENTS, INTERNATIONAL ENVIRONMENT, AND THE LIBERALIZATION OF THE REGIME

Since the early 1980s, Taiwan seemed to be festering with growing social discontent. More and more people as well as various social segments had become bolder and more demanding through popular protests such as mass petitions, rallies, public hearings, street demonstrations, strikes, and blockade. All these collective protest activities were expressed in the name of "Tse-Li-Jou-Ji" (meaning self-help actions). They were named as "self-help actions" because there was broad public frustration and distrust about the government's intention and competence to correct socio-economic and political injustices. Popular movements had apparently increased in numbers and intensity throughout the 1980s, and directly challenged the existing rule as well as the KMT's hegemony despite the prohibition of martial law. It showed that the civil society in Taiwan had awakened.

Another significant development at the time was Tangwai continuing struggle for democracy. In spite of its internal division and the possibility of another repression, Tangwai was able to regroup itself for the elections, to repeat street demonstration, though more cautiously, with pushing the regime on the road to the
democracy, and to take advantage of KMT disarray by claiming to form a new political party. The regime, however, took no action against it at this time. Thus, a competitive two-party system has emerged since the 1986 election, the first ever in the history of Taiwan.

External factors (e.g. the pressure from the United States and political events in the South Korea and Philippines) that have had influence on the liberalization of the KMT regime, should not be ignored, even though their role is less significant than domestic factors. Indeed, as a legal basis for unofficial relation between Washington and Taipei, the Taiwan Relations Act provides that "the preservation and enhancements of the human rights of all the people on Taiwan are hereby reaffirmed as objectives of the United States."¹ Accordingly, the U.S. Congress since 1980 has held open hearings on such issues as martial law and native Taiwanese democratic participation in the political process. Therefore the activities of the Congress had encouraged the Tangwai to increase their anti-government movements, and to exert great pressure on the KMT to speed up democratic reforms.

First of all, this chapter will briefly examine the theories of mass protest movements with regards to Taiwan’s case and then analyze the types and characteristics of the emergence of Taiwan’s civil society in the 1980s. Second, a comparison of Taiwan’s and South Korea’s anti-government
protests, especially the student movements, will be made. Third, the role of Tangwai in the liberalization process, KMT's reaction, and international factors will be discussed. Finally, the differences and similarities between Taiwan's and South Korea's democratic reforms, especially with respect to the opposition politics, international factors, and degree of the regime's control of the process will be addressed.

A. The Emergence of a Civil Society

In spite of various approaches to the explanation of mass movements, two of them seem to be able to interpret the causes of Taiwan's case in a satisfactory manner. They are: 1) relative deprivation approach, and 2) resource mobilization approach.

The concept of relative deprivation, according to T. R. Gurr, "is the basic precondition of protest, and the greater the deprivation, the greater the magnitude of protest. Relative deprivation is, in turn, produced by a discrepancy between what people think they are entitled to and what they are actually getting." Such feeling is closely associated with rising expectation which takes place when social conditions are actually improving. Thus, people are subject to heightened aspirations due to a partial fulfillment of their ambitions, but they then
become dissatisfied with the rather slow rate of change and gradually feel that "their opportunities for getting on in this world are unduly limited by political arrangements." As they become increasingly impatient with the gradual improvement of their lot, they begin to channel their discontent into protest activities.

The emergence of civil society in Taiwan can be partially explained by this approach. For example, although Taiwan became industrialized and urbanized in the 1960s and 1970s, it did not become proletarianized due in part to the KMT tight control over the labor force through a number of channels, and due in part to higher rates of worker turnover in light manufacturing industries.

What we have seen, beginning in the early 1980s, however, is labor's newfound awareness of the right to seek more share of economic pie by resorting more and more to direct action, strikes, sit-ins, and other tactics, as the economy continued to boom in Taiwan. The economic grievances of the working class experienced the sustained growth of Taiwan's economy and expected to receive more reasonable treatment. But their rising demands have been often ignored and blocked by the out-of-date labor law, which fails to accommodate their rising expectations. The lack of effective political institutions within Third World regimes to meet the rising demands of the public, as S. Huntington points out, is the key source of social unrest.
The resource mobilization approach considers protest movements as a result of certain groups' mobilization rather than as a sudden eruption of mass frustrations. Through the mobilizational process, "individual group members' resources are surrendered, assembled and committed for obtaining common goals and for defending group interests." If each of them share a sense of common identity with a group structure, which refers to the density of network among group members that link them to each other by means of interpersonal bonds, another significant element will occur in the process of a collective action.

Generally, mobilization is facilitated by a more cohesive group that possesses not only the strength of a shared identity among its members, but the networks of the organizational bases. Due to the scarcity and constancy of political resources, competition in the political arena is basically a zero-sum game— one group’s gain equal to the other’s loss. Thus, each group seeks to adopt the strategies of a continuous process of organized activities (e.g. demonstrations, petitions, strikes, and so forth) aimed at getting special favors for itself. When the magnitude of social movements becomes larger as the outcome of a group's mobilization, it may increase the bargaining power of the group relative to governmental authorities.
Perhaps, the best example of the relation of organized activity to the proliferation of protest rallies is the Tangwai movement of the 1980s. In the aftermath of the Kaohsiung Incident of 1979, the Tangwai was politically astute. In the 1980 national elections, the moderates within the Tangwai took the helm of the resistance movement and avoided provocation. They emphasized the importance of the Tangwai's role in checking and balancing KMT hegemony, and made a jury trial on the Kaohsiung Incident defendants become a major campaign issue. As a result, relatives and defense lawyers of the defendants scored some notable victories: securing around 20 percent of the vote, or about one quarter of the seats contested. In the 1983 national election, the Tangwai exploited the main issues such as pollution, traffic congestion, cost of living, lifting martial law, Taiwanization, and so on. It captured 19 percent of the vote, nearly the same as in 1980.

Although the Tangwai had never broken through the 30 percent barrier at the polls, it has been only one formidable political force in the opposition politics of Taiwan. Therefore, it seized the opportunities to get involved in organizing the protest calling for full democracy, conservation of the environment, welfare of the workers and farmers that have won widespread support from all walks of life. This "mass movement" tactics had prevailed between 1983 and 1989, the time when the radical
faction within the Tangwai is so-called "Action Faction" was coming back and regained their political influence. During the period, the KMT had suffered a "crisis of authority" resulting from a series of scandals, the succession problem, and the power struggle within the regime after the death of President Chiang Ching-kuo, thus providing the Tangwai with opportunities to lead mass mobilization efforts in order to "politicize" large sectors of the population.

M. K. Michael Chang and his colleagues, in their field study of "self-help actions" in Taiwan from 1983 to 1987, have found that, as shown in Table 5.1, the numbers of collective protest activities amounted to 1,513 during the period of 1983 to 1987. The number increased from a total of 143 in 1983 to 675 in 1987. This is apparent in the up trend of popular movements over the period 1983-1987. In particular, in 1987, the year when martial law was lifted, a dramatic surge of protest was seen in Taiwan.

According to the study, there are at least four major types of mass movements in Taiwan in the 1980s: (1) political demonstrations, (2) environmental protection movement, (3) labor protests, (4) consumer protection movement, even though the list is not a complete one. The characteristics of the four major types of social movements are illustrated as follows:
Table 5.1
Public Protest Activities, 1983-1987

<table>
<thead>
<tr>
<th>Types</th>
<th>1983</th>
<th>'84</th>
<th>'85</th>
<th>'86</th>
<th>'87</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political</td>
<td>5</td>
<td>4</td>
<td>20</td>
<td>35</td>
<td>106</td>
<td>170</td>
<td>11%</td>
</tr>
<tr>
<td>Environmental</td>
<td>43</td>
<td>60</td>
<td>34</td>
<td>78</td>
<td>167</td>
<td>382</td>
<td>25%</td>
</tr>
<tr>
<td>Labor Dispute</td>
<td>20</td>
<td>37</td>
<td>85</td>
<td>38</td>
<td>62</td>
<td>242</td>
<td>16%</td>
</tr>
<tr>
<td>Consumer</td>
<td>57</td>
<td>72</td>
<td>69</td>
<td>101</td>
<td>257</td>
<td>576</td>
<td>38%</td>
</tr>
<tr>
<td>Other</td>
<td>18</td>
<td>9</td>
<td>14</td>
<td>19</td>
<td>83</td>
<td>143</td>
<td>9%</td>
</tr>
<tr>
<td>Total</td>
<td>143</td>
<td>182</td>
<td>242</td>
<td>271</td>
<td>675</td>
<td>1513</td>
<td>100%</td>
</tr>
</tbody>
</table>


1. Political Demonstrations

Among the total of 170 political rallies from 1983 to 1987, as M. Chang indicates, the Tangwai participated in more than one half of them (a total of 90), while the others were basically spontaneous. It shows that the Tangwai has been a leading force consistently holding anti-government rallies since the early 1980s. The issues raised by the Tangwai in the rallies included martial law, self-determination among Taiwan’s populace, unfair trials, political victims’ human rights, aging parliament, and the sentencing of a number of leading Tangwai activists on libel charges.\(^7\)

The higher frequency of the Tangwai’s involvement in political demonstrations during this period is closely
associated with the emergence of a radical faction within the opposition. Since 1983, a group of young radical writers has waged a series of wars against the moderates within the Tangwai, particularly the leading figure Kang Ning-hsiang, for his soft stand dealing with the KMT. Criticism of the moderation produced disunity and the Kang faction's defeat in the 1983 national election. The radical faction gradually gained the upper hand and espoused the "street-line" doctrine attempting social mobilization under a mass-oriented ideology in sharp contrast to the moderates' "parliament line," which favored peaceful electoral and parliamentary competition with the KMT.

Inspired by developments of the growing worker-student demonstrations in the mid-1980s in South Korea, and the Aquino revolution in 1985-1986 in the Philippines, Tangwai activists increased their pressure for democratic reform by taking to the streets. This also helps to explain why the number of political rallies in Taiwan reached a climax in 1987--a total of 106, nearly three times the figures of a previous year. Nevertheless, the Tangwai basically took a more cautious approach to mass movements: they avoid violent confrontation with the riot police in the rallies because the lesson they had learned from the Kaohsiung Incident of 1979. Therefore, most of political rallies
taking place during 1983-1986 had a peaceful ending, even though some of them turned violent.

The Nationalist authorities showed more tolerance of mass protests than before, as long as they did not pose immediate threats to national security. More important however was the fact that the legal charges against the opposition no longer deterred the outbreaks of anti-government protests due to "people power" in Taiwan having reached the higher level; people by and large expected the KMT to be more accountable for their actions. Thus, any oppressive measures against mass movements, especially political demonstrations, might pay the price--possibly even more widespread unrest.

2. Environmental Protection Movements

Environmental protection movements in Taiwan similar to green movements in Western Europe constitute one-quarter of popular protest activities during 1983-1987. Like political rallies, green movements in Taiwan had intensified with growing frequency throughout the 1980s. In 1987 alone, there were 167 cases of anti-pollution protests around the island. Since the 1970s, Taiwan’s environment has been deteriorating rapidly, mainly because the state adopted a policy of rapid industrial growth at the expense of the environment. As a result, the cost of Taiwan’s economic miracle has been great: it has become one
of the most seriously polluted countries in the Third World; almost all the rivers in urban areas have been seriously polluted; air pollution, noise pollution, and water pollution are also serious problems.

These problems have been greatly complicated by both Taiwan’s high dense population and the spread of its manufacturing. Taiwan’s population is among the world’s highest, which means that there is no easy solution to the worsening environmental problem, particularly in over-crowded metropolitan areas. The decentralized pattern of industrial growth, encouraged by the government, has made the proliferation of many factories disperse into rural areas. This illustrates the fact that the large number of firms have no profit margin to make a significant investment in pollution control, therefore serious pollution has been scattered islandwide.

The regime had ignored the problems for years from the beginning, unwilling to make a basic law to protect the environment. It feared that strict environmental regulations would alienate domestic and foreign investment and cause the decline of the competitiveness of Taiwanese products in the international market, subsequently undermining its legitimacy which was based on economic progress. As a result of the authorities’ ignorance of the problems, people in Taiwan, especially those local victims
residents, had no other alternative but to take their grievances into the streets, some militant and violent. The protests were directed at the issue of pollution or against the polluting industrial factories. A number of anti-pollution associations were also formed by the environmentalists and intellectuals. The associations have played a major role in fighting for a clean environment by publishing several field studies of environmental questions to offer technical assistance and advice on environmental issues, by inviting environmental experts to give speeches to local citizens, and by helping local residents organize opposition against particular polluting factories. As a consequence, the polluting firms were forced either to make compensation or to shut down.

More importantly, anti-pollution protests have aroused extensive public attention and consciousness of environmental protection. The biggest victory was that they succeeded in halting Dupont Corp from establishing a titanium dioxide plant, one of the 14 most polluting industries on the government list, on the Lukang seashore in April 1986. This project was originally approved by the authorities and considered as the single largest foreign investment venture in Taiwan’s history.

Due to the anti-Dupont movement serving to inspire a host of anti-pollution protests around the island, the KMT began to pay more attention to its concerns by shifting a
long-standing single-minded focus on economic growth to a decision to consider both the economic and environmental aspects of the industrial policy. In August 1987, the government elevated the Agency of Environmental Protection in the Department of Health (a secondary-level organization in the Executive Yuan) to cabinet-level status and also agreed to increase its pollution control budget and to enforce tougher environmental regulations for pollution. Nevertheless, the public still distrust the government’s commitment to environmental protection.

3. Labor Protests

As stated in Chapter III, an obvious explanation for the lack of effective labor protests in Taiwan in the 1960s and the 1970s is to be found in a combination of the-party-state-imposed control over trade unions and state-encouraged development of light, low-skill, and female-intensive industries. Strict labor controls strengthened by martial law permitted the Taiwan Garrison Commander to crack down any strike with his discretionary powers. Under the circumstances, labor unions controlled by the KMT just played a mediative rather than interest-articulated role in labor disputes; workers’ interests also have been greatly under-represented at all levels of decision-making in Taiwan.⁹
But, the defeat on the mainland due to the failure of the KMT to take a pro-worker stance taught it a serious lesson. The Nationalists have avoided a further exploitation of labor, for fear of causing workers' growing dissatisfaction. Policy initiatives that delivered some piece of the economic pie to this sector began in 1974; the scope of workers' welfare encompass benefits from medical care to retirement and severance payments, but excluding unemployment benefits. In 1984, the KMT leadership moved further to revise labor legislation, providing workers mandated benefits with respect to maximum hours, minimum wages, vacation time, pay equity, bankruptcy protections, occupational safety and health, pensions, and maternity leave.

However, many employers fail to provide these benefits and most unions still cannot enter into collective bargaining over workers' common interests and welfare. The authority—the Council of Labor Affairs—is often unable to enforce the labor law on many occasions. Therefore, to many workers, the adoption of the pro-labor legislation actually has not generated improvements in their real standard of living due to poor government enforcement of the law. Labor demonstrations and work stoppages even in the state enterprises have taken place with increasing frequency and magnitude since the early 1980s. They have sought the enforcement of basic mandated benefits.
Their position is enhanced by two favorable circumstances. One is that continued economic prosperity in Taiwan leading to short supply of labor forces strengthen economic bargaining power of workers in a tight labor market, providing an opportunity for seeking better terms of employment. Another is that in the aftermath of the termination of martial law in mid-1987, fewer demonstrators have served prison terms for alleged violations of laws. This is associated with the regime's "opening up political space" that allows the deprived sector of society to act publicly and collectively. Thus, this development offers a good opportunity for the workers to address their mounting grievances collectively aimed at seeking more reasonable treatment from management.

In December 1987, the Labor Party was formed. Since then, the labor movement in Taiwan has become more aggressive and well-organized as new independent trade unions are created by the activists in many factories, especially among state firms and big-sized industries, and they directly challenge the dominant role of the KMT-controlled trade union federation. Yet, partly due to Taiwan's unique economic structure—the predominance of growing small- and medium-scale industries, partly due to a Leninist-type structure of the KMT party-state, and partly due to weak class consciousness of Taiwan's labor,
politicization of the labor movement in Taiwan in the near future seems doubtful.

4. Consumer Movements

The total numbers for each type of social movement in Taiwan during 1983-1987 are 170 for political protests, 382 for green movements, 242 for labor protects, and 576 for consumer movements. In 1987 alone, there are 257 consumers protection movements reported, compared to only 106 cases for political, 167 for environment, and 62 for labor disputes in the same year. It can be interpreted that consumer movements have become the most active social movement in Taiwan's civil society in terms of the frequency. Indeed, the consumer movement is considered by a number of analysts as the most successful autonomous social movement in Taiwan, not only because "the pressure it has presented to the related government agencies for more positive actions on consumer protection has been very significant in proving to the state that the society is no longer passive," but because it "also serves as a model for other social movements to emulate and to learn how to mobilize existing resources for making a demand on the state."¹⁰

Consumer movements began in 1979 following the release of examination reports on several out-of-date consumer products which posed serious threats to health.¹¹ The most
serious incident that took place in 1980 was the substitution of wood alcohol for certified liquor made by an unlawful factory; many people after drinking poison were critically hurt. A number of scholars and intellectuals felt the need to work together to establish an independent association to protect consumer rights and interests. In 1980, the first autonomous consumer organization, Cultural and Educational Foundation for the Consumers, was founded by this group. In spite of the government's harassment in the initial years of the consumer movement, the Foundation had played a crucial role in social movement on behalf of consumers' issues. For example, it usually persuaded the government to take affirmative action on consumer benefits, much to the displeasure of economic bureaucrats and the manufacturing sector. The major methods applied by the Foundation included sponsoring public forums on various consumer issues, staging peaceful protest rallies, engaging dialogues with the government officials, lobbying legislature, publishing the widely-circulated Consumer Report, and providing legal aid to the individual victim hurt by the concerned industrialists. Since its founding, the Foundation had made impressive strides in its efforts to arouse the public's consciousness of consumer rights and welfare, thereby successfully establishing its reputation
and popularity among the public as a leading organization for consumers benefits.

A couple of factors contributing to its success are cited here. First of all, the consumer movement led by the Foundation is primarily consumer-oriented based on the urban-middle-class participation. It has generally eschewed involvement in broader politics or other controversial social issues, in order to keep its consumer-protection message undiluted. Second, the intellectual-led consumer movement is unwilling to form links with the opposition, notably the Tangwai, or other mass dissents, fearing that outbursts of violent confrontation with the authorities in the rallies would give the authoritarian leadership a justification to suppress social movements through coercive means. Consumer protest is therefore, becoming increasingly, small-scale, well-disciplined and peace-prone, which poses no threat to social stability. This is the main reason that the Nationalists eventually admit the Foundation’s efforts to have made much progress in consumers’ welfare.

The emergence of social movements in Taiwan in the 1980s, according to H. H. Michael Hsiao, can be best characterized as a "demanding civil society" which shares a number of features.12

First, in spite of different demands made by various movements, the common goal of the movements is to acquire
more autonomy against the supremacy of the KMT party-state in the civil society. Since they "directly question the state-society relations, particularly the mode of state control over the civil society." 

Second, the state is viewed as a primary target to which the demonstrators have claimed lots of demands. Mainly because the state, in the eyes of those participating in social protests, tends to have a considerable bias in favor of the privileged class in society. This makes the equitable resolution of the deprived class' grievances difficult if not impossible. In response to the state's ignorance of mass dissatisfaction, "self-help" protests have emerged in forms of rallies, petitions, strikes, and walk-outs, making serious efforts to pressure the state to review its out-of-date laws or enforce newly passed law so that it may meet the demands of the civil society.

Third, one of the symptoms of the emerging social movement is that the participants have the strong feeling of being ignored and excluded under the prevailing system. Such conditions will be prevalent for long periods unless they take to the streets protesting the establishment. In other words, the only way to change the dominant system is to join a protest movement to let their voice be heard.

Finally, in alliance among various social movements
may be seen in the near future if their commitment to a broader protest movement is generated and sustained by some common goal. As the magnitude of allied protest movements increases, the state will accelerate its reform process.

In short, demonstrations became commonplace in Taiwan in the 1980s. The heightened desire of the people to protect their own interests and the various groups’ mobilization of their individual member’s resources for achieving the goals largely explains this phenomena. Another explanation articulates more directly with the positive response of the target of the protests. According to Chang, the majority of the protest activities, except political rallies, successfully forced the target to make concessions immediately or promise to solve the problems later on.14 This, in turn, encouraged many other sectors of society to follow suit in order to get their own interests guaranteed. For this reason, one may reasonably assume that a new kind of participatory political culture in Taiwan has gradually emerged. Indeed, "to win is to struggle"—the title of a very popular Taiwanese song in the late 1980s, cogently sums up the public’s general sentiment toward the authorities that are perceived as too conservative or too apathetic to produce reform; instead, anti-government protest movements are necessary to urge them to action.
B. Comparison of Taiwan's and Korea's Antigovernment Activity of the 1980s

According to Shin's study, there were a total of 2,258 political protests between 1945 and 1972, over a half of them were staged by students, and one of them caused the fall of the Rhee regime in 1960.15 Based on the report from the Ministry of Legal Affairs of South Korea, the student-led mass uprising had considerably increased during the period of the late 1970s to mid-1980s. Among all kinds of social groups, around one-third of the political prisoners in 1978 were student activists; in 1982, the ratio of students to the total number of political prisoners increased more then two times, 306 (73.4 percent) of the 417, and to 83 percent in 1986; the percentage of workers serving prison terms remained little changed, from 14 percent in 1982 to 13.9 percent in 1986; concerning that the percentage of church leaders decreased substantially, from 44.5 percent to only 3.1 percent.16

These figures evidently indicate that student activists have been the most powerful force in the Korean resistance movement and have dominated social movements since the founding of the Republic; the workers play a secondary role in the process. This section seeks to analyze Korean student activism's objectives, organization, strategies, size of participation, and government response
in the 1980s and to make a comparative study between Korea's and Taiwan's student movements. For lacking of systematic documentation, the analysis of labor movement between the two countries is not included.

From a historical perspective, students in Korea, unlike their counterparts in Taiwan, were able to organize highly effective movements which were crucial factors in toppling the regimes of Rhee and of Park and forcing the Chun regime to allow the direct presidential election.\textsuperscript{17} The most significant is that as all organized opposition forces were brought under effective control by the Chun government by the early 1980s, the university students were the only exception under the iron fist of President Chun and in fact continued to intensify their political opposition to the policy of suppression. The student opposition to government is a pervasive characteristic of almost every type of modernizing society, with no exception in the Korean case. Since "in all countries, reality is usually at variance with principles, and young persons, especially those who have been indulged in adolescence, ... feel this strongly. Educated young people everywhere consequently tend disproportionately to support idealistic movements which take the ideologies of the adult world more seriously than the adult world itself."\textsuperscript{18} This is also true in both Taiwan and South Korea. Students in National Taiwan University, the most prestigious school in
Taiwan, consider themselves as the heir of Beijing University in the mainland China, which was the birthplace of the Chinese democratic movement. Thus, they always play the leading role in anti-government protests across the island. A similar pattern is found in Korea. Seoul National University, Korea University, and Yonsei University, belonging to the uppermost bracket among the universities, have been the center of political agitation and anti-government and anti-American activities. Yet, the persistence, effectiveness, and politicization of student militancy in Korean politics is quite different from many other countries' student activism, including the case of Taiwan. The radicalization of student politics in South Korea can be explained by a number of factors: the successful overthrow of the Rhee regime, the rise of the military-authoritarian regime of President Park, the illegitimacy of the Chun regime following his repressive policy, and students' organizational strength and ideological advantage.

The uprising of 1960, unexpectedly resulting in the overthrow of the Rhee dictatorship, was designed to oust those high-ranking government officials who manipulated the ballot counting in the 1960 election. Yet at the beginning, students protested against government intervention in academic freedom and sought to ensure the self-government. As the protest movement grew in size and
intensity, electoral fraud of 1960 became the primary concern of the student. It was the students who felt most angered and impatient with the rigged election and staged anti-government demonstrations. At the time, they showed no intention of directly participating in the political process, or even building a genuine democratic political system for the county.

Partly due to the non-intervention of South Korean military, and partly due to the United States government's sympathy with the demonstrators, the Syngman Rhee regime suddenly lost its political power base, domestic and foreign, and was forced to resign. However, the unexpected overthrow of the Rhee regime apparently "gave the students a sense of political importance and power which they had not imagined or enjoyed before."19 They began to redefine their political role in politics and became bolder and more demanding based on the belief that they are in the vanguard of the political and social movement and their actions truly reflect what the people desperately need. They believed that the effective way to achieve political goals is through a collective, direct, non-stop, and violence-prone action.

The liberal government of John Chang replaced the Rhee regime and was ousted by the military, headed by General Park in 1961, and subsequently Park's economic
policy considerably favored the big capitalists at the expense of workers and farmers, giving the student activists new resolve. This is the main reason that student movements in the 1970s became well-organized, more-militant and more-ideological-oriented that brought about the extremely harsh countermeasures by the Park regime.

Under the Park rule in the 1960s and 1970s, student activism in Korea had shown much more concern in such wide-ranging areas as democracy, nationalism and social justice and equality than it did in the 1960 uprising. On the one hand, the student activists attributed many of South Korea's difficulties, e.g. political dictatorship, economic exploitation, and social inequality--to the division of the country, for they were convinced that the United States should take more responsibility. Thus an anti-American sentiment began to develop among many student activists.

On the other hand, in order to broaden their social basis, student activists put more efforts into a number of broad social issues, such as inequality of wealth and uneven distribution of the benefits of economic growth, which drove them to directly penetrate into factories and workplaces by turning themselves into factory workers who later led labor protests.
Student activists concentrated on alliance forging of workers on the basis of single factory situations. There were no associations among workers' across factories and between industries. Hence, this pattern of alliance brought about only sporadic outbursts of labor protests, but not sustained and widespread pressure for change. Both the Dong-il protest of 1974 and of the Y. H. protest of 1979 provided good examples of the fragmentation of the labor movement in the 1970s; both incidents, under the influence of the student activists, and church groups, challenged managements' unfair labor practices in isolation rather than in combination. Yet the latter's incident sparked popular riots in Pusan and Masan areas, becoming an immediate cause of Park's deteriorating legitimacy, of the disintegration of his regime, and of his assassination. 20

During the Park years, major student protest movements occurred almost every year except 1963 and 1972. Confronting a series of student-led anti-government protests, the Park regime introduced a great number of anti-activist measures against student radicals, including the expulsion of a student leader from school; the arrest and imprisonment of activist leaders; the forced conscription of student leaders into military service; permanent prohibition of the reinstatement of the expelled student; anti-communist education of the misguided students; prohibition of all unauthorized student
publications; the adoption of the military training program on campuses; and the expulsion of "politicking professors" who were sympathetic to the student movement. With the threat of severe punishment by the government, the students were temporarily kept from demonstrating against the regime in the streets.

But in Korean society where the crisis of regime legitimacy still existed, it was difficult for student activists to quietly return to their routine academic life after experiencing the successful overthrow of the despotic Rhee regime in 1960. Indeed, the undemocratic measures taken by the regime, such as the manipulation of the election of 1967, constitutional revision for a three-term presidency in 1969, compulsory military training for all college students in 1971, and the 1972 notorious Yushin (revitalizing) reforms, did provide a favorable environment for active students to rise up again, even though most demonstrations were confined to campus and were relatively smaller in terms of size of participation, compared to the 1960 student uprising. In addition, the students successfully organized students' groups such as the National Democratic Students Federation: at the time a national-level student organization which was able to coordinate their efforts across the campuses.
In the 1980s, student activism in South Korea took on new dimensions: becoming more numerous, active, organized, and radicalized with strong anti-Americanism than in the 1960s and 1970s, in spite of the ever-increasing repression. Involvement in the labor protests also became much stronger and more penetrating.

Why did the Korean student movement become increasingly more politicized, militant, and anti-American in national politics in the 1980s? Several plausible explanations are as follows.

First, it was the illegitimacy of the Chun regime that was blamed for the bloody "Kwangju Uprising," in which a peaceful rally, staged by thousands of students and residents in the city of Kwangju following the military coup of 17 May 1980, demanded the immediate lifting of martial law, the release of Kim Dae Jung and the resignation of General Chun Doo Hwan who led the military coup. But it was brutally suppressed by the army and some airborne unit soldiers, in a combat-style operation. Hundreds, perhaps several thousands of civilians were killed, and most of the victims were students. The manner of taking extreme steps against such a large number of unarmed citizens in this incident apparently left a permanent taint of Chun’s rule, which meant that Chun could not make his rule legitimate, given the Kwangju Massacre. In fact, in all major anti-government demonstrations during
the 1980s, the message of the students calling for President Chun's resignation became loud and clear both on and off the campuses.

Second, Chun and his fellow officers, in the eyes of student activists, undoubtedly were the "original culprits" of the Kwangju Incident, and the United States was the prop of Chun's illegitimate military regime since it failed to prevent General Chun from using South Korean troops under its command for the military coup on December 12, 1979, and for the crackdown of the Kwangju Uprising in May 1980. Hence, the role of the United States' presence and influence in Korea has been seriously questioned by the students. As their anti-American sentiments grew, anti-American slogans were loudly chanted and the U.S. agencies in Korea, including the U.S. Embassy and the U.S. Cultural Centers, became the target of fire setting in the student protest movement in the 1980s.

Another interpretation of the radicalization of Korean student activism was that the stronger the repression has become, the more militant the student has been. This unique phenomenon occurred as the Chun regime, on the one hand, used much harsher, sometimes extremely repressive, measures against the student activists than all his precedents' combined, while students, on the other hand, responded with new tactics of resistance. The Chun regime
unhesitatingly applied coercion to the student activists aimed at maintaining his rule.

A number of repressive measures introduced by him included: on May 17, 1980, nationwide martial law was issued, banning all kinds of political activities, both indoor and outdoor and temporarily closing all universities and colleges; under the sweeping "Purification Campaign" of 1980-1981. By 1982, more than 300 student activists were behind bars and the numbers of expellees amounted to nearly 200; between 1980 and 1983, the total number of student activists forced to serve in the army was 465; in the spring of 1984, six student leaders were found dead during military service. Under the National Security Law of 1985, the student activists could be severely penalized by life imprisonment or even death if their disorderly activities were equated with "anti-state" attitudes. From the summer of 1985 to February 1988 the time when President Chun's term of office expired, without prior request or consent on the part of the school authorities, the Korean riot police repeatedly and systematically assaulted university campuses, arresting several thousand students and implemented the confiscation of all kinds of "subversive materials."21

Despite repression, student activism did not abate, but simply went underground. More importantly, the repressive policies further reinforced the politicization
of the student movement in Korea: student activists made serious efforts not only to engage in the "consciousness-raising movement" by secretly holding evening classes for low-wage workers, farmers and urban poor, but also to stage non-stop demonstrations on many campuses between 1982 and 1983, most of which were large-scale involving several thousand students, compared to only several hundreds involved in the 1960s and 1970s.

The Chun regime came to acknowledge in early 1983 that most of its anti-activist harsh measures were ineffective; some could even be counterproductive in terms of the new trends of the underground student movement. In the spring of 1984, Chun began to relax his tight control on college rules by initiating a number of campus reform programs which granted students more autonomy on the campus in exchange for campus harmony. The reform programs included the re-establishment of the student self-governing associations, the withdrawal of the intelligence-security officers from the campuses, the release and reinstatement of arrested student leaders and dismissed professors, and the restoration of university authorities' power to deal with school affairs without outside forces' intervention.

Yet the granting of campus autonomy provided student activism with favorable environments for the participation in the electoral process of Korean politics, for the
development of intercampus organization, and for the penetration of other sectors of the society. In the 1985 National Assembly election, many active student volunteers went to local districts to campaign for the opposition candidates, who as a result had an impressive performance in the election, capturing 46 percent of the legislative seats.

Meanwhile, student radicals on the campuses organized various autonomous associations and clubs, most of which coordinate their actions and became the basis of the National Federation of Students Association (NFSA). The NFSA, joined by 62 universities and colleges in South Korea, was divided into two major groups: the Struggle Committee for National Democratic Revolution, so called Minmint’u and the Struggle Committee for National Liberation and National Democratic Revolution, called Chamint’u.22

There was actually no difference between both groups in terms of their perspective on ideology: both were committed to the objectives of national unification and democracy. But the main difference between them was that the Chamint’u was primarily concerned with the removal of foreign influence from both parts of Korea, particularly the withdrawal of American forces, which the Chamint’u activists considered the main obstacle to achievement of peaceful reunification and democracy in Korea, while the
Minmint’u showed great sensitivity toward the ouster of Chun’s military regime and toward the restoration of the liberation of the masses (minjung), which would eventually result in the national unification in Korean peninsula.23

In spite of their disagreement in the tactics necessary to achieve their goals, they both took over the leading role, undertaken by the church in the 1970s, in democratic movements in the 1980s. Student involvement in the labor protest, for example, has become stronger and more penetrating. As estimated by 1985, a total of 1,500 former student activists (both college graduates and expellees) voluntarily worked for manufacturing industries as factory workers. This was apparently for political reasons. These "disguised employees" played critical roles in creating social bonds at work: formation of alliance among workers and radical students was bridged by them through various forms of social interaction including collective training programs, small group activities, publication of newsletters, attendance of other unions’ meetings, and even cultural performance such as traditional mask dance and drama, in which militant students provided the leadership, the organizational framework, and the ideological justification of protest movements.

In this process, strong solidarity between students and workers had been forged in the forms of the
region-based, inter-sector, inter-factory, and inter-sexual alliance in strikes, even though a "Third Party" involvement in labor affairs had been outlawed by a new labor legislation of 1980. Clearly, student organizations and church groups were perceived as Third Parties. With the student activists' assistance and advice on how to fight for better terms of employment, the number of autonomous labor unions increased sharply from 2,141 in the end of 1981 to 6,142 in January 1989, and more importantly, labor protests in the mid 1980s began to become more systematic with better planning, organization, and evaluation of consequences. The state, for instance, became the target of most labor protests since the workers finally recognized that the state had a considerable bias in favor of management in labor policy. To generate sustained and widespread pressure on the state through demonstrations and strikes was necessary for labor to force the state to respond in such areas as the establishment of independent unions, and the improvement of workers' wage, and working conditions.

Hence, thousand workers' sit-in demonstrations, which lasted several weeks or even months, at a national or local office of the Ministry of Labor of South Korea became commonplace at the time. With such strong worker resistance, the state-capitalist alliance in labor repression was forced to reach a quick settlement with the
workers. In most cases of labor disputes in Korea, especially in the heavy industries, substantial pay increase for the workers following recognition of the new union was the result.

Finally, the radicalization trends of the Korean student movement can be explained by student organizations' factors—their ideology, leadership, solidarity, and political activity. The study of ideologies provides an important way of understanding student activism and their behavior since ideologies are always employed as justification and guideline for the social movement. This is to say that ideologies play a critical part in efforts to interpret the political process that has caused the present undesirable state of affairs, and to provide the blueprint of a desirable goal that can be achieved if only the resistance of certain groups is overcome.

Student politics in South Korea has espoused neo-Marxism as the most important tenet against the existing system. In terms of the Marxist ideology, the students were convinced "that the Chun regime and all its anti-minjung (antipeople) policies were nothing more than an inevitable consequence of the security and economic policies of the United States toward Korea." It meant that Korea has been in the condition of a "colony." Aspects of its politics as well as economics are influenced
and subordinated by foreign powers, particularly by the United States, which was under serious criticism because it was viewed as propping up the authoritarian regime in South Korea, instead of supporting the cause of democracy.

In the economic situation, the U.S. pressured the Korean government to open domestic markets to imports of livestock or agricultural goods in the 1980s; this fueled the sense of anti-Americanism among Korean students. Thus, the students tended to view the U.S. as being deeply involved in the Korean economic realm.

The radical students also applied this dependency theory to the phenomenon of the deepening of social inequality in Korean society. They argued that Korea has achieved impressive rates of economic growth, but at the expense of laborers, farmers, and urban poor; their sacrifice has contributed to the concentration of wealth in very few hands. Hence, the protest of the poor against the unjust economic system deserved to be supported. More specifically, the contents of the student activism at the time were political democracy, nationalism, and social justice and equality.

At the level of student organizational bases, it was the spring of 1984 when the government began to loosen its belt for student control, the student activists responded with determination and promptness: they not only organized various self-governing associations and clubs on the
Although the school authorities used by the government as a control mechanism against student activism still existed, the student self-governing associations, particularly the student governments, taken over by the radical students, dominated most political activities on the campuses. The most important fact was that through students' participation in student-government-sponsored activities such as anti-government demonstrations, events, and meetings, student government across the country functioned to strengthen belief in the tenets of Marxist ideology and became the most important catalyst in maintaining strong interpersonal relationships among students.

Marxist ideology has been popular among student activists, partly because it was viewed by the students as providing a powerful interpretation of an inevitable consequence of Korea's excessive dependence on foreign power and an uneven Korean capitalism that has led to distribution of social wealth, and partly because they were convinced that Marxist ideological tendencies have always been closely associated with liberal democracy, economic and social equality, and national reunification--the goals of the student protest movement. Hence, Marxist
beliefs provided student radicals with justification for their militancy in the anti-government demonstrations, through which they could practice Marxism.

In the 1980s, student-led demonstrations were always supported and joined by a significant number of students, which proved that the students could repeatedly provide the organizational basis and a sizable portion of the demonstrators. The close relationship among the students also played an important role in this process. There is no doubt that the student leaders always indoctrinated their school fellows and lower classmates with Marxist ideas, so that the latter might be politically active in political-related events. Such indoctrination was critically important to the establishment of the social relationship between them.

Due to the strong norms of political conformity in Korean culture, the student activists, on the whole, had been successful in achieving a shared perspective—Marxism—with their proteges. In Korea, among the social groups, it was the anti-government student groups that had intensely placed emphasis on behavioral conformity, which they thought was necessary for social revolution. The norms of conformity were emphasized to a high degree on the campus so that student behavior is apt to degenerate into a form of personal loyalty that is total and blind. Under such circumstances, student leaders were likely to severely
overestimate their own strength but underestimate that of their opponents.

This creates the conditions for the emergence of what professor Choe Sang-yong of Korea University calls a "self-radicalization among the activists: that is, the activist leaders often stated their case more radically than they really believed in order to engender greater acceptance among their followers." Any inclination to strike a compromise, perceived as a sign of weakness and a betrayal of the principles by the members of student groups, tended to be met by a strong objection by the students, who usually demanded a rapid and wholesale change. Such demand from student activism, however, exceeded the tolerance of the military regime in Korea and repression remained the alternative. This helps to explain why student politics in Korea usually takes the form of a zero-sum game in which a winner takes all at the expense of the losers. In a sense, there is no middle group: the radicalized nature of student demonstration, which is often accompanied by violence, is similar to the cry for revolution; the government, on the other hand, is unlikely to entertain the idea of accepting the student activists' proposal.

At the same time, the militancy and politicization of student protest movements had alarmed and alienated the Korean public, especially the growing middle class, to whom
subsistence problems and the issue of social stability were more imminent and important, despite their deep discontent with the Chun regime since the military coup of 19 December, 1979. Thus, because of the extremist tendency of the student movement, the majority of the Korean people showed unwillingness to side with the students against the Chun regime between late 1979 and the end of 1986.

Three political developments took place—the torture killing of Pak Chong-chul in January 1987, Chun’s decision to suspend debate on constitutional reform in April, and to handpick Roh Tae Woo as his successor on June 10. This provided a new momentum to student protest, which was joined by hundreds of thousands of ordinary citizens across the country, and eventually forced President Chun to accept wholesale demands from the students and opposition groups, including the direct presidential election and the reinstatement of civil rights for opposition leader, Kim Dae Jung, on June 1987. Since then, Korea has entered a new era of the democratization process.

Taiwan’s students are typically more passive and quiescent, posing no threats to the supremacy of the KMT party-state, compared with their counterparts in South Korea. In the early 1980s, student activists in Taiwan, however, began to challenge the authorities by organizing some students’ underground circle activities, by calling for campus autonomy, by going off-campus to join other
social forces, and even by secretly campaigning for the opposition candidates in the elections.

Nevertheless, such student activism did not flourish in terms of its goals, organization, and size of participation. Their concerns were relatively limited: some certain issues were centered on the autonomy and freedom of the campuses, which included direct elections in student self-governing, the suspension of the publication censorship system on the campus, the withdrawal of the military commissary and the KMT office from the campuses, and a larger role for faculty members in the university administrations' decision-making. Clearly, Taiwan's student demands were almost exclusively concerned with campus autonomy, while students in Korea usually "demanded an overhaul of the unjust, corrupt, and foreign-capital dependent society," in addition to seeking campus freedom.

It is also widely recognized that students' political activities in Taiwan were limited to a few universities, most notably the National Taiwan University--the parallel of Beijing University in mainland China, with very few students involved from several dozen to several hundreds. Whereas in the 1980s the overt political actions that Korea's students participated in were mostly large-scale campus and off-campus rallies involving from several
hundred to tens of thousands of students. Although some student volunteers in Taiwan were engaged in supporting opposition political campaigns, or in writing for opposition magazines, students activists, by and large, did not affiliate themselves with any outside forces and also showed little interest in playing a leading role in social movement. This is in sharp contrast to their counterparts in Korea.

How do we explain the passive nature of university students in Taiwan? The first explanation is that since the KMT retreated to Taiwan in 1949, it has made serious efforts to exercise tight control over university and college students, due to the major role played by the student-led uprising in contributing to the Nationalists' loss of the mainland. The KMT's control mechanisms consist of several means. 27

First, the KMT assigned professional military officers to the university and college campuses as instructors. They not only teach students the required courses of military drill, but also continue their instruction in students' daily life and extra-curricular activities. After office hours, they continued to monitor the views and behavior of the students by living in the student dormitories. In addition, the military instructors also actively recruit students for surveillance activities: what concerns them most is the relationships between the
"political professors" and the students. This is because the policy of separating and isolating the "troublesome" professors is actively pursued by the Nationalists in order to prevent the students from being influenced by misguided left-wing faculty members. In general, in most colleges of Taiwan, which are known for their academic conservatism, the military instructors are more active than they are in universities: they directly censor and supervise students' publications and various student activities, while in the university the administrative staffs of the Student Affairs Office are responsible for the pre-print review of students' publications. For the KMT regime, this military instruction system is necessary for raising patriotic consciousness among the students and for strengthening national defense.

Second, the Kuomintang also has branch offices openly operating on every campus in order to assist the pro-KMT students in playing a leading role in students' extra-curricular activities. To achieve this goal, the party has attempted to recruit as many as possible "promising" students into party ranks. After receiving training, these pro-KMT students are strongly encouraged to participate in various intellectual activities on the campus aimed at controlling the student unions, assuring the atmosphere of a harmonious campus. Due to the
successful recruitment of the students in large scale into the party, the influence and mobilization effort of the "contaminated students" have been strictly confined and isolated on the campus.

Third, the Anti-Communist Youth Corps, established by Chiang Ching-kuo who copied the Soviet Young Communist League, consumes the students' and youths' attentions and energies by providing them with a wide range of leisure activities year round. It openly operates a number of its own hotels, bookstores, coffee shops, and restaurants across the island and branch office, the most notably the Student Activity Center, on the campuses; the target of the Corps is mainly the students and the young. Through the Corps-sponsored leisure activities, the students are organized on a large scale and taught the "correct" ideas on the relation between the state and the people. As a result, the indoctrination combined with the leisure activities can be directed toward the goals of at least the separation of "dissent students" from the majority of "uncontaminated" students who are engaged in the Corps-sponsored activities, and of at most the consensus-building ideas, shared by the Corps and students, on national interests and social harmony. The Corps is also empowered by the authorities to review and oversee the intercampus activity. The purpose of this function is to reduce the potential for the large-scale student uprising.
In addition, the security agencies, including the Investigation Bureau of the Legal Affairs Ministry, and the Taiwan Garrison Command of the Defense Ministry, are perceived to play major roles in social control. They are said to establish their intelligence framework on the campus, particularly the penetration of the classrooms in which their agents keep records on the professors and the major student associations which are more interested in public affairs. In general, they operate behind the scene, avoiding any confrontation with the "ideologically deviant" students and faculty members on the campus.

Besides these control mechanisms against student activism on campus, the conservative nature of student politics in Taiwan can be attributed mainly to the overwhelming indifference of students to politics. The fact is that most students in Taiwan have remained apathetic to politics mainly because they view themselves as "campus nobles" which means two things: first, the students have to be more concerned with study than politics and are aimed at pursuing a prestigious occupation with the intention of rising to a higher social status in Taiwan's society after graduation; second, in the minds of some indifferent students, the university is nothing more than a playground: "let you have fun for four years"--a popular saying on the campuses.
Although the indifferent students recognized some political issues confronting the nation, they avoided participation in anti-government rallies because of fear of personal risks, including the reprisals and expulsion from the school by the school authorities, the forced conscription into military service, and arrest by the police. Hence, in general, most students in Taiwan have remained apolitical or even afraid of politics simply because they have strong individualistic characteristics. To them, the involvement in politics is risky: their bright futures will be destroyed.

Student activists in Taiwan, on the other hand, can be divided into two factions. The first one, is the so-called social democrats. This is a fairly large group of students, deeply committed to democratic socialism's ideas; issues such as social welfare, the equal distribution of wealth, the environment, and democracy, besides academic freedom. They think freedom, should be the top priority on the national agenda. They, constituting the mainstream of student activism, demand a gradual step-by-step reform of a major type. A second, rather smaller group stresses "Taiwan independence," besides seeking socio-economic and political bases of democracy. They also believe that only through a radical reform of the whole system, Taiwanese by themselves can establish a Taiwanese regime—the final goal of liberalization and democratization, which means a
permanent separation of Taiwan from mainland China. Such view, however, ignoring the PRC’s intolerance of a formal declaration of Taiwan independence, just represents a minute minority of the activists. Some student volunteers within this group continue to actively campaign for the opposition candidates in the elections, while most of student activists stay away from the political realities.

Despite the fact that the above two groups among student activism have proposed various reform programs and expressed their distrust of political leadership, most of them have shown great interest in political and economic theories such as neo-Marxism and new Left thought, but little interest in political action.

The reasons for this are two-fold. First, only a very small proportion of the students at universities and colleges were concerned with politics: it was a small and closed group, consisting primarily of students at the National Taiwan University, that openly involved themselves in active participation, but the vast majority of students in Taiwan have remained apathetic to politics. Under such circumstances, student leaders were unable to stage a well-organized, large-scale protest movement due to organizational disadvantage. Thus, it became difficult though not impossible for the student activists to carry out highly effective campaigns against the authorities.
Second, some dissident students participated in the radical opposition movement, while most of them distanced themselves from any outside forces. The opposition protest movement, though continuing in the 1980s, was unable to gain support from many student activists, in part due to its radical tendency such as the mass-line doctrine, and in part due to its failure to develop a comprehensive program for carrying out the socio-economic and political bases of reform. For the most part, the opposition Tangwai was for opposition's sake.

Moreover, students had deemed themselves, as the traditional Chinese intellectuals had, the conscience of society and the spokesman of the people; they just frequently talked about the issues facing the nation, but seldom took bold actions to provide their fellows or the masses with leadership in the protest movement. Hence, it becomes evident that it is unlikely for the students in Taiwan to act as a vanguard of opposition politics, which is in sharp contrast to the radicalization trends of the Korean student movement.

Students' apathy toward politics in Taiwan is reinforced by the factor of parental influence. That is, many Taiwanese parents often pressure their youngsters to study hard in school and keep the campuses free of political activities. To many parents, the earlier experience of bloody "February 28 Incident" of 1947 did
frighten them and made them convinced that politics, especially anti-government activity, is the most dangerous thing in the world. In this sense, parental factor may serve as an important deterrent to the politicization of students in Taiwan.

More important however is the fact that since the early 1970s, the KMT regime has gradually opened up national politics for limited competition, which to some extent defused the political tension between mainlander minorities and the Taiwanese majority, even though some critics regarded the KMT's move as a symbolic reform gesture. But it is fair to say that none of the issues in the 1970s and 1980s, except the aging parliament, were big enough to motivate many students to participate in anti-government demonstrations. Whereas the growing radicalization of student politics in South Korea can be best interpreted as a reaction to the illegitimacy of Chun's regime during his seven-year term of office, including the seizure of power through a military coup in 1980 following the most brutal suppression of student activists and local residents in Kwangju, the use of all the measures imaginable against the student activists and the opposition forces through most of his years, and the decision to suspend the direct presidential election of 1987. All of which apparently constituted the big issues
--powerful enough to stir up many students to action against the dictatorship.

On the contrary, Taiwan's authorities responded to student activism with more caution and better planning; they usually stressed the importance of a communicable rather than confrontational approach to the solution of problems while confronting with the demonstrations, especially student-led rallies, fearing campus unrest to spread. Therefore, if necessary, only a carefully selected few of student activists would be punished by the authorities: the mild punishment included the authorities' campaign of criticism, threats, suspension of "troublesome" student associations, and expulsion of student leaders from the campus, especially those repeat offenders. These selective reprisals as a whole have successfully prevented student activists in Taiwan from further pursuing bold actions against the authorities.

In addition to selective punishment, the KMT regime has shown greater sensitivity toward students' demands during rallies. Several small-scale demonstrations have begun to emerge since the early 1980s, calling for the restoration of autonomy and freedom of the campuses, the dismantling of the military instructor system from the campuses, and the withdrawal of the KMT offices from the campuses, but the authorities rejected any change at the time.
Until 1987, when Taiwan’s student protest movement, inspired by the "people revolution" in Philippines, the militant student protest in South Korea, and the intensifying social movements at home, grew in size and intensity, the KMT finally made some, not all, concessions to the students’ demands by introducing several measures of campus autonomy. These measures included the increased freedom of expression on the campuses, a reduction (though not an elimination) of the duties of the military instructors to the level of regular faculty members rather than as supervisors of students’ extra-curricular activities, a large role of the students in university administrative bodies, and the removal of KMT branches from some campuses, the most notably National Taiwan University. Although all these reform gestures were viewed by student activists as symbolic and cosmetic rather than substantial and fundamental, tensions on the campus have been subsequently lessened to some extent.

However, the fact is that the policy of exerting greater control over campus activities has been persistently pursued by the Nationalists in order to keep students activists and outside forces from disrupting campus harmony, in spite of the granting of more campus autonomy and freedom. To the KMT, the memory of having been driven out of the mainland by student-led mass
uprising of the late 1940s is still fresh and that acts as the critical motivating influence in this respect, injecting a sense of urgency into its control of campus activities. Accordingly, any involvement in student protest movements by a Third Party can not be tolerated by the regime.

In conclusion, contrary to the radicalization trend of student activism in South Korea, student politics in Taiwan have remained rather inactive. A number of factors, including the party-state deep penetration of the campuses, the students’ restraint of the range and style of their activities, the pressure from the parents, and the state’s opening-up policy and its concessions at the critical juncture, all contribute to the relatively passive nature of students in Taiwan.

On the contrary, in Korea, university students have traditionally been the most visible and vocal sector of the opposition, continuing their struggle in the 1980s against the dictatorship which the Chun regime had imposed on Korean society. One obvious explanation of the growing politicization of Korean student activism is that among the students, there was an almost unanimous discontent of President Chun Doo Hwan’s dictatorial rule, which was viewed as the most unpopular and the most illegitimate of the three authoritarian governments in post-war Korea. It was he that seized power through a military coup, brutally
suppressing the peaceful demonstration in Kwangju, and carried out iron-fisted dictatorial rule through his years. All of these did not crush students' hopes for freedom and democracy but further deepened the illegitimacy of his regime and strengthened the resolve of the students.

But other explanations appear to be equally important. First, neo-Marxist ideas that pervaded almost all the campuses not only explained the need for radical change in Korean society, but expressed the justification for the student protest movement. Second, the strong pressure for conformity was widespread among the student activists. This enhanced the sense of self-righteousness among them, who were convinced that they were the foremost defender of social justice and democracy. It therefore left little room for mutual persuasions and negotiations between the student leaders and the authorities. In sum, the phenomenon of radicalizing pattern of student activism is unique to South Korea, which is in sharp contrast to worldwide trends of student politics.

C. The Reemergence of the Tangwai Movement, International Factors, and Political Opening

Despite the jailing of the more prominent radicals of Tangwai following the Kaohsiung Incident of 1979, the Tangwai movement did not abate, but surged again beginning
in the 1980’s Legislative Yuan and National Assembly elections. The Tangwai movement at this time, led by the moderate Kang Ning-hsiang, became more pragmatic, more of a loyal opposition. Kang generally believed that the best way to keep up the pressure against the KMT was to gain a strong election position, even though he recognized that under the circumstances as they were, the people could not change the government via electoral processes. However, the radicals’ confrontation tactics, he argued, would give the hard-liners a justification to crush the opposition through coercive methods as the radicals in the Kaohsiung Incident had proven themselves counterproductive.

Accordingly, in addition to attacking the unfair and undemocratic nature of the electoral rules, Tangwai campaign slogans primarily stressed in the 1980’s elections that "democracy needs checks and balances; checks and balances depend on the Tangwai." They also formed the Campaign Assistance Group—the Tangwai support group—to assist their nominees, most of whom were both the figures of Kang’s faction and the relatives and defense lawyers of the Kaohsiung defendants. The relatives of defendants basically campaigned on the theme of their personal tragedy, while the lawyers generally reemphasized their courage to be the defense lawyers of defendants in the races.28
The moderate line did rather well in the elections: many of its candidates, especially the group of relatives and defense lawyers, won the highest or the second highest number of votes in their multi-member districts, or around 30 percent of the vote, which is similar to their normal electoral strength. Similar patterns of the relatives and lawyers of the defendants’ victories were found in the subsequent elections through the 1980s, signaling a clear message to the KMT that the general political public expressed disapproval of its practices of a massive crackdown against the opposition following the Kaohsiung Incident so that they gave their protest vote to the family members of political prisoners.

More importantly, the notable electoral victories scored by the relatives and the lawyers of the jailed opposition leaders could at least check a repeated massive repression by the regime and thereby provided a fine opportunity for the oppositions to expand their political space. The reason for this is very simple that to the regime, the costs of repression were much higher: more repression was likely to cause more discontent.

The best illustration of the KMT’s tolerance of the opposition activity is the flourishing of the opposition press. Beginning in the 1982, due to the authorities’ relaxation of their tight controls over publications, the number of oppositional periodicals increased dramatically:
between 1984 and 1985 there was a total of 30 political journals available in the market. In the more competitive atmosphere, many of these magazines, published by a group of young radical writers of Tangwai, were eager to test the authorities' limits by centering on "taboo subjects" such as the February 28 Incident of 1947, the personal lives of the Chiangs' family, the public scandals, the KMT internal struggles, coverage of events on the mainland, political prisoners and poor prison conditions, and the efforts to advocate Taiwanese self-determination.

These contents of Tangwai journals apparently went too far at the time for the KMT. In a countermove, the authorities felt the need to ban and confiscate the journals one after the other. Opposition magazine publishers always hedged against suspensions of magazines' licenses by obtaining a number of licenses, that they used to continue the struggle against censorship and for free expression. The result of these continued bannings and confiscations was something of a cat and mouse game between the security officers of Taiwan Garrison Command and the Tangwai magazine workers.

In general, the main purpose of Tangwai magazines was to launch an aggressive propaganda campaign against the KMT; truth and objectivity were usually not their first considerations. Hence, their periodicals were filled with
fabricated (or rumored) stories that discredited the establishment. In spite of the lack of both truthful accounts of the events and rational discussion of the issues, Tangwai political magazines had served as the training ground for many of the new generation leaders, who firmly dedicated to the democratization movement, and made the growing middle class aware of the need for political change.

Another sign of democratic transition is the KMT's willingness to tolerate an organized opposition activity in the aftermath of Kaohsiung Incident, even though it repeatedly threatened to suppress them by "necessary steps." For the purpose of coordinating and conducting electoral campaigns, the leading figures of the Tangwai formed a support committee to "nominate" the opposition candidates, to adopt a formal platform, and even to provide the Tangwai-nominees with financial and organizational support during the campaign period. The idea to select a limited number of qualified nominees, who were able to compete with the KMT in the elections, remained intact in the 1980s, despite the suffering of a serious setback by the Tangwai in the Kaohsiung Incident.

In the 1980 and 1983 national elections, the Tangwai moderates formed an ad hoc support committee to monitor the nomination procedure and to integrate the opposition resources, all of which were tolerated by the KMT. But
according to the martial law, an organized opposition activity was illegal. One of the main reasons for the KMT’s tolerance of these organized activities is that Tangwai’s effort to organize its activity was directed to electoral campaigns rather than mass protest movement, thus posing no threat to national security and the KMT hegemonic power. Another reason was that no matter how effective the Tangwai associations were or how competitive the races were, the election results would not alter the power structure that had been predominated by the senior legislators. Nonetheless, the Nationalists always threatened to prosecute the Tangwai leaders for violating martial law or election regulations. In fact, the authorities took no action against the opposition in most cases, while at the same time reserving the right to punish them at any time aimed at deterring them from trying again. Despite these threats, Tangwai continued its struggle to move toward internal organization and institutionalization.

On the other hand, the young Tangwai radicals, composed of university graduates from the 1970s who had actively campaigned for Tangwai-endorsed candidates and written for Tangwai magazines, formed a group called "Association for Tangwai Editors and Writers" (ATEW) in September 1983. In order to take over the leadership of the Tangwai movement, they harshly criticized the Tangwai
moderates for compromising too much with the authoritarian KMT and for heavy emphasis on the use of elections to gain power. This radical faction saw mass protest movement as an important means to exert pressure on the authorities and to cause the KMT to fall from power.29

The factional disputes, combined with lots of restrictions on campaign activity placed by the election law and the Tangwai's organizational disadvantage against the Leninist type of the KMT, caused the Tangwai to lose considerable support in the supplementary election of 1983. All the moderate candidates, including Kang, were defeated, while most of the relatives and lawyers of those imprisoned were elected with large vote totals. The Tangwai as a whole only received around 22 percent of the votes, losing about 8 percent of its electoral support down from a previous of 30 percent. As the Tangwai moderates were badly wounded as the result of the election, the conditions seemed favorable to the expression of more radical dissent, thus leading to increasing political polarization.

The defeat in the 1983 election no doubt testifies to the Tangwai organizational weakness. An idea that Tangwai should form a permanent organization came to the fore. For this reason, a "Tangwai Public Policy Research Association," (TPPRA) led by Tangwai politicians, was formed in December 1983. The aim of this association was to organize the behavior of Tangwai office holders into a
unified and constructive political opposition. Meanwhile, the League of Opposition in Taiwan (LOT) was also established by the radical wing of the Tangwai. Both opposition organizations functioning as a semi-political party apparently exceeded the limits of official tolerance.

In response, the Nationalists warned the Tangwai that the opposition associations must register and obtain government licenses prior to beginning operations, otherwise they would be outlawed. Opinion was divided among the activists of both Tangwai factions over whether the TPPRA would register. The fight intensified when the chair of the TPPRA, Fei Hsi-ping, wrote a letter to the secretary general of the KMT, expressing the Tangwai willingness to solve the problem of registering through political dialogues. The Tangwai radicals were severely critical of Fei for compromising with the KMT. An anti-Fei campaign led by the radicals was in fact largely responsible for Fei's resignation two months later.

The KMT, on the other hand, was unable to take advantage of the Tangwai's disarray because a series of public scandals and foreign policy problems during 1984-1985 raised new doubts about the KMT's legitimacy, thus weakening it substantially.

The first event confronting the regime was the financial scandal of the Taipei Tenth Credit Cooperative
(TTCC), which occurred in late 1984 when the owner the
TTCC, Tsai Chen-chou--one of the KMT nominees elected as
a legislator in 1980, was found by the authorities to have
been engaged in banking malpractice activities by
channeling the loaned money from the TTCC to his own shaky
business schemes; many high ranking government and party
officials had apparently been involved. After
investigation, an estimated $320 million was found missing.
As a result, thousands of creditors lost their money and
some of them even went bankrupt; finance minister, minister
of economic affairs, and the secretary general of the KMT
were forced to resign. This scandal revealed the fact that
enormous wealth and political power always go hand in hand.
But the public, on the other hand, began to raise questions
about the KMT’s character.

The second scandal, viewed as the most damaging to the
KMT regime, was the assassination in California of the
Chinese-American writer Henry Liu in October 1984. He had
written a gossipy critical biography of President Chiang
Ching-kuo. The U.S. Federal Bureau of Investigation found
that two of Taiwan’s gangsters, closely connected with
Taiwan’s Military Intelligence Bureau, committed this
act.30 Prior to the murder of Henry Liu, there were two
unsettling murders in the early 1980s. In 1980, prior to
the trial for the Kaohsiung Incident defendants, an unknown
killer brutally murdered the mother and twin daughters of
Lin I-hsiung, one of the Tangwai defendants. In 1981, a Taiwanese professor at Carnegie Mellon University in the United States, Chen Wen-cheng, was found dead on the campus of National Taiwan University after being questioned intensively by the Taiwan Garrison Command about his involvement in Taiwan independence activities in the United States.31

All three murder cases severely damaged the KMT's image both at home and abroad. Meanwhile, the murders, especially the incidents of Chen Wen-cheng and Henry Liu, proved that the military still exerted great influence on civilian government and that the transitions to civilian democracy seemed to have had a long way to go. According to a number of analysts, President Chiang’s health was a factor in accounting for a leadership vacuum at the top, thus allowing the military to "eliminate dissent" without mandate. President Chiang himself was shocked by these developments and then made a number of countermoves against those military leaders who showed definite political orientations, fearing that the military became too powerful to be checked.

In countermoves, in late 1983, one of the possible candidates for political succession, General Wang Sheng, who was a long-time associate of President Chiang Ching-kuo with connections throughout the military and security
system. After the Kaohsiung Incident, Wang had exerted significant influence over the military, the party, the intelligence system and the media, found himself as appointed ROC ambassador to Paraguay. This underlined President Chiang Ching-kuo's commitment to the tradition of no direct military rule in Taiwan. Faced with the rapidly deteriorating relationship with the United States due to the Henry Liu murder, the Chiang regime responded quickly by arresting several top security officials and Bamboo Gang leaders. After a hasty trial, the head of military intelligence, Wang Hsi-ling, and two Bamboo Gang leaders, were given life sentences for the murder. Rumors about who had ordered the killing, Chiang Hsiao-wu (son of President Chiang), who was considered to have connections with both the Bamboo Gang and the intelligence-security system, was said to be the "original culprit."

In late 1985, President Chiang stated that the next ROC leader would not be the members of his family or the military leaders, and that his successor would be chosen in a constitutional manner (Li Teng-hui, a capable Taiwanese technocrat, chosen by President Chiang as the Vice-President in 1984, would run the country as president in the event of Chiang Ching-kuo's death or incapacitation that was based on the provisions of the constitution). Chiang's son Hsiao-wu was subsequently exiled having been named deputy commercial counselor in Singapore.
The arrest of Li Ya-ping on September 17, 1985, who was a publisher of a Chinese newspaper in California holding a U.S. "green card" and was accused of "making pro-communist propaganda"; the embarrassing release of her on September 26 due to the U.S. threats to cutting back arms sales to Taiwan, also seemed to have undermined public confidence in the government to some degree.

All of these incidents, along with a series of coal mine disasters and a serious fire at a nuclear power plant, generated what many were calling "crisis of confidence" in the government by the mid-1980s. Domestic difficulties facing the KMT regime were not alone. Taiwan's increasing international isolation, plus the unification pressure of the PRC beginning in the mid-1980s, made matters worse. PRC new policy of "one country, two systems"--an increasing vigor for the unification of Taiwan with the mainland, combined with its radical economic reform, and a large number of foreign countries favoring the recognition of the PRC, helped improve its international status in the international community, while the international environment continued to deteriorate for the KMT regime.

In late 1985 two more countries--Bolivia and Nicaragua--broke off a diplomatic relationship with the ROC and established normal relations with the PRC. This resulted in the growing de-legitimation of the KMT regime.
that claimed to be the rightful government of all China. On the other hand, the KMT regime’s response to Beijing’s unification proposal remained intact—the "three nos": no contacts, no negotiations, and no compromise with communist China, thus leading some to question the inflexibility of the "three nos" policy and putting the KMT on the defensive.

Facing both a hostile international environment and a "crisis of confidence" in the government at home, the KMT was forced to face the facts that a organized opposition activity produced by the new circumstances could not be squashed by the employment of conventional measures. Meanwhile, vocal popular protests demanding democratic reforms could not be ignored, but the scope, the pace, and the timing of political change should be set by the KMT for the purpose of placing the reforms within its own framework for change.\(^{32}\) Therefore, democratization from above, in the mind of the KMT top leadership, seemed to be a rational solution to de-legitimation problems.

Some significant changes were made by Chiang Ching-kuo in March 1986 when the KMT Central Committee held a plenary session. He elevated a number of relatively young, better-educated Taiwanese to the Central Standing Committee, together with Lee Huan, a longtime strong reformer who had been away from the power center since the Chung-li disturbances of 1977. In addition, the stature of
Vice President Lee Teng-hui was enhanced by elevating his rank in the Central Standing Committee to number three.

Following the March meeting, a group of special task forces named by Chiang, composed of 12 senior party leaders, were instructed to discuss and draw up a scheme for political changes in April 1986. In June, this group proposed a vague 6-point political reform, including the legalization of new civic associations (within certain parameters), the replacement of martial law with the national security law, the holding of a large-scale (but not general) parliamentary elections, and the granting of local government autonomy (but still under central government guidance).

All these moves can be regarded as Chiang’s determination to move ahead with the political liberalization plans he had introduced in the mid 1970s, while meanwhile he prepared to control the process of change. The Tangwai, on the other side, viewed these liberalization measures as not only the weakness of the KMT regime, but "too little, too late." Therefore, they wanted to move forward on establishing a stronger organizational base, because there was a consensus among the feuding Tangwai factions that the Tangwai movement, without a party organization, was going nowhere, unable to compete with the powerful KMT party machine.
In keeping with the opposition's emphasis on grass-roots organizing, the Tangwai Public Policy Research Association (TPPRA) in its meeting held on April 18, 1986 decided to set up local branches of the TPPRA islandwide, which the KMT threatened to take action against. But meanwhile it opened the channels, through a third party, most notably a group of liberal academics, for dialogues with the Tangwai leaders. Nevertheless, the TPPRA began instituting its 13 local branches on April 26, 1986, an important step to push for the establishment of a political party. In response to Tangwai bold move, the authorities immediately ordered them to dissolve their organization no later than midnight, otherwise "necessary steps" against them would be applied. The Tangwai did not retreat and instead insisted that according to the constitution, the opposition had the right to form a political party.

In this tense political atmosphere, the deadlock between the KMT and Tangwai was broken by Chiang, who announced, "We must have sincerity of heart and mind and undertake communications with people of all walks of life in society to maintain and preserve political harmony and the people's welfare." The high-ranking officials of the KMT began to openly negotiate with opposition leaders. This marked the first time in Taiwan's history since the KMT came over to Taiwan in 1949.
The political implication of these formal meetings between the KMT and Tangwai is that each side seemed to have recognized the other as a legitimate political force. In the past, the KMT had regarded the Tangwai as "pro-communists," while the Tangwai viewed the KMT as a "colonist." To accept each other was a hopeful sign of political opening. Indeed, in the dialogue, both sides agreed that the ROC constitution should be accepted and supported by both sides, political harmony and peace in Taiwan should be preserved by both sides' efforts, and that the setting up of the TPPRA and its branches should be allowed, but the organization's name, especially the term "Tangwai" and the legal registration remained unsettled and subject to further negotiation. But the dialogues were soon overtaken by the Tangwai radical elements', who calculated that the compromises with the KMT would undermine the opposition ideological purity and eventually created a confidence crisis among their own followers. A number of domestic and external developments also discouraged the opposition to participate in further talks with the KMT, while encouraging them to go all the way.

To the militant opposition, the shift in the rules of the game created by both sides' talks was nothing more than a symbolic reform gesture; the KMT should move beyond cosmetic gestures, aimed at incorporating the opposition
forces into the political system without limiting the opposition. The KMT in the dialogue did not allow them to keep the term "Tangwai" as part of the TPPRA’s name, while the Tangwai felt the term mirrored Taiwan’s opposition long-term struggle and tragic fate, thus was unwilling to abandon it. In terms of the issue of official registration, the radicals also felt they were being treated unfairly by the unregistered KMT party but urged the Tangwai to be legally registered. Therefore, the Tangwai radicals were generally skeptical and cynical about the KMT’s sincerity and willingness to make more substantial concessions, thereby boycotting the incoming dialogue.

On May 19, 1986, the 37th anniversary of the enforcement of martial law, the Tangwai, led by the radicals, began pushing for a massive demonstration to protest martial law. This was the first Tangwai-led giant political rally since the Kaohsiung Incident, and laid the foundation for the re-emergence of street politics. At the same time, partly due to intense interest in the incoming elections of 1986, the opposition magazines increased in number and intensified their efforts to harshly criticize the KMT, or even to disclose the personal life of the Chiang family, the so called "KMTology." These incited angry reactions not only from the hardliners within the regime (who remained influential within the security
system, the armed forces, the bureaucracy, the judicial system, and the party), but from the more liberal wing of the party.

The KMT launched an aggressive campaign of its own, strongly condemning Tangwai moves as a violation of the agreement of the need for social harmony and peace, and using libel suits as a most effective way to chill the activities of others. As a result, five well-known Tangwai figures under the charges of criminal libel and/or violation of the election law, received stiffer sentences, jail term from eight-month to two-year, together with the imposition of a large fine. As the imprisonment of the libel suit defendants approached, the feuding Tangwai factions--the moderates and the radicals--felt the need to get together to bring about giant political rallies, thus attracting tens of thousands of people appearing to say "farewell" to the defendants. This apparently infused the Tangwai with high spirits and optimism at the establishment of a political party.

Meanwhile, the international environment was also propitious for democratic transition. First, the ouster of the Marcos regime in the Philippines as a result of the people's revolution demonstrated that the United States would show hostility to a good-old ally once he was increasingly at odds with his society. It also taught the
KMT leadership another lessen that repression would make matters even worse.\textsuperscript{35} Thus, to the KMT, for the sake of maintaining a harmonious political climate, it had to show more toleration of an organized opposition activity. Inspired by people power in the Philippines, the Tangwai, on the other hand, thought that it was made of the same stuff: continued opposition activism might at least, as in the Philippines reduce the KMT's ability to use repression, or hopefully, reaching the level in Taiwan where it was capable of toppling the KMT.

Second, the United States also played an important, if not crucial, role in the process of Taiwan's political change at the time. In general, the U.S. government possesses an enormous array of policy instruments for influencing Taiwan's politics, including efforts to provide Taiwan with adequate defensive equipment and crucial components of high-tech weapons, to open its large market for Taiwan's goods, and to support Taiwan's participation in international organizations. Taiwan, on the other hand, depends heavily on the U.S. for arms and technology transfer to develop a defense industry of its own; by 1988, more than 40 percent of Taiwan's exports went to the U.S. market. As a result, the KMT regime's dependence on the U.S. makes it acutely aware of U.S. leverage, and very sensitive to U.S. government views. But in the 1960s and 1970s, the U.S. seldom used its leverage (if it happened,
mostly through low-profile counseling) for pressuring the
KMT to make political reforms, simply because U.S.
strategic and business interests in the Asia-Pacific
theater outweighed its human rights’ concerns with Taiwan.

The U.S. Congress beginning in the late 1970s held
hearing on the question of human rights in Taiwan, although
the U.S. Administration still subordinated the promotion
of human rights and democracy in Taiwan to the security and
commercial concerns, fearing that its efforts to push the
KMT too hard would risk making the stability of the system
in Taiwan collapse.

The first challenge to U.S. Administration’s “quiet
diplomacy” toward Taiwan appeared in July 1981, when
Professor Chen Wen-chen, a permanent resident of the U.S.,
was found dead on the campus of National Taiwan University.
Chen’s death alienated U.S. opinion in general and angered
liberal members of Congress in particular. The latter
convened several hearings on the incident in which they
urged the Administration to impose stronger sanctions on
Taiwan, including the cutting-off of arms sales to the
island, to protest the KMT’s involvement in surveillance of
overseas Taiwanese, particularly those studying and living
in the U.S. In response, the Reagan Administration did
extend Carter’s termination of the sale of riot control
equipment to Taiwan, and prevented Taiwan’s mission in the
U.S., so-called Coordination Council for North American
Affairs (CCNAA), from opening new branch offices, and seemed unwilling to voice public criticism, or to use its leverage over the KMT regime. However, Reagan faced criticism from Congress over his response to Chen’s case. The Congress in 1981 passed a resolution of Solarz Amendment, authorizing the Legislature to suspend arms sales "to any country determined by the President to be engaged in a consistent pattern of acts of intimidation and harassment directed against individuals in the U.S." This apparently sent a clear and strong signal to the KMT authorities about American dissatisfaction.

The murder of Henry Liu in 1984 became an international incident, since Liu, a U.S. citizen, was killed on American soil. The case generated the wave of anger in the U.S., especially in the House of Representatives. The House’s members unanimously passed a resolution demanding justice to be done in the Liu murder by a vote of 387-2, while the Administration decided not to apply the Solarz Amendment—the suspension of the military sales—to Taiwan, fearing that it would damage the U.S.—Taiwan security and economic relationship. Nevertheless, Taiwan’s relations with the U.S. were suddenly running at low ebb because of the Liu case.

Matters culminated in the KMT’s arrest of Li Ya-ping on September 17, 1985. Li, a U.S. permanent resident and
publisher of a Chinese language newspaper in California, was accused of "running articles that facilitated Chinese Communist propaganda" during a visit to Taiwan. Congressman Stephen Solarz, a leading anti-KMT figure in the House, served as chairman of the House Subcommittee on Asian and Pacific Affairs, leading an effort to get the Administration to suspend arms sales and close one of CCNAA's offices. Meanwhile the State Department of the U.S. no longer kept silent, describing the KMT's arrest of Li as "an act of intimidation and harassment directed against a person in the United States," and threatened to cut off arms sales if the KMT would not release her. A few days later, Li was freed after reportedly expressing "deep regret for wrongdoing."37

Certain liberal members of Congress felt encouraged by the progress the KMT had made in Li's case. They decided to go further by holding annual press conferences and a number of hearings in which they had been consistent critics of martial law in Taiwan, pressed for the release of political prisoners and even encouraged the development of legal opposition parties. In 1986, the Committee for Democracy in Taiwan established by them pressed for broad reforms, including the lifting of martial law and the establishment of greater democracy.38 As democracy transitions were underway, the Committee invited the Tangwai activists to the U.S. under various pretexts,
giving them political advice and strong appeals for an end to martial law and the legalization of opposition parties. Meanwhile, it consistently put pressure on the Administration to make democratization of Taiwan a higher priority of U.S. policy.

Given the international support and a "crisis of confidence" in the KMT regime, the Tangwai decided to go all the way. On September 28, 1986, at the nominating meeting of Tangwai, 132 of those present coordinated their efforts to sign their names to the declaration of the founding of the Democratic Progressive Party (DPP). In reaction, some conservative elements within the KMT repeatedly prompted President Chiang to take steps to dismantle the DPP. But Chiang refused to take action, saying "the times are changing, the environment is changing, the tide is also changing." The KMT he thought should adjust itself to the changing times by adopting new measures, which meant that the regime would take a tolerant attitude toward the formation of the DPP, while keeping control over the pace of change.

Accordingly, on October 8, President Chiang, in an interview with the Washington Post publisher, announced that the government would lift martial law soon and new political parties would also be legalized with certain requirements: they must recognize the laws and constitution
and oppose communism and Taiwan independence. This is to say that any acceptable opposition party had to have a platform identical to the basic state policies. On October 11, the DPP, though dissatisfied with the requirements imposed on opposition parties, in an ambiguous response declared that it respected the constitution and that it would not cooperate with any political forces favoring violent tactics. The reason for its vague response is that the DPP at the time was unwilling to draw a clear line between themselves and Taiwan independence movement, because in fact many members, if not all of the DPP, were either pro-independence activists or sympathetic to the separatist movement, but dared not openly advocate it.

The Civic Organization Law legalizing and governing registration of political and social groups was finally passed in February, 1989, with conditions exactly the same as those Chiang had insisted on two years ago. A few months later, the DPP officially registered to become a legal body, even though the new law fell far short of meeting their demands for greater democracy. Before registration in 1989, the DPP remained technically illegal but was tolerated by the authorities and even allowed to contest seats in the national parliamentary elections in December 1986. In the elections the KMT secured its typical 70 percent of the popular votes; the DPP received 23 percent of the votes, with independents taking the rest.
Outsiders may never know with certainty the motives behind Chiang Ching-kuo’s decision not to uproot the DPP. A rational choice model, developed by Robert Dahl, asserting a regime will liberalize when the costs of repression outweigh the costs of tolerance, is perhaps useful in understanding the reasons for Chiang to take a conciliatory stance.

From the repressive perspective, the KMT regime, under the leadership of Chiang Ching-kuo, did have tremendous capability and power to eliminate the DPP to keep itself rather authoritarian at the time, partly because it maintained tight control over the state apparatus (the bureaucracy, the party, and the military and security and the airwaves), and partly because it effectively supervised the various civil institutions and retained the right to censor all publications. Despite these advantages over the opposition forces, the KMT would have worried about the Philippine-style people’s revolution if it had taken coercive measures against the DPP. Because President Chiang Ching-kuo might have learned from the negative example of the collapse of the Marcos regime, he was anxious to avoid the same mistake in Taiwan.

Second, the democratic pressure of the U.S. was unfavorable for the KMT’s turn to repression. The arrest of Li Ya-ping of 1985 proved that the KMT authorities had
gone too far for the U.S. Administration, not to mention the Congress. Thus, Li was immediately released under the U.S. threat to cut off arm sales. It is hard to imagine that the U.S. Administration and Congress would have remained on the sidelines if the KMT had carried a massive repression against the DPP, the only visible and formidable opposition force in Taiwan. The KMT had apparently learned to take a more cautious approach to the formation of the DPP, otherwise its legitimacy would be further undermined by repressive action.

Third, it must be mentioned that there was also a strong opposition force—the Tangwai, able to consistently challenge the KMT’s rule if it could not replace the government. Indeed, since 1977, the Tangwai had constantly garnered between 20 and 30 percent of the popular vote, which meant that a sizable portion, if not the majority, of the general public stood for the Tangwai movement. If the regime had wiped out the DPP, this act would at least have incited angry reaction among the Tangwai supporters and at most have generated the public, especially the growing middle class, ill-will toward the KMT. The regime seemed unwilling to pay the costs of more social unrest as a result of public dissatisfaction.

Finally, more importantly, killing the chicken to warn the monkey would not work. The Tangwai movement did not retreat in the aftermath of Kaohsiung Incident, even though
a relatively large number of Tangwai activists were placed behind prison bars. The massive crackdown against the opposition failed to suppress the resistance movement, or to keep the remaining opposition forces from regrouping, even if it succeeded in the short-run. Ironically, the relatives and defense lawyers of the jailed political leaders liked to seek elective office, almost all of whom won election with large vote totals. It reminded the KMT leadership of the need to take a soft-line on the opposition, otherwise the repressive policy would lead to widespread criticism and help keep the opposition momentum rolling. Therefore, the people power's staunch support of the relatives and lawyers associated with those imprisoned did offer a barrier to renewed repression.

From the tolerant perspective, the Tangwai acted liked a "loyal opposition party" in several ways in the mid 1980s. First, in the aftermath of Kaohsiung Incident, it learned a lesson that excessive Tangwai-led protests would cause violent clashes with the police, thus providing the authorities with a pretext for a crackdown against the opposition. Street politics was, therefore, highly selective with better planning in order to avoid confrontation. The demonstrations in 1986 served as a classic example. They intensified in number and size as
the jailing of the libel suit defendants approached, meanwhile demonstrating how well-disciplined they were.

Second, as the government's scope of tolerance had broadened to some degree beginning in early 1980s, Tangwai journals were filled with "taboo subjects" including the "secrets" of Chiang's family, the questioning of KMT's "three nos" policy toward mainland China, the emphasis of "Taiwan consciousness," and so forth. But they had never dared to discuss the most sensitive and explosive issue--Taiwan independence, needless to say the explicit advocacy of independence. It was because the Tangwai apparently calculated that any form of advocating independence would exceed the limits of official tolerance at the time, thereby opening the gates for a repressive policy to return to Taiwan.

More importantly however was the fact that although facing increasing international isolation, the PRC's peaceful unification offensive and the crisis of legitimacy at home, the KMT was still powerful enough to maintain its hegemony over society and to dominate the legislature, and at the same time confident enough to win the elections through mobilization of its stronger organizational basis islandwide and manipulation of the electoral process. This confidence enabled the KMT's leadership to proceed with more rapid democratization without fear of losing control over the pace of change. As Andrew Nathan points out,
Chiang's decision to make reforms was needed to "improve his regime's ability to deal with threats to its international survival and internal stability." In the meantime, the KMT regime had the capability to control the process of democratic reforms. This generates what Share has called "transitions by transaction" where the process of change is by and large controlled, if not propelled, by the regime due to an important but not crucial role played by the opposition.

D. Differences and Similarities

There are several similarities and differences between Taiwan's and South Korea's democratization movement, with respect to opposition politics, international factors, and degree of the regime's control in the pace of change.

As in Taiwan, where the KMT's policy of "killing the chicken to warn the monkey" proved ineffective in chilling other organized opposition activities in the aftermath of the Kaohsiung Incident, the Chun government's repressive tactics including the torture, mass arrests, imprisonment, or even murder, were not able to destroy the opposition forces. Indeed, as Chun relaxed the political ban of former politicians who were removed from the political scene in 1980 in the name of "political purification," there was a coalescing of opposition forces into a single
party—New Korea Democratic Party (NKDP), uniting in a program designed to end military rule. The NKDP made a strong showing in the 1985 National Assembly election, receiving 29 percent of the popular vote, compared to only 35 percent for the governing Democratic Justice Party (DJP) which had many advantages in the race, such as stronger organization, financial resources, and manipulation of the electoral laws.

The NKDP's electoral victory, combined with the subsequent merging with other small opposition parties, produced a highly visible NKDP with 103 seats (43 percent) in the National Assembly, compared to 148 seats (54 percent) for the ruling DJP. As a result, the rearrangement of the opposition parties helped to establish a two-party system in South Korea, thereby strengthening the opposition NKDP's position in bargaining with the government. As a formidable opposition force, the NKDP stepped up its efforts at pledge for a direct presidential election which its leadership viewed as a political convenience and an expedient way to change the government.

The ruling DJP, on other hand, preferred a parliamentary rather than a presidential form of government. This is because a parliamentary system could still allow the governing DJP to maintain control of parliament through its buying off of the minor parties to get majority seats, if it would become a minority in the next election. Hence, to
the NKDP, it would have no hope of reaching power, without a change in the system before the next election.

The Chun regime's initial response to the opposition suggestion was heavy-handed, but the fall of the Marcos regime and the rise of the Aquino government prompted a change of tactics. In May 1986 the government yielded to the opposition's demand for the establishment of a Special Constitution Revision Committee (SCRC) in the National Assembly, but the SCRC made little progress in producing a compromise settlement on the matters of the form of government during 1986-1987.42

The opposition was in disarray beginning in December 1986, when Lee Min-woo, leader of the NKDP, agreed to a seven-point compromise with the ruling DJP under which the form of government would be a parliamentary-based executive in exchange for a number of major political reforms. However, Kim Young Sam and Kim Dae Jung, the two leading opposition figures, insisted on the issue of direct presidential elections, condemning Lee's deal as a betrayal to the cause of the opposition movement, and broke with the NKDP to form a new group, the Reunification Democratic Party (RDP).43 Most anti-government legislators decided to follow the two Kims lead, making the RDP the primary opposition party in the National Assembly.
President Chun took advantage of the opposition's troubles. On April 13, 1987, he announced the end of all further debate on constitutional revision until after the Seoul Olympics of 1988. By that time, it would be convenient for President Chun to choose his successor through the existing electoral college system. His decision to suspend debate on constitutional reform, along with disclosure in mid-May of the cover-up in the Park Jong-chul incident in which the police admitted they had tortured him to death, angered many opposition politicians, student activists, religious groups, and middle class citizens. Over the next month, resistance to Chun intensified both in size and frequency. Student protests almost became a daily occurrence both on and off the campus. Hundreds of the various organizations demanded Chun's resignation and a boycott of the elections. The National Coalition for a Democratic Constitution formed by the RDP, church leaders, and student radicals, emerged as an umbrella organ to coordinate activities of the various anti-government groups.

Discontent came to a head after June 10 when the ruling DJP nominated Roh Tae Woo as party president and also as presidential candidate for the subsequent election in the party's convention. Roh, Chun's classmate at the military academy and a major figure in the 1980's military coup which brought Chun to power, became Chun's hand-picked
successor and was believed to be elected under the existing electoral college. Chun’s plan to avoid the direct presidential election further aggravated the political crisis. Thousands of students took to the street throwing rock and fire-bombs, and clashed with the riot police. A large number of middle class citizens often sided with the students by joining the student-led protests and shouting the slogan "Down with the Dictatorship." All major cities in Korea turned into battlegrounds.

Facing such a rising tide of disorder, the Chun regime had the alternative of mobilizing troops to crack down hard on the protesters and risking more widespread social unrest, even a civil war, or making a wholesale concession to the opposition forces on the constitutional issue and risking the collapse of the government. Any attempt to find some way of reaching a compromise with the opposition on electoral reform would be rejected.

In the tense political atmosphere, the U.S. Administration, under Reagan’s leadership, doubled its pressure on President Chun not to use military force to stop the protests, to resume dialogues with the opposition, and to move toward democracy. On many occasions, the Reagan Administration sang the same tune: sending a strong message to Seoul. In addition to endorsing the Administration’s efforts, the U.S. Congress even went
further by introducing a bill which would impose economic sanctions on South Korea until it demonstrated progress in moving toward democracy. All these steps taken by the U.S. clearly pushed Chun in the direction of democratic reform.\textsuperscript{44}

On June 29, 1987, Roh unexpectedly reversed course announcing an 8-point reform proposal, which offered wholesale concessions to the opposition, including the direct election of the president, freedom of the press, the release of political prisoners, and self-government for universities. Two days later, Chun endorsed the reforms in a television address. Roh's proposal--a major turning-point in Korea politics--was considered not only a response to the U.S. pressure, but a "surrender" to the people's aspiration for democracy. The protesting masses, composed of almost all the sectors of society, were not afraid of being arrested and jailed under the harsh Korean security law. Clearly, their common goal was to publicly oppose the dictatorship, restoring the democratic system in Korea by directly choosing their own leader.

Relaxation of tensions in South Korea grew and a democratization process finally began as the result of sweeping reforms; the opposition UDP was experiencing internal factional strife between the two Kims over a single candidate of the party in the incoming presidential election. The marriage of convenience between them that
protested Chun's dictatorship faced serious challenge when Chun agreed to accept Roe's proposal for broad democratic reforms.

Both Kims had been formidable rivals since their competition for the party's presidential nomination in 1970. During the so-called Seoul Spring of 1980—a sudden power vacuum created after Park's death, the two Kims who were considered to be the major qualified candidates for the presidency, were unable to coordinate their efforts to offer a united front and led opposing factions for the presidency, subsequently costing the opposition political power. Each had been a leader in the fight for democracy since the 1950s and viewed himself as the hero of opposition politics in South Korea. Kim Dae Jung, a stubborn politician and charismatic speaker, collected 45 percent of the vote in the 1971 presidential election. His personal tragedy of suffering exile, kidnapping, and jail for his beliefs mirrored the tragic Korean political drama. He, at age 63, found it difficult not to take advantage of, perhaps his last chance, to try for the presidency; otherwise his failure to run, "he warned, could churn up anger and frustration among his many supporters and re-ignite the potentially dangerous regional antagonism that has always bedeviled Korean politics."45
Kim Young Sam, 59, on the other hand, had assumed a leading role in opposition affairs and behaved liked a presidential candidate on many occasions when Kim Dae Jung was under house arrest in 1985-1987. Although Kim Young Sam was criticized by most politicians and student leaders as being more opportunistic, he thought that his middle-of-the-road stance made him more electable because it could attract the growing middle-class citizens' support. Both Kims' personalities conflicts and a long history of their factional differences produced a public split in leadership. After several attempts to heal these differences the two Kims failed to unite under one candidate. Both of them eventually decided to run, while taking the risk of defeating themselves. Indeed, such disunity allowed Roh, though widely unpopular for his close association with the military, to win office simply with a plurality. He was elected with 36.6 percent of the popular vote, followed by Kim Young Sam and Kim Dae Jung with 28 percent and 27 percent, respectively. Apparently, the main reason for the defeat of the opposition was a self-destructive factional struggle between the two Kims; both of them apparently did not avoid repeating the same mistakes in the past.

With respect to the degree of opposition party unity, the Korean case stands in sharp contrast to the situation in Taiwan, where the feuding Tangwai (later, the DPP)
factions achieved a general consensus of establishing an independent and neutral arbitration committee to reconcile the differences between the two main factions. This effort seemed clearly to be an attempt to imitate Japanese politics; i.e. the institutionalization of factional politics of the governing Liberal Democratic Party in Japan. In addition, the Tangwai had never broken through the 30 percent barrier in the elections, receiving only 10-15 percent of the legislative seats at the national level, which meant that it still had a long way to go to change the government through an electoral process. Tangwai's sense of the underdog more or less prevented one of the two factions from withdrawing from the party to form a separate political party. If they split up, the possibility of defeating the KMT in the further elections would be highly unlikely.

In contrast, due to the regimes suffering weak legitimacy, the opposition parties in South Korea had consistently stronger showings in the elections than their counterparts in Taiwan. The Korean opposition parties, if taken together, received an average 68 percent of the total popular vote in the 1978, 1985, and 1988 National Assembly election, compared to the average 32 percent for the ruling party. The impressive electoral victories made each leader of the major opposition parties believe that he was very
electable in the upcoming presidential election, thereby contributing to the oppositions' weak internal unity.

Moreover, Korea had a long history of intra-party factionalism which took the form of sizing up of the two principal opposition leaders. They could work closely with each other or with other anti-government groups in building broad-based campaigns against the "fascist dictatorship," but failed to unite themselves to offer a united front when an opportunity of gaining political power arrived. The sharp disagreement of the two Kims on the matter of a single candidacy serves as a classic example. Rather than blaming both Kims' inflexible positions, students of democratization attributed this phenomenon largely to cultural factors. That is, a compromise is always seen as a retreat in South Korea--concepts that run counter to tradition in Korean public life. As Kim Hyun Ja explains, "in the Korean's mind, it's always black or white, win or lose, all or nothing," so that "it is difficult to talk about concessions."

With regard to the international factors, the Aquino revolution in the Philippines and the pressure from the United States were powerful forces in shaping political development of South Korea and Taiwan. The collapse of the Marcos regime and the rise of the Aquino government in the Philippines apparently gave the resistance movement in Korea and Taiwan a ground for hope that similar democratic
revolutions might take place in their countries. The opposition in both countries felt encouraged by the Philippine developments and decided to depend on extra-parliamentary tactics to pressure the regime. Similarly, the top leadership in both countries had learned the negative example of President Marcos and avoided a wholesale crackdown on anti-government demonstrations, fearing more large-scale violence and in Korea possibly a civil war. Thus, "people power" in both countries could at least check repression and increase the pressure for democratic change.

The United States' efforts to pressure Taiwan and South Korea to democratize more quickly also contributed to relatively smooth democratic transition in both countries from 1986-1987. In general, the U.S. had subordinated the development of democracy in both countries to geopolitical and commercial concerns. Accordingly, in the past, it showed little willingness to use its arms sales and economic relations with both countries as leverage to encourage progress toward democracy, fearing that any tough action might weaken both countries militarily and economically.

Several critical developments in Korean history regarding the transfer of power in 1961 and 1979-1980, in which the U.S. sided with two military authoritarian
regimes that came to power by undemocratic means, inevitably outraged the Korean public. In particular, in the eyes of the general public, the U.S. staunch support of the Chun government through U.S.-South Korea summit meetings and massive arms sales was the most intolerable thing simply because the Chun regime was viewed as the most unpopular in Korean history. The U.S. support of the Chun government combined with its huge military presence in South Korea which was considered as the main obstacle to national reunification and the growing trade friction between two countries, had fueled nascent anti-American sentiment not only among political activists but the general public. Whereas the people in Taiwan assumed a relatively friendly attitude toward the U.S. due to U.S. de-recognition of the ROC in 1979, there has, since then, been the absence of America's "official" institutions and military in Taiwan, so that the national dignity of the ROC could be upheld. This was in sharp contrast to the situation in South Korea in which the long-standing presence of American power and influence has inevitably produced resentment among the public.

When the critical moment came: the political situation in Korea beginning in spring of 1987 was rapidly deteriorating as a result of non-stop large-scale nationwide protest movements. The U.S. policy-makers finally realized that continued backing for an unpopular
regime like Chun’s would open the door for the rise of an anti-American regime in South Korea, thus unavoidably damaging their strategic interests in East Asia. By acknowledging that shift, the U.S. Administration began to pressure the Chun regime to make reforms aimed at defusing the political crisis.

Taiwan was not an exception to the U.S. efforts to press democratic change. The U.S. Administration from the 1950s through the early 1980s had not explicitly said that they were interested in Taiwan’s democratization, not to mention the use of their leverage—arms sales and economic relations—to urge reforms. Starting in the mid 1980s, the Administration no longer kept silent about the KMT’s repeated punishment of overseas Chinese critics who lived in the U.S., and then used its influence to press for democratic reforms. Partly because Taiwan’s political atmosphere in 1986-1987 was not as intense as Korea’s, and partly because the Chiang Ching-kuo government in Taiwan had more capability to manage political crisis than his counterpart in Korea, the U.S. came to push Chun rather than Chiang in the direction of democratic reform.

For instance, as the June 1987 demonstrations came to a head and martial law appeared imminent, U.S. policy toward South Korea shifted from the previously "quite diplomacy" to relatively "open diplomacy." The U.S.
Administration publicly urged "Korean military commanders to concentrated on the defense of Korea and allow the political process to develop in a manner agreeable to the Korean people," while pressing the Chun government to resume negotiations with the opposition on constitutional amendments. Obviously, the U.S. sent a strong signal to the Chun government about American concerns with a relaxation of political tensions through dialogue between the ruling and opposition camp, a peaceful transfer of power and the avoidance of using force to stop the protests. There is little doubt that the U.S. using its influence to press for the peaceful solution of political crisis made a contribution to Korea’s democratization at the critical juncture. Yet U.S. role in the process of democratization should not be exaggerated, mainly because it was interested in keeping a pro-America government in power in the South rather than in pressing for the direct presidential elections. As Sook-Jong Lee and many others points out, "it [U.S.] gave warning to the Chun regime not to resort to physical suppression of popular demonstrations, but it did not actively pursue an alternative solution to the political crisis". In this sense, the U.S. played a supportive role in Korean political opening.

One more difference between the two countries worth mentioning here was the degree of the regimes control of
the pace of change. As stated earlier, democratic transitions in Taiwan can be best characterized as "transitions by transaction" in which though the opposition's role in the course of the struggle for democracy can not be lightly ignored, the process of democratic change is largely controlled by the regime. After the Tangwai organized itself into the Democratic Progressive Party (DPP), the KMT regime appeared powerful enough to carry out its own program of democratic reforms: new political parties were accepted only within legal bounds of three restrictive principles—no use of violence, no advocacy of communism, and no advocacy of separatism (Taiwan independence). This strategy allowed the KMT to force the DPP to follow the legal registration procedures, thus hopefully excluding the opposition for opposition's sake. At the time, unlike the past when the KMT faced similar challenges, there were no harsh measures against the DPP, even though it remained technically illegal. Thus, the KMT was able to manage an orderly democratic transition in a manner which would present a democratic image both at home and abroad, meanwhile retaining a great deal of influence on the process of change. From the opposition's perspective, the KMT's move was nothing more than a softening of authoritarian rule. That is, the KMT no longer liked to jail dissidents for purely political
reasons, while it was still unwilling to allow democratization to run its full course in order to remain predominant.

In contrast, transitions to democracy in South Korea generate what Stepan and Gillespie have called "transitions by transfer of power," where the regime has a tenuous control over the pace of change due to the relative importance of the resistance movements. Indeed, there is no doubt that in Korea, popular movements led by the radical students and opposition forces played a vital role in the rebuilding of civil society and the mobilization of opposition to the military-authoritarian regime of President Chun, eventually contributing to the crisis of his rule. As Chun faced the gravest political crisis of his career, he retained only two possible choices due to the weakening of his position, even on the verge of collapse. One was a massive military crack-down on the demonstrating masses but at the risk of more social unrest and a civil war which was opposed by the softliners within the regime and the U.S. Administration. The other option was a wholesale concession to the opposition's demands for the direct popular election of the president but risking the loss of power.

Unexpectedly, the regime chose the second alternative based on the calculation that it could take advantage of the opposition's disarray and win the election. If this
was the Chun regime's calculation, its gamble paid off substantially. Because the opposition vote was split almost evenly between the two major candidates despite the fact that they took more than a majority (55 percent) of the total votes, the ruling party's candidates won with a 36.6 percent plurality of the votes. In sum, Korean opposition movements were far stronger than those in Taiwan, and able to force the holding of direct presidential elections. Yet they did not achieve their goal of ousting authoritarian rule due to a self-destructive factional strife between the two archrivals of the major opposition party.
Notes for Chapter V


4. See S. P. Huntington, Political Order in Changing Societies.


8. Ibid, pp. 73-93.


11. For a description of Taiwan's consumer movement, see M. K. M. Chang, Social Movement, pp. 47-51.


18. S. P. Huntington, Political Order, p. 372.


21. For details, see W. Dong, University Students, pp. 233-255.


23. Ibid.

24. W. Dong, University Students, p. 245.

25. W. Dong, Student Activism, p. 155.

26. S. Han, Student Activism, p. 155.

27. There have been very few studies of student movements in Taiwan in any language. See "Zi-you zhi ai"(The Freedom Love), Taipei: Nan Feng Monthly, 1987. (in Chinese); and M. K. M. Chang, Social Movement, pp. 77-83.

28. For a comprehensive description of Taiwan's democratization movement, see Hsiao-feng Li, "Tai-wan min-zhu yun-dong si-shi-lian"(The Forty Years History of Taiwan's Democratic Movement), Taipei: The Independent Evening News Press, 1987. (in Chinese); and Teh-fu Hwang, "Fan-te yun-dong di zhe-lue yu tai-wan di-shui cheng-chi min-zhu-hua"(The Opposition Strategies and Democratization in Taiwan), a paper for the conference of "Taiwan's
Development and Asian Transformation" (Taichung, Taiwan: Tunghai University) (in Chinese).


31. C. L. Chiou, Politics, p. 22.


33. C. L. Chiou, Politics, p. 25-27.

34. Ibid.


43. Ibid, p. 89.


Chapter VI
THE MAJOR FACTORS OF DEMOCRATIZATION

In the previous chapter, we have analyzed how Taiwan’s and Korea’s democratic transitions occurred in the 1980s and made comparisons between both countries with respect to opposition politics, international factors, and degree of the regime’s control in the pace of change. Yet such an approach is insufficient to comprehend why these developments took place and who played important roles in the process.

In order to grasp the fundamental elements of democratization and the actual causes and processes of both countries’ democratic transitions, both structural socio-economic explanations and the actor approach are supplementary to each other in determining the pace of transition. The socio-economic determinants are useful in discerning some structural elements facilitating the transition to democracy, because it sustains the hypothesis that the high level of socio-economic developments, which means that the process of development through rapid urbanization, education, and communications expansion cause increasing social diversity, is a pre-condition for democratic development. But this methodology fails to explain the actual causes and processes of the transition. The analytical locus should be shifted to the major
political actors and their roles in the process, for democratic transition is precisely the moment when these leading actors are beginning to mobilize their resources to change or resist the course of democratization.¹

This chapter will not only examine the impacts of socio-economic developments and the leading actors' roles on democratization process to democracy based on these two approaches, but distinguish the nature of democratization in both countries. The prospects for democratic development will be analyzed.

A. Socio-Economic Factors

Taiwan, like South Korea, has made a remarkable economic performance over the past three decades. From 1960 to 1980, for example, gross national product of Taiwan grew at an average annual rate of 9.5 percent, compared to 9.1 percent in Korea. Yet, between 1980 and 1986 Taiwan’s economy maintained an average annual growth rate of 7.1 percent, slightly lower than that in Korea. The per capita GNP of Taiwan was 143 dollars in 1960, slightly below twice that of Korea. After more than two decades’ sustained growth, the per capita GNP of Taiwan reached 3,751 dollars, higher than that of Korea, as shown in Table 6.1.

The rapid economic development apparently changed both countries from underdeveloped, low-income countries to two of the prominent Newly Industrializing Countries (NICS)
with the World Bank's categories of the upper middle-income groups of the world.

Table 6.1

Comparison of Taiwan's and Korea's Economic Growth Rate and Per Capita GNP, 1960-1986

<table>
<thead>
<tr>
<th></th>
<th>Average</th>
<th>Annual Growth Rate(%)</th>
<th>GNP per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taiwan</td>
<td>9.6</td>
<td>9.5</td>
<td>7.1</td>
</tr>
<tr>
<td>Korea</td>
<td>8.6</td>
<td>9.5</td>
<td>8.4</td>
</tr>
</tbody>
</table>


The impact of rapid economic growth is multidimensional, involving changes in social developments, social structures, and popular attitudes. In other words, accompanying economic development, society itself also experiences profound changes. This is particularly true in the cases of Taiwan and Korea. One important aspect of both countries' social development is the education expansion. The governments in both countries have made free and compulsory primary and secondary education available to all residents since the late 1960s, precisely because the Confucian cultural tradition stressed the importance of education and the development of resources. Thus, both countries' education in all levels has expanded and improved significantly over the past three decades.
Table 6.2
Educational Progress in Taiwan and Korea, 1960 and 1986

<table>
<thead>
<tr>
<th></th>
<th>Taiwan 1960</th>
<th>Taiwan 1986</th>
<th>Korea 1960</th>
<th>Korea 1986</th>
</tr>
</thead>
<tbody>
<tr>
<td>Literacy rate</td>
<td>73.0</td>
<td>91.9</td>
<td>71.0</td>
<td>97.5</td>
</tr>
<tr>
<td>Enrollment ratio:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary School</td>
<td>93.6</td>
<td>99.8</td>
<td>94.0</td>
<td>99.7</td>
</tr>
<tr>
<td>Secondary School</td>
<td>51.2</td>
<td>99.7</td>
<td>27.0</td>
<td>92.0</td>
</tr>
<tr>
<td>Higher Education</td>
<td>3.0</td>
<td>15.4</td>
<td>5.0</td>
<td>27.0</td>
</tr>
</tbody>
</table>


As Table 6.2 shows, the growth of secondary and higher education was very impressive in both countries. For example, in 1944, only 2,174 Taiwanese students were enrolled in Taiwan's five universities. By 1985, the situation was very different: the total of universities and colleges rose to 105, with a total enrollment of 395,153 students.2 A similar phenomenon can be found in Korea. In 1945, there was only one university in Korea, with a total enrollment of only 304; by 1984, college enrollment had reached 1.34 million.3

An important effect of the rapid expansion of education in both countries is the growth of political consciousness among the general public, particularly the intellectuals who always see themselves as the "conscience of the nation." The Tangwai figures (later, the DPP), the leading force in Taiwan's democratic movements of the 1970s
and the 1980s, are home-grown products educated under the KMT system in Taiwan. Like their counterparts in Taiwan, Korean democratic forces—student activists, the outspoken journalists, the anti-government academics, and the church leaders—are the product of the postwar Korean education system.

Although democratic education in school has not been strongly stressed by the authority, people in Taiwan may absorb more information from society when they are able to read and write. Moreover, Taiwan, like Korea, remains a society dominated by a powerful elite, which includes professors, lawyers, journalists, businessmen, doctors, and politicians. Many of them received a higher degree abroad, having a good understanding of concepts of Western democracy. This, plus their financial independence of the state (as a result of a booming economy), encourages them to anxiously expand the space of their political participation by running for public offices and getting involved in mass movements, and to seek to educate the masses by publishing critical magazines. Therefore, the rapid expansion of education means that under the influence of the opposition critical views, more people are capable of becoming politically informed, making their own political decisions, and even exerting pressure for
democratic political process, even though the regime continues to control the educational system and the media.

Korea's education policy, like Taiwan's, is designed to create obedient, politically passive, and disciplined citizens which are necessary for economic development. (In Taiwan Sun Yet-sen's notion of "democratic tutelage" had been used as a justification for the authoritarianism during the period of martial law and the potential serious threat from the Communist). In addition to stressing the evils of Communism and the need for reunification, the educational authorities in Korea had seriously implemented democratic education in all school levels since 1945. They particularly praise the values of representative government and popular sovereignty and modernization. A number of surveys' results indicate that Korean young people tend to be more democratically oriented than their elders.

However, as the actual performance of the governments became increasingly undemocratic, the opposition forces in Korea began to challenge the authoritarianism. As Cole and Lyman point out, "the contradictions between the slogans of the Free World and the fact of authoritarian rule in South Korea--between the norm and the practice of democracy--have become a rallying cry against government...". Not surprisingly, the well-educated young people, particularly student activists, have played a crucial role in Korean democratic transition throughout recent history, while
student political activities in Taiwan are characterized as generally "apothetical and apathetic".\textsuperscript{7} The indifferent nature of Taiwan’s students is attributable to several factors—the predominance of mainlanders in academic profession particularly in the more potentially troublesome departments like political science, sociology, and law; the party’s and professional military officers’ deep penetration into the campuses; the long-term authority-centered education; and the family’s pressure to refrain students from political activity. Another important indicator of socio-economic development is the expansion of communication. According to a number of students of democratic development, the high levels of communications tend to create a correspondingly high degree of political competition in which democratic transition may take place.\textsuperscript{8} The Taiwan’s case of the 1980s fits with this description. In spite of the long history of press control in Taiwan, many bold Tangwai-published journals became highly critical of the KMT authorities starting in the early 1980s when the authorities’ scope of tolerance broadened somewhat. Due to the regime’s restrictions on the number of newspaper licenses under the period of martial law, political magazines—either weekly or monthly—have been the most popular format among the opposition. With coarse language and crude caricature,
these journals were eager to test the limits of the authorities' tolerance by fiercely criticizing the KMT and by deliberately disclosing "taboo subjects" such as the personal lives of the KMT top leadership, the advocacy of self-determination for Taiwan residents, the questioning of the official mainland policy, the disclosure of taboo events of the past like the "February 28 Incident" and Professor Chen's mysterious death after the authority's interrogation, and the charge of the government's conspiracy in the Kaohsiung riot. Despite the inadequacies of these journals as either serious journalism or truthful accounts of the past, they had a profound effect on the rising political consciousness of Taiwan electorate, thereby having made a contribution to Taiwan's democratization. 9

However, the suppression of the Tangwai publication escalated dramatically beginning in 1984. Such suppression had been accomplished through the authorities' suspension of publication, banning and confiscating copies ready for circulation, threatening to fine or jail vendors who continued to sell banned and confiscated journals, and even putting offending journalists into prison by means of libel suits. 10

As shown in Table 6.3, the authorities, most notably Taiwan Garrison Command, increasingly began to suspend and confiscate the opposition magazines, with the number of
confiscations and bannings rising to 176 in 1984 from 9 in 1980.

Table 6.3
Press Censorship on Taiwan, 1980-87

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Suspensions</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>7</td>
<td>35</td>
<td>15</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Confiscations/Bannings</td>
<td>9</td>
<td>13</td>
<td>23</td>
<td>26</td>
<td>176</td>
<td>260</td>
<td>295</td>
<td>163</td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>19</td>
<td>27</td>
<td>33</td>
<td>211</td>
<td>275</td>
<td>304</td>
<td>177</td>
</tr>
</tbody>
</table>


The censorship came to a head in 1986, the total number of cases jumping to 311. Even in 1987 when martial law was lifted, censorship lessened somewhat but the number of banned and confiscated magazines remained 163, much higher than the annual average case of 18 during 1980-83. The dramatic quantitative increase in censorship during 1980-1987 reflected the fact that the regime allowed more dissenting publications to be circulated but it remained the arbiter of what people could say and publish. Indeed, in order to hedge against suspensions, the Tangwai prepared a number of licenses that were used to continue their propaganda campaign against the KMT, when the latter intensified its censorship efforts. Under these harsh censorship activities of the authorities, it was not
surprising that even magazines with a moderate tone hardly escaped the repression.¹¹

Also, the censorship had generated a heavy financial burden on the opposition publishers, forcing many their magazines to go bankrupt, as the authorities launched an increasingly aggressive campaign during the mid 1980s, by banning virtually every issue the journals published and by seizing almost every issue printed from newsstands. In the face of severe repression, several opposition magazines continued publishing without licenses, aimed at continuously pressing against the regime’s limits on public discourse. Some of them even argued that Taiwanese residents had the right to decide their own destiny through the advocacy of Taiwan independence.

The extremist nature of the Tangwai’s press had undoubtedly aroused sharp resentment among the ruling bloc, especially the hard-liners, within the party, who still dominated the national legislature and presidential electoral college. In order to appease these old guards, the KMT felt the need to suppress the opposition press by using libel suits. As a result, half dozen of prominent Tangwai figures were sentenced to eight-month to two-year jail term, and a large fine was imposed. However, the KMT’s countermove, combined with the favorable international environment in which the Corazon Aquino
government came to power replacing the authoritarian regime of President Marcos in February 1986 in Philippines and the United States' Congress consistently put pressure on Taiwan to democratize more quickly, made the feuding factions of the Tangwai cooperate closely to launch a series of large-scale anti-government demonstrations and sit-ins, and eventually to establish the Democratic Progressive Party (DPP).¹²

In sum, the impact of the Tangwai exertion on Taiwan's democratization is significant, but its political role should not be exaggerated, partly due to its failure to reach a wide readership, and partly due to the authorities' harsh censorship.

The regime in Taiwan from the very beginning had limited the number of available daily newspaper licenses to 31 of radio stations to 33, and of television networks to 3. The ownership of these airwaves exclusively belongs to the party and the government, while the daily press is all owned by the party, the government or people very close to the Nationalists.¹³ Under such circumstances, it is not a surprise that the regime in Taiwan could effectively control the mass media aimed at generating political support or diminishing political discontent. Magazines, which are widely believed to exert less influence on the public opinion than other media of communication, were under fewer restrictions. They served as the only weapon
for the opposition to carry out the propaganda campaign under the period of martial law.\textsuperscript{14}

The situation in Korea is somewhat different. Traditionally, the Korean press including newspapers and magazines has challenged the authority of government--Japanese and Korean, despite the repression. The First Republic did not intensify the press control. Perhaps the reason why the 1960 student uprising took place was because the newspapers extensively covered the Rhee regime involvement in electoral fraud and subsequent student anti-government demonstrations.\textsuperscript{15} The press enjoyed virtually complete liberty under the Second Republic. The Third Republic began to place controls on the press, but the journalists as a whole still maintained "a reasonable and meaningful voice of dissent in the country".\textsuperscript{16} With the enforcement of \textit{Yushin} constitution in the Fourth Republic, the press was largely restricted. The freedom of the press under the Fifth Republic was more restricted than that under the Fourth Republic.\textsuperscript{17} Table 6.4 demonstrates that Chun regime in Korea exercised stricter control over the press than the other three regimes in post-Liberation period. Indeed, Chun government attempted to tame the press by employing a number of political, legal, and social measures.
Table 6.4
The Control of Printing Media Growth in Korea, 1960-1980

<table>
<thead>
<tr>
<th>Year</th>
<th>Media</th>
<th>Newspaper</th>
<th>Weekly</th>
<th>News</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>March, 1960 (just before April 19th uprising)</td>
<td>41</td>
<td>136</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April, 1961 (before May 16th military coup)</td>
<td>115</td>
<td>487</td>
<td>308</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December, 1961 (after May 16th military coup)</td>
<td>38</td>
<td>33</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December, 1979 (before press crack-down)</td>
<td>36</td>
<td>121</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December, 1980 (after press crack-down)</td>
<td>29</td>
<td>97</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


The press control measures adopted by Chun regime included: First, the constitutional amendment stipulated, in Article 20, that "neither speech nor the press shall violate the honor or rights of other persons nor undermine public morals or social ethics". The constitution apparently had a strong reservation on press freedom. Second, the Basic Press Law, enacted in December 1980, provided further restrictions on the rights of the press. The law permitted the authorities to deny and suspend the registration of publications, and to confiscate and ban the printed literature, when "they (the press) repeatedly and flagrantly violate the law in encouraging or praising
violence or other illegal acts disrupting public order".\textsuperscript{19} Given the vagueness inherent in the words "or other illegal acts disrupting public order," the law basically allowed the authorities to suppress whatever they wished.

Third, the special laws such as the National Security Act and Anti-Communist Act were primarily designed to severely punish the dissidents who have "benefited the anti-state organization by way of praising, encouraging, or siding with or through other means..."\textsuperscript{20} Finally, the Minister of Culture and Information, a main institution responsible for the press control, even ordered the mass media to follow the official "guidelines for the press reports".\textsuperscript{21} This meant that when a political event took place which required special handling, the press should comply with the authorities' suggestions on how the story should be treated.

As a result, all the television and radio stations broadcasts about politics sounded like government propaganda. Yet Park in the study of the effects of media exposure on Chun's authoritarian legitimacy concludes that television favoritism appeared to have insignificant effect on support for Chun's authoritarian rule. On the contrary, "those at high levels of (TV) exposure were not more likely to approve of overall performance of the (Chun) government than those at low levels".\textsuperscript{22} Given the restricted climate for the press, the independent newspapers like
Choson Ilbo and Dong-A Ilbo were not allowed to directly challenge the authority of the government or explicitly question the soundness of the official policies. The authorities' harsh censorship in Korea, like their counterparts' in Taiwan, had driven the opposition press underground, that continued to struggle against censorship and free expression in order to expand the limits of tolerated discussion and criticisms. As a result, a large number of "ideology-related books and literature" were published by student activists and dissent organizations, and available in bookstores near the university campuses.\

Partly because of great confidence in its rule, partly because of the efforts to improve its image at home and abroad, and because the 1985 parliamentary election was approaching, Chun regime relaxed its control on the dissident activity beginning in late 1983 by introducing some liberalization measures (Abertura), which included a gradual relaxation of control over the press, the autonomy of university campuses, the lifting of midnight curfew, and so forth. Even though the regime was not offering the press much freedom, there was some flexibility for the daily news to report some stories subtly critical of the government. The critical mood of the press in Korea, unlike that of its counterpart in Taiwan, had its roots in
the pro-nationalist publications of the Japanese period. As Macdonald describes, "beginning in the Japanese period, editors have developed a talent for conveying messages between their lines and testing the limits of government tolerance".24

Under the encouragement of this long established tradition of dissent, three journalists decided to go further in late 1986 by disclosing the official guidelines to the public but were arrested on charges of violating the National Security Act. Although such harsh suppression had a chilling effect on free expression, some leading independent newspapers like Dong-A Ilbo and Choson Ilbo did not retreat. They instead actively reported the activities of many anti-government demonstrations, criticizing the authorities' repressive measures against the demonstrators, and demanded sweeping political reforms in the existing political arrangements. Their extensive coverage of opposition activities reached the climax in the June democratization movement of 1987 when Roh Tae-woo, the chairman and presidential nominee of the ruling Democratic Justice Party, finally promised to conduct a free and fair direct presidential election by the end of the year.25

Due to its wide readership in urban areas, the Korean daily news had played an important role in diffusing the ideas of Western democracy and the realities of a long-term struggle of democratization movement at home. The great
influence of Korean newspapers on the society can be found in Park Chong-min's survey. His finding demonstrates that "the more one was exposed to a newspaper, the more one was dissatisfied with the overall performance of the government". Not surprisingly, a poll, conducted by Hanguk Ilbo (daily news) in June 9, 1987, indicated that 85.7 percent of all respondents believed that the issue of human rights should be addressed by the authorities of the government even if the country's economy was in bad shape.

Unlike the press in Korea, where the newspapers were some of the most ardent and vocal spokesmen for democracy, the Tangwai magazines in Taiwan played a key role in the democratic process. However, this is not to say that Taiwan's newspapers as a whole made no contribution to the pace of change. Instead, the two main newspapers together with the dominance of around 80 percent of daily newspaper circulation, the China Times and the United Daily News, began in the mid 1980s to cover such sensitive issues as the lifting of martial law, parliamentary reforms, the founding of the DPP, and so on. In the commentaries, they sometimes urged the government to be sensitive to the public demands for more democracy. But their close ties to the party made it difficult for them to freely print news stories or consistently maintain the independent stances on the issues.
Thus, the two papers, although nominally independent of the party, were actually behind the Nationalists, particularly when some unexpected political incidents occurred which were apparently unfavorable to the regime.27 Perhaps, for this reason, democratic transition in Taiwan appeared to be rather slow, and sometimes distorted, compared to that in Korea.

A final important indicator of socio-economic transformation is the development of a new class structure. There has been a considerably large industrial working class and middle class emerging as a consequence of rapid industrialization in Taiwan and South Korea.

Table 6.5
Change in the Structure of Social Classes, Taiwan and Korea

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrators &amp; Managers</td>
<td>0.4</td>
<td>0.6</td>
<td>0.9</td>
<td>0.7</td>
<td>0.6</td>
<td>1.4</td>
</tr>
<tr>
<td>Professionals &amp; Technicians</td>
<td>4.1</td>
<td>5.0</td>
<td>5.8</td>
<td>1.9</td>
<td>2.3</td>
<td>5.8</td>
</tr>
<tr>
<td>Supervisors &amp; Clerks</td>
<td>7.6</td>
<td>10.5</td>
<td>13.5</td>
<td>3.7</td>
<td>6.1</td>
<td>11.1</td>
</tr>
<tr>
<td>Salespersons</td>
<td>9.0</td>
<td>12.2</td>
<td>13.2</td>
<td>11.0</td>
<td>12.4</td>
<td>14.8</td>
</tr>
<tr>
<td>Servicepersons</td>
<td>6.5</td>
<td>6.8</td>
<td>7.9</td>
<td>10.5</td>
<td>6.9</td>
<td>10.4</td>
</tr>
<tr>
<td>Agricultural workers</td>
<td>48.8</td>
<td>30.2</td>
<td>18.3</td>
<td>54.2</td>
<td>44.0</td>
<td>23.7</td>
</tr>
<tr>
<td>Production workers</td>
<td>23.6</td>
<td>34.7</td>
<td>40.4</td>
<td>10.6</td>
<td>23.1</td>
<td>29.0</td>
</tr>
</tbody>
</table>

Sources: International Labor Office, Year Book of Labor Statistics, various years; Taiwan Statistical Data Book (Taipei: Taiwan), various issues.
According to Table 6.5, we can roughly recognize four major class categories of the upper class, middle class, working class, and farmers of both countries: (1) the upper class includes managers-related personnel; (2) the middle class is composed of professionals, technicians, clerks, supervisors, salespersons, and servicemen; (3) the working class is solely made up of production workers; and (4) farmers consisted of agriculture and related workers.

As shown in Table 6.5, we can see class stratification of the past two decades in both countries as a transformation toward a "diamond shape" class structure. On the top, the upper class in both countries roughly accounts for 1 percent of the economically active population. The size of the upper class in both countries increased very slowly in the period of the mid 1960s to the mid 1980s. On the middle, the enlargement of both countries' middle class and working class over the past two decades is very impressive. The size of middle class in both countries increased by almost twice in the period of the mid 1960s to the mid 1980s. By 1985, the middle class in both countries constituted more than 40 percent of the population. This change was accompanied by a parallel increase in working class membership. The size of Taiwan's production workers, defined as blue-collar workers, rose dramatically from 23.6 percent of the population in 1963 to 40.4 percent in 1983, while in Korea it increased from 10.6
percent in 1965 to 29 percent in 1985. On the bottom, the membership of agriculture-related workers decreased sharply.

1. The Working Class

As discussed in chapter three and five, the proletarian communities had been less evident in Taiwan than those in Korea over the 1960s and the 1970s. The relatively quiescent nature of Taiwan's workers may be attributable a number of factors—the predominance of growing small- and medium-size industries; a large number of part-time workers in workplaces; the party's stringent controls over trade unions; the long-standing martial law which not only prevented the creation of independent social and political organizations and multiple sector alliances, but prohibited any strike; weak class consciousness of Taiwan's labor and the KMT regime's philosophy of "growth with stability," with the emphasis on the latter.28 However, during the 1980s, Taiwan's labor economic demands became much more vocal, partly due to poor government enforcement of pro-labor legislation, partly due to the growing labor shortage, and partly due to the lifting of martial law of 1987. In Korea, many labor conflicts involved their political rights to organize unions freely and bargain and strike collectively, although
the major contentious issue was wage increases. By contrast, almost all the labor disputes in Taiwan focused on economic demands such as wage and bonus increases. In Taiwan, those labor rights activists who attempted to form independent unions at the enterprise level would not be tolerated by the employers in the first place, not to mention the former's coordinated efforts to organize new union federations independent of the party-controlled unions structure on a national, regional, or firm-wide basis. Perhaps, for this reason, most labor-initiated actions were relatively small-scale, posing little threat to management or the state, in comparison to labor unrest in Korea.

Another difference between two countries' labor movement is that unlike the politicized nature of the Korean labor movement, which was partially caused by the third parties' (e.g. church groups and student activists) deep penetration, Taiwan's labor as a whole has not been politicized yet. Most of Taiwan’s labor movement over the 1980s was confined to the workers alone and there was little sign of the coalition with other sectors of the society. The reason for this is two-fold. First, during the period of martial law, the leaders of the party attempted to control or eliminate all groups with potential for independent interest articulation or for the creation of multiple sector alliances aimed at making sure that no
opposition forces could take advantage of these groups. 29 Valenzuela characterizes this type of authoritarian rule as "syndically harsh and politically closed regimes," in which "an authoritarian regime that has been harsh and closed, that is, exclusionary of worker demands and intolerant of all opposition political activity by groups associated with labor movement or its segments..." 30

Meanwhile, if the leadership of the party sensed needs or demands for groups in the populace, it would move to generate these groups aimed at controlling them. Accordingly, the party integrated workers, peasants, teachers, fishermen, and businessmen into the KMT-created trade unions, farmers' associations, associations of industry and commerce and fishermen's cooperatives, while in the mean time prohibiting the social groups or private sector from creating other competing organizations. Under such circumstances, the vast majority of social groups including trade unions lacked autonomy, becoming much vulnerable to the party's manipulation. Because of the pre-emptive and preventive nature of the strong Leninist KMT party system, almost all the social groups relied heavily on the party's patronage during the period of martial law. Even in the aftermath of lifting of marital law, the Leninist-type nature of the KMT system remained intact. The Nationalists still maintained a tight grip
over the above-mentioned unions and associations primarily through financial assistance and the appointment of key personnel, while keeping restrictions on organizing trade unions. 31

Nevertheless, a number of "illegal" autonomous trade unions were organized during 1987-88 in some of Taiwan’s industrial districts, mainly among workers of medium-sized and large companies such as state-owned-related industries. Also, under the leadership of a number of prominent leftist writers, politicians, labor activists, and a couple of national independent labor unions—the Brotherhood of Unions and the Labor Union Alliance—were established in 1988 to provide workers with free legal assistance, information on their legal rights, and assistance in organizing independent trade unions. By early 1988, these two national federations composed of 12 regional-base unions represented only several thousands out of the total 7.4 million work force. 32 Clearly, this organizational capacity was too weak to pose a serious challenge to the official trade unions for support among the rank and file workers, needless to say that it would become a significant factor in Taiwan’s politics. The KMT took a more tolerant attitude toward these illegal unions and their activities.

During the same period, these activists formed a Labor Party which had been plagued from the very beginning by internal struggles over its ideological line. The Labor
Party on some occasions successfully pushed for labor rights against management by staging work stoppages and by helping several anti-KMT labor activists to get elected as the head of major state-endorsed labor organizations. Yet by early 1988 the party had only recruited about 500 party members. 33

The more militant faction within the party, led by intellectuals and labor activists, was more sympathetic to the labor cause, arguing that the issues of social distributional justice and an end to Taiwan’s dependent position in the world capitalist system should be addressed and put at the top of national priorities. They also favored more direct confrontation in order to restore basic rights of workers. The modest camp led by a politician was not enthusiastic about the radical confrontational tactics and instead favored a gradualist approach to improving the status of workers by providing legal advice and other assistances, aimed at maximizing grass-roots support for the Labor Party. However, both sides could not work out their difference and the radical leaders finally decided to withdraw from the party to form a new Workers Party in June 1988. 34

In sum, in the post-martial-law period, despite the fact the third parties like left-wing intellectuals and politicians sought to educate, organize, and politicize
factory workers, such efforts were unable to elevate Taiwan's labor consciousness to the political level. Two factors are behind this. One is the serious internal struggles in the Labor Party since its birth, which hampered organizing efforts. Another is weak class identification among most of Taiwan's workers who were not enthusiastic about the "illegal" status of independent unions, for fear of causing personal risks; that is, lay off by management.

Finally, another explanation for the low level of Taiwan's labor politicization is closely related to Tangwai's or DPP's unwillingness to cultivate support among the blue-collar workers. In order to break through the 30 percent ceiling already established since the 1978 elections, the Tangwai's (or DPP)--the most powerful opposition force--attempted to appeal to the growing middle class electorate, which would provide the broad-based support necessary to challenge established political order. To many Tangwai leaders, the labor issues, such as "economic democracy"--the purpose of distribution of wealth or "social democracy"--the aim of popular empowerment, were too radical to be addressed. They instead showed great concern with the advocacy of political democracy and a new Taiwanese consciousness rather than with the change of the existing socio-economic structure.
Moreover, the DPP, like KMT, did not intend to promote the interest of a particular social class or group. It sought to become a catch-all party. As Goldstein describes:

The fledging opposition party (DPP) has sought to remain all things to all people, purportedly representing workers, small businessmen, and intellectuals. The DPP leadership has generally refrained from taking positions that might alienate any of these camps. Inevitable contradictions, such as that between the interests of small factory owners--where conditions tend to be worse than in the largest enterprises--and workers, have simply been ignored.

Thus, the DPP has done very little to seek to win labor support, not to mention its willingness to play a leading role in creating an alliance between the ordinary workers and outside forces.

However, it is not to say that the working class played no role in the democratization of Taiwan. Instead, the residents in the island’s labor-concentrated areas, particularly in the Kaohsiung City and Taoyuan County--two major industrial centers in Taiwan, have frequently delivered a clear message of discontent with the establishment by sending to contribute to the Tangwai’s or DPP’s relatively strong showing in the elections since the birth of Tangwai in 1978, including the victory of DPP candidates in the 1986 races for Legislative Yuan and National Assembly labor seats. For the first time in Taiwan’s electoral history, they defeated two prominent
leaders of the Chinese Federation of Labor, who were nominated by the KMT.\textsuperscript{36} Therefore, it is hard to imagine that the Tangwai, after losing most of its leaders in the aftermath of Kaohsiung riot of 1979, could continue to keep a high-profile in the struggle for democracy over the 1980s without the continuous electoral support of labor. Perhaps, prompted in part by the workers' long-term electoral backing, Tangwai activists formally established the DPP in September 1986. This time, the KMT took no repressive action against it fearing that to uproot the DPP could help the latter at the polls or invoke large-scale labor unrest. Hence, it is probably more accurate to say that although the working class did not play a leading or active role in Taiwan's democratic transition of the 1980s, its long-term staunch support for the opposition in the elections was one of causes allowing democratic forces to finally prevail. Compared to Taiwan's labor, Korean working class made a relatively great contribution to the breakdown of authoritarian rule in the late 1980s with respect to the levels of political consciousness and mobilizational ability.

During the period of political crisis in 1979 and 1980, Korean labor movement showed a strong solidarity and involved extreme forms of resistance in many cases such as violence or death threats, which sent shockwaves through
the government authorities and society. We can cite a couple of elements contributing to the militant workforce in Korea. One is that under the more authoritarian Yushin system, workers had accumulated long-held demands and therefore took advantage of the new political context to sharply increase their mobilization in expressing their grievances. Another is that the frequency of the religious leaders' and student activists' involvement in the organization and education of labor apparently reinforced high levels of militancy among low-paid workers. For example, the Catholic Labor Youth Association and the Urban and Industrial Missionary offered most of new labor leaders in the 1970s. Under the guidance of student activists, the so-called "Nohak Yondae" (Worker-Student Alliance) was established in the late 1970s to merge the labor movement into the student-led democratization movement.37

On assuming power in September 1980, Chun pursued more exclusionary policies toward labor. His regime began dissolving the newly-formed independent unions and arresting more than 100 union opposition leaders under a "purification" campaign. New anti-labor legislations were introduced, which impose even more stringent restrictions on the basic rights of workers and prohibited other "third party intervention" in labor affairs. Accordingly, a number of church-sponsored pro-labor organizations were
outlawed. In practice, the government resorted to police power to destroy free and effective unions, if necessary.\textsuperscript{38}

In addition, a wide array of labor laws such as the Trade Labor Law, the Disputes Mediation Law, and the Labor Committee Law, permitted the authorities to have legal power to recognize and dissolve unions, and to intervene in labor disputes. Another anti-union government measure was the creation of labor-management consultative body in non-union workplaces where both sides would meet regularly to discuss problems of working conditions and productivity. This body was designed to deprive workers of their organizational basis through which to challenge management or the state.\textsuperscript{39}

Consequently, a marked decline in union membership could be observed in the early 1980s, from 1,088,000 in 1979 to 840,000 in 1981. Labor unions also declined sharply from the total of 4,394 in 1979 to 2,141 in 1981. Under such circumstances, labor disputes decreased dramatically in this period.\textsuperscript{40}

Faced with the increasing government repression, Korean workers became politically more aware of their situation. That is, their low-paid jobs and poor working conditions were the result of the state-management alliance in labor repression. Under this alliance, the government, lacking legitimacy, worked together with the employers and
pursued a low-wage policy toward labor in order to boost the export-oriented economy. Any government's efforts to strictly restrain independent union activities were necessary in the process. Thus, to Korean workers, particularly those labor activists, class struggle involved not only economic demands, but also political and social transformation. In other words, they favored a fundamental change of not only the existing economic structure but also the political and social order, which included a fair distribution of wealth, political liberalization and democratization, and popular empowerment.

The high levels of political consciousness among the Korean workers partly resulted from student activists' continued involvement in labor movement in the early 1980s. To student activism, the labor movement was very attractive due to its huge mass base and capacity to disrupt the economy. Such great potential capacity of the working class was perceived by students as one of the principal means to exert pressure on the regime to move towards democracy. Perhaps for this reason, or because of students' sympathy with workers' miserable living conditions, a number of ex-student activists (both college graduates and expellees) were determined to infiltrate into the labor field and educate factory workers in the form of small study groups in order to strengthen the capacity of
workers. By late 1982, these underground study groups were expanded from the level of a study room to a move to organize labor unions.42 Thus, labor became more politicized and the labor movement became the political struggle against the authoritarian regime.

Beginning in late 1983 when the government pursued a partial liberalization policy and loosened its belt on labor controls, labor responses were more determined. The principal concern for the workers was to organize autonomous unions which were viewed as a crucial resource for realization of their interests. Many newly-formed unions, particularly in heavy and chemical industrial areas, began to emerge, which provided extra potential organizational convenience for the workers to raise their demands. Several national and region-based labor councils, such as The Korean Workers' Welfare Council (KWWC), The Association of Seoul Labor Movement (ASLM), and Ich'on Labor Movement Association (ILMA), were founded.43

These groups under the leadership of expelled workers and ex-student workers, tended to broaden workers' solidarity beyond a-single-factory-based union struggle. Therefore, the powerful strike waves among a-certain-firm workers in one area during the mid 1980s relied on nearby-factories unions for strike coordination, despite the authorities' renewed crackdown since late 1984. The
Daewoo Automobile Co. and Daewoo Apparel Co. strikes, the Guro area labor strikes, and Kuro Industrial Park solidarity struggle in 1985 strongly confirmed the vitality of such working-class communities and their importance for sustained labor protest.44

Although wage demands were still the key issue in labor disputes in the mid-1980s, the radical labor associations like the ASLM and ILMA considered the restoration of a democratic constitution as their top priority. The capacity of the Korean working class during this period was strengthened by a number of factors—the workers continuing economic hardship, the infusion of ex-student workers, the new resolve of labor activists, and the regime's liberalization measures. Ex-student workers played the important role in raising the levels of political consciousness among workers and in building a united front line between labor and other sectors of the society.45

The Council of the Minjoong Democracy, for example was formed by fifteen social groups in June 1984, which was a new attempt to generate class-wide support for democracy. Its core members were student activists, religious leaders, labor activists and intellectuals. In April 1987 when the political situation in Korea became more turbulent, the alliance of all democratic forces, the so-called National Headquarters to Denounce Torture and Acquire the Democratic
Constitution, was organized. This was designed to press for a fair and direct presidential election through a series of nationwide democratization movements. The founding members of this organization were 2,264 but only 39 from labor. The intellectuals, religious leaders, politicians, student activists, and the middle class all combined to constitute the majority of the delegates in this organization, all of whom played the leading role in the struggle for democracy.46

Table 6.6
The Number of Labor Unions and Disputes in Korea, 1982-1987

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Unions</th>
<th>Number of Disputes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>2,194</td>
<td>88</td>
</tr>
<tr>
<td>1983</td>
<td>2,238</td>
<td>98</td>
</tr>
<tr>
<td>1984</td>
<td>2,365</td>
<td>113</td>
</tr>
<tr>
<td>1985</td>
<td>2,534</td>
<td>265</td>
</tr>
<tr>
<td>1986</td>
<td>2,658</td>
<td>276</td>
</tr>
<tr>
<td>1987</td>
<td>4,086</td>
<td>3,749</td>
</tr>
</tbody>
</table>


As shown in Table 6.6, the increasing labor unrest was accompanied by an increasing number of unions during 1982-1987. When Roh Tae-woo June 1987 concessions paved the way for a fast-paced process of political reform, the labor disputes escalated sharply. But most of workers demands in labor disputes focused mainly on wage increases.
and the improvement of working conditions, which would be resolved by the expanding economy.

Nonetheless, the political role that the Korean working class played in the liberalization of the authoritarian regime in the 1980s cannot be lightly ignored. Its political role can be divided into two parts. One is that labor voters gave greater support to the opposition parties in the 1980s than they did in the 1970s. Another is that the labor movement during this period demonstrated its greater capacity for effective mobilization at critical moments, which eventually led to a political opening.

The Korean workers, like their counterparts in Taiwan, continued to cast protest votes against the ruling Democratic Justice Party (DJP) in the 1980s. Yet due to the high levels of political consciousness among the Korean laborers, this sentiment contributed to the opposition parties' very strong showings in the 1985 National Assembly election, with 48 percent of the vote, compared to the 35 percent given to the ruling DJP. In all urban districts, where there was a heavy concentration of labor constituency, the two main opposition parties--New Korean Democratic Party (NKDP) and Democratic Korea Party (DKP), --won twice as many popular votes as the 28.8 percent vote given to the DJP. With such electoral victory, the leadership of the opposition parties, mainly the NKDP,
regained the bargaining position with the government and decided to press for a direct and popular presidential election.

Hence, the inter-party dialogue on this matter began but reached deadlock mainly due to the ruling DJP's unwillingness to make any concession. Frustrated by the government's hard-line position on the constitutional reform, the NKDP decided to rely more on the so-called "outside (Chang-we)" approach of popular demonstrations to pressure the former. Much of the effectiveness of the extra-parliamentary tactics depended on the opposition party's mobilizational capacity in the society. Because of their good working relationship with other dissident groups including labor union leaders, some labor mobilization was used by the opposition politicians as a power resource to pressure the regime to make reforms. In 1987, workers' participation in the so-called June Protest served as a contributing factor in forcing Chun's regime to make a wholesale concession to the opposition's demands for democracy.

However, the politicized nature of the Korean labor movement should not be exaggerated for three reasons. First, most rank-and-file workers in Korea seemed to be more concerned with better wages and working conditions than with socialism ideology. These concerns can be found
in the predominance of wage-increase-related demands in labor disputes of the 1980s. Second, the anti-communist posture of Chun's regime and its feud with the North justified its arrest and persecution of many "radical" or "left" union leaders, almost all of whom could not survive long as the prominent leaders at the national levels. The Roh government, although chosen by popular mandate, continued to adopt such anti-communism policy, thus preventing any labor union from favoring leftist political leaders or option. Finally, Korea, like Taiwan, has been a society dominated by the intellectuals, who see themselves as the "final savior of the country from moral and political decadence." This phenomenon occurred partly as a result of the Confucian ethics. In this atmosphere, it is very difficult for the working class, which was perceived as the lower or the lowest social class by the public, to play a leading role in the breakdown of the authoritarianism.

Nevertheless, the Korean working class appeared to play a significant supportive role during times of the final breakthrough of democracy in 1987, as we have seen above. By contrast, Taiwan's working class was still too weak to establish a politically-oriented movement and to make a great contribution to the democratic transition of Taiwan. The KMT's preemption of trade unions, the long-term legal restrictions on basic workers' rights, and
lack of class consciousness were the key factors in contributing to labor quietness in Taiwan. None of these seemed to have had counterparts in Korea.

2. The Middle Class

As mentioned above, the economic and occupational stratification of the middle class in Taiwan and Korea had increased dramatically. The size of the middle class in both countries increased from about 27 to more than 40 percent of the active labor force between the mid-1960s and the mid-1980s. They constituted a majority of the workforce in both societies. In terms of psychological aspects, the vast majority of the population in both countries identified themselves as belonging to the middle class. In 1982, a survey conducted in Taipei demonstrated that 65 percent of all respondents considered themselves as belonging to the "middle class" or "upper-middle" class; another 27 percent saw themselves as the "lower-middle class". Similarly, in a Seoul-area survey conducted in 1987, around 78 percent of the sample perceived themselves as the middle class, including the categories of "upper-middle," "middle-middle" or "lower-middle" class. It becomes evident that the middle class in both countries was heavily concentrated in larger urban areas.
The political role of the middle class in contemporary democratic transitions of many countries has been crucial. Generally, there are two basic political characteristics of the middle-class in modern democracy. First, compared with the working class, the middle class are relatively well-educated, politically informed and hold moderate opinions in politics. This is because they benefit from economic prosperity and have a vested interest in the status quo. Thus, they are more desirous of political stability and social order than the working class. Second, they were generally more supportive of the causes of democracy than the grand bourgeoisie. The latter, who benefit the most from the state-directed industrialization are believed to have maintained close ties with the regime. Therefore, the entrepreneurs form a strong alliance with the regime. Particularly during election campaign, they contribute disproportionately large amounts of campaign funds to the government party and thus play an instrumental role in maintaining the authoritarian regime.52

By contrast, the middle class, particularly those intellectual and professional segments, "are most exposed and receptive to Western democratic ideas, least tolerant of authoritarian abuses at home, and are most anxious to expand the space of their political participation".53 Hence, the enlargement of the middle class accompanying the
rapid economic growth in countries like Taiwan and Korea appeared to increase the pressure for democratization.

As analyzed above, the middle class in many countries simultaneously acts as a conservative and democratic force in the periods of political change. The general attitude that they have is to desire political reforms, but only non-violently and non-revolutionarily that will not be detrimental to the existing socio-economic structure. In this sense, the middle class politically serve as buffer between the extreme right and left. Because of their significant numbers in the population, the middle class citizens' support is deemed crucial for the government to stay in power. Both the Taiwan’s and Korean middle classes fit well with the above-mentioned descriptions.

However, the difference between the two countries is that the Korean middle class played a more active role in political changes than their counterpart in Taiwan. The latter commonly, except the forces of the Tangwai or DPP, played a role as a stabilizer rather than as an active participant in the democratic political process of the 1980s. The consumer movements of the 1980s, for example, were primarily based on the urban-middle-class participation, which avoided the involvement in any politics-related issues. By sharp contrast, a large number of the Korean middle-class citizens joined in the
student-led so-called "June Democratic Movement" in 1987, which eventually brought back the democratic government in Korea.

What did these factors contribute to the divergent phenomenon in both countries?

First, the "February 28 Incident" of 1947, in which perhaps, "an entire generation of Taiwanese elite" were prosecuted, certainly had a chilling effect on political participation on the island over the past four decades. This horrible experience discouraged most Taiwanese from expressing their discontents with the government authorities in public, not to mention the involvement in any anti-government rally or protest. Moreover, under the longest-running martial law in the world, any form of political participation on the island like strikes, demonstrations, petitions, and the formation of a political party had been strictly prohibited. The effects of these two elements--the Incident and martial law--on the society were enormous precisely because they constituted the structural determinism hindering the creation of what Almond and Verba have called "the participant political culture" in Taiwan.

The lower degrees of political efficacy, which indicated a citizen's feeling powerless as a participant in the political process, were still widespread among the Taiwan's middle class in the post-CCK era. In March 1990,
when the National Assembly dominated by the conservative mainlanders decided to enhance its power by extending its term and by raising its pay, such a move angered every sector of the society in Taiwan. In order to protest the Assembly’s attempts, several thousand student activists staged a sit-in rally which later turned into a hunger strike in the square of Chiang Kai-shek Memorial. Although the students’ bold move finally forced the KMT to concede to the students’ demands for more political reforms, the Taiwan’s middle class, particularly those urban residents, just sat on the side-lines showing unwillingness to participate in the student-led protest.

Perhaps, a combination of fear and hope produced the "silent majority" of Taiwan’s people. On the one hand, they feared that any involvement in anti-KMT demonstration would risk their own career mainly because the party was still powerful enough to punish those "trouble-makers" at any time. On the other hand, they believed that they had a very good prospect of being rewarded materially, or of being elevated to the upper class, if they worked hard enough. The hope of self-betterment kept them from participating in anti-government activities.

The situation in Korea was quite different. Korean society, unlike Taiwan’s, was not divided along linguistic, ethnic, or regional lines from the very beginning.
Instead, Henderson in his portrayal of Korean society pointed to social homogeneity as its principal characteristic. Yet in Taiwan, the tension between mainlanders minority and Taiwanese majority was created by a massive civil disturbance in 1947, then enhanced by the linguistic barrier between the sub-ethnic groups, and further strengthened by the predominance of mainlanders in the power structure at the national levels. The mainlander-dominated party elite thus realized that one of the best ways to maintain their political dominance was the imposition of martial law, which on the one hand resisted military threats from the Communists, and prevented the native Taiwanese from challenging the national government's authority on the other. Yet, at the local levels, the party permitted local Taiwanese factions to manage local affairs to some extent through the electoral process.

Unlike the situation in Taiwan, all the rulers of South Korea in the post-war period have come from the South and none of North Korean refugees, who retreated to the South during or after the Korean War, have had political clout in the South. More importantly, although there was no democratic tradition in Korea, democracy had become the accepted norm for the country during the colonial period of the Korean struggle for independence. After independence, Western democratic ideas and thus a democratic form of
government had been taken for granted by the Korean intellectual community, though belief in democracy was not widespread among the rank- and file- people. "Education in democracy" was implemented very seriously in both the elementary and secondary schools in the aftermath of the Korean War.  

As the democratization of the public gradually became a phenomenon in Korean society, it was difficult for the government to turn the clock back. Otherwise, the government’s massive undemocratic practices would be too provocative to the public. Indeed, the overthrow of Rhee regime in April 1960 by student led demonstrations indicated the public intolerance of electoral fraud. In a similar vein, with enforcement of the Yushin system, the Park regime came to suffer an alarming decline in electoral support, which threw doubt on his regime’s legitimacy, thus eventually leading to nationwide political opposition which his regime failed to contain.

Although Korean civil society remained silent in the early 1980s due to the Chun regime’s harsh repression, it began to rebuild its momentum starting in late 1983 when the Chun regime relaxed tight controls over civil society to some extent. Between 1984 and 1987, a large number of national and regional Minjung (the masses) organizations were formed, which reflected all of the dissident groups’
efforts to form a popular alliance for democracy. Particularly the most notable among them were the Council for the Minjung Democracy Movement, the United Minjung Movement for Democracy and Unification, and the National Headquarters to Denounce Torture and Acquire the Democratic Constitution. 60

Meanwhile, the number of anti-government protests increased sharply over the years, as shown in Table 6.7.

Table 6.7
The Number of Demonstrations and Protests in Korea, 1981-1987

<table>
<thead>
<tr>
<th>Year</th>
<th>Demonstrations &amp; Protests</th>
<th>Riot Police</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>43</td>
<td>32,705</td>
</tr>
<tr>
<td>1982</td>
<td>61</td>
<td>39,706</td>
</tr>
<tr>
<td>1983</td>
<td>143</td>
<td>45,938</td>
</tr>
<tr>
<td>1984</td>
<td>1,499</td>
<td>43,292</td>
</tr>
<tr>
<td>1985</td>
<td>2,138</td>
<td>49,113</td>
</tr>
<tr>
<td>1986</td>
<td>2,001</td>
<td>53,205</td>
</tr>
<tr>
<td>1987</td>
<td>5,581</td>
<td>58,700</td>
</tr>
</tbody>
</table>

Sources: Jang-sil Kim, "Democratic Transition in South Korea" p. 233.

In addition, the Chun regime from the very beginning suffered from a weak legitimacy. This was because of his taking power through a military coup. It was also due to the bloody crack-down on the Kwangju uprising of May 1980. Its illegitimacy was further worsened by its continuous human rights abuses, such as the incident of Kwon’s sexual interrogation, and Pak’s political torture which ended in death.
All of the above developments in the 1980s convinced the Korean middle class that the Chun regime’s unwillingness to make sweeping political reforms was the major cause of Korean social instability. They also believed that they should play the more active role in the process of democratic transition. Thus, a large number of white-collar workers overcame their fear by joining the student-led demonstrations, calling for constitutional amendment for direct and popular presidential election. Their massive participation in the street helped to convince the soft-liners within the ruling bloc that only a transition to democracy could resolve the existing political crisis. Hence the regime finally capitulated to the opposition forces through the so-called "June 29th Declaration."

A second explanation for the contrasting feature between the two countries’ middle class was that the degree of the major opposition groups’ goals or strategies of struggles were identified by the middle class. The leading democratic forces of the 1980s in Korea were composed of student activists, the opposition parties, and church leaders, while in Taiwan the only formidable opposition force was the Tangwai or DPP. Despite the fact that the different dissident groups had significant differences in their objectives and in the tactics of their struggles,
a common enemy--authoritarianism--bound them together. More importantly, in order to draw more support from the reform-minded middle class, the extremists like radical students and church leaders decided to shift the radicalism based on "economic democracy" to the moderate tone of political democracy. Such a shift in strategy proved successful to increase the middle class participation in the "June Democratic Movement" of 1987.62

By contrast, the opposition forces in Taiwan had enormous difficulty in cultivating more support among middle class-citizens in the 1980s. Although the Tangwai in the aftermath of Kaohsiung Incident was cautious of involving itself in street politics for fear of opening the gates to a repressive policy, but because of its tendency to oppose for the sake of opposing, it failed in its effort to appeal more to the middle class. Indeed, a phenomenon of self-radicalization among the Tangwai could be observed beginning in 1983 when the "Action Faction" within the Tangwai gained the upper hand due to its electoral victory.

The Tangwai vote largely represented the combination of a protest and sympathy vote.63 This is because almost all of the moderate Tangwai candidates who favored parliamentary tactics, lost ground in the 1980s elections; so the Tangwai has never been able to break the 30 percent barrier of the vote since the 1977 election. The original
Tangwai supporters just drifted from the moderates to the radicals. The latter focused their energy on heavy criticisms of the KMT party-state, not on development of comprehensive program alternatives. Particularly during the election campaigns, the radicals, more like the revolutionaries, made very passionate speeches attacking the establishment including the "KMT's colonialism" on the island, in the Taiwanese dialect. This radical image plus the serious internal struggle within the Tangwai made many in the middle class stay away from the Tangwai movement.

A final and possibly most important explanation of the great difference between the two countries' middle classes was the government's efforts to integrate them into the public sector, in which they became an important source of political support. The middle class in Taiwan is made up of not only the white-collar workers in the private sector, but also of non-manual workers employed by the public sector as bureaucrats, educators, and career military officials. The KMT defeat in 1949 resulted in the bulk of some two million refugees, predominately military officers, bureaucrats, party cadres, and politicians, fleeing to Taiwan. They had to be rewarded for their loyalty with some secure posts, so they filled the state apparatus and party organization with various positions resulting in an over-staffed bureaucracy. Since the early 1960s when
Taiwan's economy flourished, the expansion of bureaucracy has been intensified both in size and power. According to the official statistics, by 1982 the public sector as a whole (excluding the armed forces, public schools' employees, and the public sector's temporary employees) employed around 13 percent of the country's 6.8 million workforce. But if we take into account the military personnel, temporary employees, and employees hired by public schools, and by the KMT party and party-owned enterprises, the public sector's employees as a share of the total employed population might reach beyond 20 percent; in other words, the percentage of the public sector employees is 6.78 per 100 inhabitants. This is large by developing countries' standards. The public sector employees as a share of the total population average: 3.7 per 100 inhabitants in the developing countries, 4.6 in Asia, and 3.65 in South Korea. Yet the ratio of public sector employees in the industrial countries is much higher averaging 9 per 100 inhabitants.

The remarkable size of the state apparatus in Taiwan does not guarantee that it is behind the KMT. But if we consider the Leninist type of Nationalist party-state, the bureaucratic function as a solid base of the party cannot be ignored. For civil servants and military officers, to gain party membership has become an unwritten requirement
for promotion to the positions of high-ranking officials. This is because, under the KMT system, political loyalty to the party is perhaps equivalent to loyalty to the state. Thus, it is not surprising that a vast majority of bureaucrats and almost all the military officers belong to the party as members. 68 Meanwhile, there are parallel party and state structures at all levels. All these provide organizational conveniences for the party to implement its policies, to cultivate a stable following among the bureaucrats, and to resist challenges to its domination. 69

As the recruitment of a substantially high proportion of university graduates in the public sector becomes routinized in a country like Taiwan, the autonomy and capacity of Taiwan's middle class would be weakened to some extent. Clearly, a number of factors such as the KMT's anti-big-capitalist philosophy, the tension between the two sub-ethnic groups, and the Leninist type of the KMT party-state, motivated the Nationalist to adopt a policy of big government. None of these seemed to have had a counterpart in Korea.

Unlike the situations in Taiwan, the high degree of social homogeneity, together with the spirit of a powerful Korean nationalism, made policy-makers believe that the best way to catch up with Japan was to develop Korean conglomerates in the private sector. They were supposed to
be strong and powerful enough to alleviate risks and the uncertainties of market instability in the world. Although these large-scale enterprises were mainly responsible for the Korean economic miracle, they also produced a large number of middle class which was politically and economically independent of the regime. It meant that the Korean middle class was less vulnerable to the regime's political manipulation than its counterpart in Taiwan. Perhaps, because of the existence of a strong civil society largely constituted by the Korean middle class, Korea is the first country among East Asia's four newly industrializing countries to allow its people to decide their own destiny, and to successfully transfer political power through a direct and popular presidential election. On these matters, Taiwan still has a long way to go.

B. The Leading Actors in the Transition to Democracy

Taiwan's party system during the period of martial law can be identified as a system of "one-hegemonic party" characteristic, in which the political parties, except the government party and its "friendly parties," were outlawed. This is the result of the authorities' strict restrictions on the organization, representation, and expression of citizen preferences precisely because the regime in Taiwan claimed a monopoly on political truth and thus showed little tolerance of opposition groups. In such a system,
Taiwan’s democratization movement can be best characterized as two-player games in which the strength of the Tangwai camp—relative to the strength of the regime—is an important factor influencing outcomes. The third parties like student and labor activists, and the middle class, which were likely to suffer more repressions when engaging in anti-government protests, were discouraged from participating in the process.

Hence the key actors in Taiwan’s political development were the Tangwai and the ruling KMT, while the leading actors in Korea democratization movement were made up of students, the opposition parties, religious leaders, and the ruling bloc within the regime. The reason for Korean phenomenon of "many-player game" in political changes is that the Korean party system can best be classified as a two-party system, in which the opposition parties and other dissenting groups were too powerful to be eliminated.

Theoretically speaking, in order to apply sufficient pressure on the governmental authorities to induce them to respond favorably to its demands, the Tangwai should seek to co-opt the expanding middle class in Taiwan that used to be passive or loyal supporters of the status quo. Given the high-risk of Taiwan’s resistance movement, it was unlikely for the middle class or other dissenting groups to actively participate in the Tangwai-led anti-government movement.
activities. Thus, perhaps the only hope for the Tangwai was to develop positive policy alternatives and avoid the use of violence. Such efforts would help it to gain more electoral support of the middle class or forge strong alliance with other dissenting groups, thus making it possible to break the 30 percent barrier of the vote, and so induce greater concessions from the government with respect to political democracy. But, in practice, the Tangwai in the 1980s, particularly in the post-CCK era, not only struck with the confrontational tactics, but radical appeal of Taiwanese "self-determination" which alienated many dissenting groups such as student activists, the academic profession, and labor activists, not to mention the conservative middle class. 72

The two important questions that need to be addressed here are: why did the Tangwai not avoid self-radicalization and why did the KMT regime take no steps to dismantle the island’s main opposition party, the Democratic Progressive Party (DPP) established by the Tangwai?

We can cite three factors contributing to the radical nature of the Tangwai.

First, although the 1947 bloody suppression had silenced anti-KMT forces for more than two decades, such a crackdown radically changed the course of Taiwan’s politics. Some thousands of Taiwanese elites and relatives
of the victims who survived the suppression left for overseas, particularly in the U.S., Japan, and Europe, and became politically active in pressing for Taiwan's political democratization and more importantly, for an independence movement. In order to achieve these two goals, they, who established a number of overseas Formosan organizations, the most notably the World United Formosans for Independence (WUFI), centered their efforts on recruiting and educating members, holding mass rallies, and promoting Taiwanese cultural identity. Some of the WUFI even advocated revolutionary overthrow of the KMT regime. Since the leading members of the WUFI were identified by the Tangwai as the pioneers of Taiwanese democratic movement, many Tangwai activists received training, "instructions," or even financial assistance from the WUFI during their travel or study abroad. Due to this close working relationship between them, to some extent the WUFI exerted influence on the shaping of Tangwai goals and strategies of struggles. That is, its short-term goal was to establish a native Taiwanese party against the mainlander KMT, the middle-and long-term objectives was to create an independent Taiwanese government separate from mainland China politically, economically, and culturally. Its strategy was a combination of tactics using mass movements and parliamentary-struggles. Therefore, the
Taiwan democratic movement was more complicated than Korea’s, precisely because the former not only has been involved in the issue of political democracy on the island, but closely related to a sub-ethnic issue. That is, Taiwan, in the eyes of Tangwai should be "Taiwanized" in every aspect of life, and should cut any emotional ties to the mainland.75

Second, the Tangwai activists were, almost exclusively, composed of young educated Taiwanese, most of whom were trained in the social-sciences-related subjects. From the very beginning, they were ideologically committed to the ideas of liberal democracy, and aware of the political exclusion of Taiwanese as a whole. Equally important was that due to their deep roots in society, they had a strong sense of belonging to Taiwan and hoped to establish a "Taiwanese regime" against the KMT "Chinese regime." From the Tangwai’s perspective, the unrealistic KMT regime’s "one-China" policy was a principal barrier to Taiwan’s democracy, because such a policy not only made the KMT--much as a foreign power--reluctant to identify with Taiwan, but provided it with a permanent excuse for continued repression of Taiwanese politically and culturally. Politically, any domestic opposition to the KMT could be construed to sedition within its own discretion. Culturally, Taiwan faced the "identify crisis" precisely because the authorities made serious efforts to
create a sense of common Chineseness among the entire Taiwan's population, through their linguistic policy while paying little attention to the island's history, culture, language, and other legacies.76

In order to save "the repressed Taiwanese culture" and break the KMT's monopoly on political power, the Tangwai considered the advocacy of a new Taiwanese consciousness and democratic reforms as the top priorities in its political agenda. Accordingly, the opposition magazines, its platforms and speeches during the election campaigns were filled with the self-determination of Taiwanese people and heavy criticism of the KMT dominance. But the KMT regime regarded any claim to self-determination on the part of the Taiwanese as a secessionist movement--a code word for Taiwan's independence--which would not be tolerated. Also, the party on many occasions accused the Tangwai or the DPP of attempting to arouse the declining animosity between the two sub-ethnic groups. The sub-ethnic differences have diminished over the years due to the authorities' aggressive advocacy of Mandarin, intermarriage, social mobility, and the official policy of "Taiwanization."

Yet, from the opposition's point of view, the sub-ethnic differences, particularly on the issues of power, were still visible and had not been addressed by the
Nationalists. This was the reason why the Tangwai's leaders had utilized these ethnic differences to their advantage. Particularly during the election campaigns when the regime allowed more civil liberties such as the freedom of speech and assembly, the Tangwai leadership, by using the Taiwanese dialect in public, attempted to appeal to the ethnic sentiment of the Taiwanese through linking the "repressed Taiwanese mother tongue" to the "disadvantaged Taiwanese political status." It became evident that the opposition's strong ethnic flavor along with the KMT's inflexible stance on "One-China" policy has increased political polarization in Taiwan to some extent.

Finally, this polarizing tendency was further enhanced by the KMT's monopoly of power at the national levels. Although "Taiwanization" policy had been implemented since the early 1970s, mainlanders still remained influential on the formulation of government decision-making. In the mid-1980s, Taiwanese held only two less-important ministerial posts--the Interior and Communications Ministries--in the cabinet. The more powerful cabinet seats such as Defense, Foreign Affairs, Finance, Education, Economic Affairs, and Justice had traditionally reserved for the mainlanders. The predominance of mainlanders in higher position of state apparatus could be found in the ethnic composition of the national legislature and military. Prior to 1986, more than 80 percent of the
National Parliamentary seats had been filled by the conservative senior politicians of mainland provinces who were elected in 1948 in China during the KMT era on the mainland. The fact that the mainlanders dominated the military was no exception. Between 1978 and 1987, only 15.8 percent of the generals and 32.6 percent of the colonels were Taiwanese.\textsuperscript{78} Even at the local government levels, mainlanders often retained a firm control over politically sensitive posts such as the security, party, and police sectors. All these made the opposition activists skeptical about the KMT-initiated so-called "Taiwanization policy." In addition, the authoritarian nature of martial law regime, the unfairness of the electoral process, the bias of the mass media, lack of judicial independence, and the Leninist type of the KMT party-state all combined to frustrate and anger the Tangwai forces; they became filled with a strong desire to fundamentally reconstruct the whole system.\textsuperscript{79}

Therefore, the goals of the opposition movement were to improve the political status of the Taiwanese vis-a-vis the mainlanders, and to establish a new government of the Taiwanese, by the Taiwanese, and for the Taiwanese. The strategy of struggle that the Tangwai leadership believed it should take is the form of "people power," as with Aquino's revolution in the Philippines.\textsuperscript{80} The reasons for
the confrontational tactics were based on the opposition's calculation that broad sectors of the Taiwanese populace would be on its side because they were tired of the KMT authoritarianism. In this sense, the opposition's employment of direct confrontation and popular demonstrations were to awaken the "silent majority" to a sense of their responsibility for radical changes of Taiwan's political system. The radical faction within the Tangwai, that prevailed beginning in the 1983 elections, preferred such tactics. Although the moderates within the opposition did not believe in radical means of reaching democracy, they supported a separatist movement.

Obviously, the Tangwai camp and the ruling KMT lacked a consensus on national identity and unity which is necessary as a prerequisite for democracy. To borrow Easton's terminology, the major opposition forces on the island had serious doubts or mental reservations as to which "political community"--a sense of we-feeling or common consciousness--they belonged to.81 Lack of a sense of political community in Taiwan means that the opposition would show an unwillingness to maintain and defend the structures or norms of the regime if unfavorable outcomes to the latter would appear. Also, a lack of consensus between two sides polarized into serious conflict and violence inside and outside the Legislative Yuan in the
inside the Yuan and the violence-prone street
demonstrations became commonplace at the time. However,
these confrontational tactics that the opposition often
employed did lose sympathy and support among the middle-
class citizens who were originally supportive of democratic
movement.

The major opposition parties in Korea, unlike their
counterpart in Taiwan, felt secure in their sense of
national identity. That is, both the opposition camp and
the ruling bloc supported steps toward reunification, but
the former opposed the government’s monopoly of the
South-North Korean talks. In addition, the main opposition
party--the NKDP--led by pro-U.S. politicians like Kim
Dae Jung and Kim Young Sam was primarily concerned with
political democracy in terms of direct presidential
elections and constitutional reforms rather than with
economic democracy. Although both Kims supported economic
change, but only to create a more liberal, less economic
concentration, free-market capitalist economy. This
reformist vision of political and economic reforms had been
sharply challenged as some leading students and labor
activists embraced the "Sammin" leftist ideologies, namely
anti-military-dictatorship, anti-monopoly-capital, and
anti-U.S.-and-Japan imperialism.\textsuperscript{82}
They demanded a far more radical program of political and economic change such as a new constitution with a leading political role for the Minjung (people), particularly workers, urban poor, and peasants; a new economic system with anti-capitalist contents; and an end to U.S. and Japan influence in South Korea affairs. Such radical assertions combined with violent demonstrations did bother the two Kims on many occasions. But the incident of Pak’s being tortured to death provided the new rallying point for the opposition party and radical forces. Although their fundamental differences could not be ironed out, a common enemy of the military dictatorship had become the center of the protests. Thus, they began to work closely and ally with other movement groups, aimed at building a broad-based campaign against torture, and other visible forms of the authoritarian system. This coalition cleared the way for massive participation of the middle class in the demonstrations, eventually forcing the regime to make a wholesale concession to the opposition’s demands for direct elections and constitutional reforms. 83

Political demonstrations during this period were generally peaceful mainly because the basic tactics of the Korean democratic movement, including the opposition party, were nonviolent resistance. But the heavy reliance on violent tactics by riot police generated violent responses from demonstrating masses. Because of the authorities’
overreaction to anti-government rallies, or because of a sense of black and white logic among Koreans where compromise means weakness, the Korean general public did not express their uneasiness with the opposition-party-staged or student-led demonstrations at the time. On the contrary, they shifted their status from political spectators into active participants that sides with democratic forces, precisely because they believed that the illegitimacy of the Chun regime was the main cause of worsening political instability of Korea.84

By contrast, violence-prone street politics and parliamentary struggles dominated the opposition's tactics in Taiwan while the government authorities basically showed self-constraint in dealing with these violent events. Employing violence (such as damaging government and the KMT party property, and inflicting personal injury) against the KMT authorities in this way no doubt alienated many middle-class citizens and intellectuals from the resistance movement. Political conflict taking place in this way usually received extensive coverage from all the three KMT-owned television networks, in which the protest groups, predominately the Tangwai, were repeatedly portrayed as "rioters" or "thugs." Such aggressive propaganda campaigns proved successful to create the impressions of the violent nature of the Tangwai movement.85
Another important question is, why did the KMT take no repressive action against the DPP in 1986? I would argue that the reason for the KMT’s tolerance is not because of the Tangwai’s gain, but because of the KMT’s loss. This is to say that a number of external developments and internal scandals occurred during the period which caused a crisis of confidence among the general public toward the regime. Any harsh measure toward the DPP would have been politically costly for the KMT.

First, the international status of Taiwan became increasingly isolated as the PRC began its "open door policy" toward the West in the late 1970s, re-establishing diplomatic relationships with many countries, and launching a new policy of "one country, two systems" toward Taiwan in 1983. Taiwan was completely on the defensive.\(^{86}\) Also, Taiwan’s relation with the United States deteriorated over the murder of Journalist Henry Liu, who was assasinated in his San Francisco’s home by Taiwan’s gang members for having written a critical biography of President Chiang Ching-kuo. These murderers were said to receive training from Taiwan’s security agents. The Nationalists became a target of criticism by the U.S. Congress and international human rights organizations such as Asia Watch, the American Bar Association, the Committee to Protect Journalists, and the International Press Institute.\(^{87}\)
Second, the political image of the KMT was further tarnished by several severe scandals at home. One was the collapse of the Tenth Credit Cooperative in the shady dealings in which several high-ranking government and party officials were involved. The result was that thousand of creditors lost their savings without any compensation. This financial scandal demonstrated how corrupt an authoritarian regime was, having remained in office for so long. This incident certainly undermined public confidence in the government to an extent.

Another event was the authorities' arrest of Li Ya Ping, who was a publisher of a Chinese language newspaper in California, and who held a U.S. "green card" for permanent residence. She was charged with "running articles that facilitated Chinese Communist propaganda" during a visit to Taiwan. The U.S. Administration’s response to Li’s case was to surprise everybody. It characterized the KMT arrest of Li as "an act of intimidation and harassment directed against a person in the United States," and threatened to suspend arms sales to Taiwan if the authorities would not set her free. She was released a few days later. This case indicated that the Nationalists continued its human rights violations and that the national dignity and self-respect of the ROC on the island were seriously damaged due to the U.S. pressure.
In addition, the KMT had been plagued by a number of accidents (such as a fire accident at a Taiwan's nuclear plant, and a series of mine catastrophes) and the worldwide recession. All these created the so-called "crisis of confidence" among the public toward the government.89

The KMT's response to the declining public confidence was to implement a number of liberalization measures: choosing Lee Teng-hui, a native Taiwanese and an expert on agricultural economics as CCK's running mate for the 1985 presidential election; the party's efforts to recruit more promising young Taiwanese into the power structure; the party's committee being formed to study several of the opposition's main demands such as the lifting of martial law, holding a general parliamentary election, ending the ban on new parties, and allowing local government more autonomy. Later, CCK called for dialogue between the government and opposition in order to maintain political harmony, as the government authorities prepared to take actions against the "illegal" Tangwai Public Policy Research Association and its island-wide branches.90

Sensing that the KMT's position had weakened, and inspired by the "people power" in the Philippines, the core members of the Tangwai decided to go all the way by forming the Democratic Progressive Party (DPP) in September 1986. Although the DPP was technically illegal at the time, the KMT took no steps to dismantle it and tolerated
the DPP candidates campaigning under their new party's banner in the 1986 election. In July 1987 martial law was lifted and replaced by a new National Security Law. In addition to allowing the government to employ security measures if necessary, the new law still considers those who express political views contrary to the ROC constitution, and the KMT's anti-Communist and one-China policy as sedition. The Civic Organization Law of 1989 permits the formation of new political parties, but only those which do not violate the so-called "three principles" -- showing respect for constitution, support for the basic anti-communist state policy, and anti-separatist movement.\textsuperscript{91} The KMT emphasizes that the new laws, which maintain some restrictions in place, are necessary due to the continued military threat from the Communists. Yet, the DPP heavily criticizes it as "old wine in a new bottle".\textsuperscript{92} In fact, individuals and the press, particularly the newspapers and magazines, freedoms have been expanded to some extent since the lifting of martial law; but the preemptive and preventive nature of the KMT party-state remains intact. Therefore, the scope and pace of political changes in Taiwan is still very much controlled by the Nationalist. The opposition has little voice in the process.

Evidently, although the KMT's move to suspend martial law and permit new political parties was seen as a
breakthrough toward democracy, CCK was not offering the DPP much. Most of the latter demands for democratic development such as self-determination, direct presidential elections, the right to peacefully advocate Taiwan independence, the dividing line between the party and the state, an end to the KMT "blacklisting" of overseas Taiwanese, and the equal access to the airwaves, have been rejected by the authorities. This is because all the opposition demands are too radical and dangerous to be acceptable to the regime.

Why are the DPP's demands for political changes lightly ignored by the KMT? The principal reason is deep mistrust, which derives from a combination of long-term martial law rule and the opposition's aggressive advocacy of self-determination. Consequently, the KMT and the DPP have turned a political game into one with zero-sum result: one side's gain is the other's loss. During the period of martial law, although the opposition dared not publicly advocate independence, the KMT raised questions about the close working relationship between the Tangwai activists and overseas Taiwan independent movement and, thus, urged the Tangwai leaders to draw a clear line between domestic democratic movement and Taiwan independence. From the Nationalist perspective, any opposition attempt to promote self-determination, which eventually leads to independence,
or declare Taiwan independence will put Taiwan in a dangerous position because the Communists repeatedly threatened to resort to military force in taking Taiwan if the island declares its independence from China.

Also, the ruling bloc which the Nationalist, particularly those old guards, has a strong commitment to national unification with the mainland on the ground that political conditions on the mainland sooner or later will create a situation for its "recovery." Hence the KMT government as the legitimate government of China cannot permit a separatist movement. The KMT's intolerance of the secessionist movement is reflected in its harsh measures against the leading members of Taiwan independence movement. In October, 1987, two leaders of independence movement were arrested and sentenced to 10 and 11 years imprisonment, respectively. This repressive move has become a source of escalating KMT-DPP confrontation since then.94

The DPP's stance on "Taiwan question" is quite different. It argues that the main barrier to the establishment of a full-fledged democracy on the island is the KMT's unwillingness to allow the people to govern their own destiny through the free and fair presidential elections and national referendum. Self-determination, which protect the rights and interests of Taiwan's people, becomes the most obvious solution to the Taiwan future.
For the population of the island, it means that they decide their own fate, without the threats of being involuntarily involved in a civil war between the KMT and the Communists, and of being forcefully joined to reunify with China under the Nationalist, Communist, or a coalition government.\footnote{95}

The DPP's leaders believe that their party's insistence on self-determination is to prevent the interests of Taiwan's people from being sold out either by their own government or the PRC, mainly because both the KMT and the Communists share the same view—that there is but one China, of which Taiwan is an inseparable part. Also, the opposition emphasizes that the self-determination of peoples, a standard means of settling disputed sovereignty, is a major value in international law and the United Nations practice.\footnote{96}

The radicals within the DPP even go further by advocating Taiwan independence which they consider as a prerequisite for a full democracy on the island. They argue that a truly democratic system cannot be achieved until the Nationalist gives up its claim to represent all of China. As long as the KMT government maintains its claim to the Chinese mainland, such a claim justifies the continued mainlander domination of the island at the national levels. Also, under one-China policy, Taiwan's international status will continue deteriorating due to the
derecognition of the ROC; the danger from the Communists will give the regime a good excuse to crush genuine democratic movements in the name of national security; the KMT government must keep powerful army and security services so that the public concern for environmental protection, a social welfare system, and public housing will not be addressed. Hence the radicals see independence as the only solution to Taiwan’s mounting structural and diplomatic problems.97

In practice, at its first congress in November 1986, the DPP passed a resolution stating the Taiwan people’s right to decide their own fate. The second congress held in November 1987 adopted a resolution upholding the people’s right to advocate Taiwan independence. At the party’s annual conference held in October 1991, the DPP went further in stating in its charter that to build a Taiwanese Republic with independent sovereignty would be subject to a referendum. This is an attempt to press the KMT to admit that it has no actual sovereignty over mainland China. Also, the DPP rejects the ROC calendar, national flag and anthem, and even replaces the "ROC" by "Republic of Taiwan" on many occasions. All these indicate that the DPP shows an unwillingness to grant legitimacy to the existing political system and that it even throws doubt on the political community it belongs to.
In other words, the DPP’s challenges to the KMT are not only involved in the incumbent level (the nationalist domination of power structure) and the institution level (the whole political system), but also extend to the community level (national identity and unity). (Political struggle in Korea is confined to the first two levels). Thus, the DPP leadership intends to present itself as an indigenous Taiwanese party against the KMT incumbent and the entire authority structure in order to improve Taiwanese political status. More important, however, is the fact that the DPP also embraces Taiwanese nationalism against Chinese nationalism. As a result, Taiwan, unlike Korea, faces a crisis of national identity; political compromise between the KMT and DPP is difficult to reach and fulfill due to the profound differences between the two sides’ basic political objectives.

Meanwhile, the growing Taiwan’s middle class, whose support becomes crucial for any government to rule effectively, prefers the status quo to any radical change. A sentiment of maintaining the establishment among Taiwan’s populace can be found in the results of all Taiwan’s public opinion surveys. During 1979-1990, opinion polls have indicated that the range from 1.5 to 16.2 percent of the population endorses independence, while the vast majority of the public prefer the status quo. But the opposition believes that the actual numbers of supporting independence
would be much larger, if it launched its own propaganda campaign through the airwaves which have been tightly controlled by the KMT. The identity cleavage of the KMT’s assertion of unification and the DPP’s advocacy of independence came to a head in the 1991 National Assembly election. For the first time, most DPP candidates publicly emphasized the necessity for the establishment of an independent Taiwanese state, namely the "Republic of Taiwan," during election campaigns. But most middle-class voters, particularly in urban areas, shied away from such a radical proposal and voted for the KMT candidates. The DPP received 24 percent of the vote in the election, thereby giving the KMT a free hand to control the direction of constitutional reforms.

However, the process and outcome of the constitutional amendments disappointed many reform-minded intellectuals and those in the middle class who had a big hope for the KMT-initiated democratic reforms. During more than two months in session, the Assembly was filled with too many proposals to be debated, let alone to be passed. The Assembly spent its last three days quickly passing the KMT-Central-Standing-Committee-initiated eight constitutional amendments. The decision on the method of choosing the next president was postponed until May 1995.
The most serious shortcoming of the constitutional changes is the further institutional imbalance among the branches of the government, particularly the power of check and balance between the executive and the legislative branches. The power of the president, greatly increased, can appoint four heads of national government branches, while the Control Yuan, being significantly weakened, becomes almost nominal. The latter, regarded as the government watchdog body, had the power to investigate and impeach any official in either nation or local government and enjoyed parliamentary immunity. Members of this body were previously elected by provincial and special city councils. After the amendments, the Control Yuan is appointed by the President and loses its power to have parliamentary immunity. It means that the members of the Control Yuan cannot criticize government officials even inside the Yuan; otherwise they will face libel suits. Clearly, the legislative power is seriously handicapped as a result of the constitutional revisions. During the periods of amending the constitution, the DPP’s delegation devoted most of its energy to the street protests, abandoning its attempts to obstruct the functioning of the Assembly process so that its ideas on constitutional reforms could not be heard.99

Although there is little chance for the KMT to return to the certitudes of the two Chiangs’ eras, Taiwan’s
political evolution is rather slow, sometimes even reversible as we have seen in Taiwan’s latest constitutional changes. The reasons for going slow in the democratic reform process are two-fold. One is the KMT’s fear of being swept aside by sweeping democratic reform. Another is the opposition DPP’s pro-independence stance which creates a backlash among the KMT’s conservative forces who use their still considerable influence within the regime to block moves for democratic development.

However, it does not mean that the DPP has made no contribution to political democratization of Taiwan. On the contrary, it has played the most active role in spearheading the resistance movement since the 1977 elections. Between 1977 and the mid-1980s, a strategy that the Tangwai (or the DPP) had adopted included use of its magazines’ hard hitting criticisms of government policies, street protests, and oral agitation and education in electoral politics. Due to the opposition serious efforts, a large number of Taiwan’s middle class becomes aware of the need for political changes. Also, it was the Tangwai that succeeded in expanding the limits of tolerated discussion and criticism, even though it faced severe repression.

More importantly, as the KMT regime suffered the legitimacy crisis in the mid-1980s, the Tangwai leadership
was determined to form the Democratic Progressive Party (DPP). Such a bold move eventually compelled the governmental authorities to legalize the multiparty system, release political prisoners, relax their control over the press and trade unions, permit demonstrations and strikes, and allow a number of overseas Taiwanese dissidents to come home. Without the resolve of the opposition activists to risk their careers, their fortune, and their freedom to the causes of democracy, it is hard to imagine that the conservatism-oriented Nationalist would adjust to changing circumstances. As many students of democratization argue, without pressure from below, the democratic transition tends not to come or, if started, to be very slow and distorted.100

Nonetheless, the opposition party's self-determination and pro-independence platforms along with its violence-prone street protests beginning in the mid-1980s is primarily responsible for the slowing-down of democratization process of Taiwan. Its radical ideologies and movements did alienate most middle class who were originally supportive of democratization. They thus turn their back against radicalism and support the status quo. The result of the 1991 National Assembly election serves a good example of the public sentiment of maintaining the establishment. Such sentiment provides the conservatives within the regime a pretext to slow the pace of political
changes, because they fear that any radical changes like
the holding of a direct popular election of the president
will be damaging to their or the KMT long-run interests.

Another important question is, when Tangwai activists
defying the law announced the formation of the Democratic
Progressive Party (DPP), why did the KMT government take a
more tolerant attitude toward it? Recognition of a real
opposition party is not a simple matter in modern Chinese
history, which theoretically means that the ruling KMT has
to peacefully compete with the organized opposition for
political power. If the KMT loses the elections, it must
step down from the office. Why did not the KMT take action
against the DPP in the first place?

There are several reasons. The most important one is
that as mentioned above, the KMT had been plagued by a
number of the serious internal and external scandals, and
increasingly international isolation, which caused the
so-called "crisis of confidence" in the government by
mid-1980s. Any harsh measure against the DPP would
inevitably add fuel to the public’s discontent with the
government. Perhaps, the Philippine-or the Korean-style
"people power" would appear on Taiwan’s streets if the
authorities clamped down on the DPP.

Second, internationally, the murder of journalists
Henry Liu in the U.S., the arbitrary arrest of Li Ya-ping,
and the libel suits against the Tangwai leadership had already led to widespread criticism, particularly from the U.S.. For these cases, the U.S. Senate and House Committee on Foreign Affairs passed a number of resolutions calling for the lifting of martial law and improving human rights on the island. Also, the U.S. television program "60 Minutes", based on its investigation of Liu's case, conveyed to the audiences the possibility of high-ranking KMT involvement. All of these developments alienated U.S. public opinion and seriously tarnished the Nationalist government's international image. To Taiwan, it was sensitive to the U.S. response to its human rights records, because America had tremendous leverage over Taiwan in terms of arms sales, technology transfers, and economic relations. Hence the international environment was unfavorable for a turn to repression.

Third, Taiwan's economy being in good shape, combined with the existence of the powerful party machine and its control over the media, made the KMT leadership confident that it could consistently maintain a comfortable lead in the elections. Thus, democratization was not an uncertain business and became a rational solution to relieving public dissatisfaction.

Finally, the scope and pace of Taiwan's democratic transition were tightly controlled by the KMT. With more than a 90 percent majority in the Legislative Yuan, the KMT
could enact whatever policies or laws it pleased. The opposition was, on the other hand, too weak to filibuster the functioning of the Yuan process, not to mention its proposals being debated on the floor. Indeed, the National Security Law was quickly passed by the Yuan without any difficulty and has been enforced beginning in 1987 as martial law was lifted. The new law, which upholds the so-called "three principles"--respect of constitution, support of the KMT's anti-Communist, and one-China policy, certainly satisfies the conservatives of the Nationalist who favor authoritarianism. If the opposition parties went beyond the new law, the KMT would either take an immediate action to disband them or reserve the right to punish them any time of its choosing.

In other ways, however, civil liberties such as freedom of speech, the press, and the right to strike have been expanded to an extent. Thus, the new law is designed to garner new political support at home and improve the KMT international image, while guaranteeing national security. Yet, the opposition attacks the law as "old medicine in new bottle," because the government authorities have still retained substantial limits on political rights, such as peaceful advocacies of self-determination and independence. In short, there are definite limits on how far the opposition is allowed to go under the new laws. As Marc
Cohen, an American scholar sympathetic to the Taiwan's resistance movement, has noted, "the KMT appears to view law not as a set of neutral principles for maintaining a peaceful and orderly society, but as a tool assuring continued political power".103

C. The Nature of Democratic Transition

Since the mid-1970s in Taiwan, a course of cautious, incremental and zigzag democratic transition has been underway, such as the regime efforts to bring more Taiwanese into the political elite, and a greater tolerance for criticism by the opposition and for organized activity. Many scholars of Taiwan's democratization have labeled this political change as "from hard to soft authoritarianism" or "authoritarianism with developmental features".104 That is, "Taiwan's political leadership continues to substitute a soft shell for hard measures at approximately the rate that new political strategies are necessary to achieve the old political outcome--Nationalist dominance".105 In other words, the KMT leaders continue to attempt to institutionalize a certain outcome of competition (e.g. permitting the peaceful advocacy of independence and allowing overseas Taiwanese anti-KMT figures to return home) rather than permit the uncertainty of outcomes (e.g. holding the direct and popular presidential elections, allowing the equal access to the airwaves, separating party
from state, and holding the plebiscites). This is because the Nationalist leadership remains fearful of being removed from office by free and fair elections. Hence, it has made serious efforts to reduce or eliminate any uncertainty of outcome in conflict associated with political competition.

Partly due to the KMT uncompromised position on key political issues, partly due to its tolerance of social and political movements in post-Chiang era, the politics-related street protests including demonstrations, rallies, petitions, and sit-ins, came to a head in 1988—a total of 277, slightly higher than a previous year of 272. However, the number of political protests sharply decreased beginning in the early 1990s, mainly because the opposition came to recognize the counterproductive and futile effects of violent tactics in terms of the new trend of the middle class choosing social stability.

Equally important was that ordinary people as a whole seemed to have a great hope for the reforms initiated by President Lee Teng-hui, who is the first Taiwanese to become head of the state. Lee himself favors the direct popular presidential elections and other reform programs, such as simplifying Taiwan’s elaborate governmental machinery and a flexible position on the KMT’s "One-China" policy. But he is unwilling to touch other important reform programs like drawing a clear line between party and
state, allowing the freedom of the press and unions, supporting democratization of the KMT, and holding a national referendum. On the matter of direct elections, he faced mounting objections from the conservatives of the regime who still remained influential within the armed forces and security services. When the party held an extra-ordinary Congress Meeting on March 1992 and discussed the new constitutional amendments in order to dictate an agenda for its Assembly delegates to follow, Lee finally backed down aimed at preventing a split in the party.

Not surprisingly, Tien Hung-mao, chairman of the Institute for National Policy Research of Taiwan, after observing the process of the constitutional amendments within the Assembly, concludes that "Taiwan is an example of one of the most conservative transitions from authoritarianism to democracy to be found anywhere".¹⁰⁸

The pace of transition to democracy in Taiwan is rather protracted, when compared to Korea’s unexpected democratization process starting in the 1987 constitutional reforms. The provisions of the new constitution, a result of Roh’s and Chun’s acceptance of the popular demands for political changes, allow for many democratic reforms including:

a. direct elections for a president limited to one five-year term.
b. institutional balance between executive powers and the legislature; the latter power to investigate and impeach the government officials have been restored.

c. stipulation that the media, both electronic and print, function as an institution independent of politics; an end to licensing of the media; prohibition of prior approval and censorship.

d. promotion of basic workers' right--the freedom of unionization, collective bargaining and collective action; establishment of a national minimum wage system.

e. provision that the military should observe neutrality in political affairs.

f. university autonomy; allowing the faculties and the students to elect their own deans and presidents.¹⁰⁹

Although several laws (e.g. the National Security Law, Social Stability and Protection Laws) outside the constitution have still maintained restrictions on civil rights, the new constitution is the first important step of democratization which restores a set of legitimate rules of game for contestable elections among the political actors. Also, the new constitution is likely to contribute to opening and widening the public space of civil society, a necessary condition for democratic consolidation, precisely because the key actors within the civil society such as the
press, the intellectual community, students and trade unions, are allowed to enjoy considerably more freedom and respect than in the past. Hence there is little room for military intervention in Korean politics. 110

For the first time, the process of the presidential election campaign was televised in 1987 throughout the country. Though television news and newspapers' coverage were still biased in favor of the pro-government candidate, each candidate basically could get his message out through the media reports. As West and Baker observe, "the campaign saw more debate and more public participation than Korean politics had seen in years... Press coverage of the campaign, although extensive, was far from impartial. Roh was consistently given more space and more detailed stories in the newspapers and more time on the state-controlled television than the two Kims". 111 This electoral observation reflected the existence of the government's control over the press during the election campaigns but each candidate including the government's was subject to spirited debates and tough questioning raised by the press.

During the 1987 presidential election campaigns of Korea, "bringing back democracy and human rights" was the key issue among the contending candidates. The ruling party candidate Roh attempted to distance himself from the
military by using "democratic reform" as the campaign slogan. Also, he promised to hold a referendum on his performance, once elected. Kim Young-sam, one of the two main opposition parties candidates, intended to present himself as a hero for Korea's democratization, while Kim Dae-jung called for a "mass participatory democracy" because he was convinced that the sole force for democratic reforms in Korean history has always been the masses.112

Despite the opposition charges of election irregularities, there was no compelling evidence to support these charges. The comfortable margin of Roh's electoral victory--by more than 2 millions vote seemed decisive to many observers, and the result was more often attributed to opposition internal divisions than to electoral fraud. More importantly, with electoral victory, Roh claimed a popular mandate to rule Korea and thus continued to fulfill his past promises on political freedom.

Since assuming presidency, Roh's commitment to democratization seems firm and the pace of positive political reform is underway. The reforms include five measures. First, he attempts to dissociate himself from the Chun regime's widely condemned human rights abuses, and to purge ambitious hard-liners of the military who are publicly opposed to democratic reforms. Second, his government restores democratic institutions by holding elections at local levels. Third, he grants the print
media a great amount of freedom due to the governmental authorities' abolition of the "press guidance" and the lifting of restrictions on newspaper licenses, in spite of the fact that state control over television programming remains firm. Fourth, governmental control over campuses has been eased to some extent. Student governments and campus organizations were permitted. In order to prevent student radicals from seeking linkages with labor in their campaign for "economic democracy" and "anti-imperialism," the governmental authorities show unwillingness to move faster in amending basic laws and regulations regarding campus autonomy. Without the amendments, the full autonomy of the campus cannot be achieved. Finally, the freedom enjoyed in terms of labor activism and the formation of labor unions has been significant. The new minimum wage law has been enforced, but many workers complain about their working long hours for low wages. The authorities also encourage labor and management to resolve work stoppages through collective bargaining, although mutual distrust between them still exists.

In fear of causing more social unrest, the Roh's government has handled labor and student protests with extreme caution. In this atmosphere of the political opening, around two dozen newspapers have been started and
become more critical of top leadership within the regime and institution. Some even go further by investigating government officials' involvement in corruption scandals, but the media is not allowed to investigate some "taboo subjects" like the bloody Kwangju Incident and the suppression of the dismissal of "Left-wing" journalists.\textsuperscript{116}

The democratization process in the Sixth Republic makes it possible for workers to form autonomous unions, bargain and strike collectively. As a result, the sharp increase in the number of independent unions and union members together with the authorities more tolerant attitude toward labor strikes have brought about a new wave of labor activism. In most cases, workers demand double-digit wage hikes, some of them even call for broader "economic democracy" and take the issue to the streets via self-immolation protests or violent demonstrations. Although the newly active union movement seemed powerful enough to prevent the regime from returning to the old authoritarian way, such activism has hurt national economic growth to some extent, thus adding fuel to Korean capital flight.\textsuperscript{117}

Given the more democratic climate, class differences in the issues have begun to surface. Student activism, the most formidable and radical opposition force, charges the Roh's regime of moving too slowly on political and economic reform, and demand fundamental changes in the whole system.
These student radicals’ demands include: a new "people’s constitution" with a leading role for workers and peasants, the establishment of an anti-capitalist economic system, an end to U.S. and Japan influence in South Korea, and a direct unofficial role in dialogues with North for reunification. Also, they see the whole process of Korea’s democratic transition as a plot of the military to prolong its rule, mainly because President Roh, in the students’ eyes, has done little to fulfill his promise to make reform since taking power. For example, first, he called off a referendum on his year-long presidency in March 1989, which he promised the electorate during the presidential election campaign. Second, his regime was reluctant to change laws and rules in the direction of liberalization. The National Security Law, the Social Stability Law, and the Social Protection Law, for example, permitted the government to prosecute people who "praise or encourage, communicate or meet with an anti-state organization." Given the ambiguity of an "anti-state organization," the law basically allows the government to suppress whatever it wishes. As a result, according to Amnesty International, more than 800 dissident figures including those who visited or had contacted with North Korea were detained for various political offenses by August 1989, many of them received heavy sentences.
Finally, the national police and other security organizations still keep a sharp eye on dissident politicians and other opposition groups, and cannot remain neutral in party politics. Also, the incidents of torture resulting in death still exist.

Although the government has gradually released a number of jailed leftist students and workers and made some conciliatory gestures toward the opposition, student activism regard such move as cosmetic rather than fundamental in nature. For this reason, student radicals and other Left-wing groups have often launched a series of violent demonstrations inside and outside the campuses, that sometimes rocked many of Korea’s major cities for several days. They continue to demand revolutionary changes, even including "a nationalist brand of communism based on the North Korean model". However, the radical appeal has gradually lost sympathy and support among the vast majority of students who have shifted their attention to ordinary academic life. Similarly, the growing middle class is tired of radicalism, and becoming anxious for social stability, appears generally content with Roh’s records on steady political progress and diplomatic breakthroughs. The public mood indicates that as student and labor movements become radicalized and threaten the existing social order, the general public tend to turn their backs against extremism and radicalism.
How do we define the recent political change under President Roh? Is it just like Taiwan’s transition from "hard" to "soft" authoritarianism or equated with a democracy? This question depends largely on how we interpret the term democracy.

Many Western scholars consider democracy as political dimensions of democratization. The essential components of democracy in their minds include an end of authoritarian rule, direct and free elections, freedom of expressions, freedom to form and join organizations, freedom to strike, and so forth. The case of South Korea largely fits in the above definition, even though political rulers have enjoyed a competitive edge over their political rivals in the electoral process in terms of access to the media.

More importantly, Korea, unlike Taiwan, has made steady progress on democratization without set-backs or reversals since the June 1987 liberalization. That is, there has been a strong consensus between the government party and main opposition parties on the issues of Korea’s future, political and economic development. Such a sense of community and unity also exists among the vast majority of Korean people. Thus, Korea is embarking on an irreversible course of democratization despite its turbulent political history. By contrast, Taiwan suffers a lack of consensus on national identification and shared
destiny among its people, particularly between the ruling KMT and the opposition DPP. The latter has been the only visible and formidable opposition force on the island since 1977. Without a consensus on Taiwan’s future and other major political issues, the pace of democratization will be very slow and any peaceful transfer of power from the KMT to the DPP through electoral process seems unlikely. It means that political change in Taiwan will be back and forth between "hard" and "soft" authoritarian rule in the foreseeable future.

According to Freedom House’s cross-national surveys of political and civil rights, during 1982-1991, both Taiwan and Korea were rated in the same categories of "Partly Free States" in 1982, while Korea lagged a little bit behind Taiwan in terms of progress in civil liberties. During 1989-1991, the situation had changed dramatically: Taiwan still remained in the same category in spite of progress, whereas Korea had joined the Free community since 1989.123

D. The Prospects

Looking ahead, many scholars take a optimistic view of the prospects for Taiwan’s democracy, partly due to the marketization of the KMT, where the ruling party, with the retirement of the conservative old guard, has to market itself and become more pragmatic and tolerant of dissidents’ activities in order to succeed in a more open
political system, and partly due to the emergence of a largely middle class citizenry, who constitute the majority of Taiwan’s population and are generally supportive of the causes of democratic reform. Even though there is little reason to be pessimistic, I will argue that under certain circumstances progress toward democracy in Taiwan might be slowed down, set back, or even replaced by a "hard" authoritarian regime. Taiwan’s military is likely to take the position of intervening in politics either in a direct or indirect way under three conditions:

First, the PRC might pose a greater threat to the island’s security. The Beijing government has repeatedly announced that it is reluctant to rule out the possibility of using force against Taiwan under five-if circumstances. Beijing would use force against Taiwan "if Taipei leaned toward Moscow instead of Washington; if Taipei decided to develop nuclear weapons; if Taiwan claimed to be an independent state; if Taipei lost internal control as a result of the succession process; or if Taipei continued to reject reunification talks for a long period of time".124 However, since the bloody Tienanmen Incident of 1989, the PRC’s top leaders have been preoccupied with internal order and continued economic modernization, which they see as the keys to their survival. In this context, for the Beijing government, nationalistic objectives regarding issues like
Taiwan would be inferior to the dominant objectives of national security and development. Furthermore, since the death of Mao Zedong in 1976, the PRC’s economic system has been gradually incorporated into the capitalist world-system due to Deng’s open-door policy. The costs of military action against Taiwan would be higher, mainly because any military offensive would cause incalculable damage to Beijing’s relations with the West, especially the United States and Japan, and jeopardize the peaceful international environment that is fundamental to its modernization, and mainly because military action would lead to Taiwan’s retaliation for bombing mainland China’s industrial areas along the coast by means of its highly capable fighter aircraft. Given the high costs of provocative PRC policy toward the island, there is little likelihood of this scenario occurring.

Second, when there is a major crisis coming from Taiwan independence movements that pose a severe threat to internal order, it is possible for the military to stage a coup and establish a military-dominated government. Since the lifting of martial law in March 1987, a voice for the right to determine Taiwan’s future or advocate Taiwan independence has begun surfacing among a militant group of the DPP, the so-called New Tide faction; it has dominated the opposition press and the party’s organization, especially the DPP’s Central Executive Committee—
highest decision-making body in the party. However, two leaders of this group, Mr. Hsu Tsao-ten and Tsai Yu-chuan, received long prison terms, 9 and 11 years respectively in January 1988 for explicitly advocating independence. This has become a source of KMT-DPP confrontation.

In April, 1988, the DPP passed a resolution not only upholding the Taiwanese people's right to advocate independence, but stating that the DPP will openly advocate independence if the KMT betrays Taiwan, if the PRC tends to use force to annex Taiwan, or if the KMT continues to delay its promise on democratic reforms. It becomes evident that the DPP is in favor of self-determination and Taiwan independence in a way cutting any nationalistic ties with the mainland China.

At the same time, the KMT, however, has become more tolerant of free speeches of independence. On 12-13 October, 1991, the pro-independence movement reached a climax in the DPP's annual conference in which the DPP amended the party charter to incorporate the idea that "the DPP's efforts to build the Republic of Taiwan with independent sovereignty would be subject to a referendum," even though prior to the conference the DPP was repeatedly warned of the serious consequence of the adoption in its charter of the phrase, "To build the Republic of Taiwan." However, the KMT took no steps to punish the DPP, which was
self-defeated in the subsequent 1991 National Assembly election—the first time in more than four decades that Taiwan’s citizens directly elected any governmental body. In the election, the DPP took only 66 out of 325 seats, or 20 percent of the total seats, while the KMT won the support of a little over 78 percent of the total seats which guaranteed the dominance of the KMT in the direction of constitutional reform. This election was largely viewed as a referendum on whether Taiwan should split off from mainland China, or remain the status quo. Obviously, the island’s largely middle-class electorate who is generally satisfied with the status quo is fearful of any radical change.

In addition, since the lifting of martial law the middle class citizens have also been fed up with the social unrest associated with both non-stop violent street demonstrations carried out by the DPP and the parliamentary antics of its elected members who have often employed provocative methods, such as ripping out microphones, jumping on desks, taking the chairman’s gavel, and even wrestling with their opponents, to express discontent with the undemocratic nature of political structure, or the slow pace of democratic reforms.

In the wake of electoral setback of 1991, the feuding factions of Tangwai reached a consensus that they needed to duck their pro-independence stance and meanwhile adopt a
cautious approach to the mass movement. There have been fears that a backlash by Taiwan’s military might be generated if the DPP would win widespread popularity or defeat the KMT in the future’s elections. Indeed, there is no sign that Taiwan’s military would tolerate a dominant anti-system opposition party.

Third, the military figures in Taiwan might rise to the top and reimpose an hard authoritarian rule, if the civilian leadership had proven incompetent in managing the law-and-order crisis. Once the crisis had passed, pressure would mount for civilian democracy to be re-established. This is simply because Taiwan’s society is too complex, too relatively differentiated, and too advanced economically to be susceptible to a military-dominated government. As President Chiang Ching-kuo who was in power adopted the policy of Taiwanization, most senior military leaders had gradually faded away from the political scene as the result. The lifting of martial law in 1987 is a further step in this direction. However, the military began enlarging its role in civil affairs in the post-Chiang period when the civilian government was unable to deal with Taiwan’s deteriorating social turbulence and serious problems in crime. President Lee justified his nomination of retired general Hau Po-tsun as premier in the name of restoring social order. Hau, a powerful military figure
who had held all the strategically important posts in the army, especially staying in office as Chief of General Staff more than seven years, was said to have exercised significant influence in military affairs before assuming the premiership. However, President Lee's announcement to appoint Hau as premier on May 29, 1990 precipitated an immediate large-scale anti-Hau protest launched by a coalition of the opposition DPP's supporters, academics, environmentalists, women groups, and student activists. All these protesters felt uneasy about Taiwan's top soldier becoming head of the government, fearing that he might use his considerable power to slow or even reverse Taiwan's political evolution once he was in office as premier. With the military help, Taiwan's civil authority, under Hau's strongman leadership, and social order had been restored shortly after he began his term. As a result, he was viewed by the general public as a guardian and perhaps a purifier of the existing order, subsequently enjoying a higher approval rating than President Lee according to a number of Taiwan's opinion surveys. But Hau's popularity began falling in May 1991 when five dissidents, charged with "conspiring to commit sedition," were arrested by Taiwan's Investigation Bureau. This sparked a persistent, massive protest led by student activists and academics calling for the abolishment of the sedition law and the resignation of Premier Hau. Unexpectedly, the legislature
responded quickly by unanimously approving the resolution to abolish this law on May 17 when nearly 10,000 protesters took to the street, and some of them subsequently joined a student’s sit-in protest inside Taipei’s railway station.

By all these indications Taiwan’s society has been beyond the possibility of hard authoritarianism because it became complex and articulated enough to prevent any strongman or military figure from returning to the certitude of the two Chiangs’ era. Hau is no exception. If he had gone too far, he would have found himself being forced to step down from the post in a countermove generated by the President. More important, however, is the fact that the KMT knows that in addition to the maintenance of the party’s organization penetration and rules manipulation, its future depends on its ability to recruit many more populist leaders, because they are much more effective in drawing large crowds in the election and building up the party’s hegemonic support base than the bureaucratic command. In fact, most recently, a number of KMT Young Turks openly spoke out against government policies in the election campaigns and won elections with the highest or the second highest total of any candidate in their electoral districts. In the parliament and the party congress these young liberals continued challenging the official party policies in a number of sensitive areas,
such as democratization of the parliamentary structure and the KMT power structure, ties with mainland China, official investigation of "February 28 Incident." Although they have aroused sharp criticisms or resentment among the conservative old guard within the party, their impressive electoral victories lend credibility to the party’s claims to represent the force of reform.

Nevertheless, the role of the party’s "Young Turks" in the democratization process should not be exaggerated, precisely because they have never questioned or challenged the Leninist type of the Nationalist party system, particularly the party’s enormously systemic advantages over its political opponents in the electoral process, such as its lop-sided access to KMT-affiliated broadcast monopolies, virtually unlimited campaign spending power, and its deep-roots in service centers around the island open even after the campaign season. Such a powerful party machine plus its manipulation of the electoral process (e.g. restriction of the period of campaigning to ten to fourteen days before the election and gerrymandering) make it difficult to conceive of circumstances under which the opposition forces might be strong enough to push the KMT in the direction of fundamentally democratic reform. In spite of the poor prospect for democratization in Taiwan, seemingly the major hope of Taiwan’s democratic movement is to develop a third party which might attract support from
the white and blue collar electorate. Unlike the radical DPP a third force must have no doubt about which political community it belongs to, and to also present itself as a serious contender by questioning the unfair "rules of the game," focusing on the social costs of the regime's economic development strategy, and more importantly, developing coherent and comprehensive policy alternatives.
Notes of Chapter VI

1. For more, see Chapter I.


14. Luce and Rumpf, Matial Law in Taiwan, 1985, pp.16-17.


17. Pae, Testing Democratic Theories in Korea, 1986, pp.81-86.

18. Ibid, p.82.


51. Ibid; and S. J. Lee, 1988, p.23.


54. E. S. Chung, 1990, p.263.
59. S. J. Han, 1989, p.269.
66. Rapid increases in public sector employees since the 1960s have become a heavy financial burden on the government of the ROC. Since the 1980s, more than 30 percent of the total expenditure in the central government establishment of Taipei has gone towards salary and the payment of pecuniary remuneration to the employees, while the rest has been spent on maintaining and running the establishment. Due to the lack of a national social security system and unemployment compensation, the goods and services provided by Taiwan’s public sector is rather limited, compared to that in most industrial countries. See, World Journal (daily news), January 3, 1992.
70. According to Kowalewski and Schumaker and other scholars, the main reason for 2-player games in hegemonic societies is that the third parties' involvement in protest movements are often discouraged and repressed by the governmental authorities in hegemonic (or hard authoritarian) regime. Thus, "third parties are both inactive and less significant in the resolution of protest incidents." See Kowalewski and Schumaker, "Protest Outcomes in Soviet Union"; and O'Keefe and Schumaker, "Protest Effectiveness in Southeast Asia."


77. C. Huang, 1986, p.87.


86. So and Hua, "Democracy as an Antisystemic Movement..." 1992, p.389.

87. Moody, 1992, p.88; Gold, 1986, p.120.


108. FEER, June 18, 1992.


111. West and Baker, 1988, p.152.


117. FEER, June 1, 1989, p.36.


122. H. Koo, "Middle Classes and Democratization..." 1989, p.6; and J. S. Kim, 1992, p.239.

123. Freedom House defines freedom as political rights and civil liberties. The standards for political rights include the people choosing their authoritative leaders freely, free electoral laws, equal campaigning opportunities, fair polling, honest tabulation of ballots,
the people right to organize in different political parties, and a country's and minority's right of self-determination. The checklist for civil liberties has items on free and independent media, literature and cultural freedom, an independent judicial system, freedom of assembly and demonstration, free trade unions, and protection from political terror, imprisonment, torture or exile. See Ryan, J. "Survey Methodology," 1991: pp.13-15.

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