Democratization and Institutionalization: Problems, Prospects, and Policy Implications of Political Development in the Republic of China on Taiwan

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Political democratization is a complex process of multi-dimensional change which requires both comparative and longitudinal analysis by social scientists. Whether political democratization is a natural result of the socioeconomic changes in a country or the end product of concerted efforts made either by the government or by the leaders of the political opposition has been the subject of debates among political scientists for years. In the 1960s and early 1970s, social scientists conducting research on the "modernization" process tended to treat political democratization as a dependent variable whose variation is contingent on other socioeconomic variables. Since the mid-1970s, however, an increasing number of scholars have begun to examine the process of political democratization from the perspective of public policy and concluded that democratic political development may not result naturally from social change or economic development but may instead require conscientious efforts by either the ruling elite or the politically relevant sectors of society at large.1

The process of political democratization in the Republic of China (ROC) on Taiwan seems to support the above-mentioned theory of the public policy scholars. The purpose of this paper is to review

1For example, see Richard A. Higgott, Political Development Theory (London: Croom Helm, 1983).
the ideological foundation of political development in the Republic of China on Taiwan, to describe the process of political change in the ROC since 1949, to analyze factors affecting the political system on Taiwan, and finally, to reflect on the policy implications of the "Taiwan experience" in political democratization for the developing countries in general, and mainland China in particular.

The Ideological Foundation of Political Development on Taiwan: The Teaching of Dr. Sun Yat-sen

The political system of the ROC is founded on the teaching of Dr. Sun Yat-sen, the founding father of the Republic of China. Dr. Sun's teachings have two unique features: first, a strong emphasis on the way political democratization, social equality, and economic development are correlated with each other; and second, a conviction that constitutional democracy cannot be reached overnight but has to be achieved through several stages. Having been influenced both by the humanist thought of traditional China and the democratic-socialist ideology of nineteenth century Europe, Dr. Sun strongly believed that political democracy is meaningful only when it is accompanied by social justice through the equitable distribution of the benefits of economic development. Dr. Sun's emphasis on egalitarianism in the process of social, political, and economic development has been largely incorporated into the Constitution of the ROC which has served as the guideline for the formation of government policies.

In addition to his emphasis on an egalitarian approach, another major contribution made by Dr. Sun Yat-sen to China's modernization process is his three-stage theory of political development. In the earlier stage of his revolutionary career, Dr. Sun seems to have believed in a more direct and immediate transplantation of Western-style constitutional democracy in China. But after experiencing a series of setbacks following the establishment of the Republic, he came to realize that the process of political democratization must be gradual and well-planned.² Dr. Sun theorized that a non-Western

²For the concept of planned change, see Warren G. Bennis et al., eds., The Planning of Change (New York: Holt, Rinehart and Winston, 1985); Trevor A. Williams, Learning to Manage Our Futures (New York: John Wiley & Sons, 1982); Coralie Bryant and Louise G. White, Managing Development in the Third World (Boulder, Colorado: Westview Press, 1982); Russell L. Ackoff, Redesigning the Future (New
country must go through three stages on the road to democracy: (1) national unification through military rule; (2) political socialization and organization through tutelage; and (3) the stage of constitutional democracy through the promotion of self-government at the local level and parliamentary as well as party politics at the national level.

**Democratization, Institutionalization, and Policy Planning:**

**The Taiwan Experience**

In accordance with the teachings of Dr. Sun Yat-sen, the basic strategy employed by the ROC government in its modernization efforts in Taiwan was, first, to improve the rural sector through land reform beginning in the late 1940s, and then to use the expanded rural sector to support industrial development. It should be pointed out, however, that while the pursuit of economic growth and the improvement of overall social conditions in Taiwan have been important goals, the distribution of the benefits of economic growth and social progress among the population has also been a primary concern of the ROC leadership.3

Land reform, a more equal income distribution, and equal opportunities for education have led to a higher degree of social mobility in Taiwan. According to a large-scale survey of intergenerational occupation change conducted in 1986, the children of workers and farmers have experienced the highest level of upward social mobility in the past decades. It was discovered that 37.7 percent of the children of skilled and unskilled workers and 28.9 percent of farmers’ offspring have become either professionals or civil servants. This improvement in the status of people from working class or rural backgrounds has contributed to a higher level of political participation and the emergence of an increasing number of political leaders from among these two social groups.

In the opinion of this author, the secret of the ROC’s success in overcoming internal and external challenges and transforming Taiwan’s economy from a rural to an industrially based one with

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Yong: John Wiley & Sons, 1974); and John Diebold, Making the Future World (New York: John Wiley & Sons, 1982).

3With regard to the ROC government’s emphasis on both growth and distribution, see Yung Wei, “Modernization Process in Taiwan: An Allocative Analysis,” Asian Survey 16, no. 3 (March 1976): 249-69.
increasing political participation lies in the government's emphasis on institutionalization and open-ended policy planning. Here, "institutionalization" means the establishment of various formal and informal organizations and processes through which opinions can be transmitted to the decision-making process and conflicts can be resolved. For instance, in order to facilitate the implementation of the land reform, the ROC government established a mediation committee to resolve landlord-tenant disputes. Another example is the social organizations section of the Kuomintang (KMT), the ruling party, whose job it is to liaise with other parties or interest groups.

Another form of institutionalization can be found in the enactment of various laws and regulations dealing with the process of modernization and democratization. A series of laws have been passed to serve as guidelines for land reform, educational development, economic development, and political democratization. Take political democratization as an example. A great deal of legislative activity preceded the lifting of Martial Law and the ban on new political parties in July 1987. This included the enactment of the National Security Law, the Law on Assembly and Parades, and the revision of the Law on Civic Organizations and the Election Law. It was through these legislative efforts that the ROC government was able to chart a gradual and evolutionary course for political democratization and avoid the chaos which has often accompanied the unplanned opening of the political process in many non-Western countries.4

In this instance, "open-ended planning" may be understood as the efforts made by the government to develop and coordinate long-, medium-, and short-range plans so as to cope effectively with various social changes. This kind of planning is "open-ended" firstly because it is formulated not only by government officials, but also by scholars, experts, and those who are responsible for implementing the plans. No one is permitted to monopolize the planning process. Second, all plans are subject to revision in accordance with changing internal and external conditions. Third, all important plans must

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be passed by the legislative branch of the government, and since the legislative bodies are popularly elected, we may say that these plans also receive the indirect approval of the general public.\(^5\)

It is important to differentiate the open-ended planning conducted by the ROC from the "closed planning" carried out by totalitarian or authoritarian regimes. The arbitrariness and irreversibility manifested in the policy-making processes of these closed Communist or Fascist systems may create a great deal of euphoria, and may even yield concrete results in the early stages of planning and implementation, but the results are inevitably disastrous in the long run.

Under the general heading of "open-ended planning," five areas of policy planning and implementation deserve brief introduction and explanation here. These are: (1) medium-range and long-range planning, (2) annual planning and budgeting, (3) control of policy implementation, (4) non-economic planning, and (5) policy research. Ever since it relocated to Taiwan in 1949, the government of the ROC has paid particular attention to medium- and long-range planning, the most notable examples being the land reform and the succession of four-year economic plans. A preliminary survey conducted by this author revealed that in 1986, more than 580 government plans were in operation. Of these, 503 were medium-range, including the Four-Year Economic Plan and the Five-Year Social Welfare Plan. More than 80 were long-range plans, including the Six-Year Economic Plan, the Eleven-Year New Town Development Plan, and the Twenty-Year Taiwan Regional Development Plan.

In order to further coordinate the long-range planning efforts of various ministries and agencies, in 1980 the government developed a ten-year master plan for the Taiwan area which set out the goals and strategies of economic, social, educational, scientific, and cultural development. This master plan served as an overall guide for all medium- and short-term planning efforts.

It is, however, much easier to develop concrete plans in the economic sector than in the non-economic sectors.\(^6\) The problem of

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\(^6\)See Yung Wei, "Policy Planning and National Development: Planning for a Free
non-economic planning actually hits at the very core of the problem of policy planning as well as the issue of quantification in the social and behavioral sciences. Yet in the past ten years, the efforts made by the ROC government in non-economic planning have created an awareness among government officials of the need to think clearly when dealing with "software" problems. It has also led to the development of a more precise planning process in non-economic areas which has contributed not only to a more effective implementation of projects and programs but also to social progress and political liberalization. Despite the ROC government's success in policy planning and implementation, several problem areas do require further effort in medium- and long-range planning. In the economic arena, the ROC will have to continue moving from a labor-intensive to a skill-intensive and knowledge-intensive economy. Upgrading the quality of manpower and advancing the level of science and technology are two key factors in this process. In the area of social development, Taiwan has already become a middle-class society. Various opinion surveys have consistently demonstrated that more than fifty percent of the adult population identify themselves as middle class (see figure 1). This subjective self-evaluation is supported by the rapid expansion of white collar jobs, increased income, and the rising educational level. Farmers, workers, and women have been the major beneficiaries of this development process. With the increase in life expectancy, the growth of the urban population, and the changing role of women in society, it is essential for the ROC government to pay more attention to the problem of social welfare in general and to the problem of aging and the stability of the family in particular.

Having made the above projection on the future direction of the ROC, we may now turn to some of the problems, internal and external, which Taiwan has faced in the last decade and continues to face today. On the domestic front, high population density, rapid social change, environmental pollution, readjustment of the industrial structure, and rising expectations with regard to political participation are problems that require close attention. The most complex and crucial of these is the problem of political participation. The ROC

and Secure Society in the 1980s" (Report presented at the Monthly Meeting, Office of the President, Taipei, Taiwan, ROC, February 1987).

\(^{7}\)See Yung Wei, "The Emergence of a Middle Class in Taiwan and its Implications," Chung-kuo shih-pao (China Times) (Taipei), May 23-25, 1985.
government has made important progress in democratizing the political process in recent years. Starting with the KMT’s Twelfth Party Congress in November 1986, the ruling party passed a series of important resolutions aimed at broadening the political process and building up popular support for the government. Government officials, party leaders, scholars, and legislators were invited to participate in a large-scale exchange of ideas on hitherto sensitive issues such as the lifting of Martial Law, allowing the formation of new political parties, and reforming the national-level representative bodies.

President Chiang Ching-kuo announced his intention to lift Martial Law and allow the formation new parties in an interview with Katherine Graham, publisher of the Washington Post, on October
8, 1986. As mentioned above, these moves were preceded by the passing of a series of laws concerning national security, civic organizations, and elections. According to 1989 figures, a total of forty parties registered with the Ministry of the Interior under the new law, the main ones being the ruling KMT and the opposition Democratic Progressive Party (DPP).

The December 2, 1989 election added new elements to the political development process in Taiwan. During the campaign, certain DPP candidates openly advocated Taiwan independence, which drew a strong reaction from the more nationally oriented KMT candidates. The KMT share of the vote declined overall in this election. In elections for county magistrates, the KMT share dropped to 53.5 percent, from 67 percent in 1977, while the non-KMT share increased to 44.5 percent from the 1977 level of 28 percent. In the elections for the Legislative Yuan and the National Assembly, the KMT share of the ballot dropped to an all-time low: 54.85 percent for the legislature and 54.88 percent for the Assembly. The opposition registered its biggest gains in the elections for county magistrates and city mayors. The DPP and other non-KMT candidates captured seven of the twenty-one county and city executive posts in Taiwan Province, a substantial improvement on their pre-election total of four. As a result of this election setback, the KMT decided to carry out a major reform of its party organization and its mode of operation.

The clash within the KMT Central Standing Committee over the nomination of presidential and vice presidential candidates on February 10, 1990 was a major event in the history of democratization in the ROC. The debate over whether the nomination should be by secret ballot or acclamation, which involved differences in style of leadership and the party decision-making process, led to a split in the KMT's leading echelons. Although these differences seem to have subsided since the landslide election of President Lee Teng-hui and his running mate Li Yuan-tzu, the repercussions were quite considerable. For example, just prior to the presidential election on March 21, 1990, thousands of students gathered in the grounds of the Chiang Kai-shek Memorial Hall in Taipei to demand the retirement of members of the legislature and electoral college who have been frozen in office for nearly forty-four years. Although the student demonstration ended peacefully after President Lee promised student delegates that he would call a National Affairs Conference (NAC, kuo-shih hui-i) to discuss their grievances, the aftermath of this unprecedented protest has still to be assessed.
The convention of the NAC may or may not have been the result of the student demonstration. Some observers are of the opinion that it was actually held to deal with the side-effects of the May 1990 meeting of the National Assembly. The conference, which was divided into five sections dealing with parliamentary reform, local government, central government, constitutional reform, and mainland China policy, arrived at many far-reaching conclusions, including a call for all senior members of the national representative bodies to retire by the end of 1991, an end to the system of selecting overseas Chinese and representatives of occupational groups to sit in these bodies, popular elections for the governor of Taiwan and the mayors of Taipei and Kaohsiung municipalities, suspension of the Temporary Provisions Effective During the Period of Communist Rebellion, and treating Taiwan and mainland China as separate political entities (cheng-chih shih-t'li) and enacting laws governing relations between them.

During the NAC, it became clear that there were substantive differences between the KMT and DPP participants. The KMT delegates and the majority of independents were basically in favor of broadening the popular base of the government in Taipei while preserving the essence of a national government of the Republic of China awaiting the eventual reunification of the country. As for the DPP participants, they were aiming for a much more drastic change in the nature and structure of the political system in Taiwan, including a complete overhaul of the parliament, direct presidential elections by the people of Taiwan, and a new constitution to be drafted by a special constitutional convention and approved by a national referendum. If all these recommendations were to be accepted and implemented, it would be tantamount to establishing a new Republic of Taiwan.

The discussions that took place within the NAC, particularly those ideas voiced by members of the DPP, roused considerable concern on the more orthodox wing of the ruling party. Partly to offset the separatist flavor of certain aspects of the NAC, and partly to gain a dominant role in deciding policy regarding the issue of national reunification, the Presidential Office has set up a National Unification Council (NUC). The main task of the NUC is to study problems related to the reunification issue and to develop broad guidelines for this important area of policy.

The NUC is chaired by President Lee Teng-hui himself, while the three vice chairmen are Vice President Li Yuan-tzu, Premier Hau
Pei-tsun, and senior advisor to the president, Henry Kao. Other members of the NUC include leading government officials, leaders of various sectors of society, scholars, and major newspaper publishers. The guideline for national reunification adopted in February 1991 by the NUC restates the government's basic position on reunification and sets out a stage-by-stage program for its gradual realization. During the first stage, the Taipei government will gradually lift all restrictions on beneficial exchanges between the two sides of the Taiwan Strait and will establish a non-governmental agency, the Foundation for Exchanges Across the Taiwan Strait, to protect the rights and privileges of people involved in such exchanges. In addition, the government will endeavor to establish the principle of non-interference in each other's relations with other countries between mainland China and the ROC.

The NUC envisages that the reduction in tension and hostility resulting from the measures in stage one will allow official channels of communication between the two sides to be opened up in stage two. This stage may also see Taiwan cooperating with mainland China in the development of coastal regions in eastern and southern China. The narrowing of the gap in living standards between the two sides of the Strait envisaged in this stage will then pave the way for eventual reunification. According to the NUC's guideline, the third stage will see the establishment of a mechanism for consultation (hsieh-shang) between the two sides so that reunification may take place. The conditions for unification include political democracy, nationalization of the armed forces, private ownership of property, and social pluralism.

**Pending Issues Concerning Political Democratization in Taiwan**

Looking to the future, there are several outstanding issues that the ROC government and the people of Taiwan must resolve before they can achieve a smooth transition from the current somewhat unsettled situation to a more mature democratic political system. First of all, the structure and membership of the national representative bodies—the Legislative Yuan (parliament), the Control Yuan (censorate), and the National Assembly (electoral college)—must be revitalized to make them more representative of local opinion.

According to the ROC Constitution, Taiwan members of the Control Yuan are elected by the Provincial Assembly and the municipal councils of Taipei and Kaohsiung. At present, thirty-one of
the fifty-two Control Yuan members are locally elected. Of the 229 members of the Legislative Yuan, 149 were elected more than forty years ago in mainland China, while twenty-two were selected from Chinese communities overseas. Thus, the senior members and the overseas representatives constitute an absolute majority in the legislature. The locally-elected legislators have become increasingly impatient with the situation whereby the legislative process is dominated by the combined forces of the old members frozen in office since the 1940s and the overseas representatives. As for the National Assembly, of the more than seven hundred members of this body which elects the president and vice president of the ROC, only eighty-four were elected locally. This situation explains the mounting demands for the "voluntary" retirement of the senior members of the Assembly voiced by locally-elected Assembly members, the opposition, and more recently, student activists.

The issue of the composition of the above-mentioned three bodies would be simpler if it were solely a question of replacing the old members with new locally-elected parliamentarians. However, the real problem is that according to the ROC Constitution, these bodies should represent not only the will of the people of Taiwan but also those of mainland China; they must also reflect the fact that the ROC government is not just the government of Taiwan but also, at least symbolically, the government of all of China. Suggestions that a fixed percentage of seats in the representative bodies should be reserved for representatives of the various provinces of mainland China are a natural product of that kind of thinking. This is a real dilemma. Those who advocate complete democracy run the risk of turning the ROC into a "state of Taiwan" totally separate from mainland China. Yet those who advocate a degree of mainland representation may be charged with trying to resist demands for more political participation by the people of the Taiwan area.

The second issue facing the political system is the power and role of the president of the ROC. According to the original ROC Constitution, the president has a rather limited, mainly ceremonial role. He does not chair meetings of the Executive Yuan (cabinet), he does not address the Legislative Yuan, and he does not handle the day-to-day operation of the government. Under the above-mentioned Temporary Provisions, however, he has certain additional powers, including the power to form a National Security Council, which he chairs; the right to establish new government organizations, such as the Office of Personnel Administration; the power to proclaim a
state of emergency; and finally, the power to hold supplementary elections in Taiwan, and to select overseas representatives to sit in the three national representative bodies. It is through the Temporary Provisions that the president of the Republic of China enjoys powers approaching those of the president of the United States.

Discussion concerning the revocation of the Temporary Provisions has been going on for several years and has recently become more heated. With the controversy over the nomination of presidential and vice presidential candidates by the ruling party gradually subsiding, the issue of the presidential powers has become the new focus of political debate.

This debate involves another important issue in Taiwan politics: whether the ROC should adopt a presidential or a cabinet style of government. Discussion over this issue has been simmering for years, but has recently attracted more attention with the debate over presidential powers. Those who argue in favor of cabinet government are generally seen as preferring a reduction, or at least a restriction, of the president’s powers, whereas those who opt for a presidential system are considered to advocate maintaining the status quo. This issue involves not only the retention or removal of the Temporary Provisions but also whether the president of the republic should concurrently be the chairman of the ruling party. The former group, known as the “non-mainstream” faction of the KMT, believe that the political neutrality of the office of president would be best preserved if the party chairmanship were separated from the presidency. The other faction, those KMT politicians who want to preserve the current level of powers enjoyed by President Lee, would prefer to see him retain both posts, thus guaranteeing his dominant role in policy and personnel decision-making.

A fourth issue concerns the relationship between the central, provincial, and local levels of government. Currently, there are four tiers of government in Taiwan: the national, provincial, county, and village or town. One suggestion that has been made in this respect is that the number of tiers should be reduced to three by making the provincial government a nominal rather than a substantive body. Another area of debate concerns the popular election of the governor of Taiwan Province and the mayors of Taipei and Kaohsiung municipalities. Both of these suggestions are currently under consideration by the government.

Finally, there are the interrelated issues of the ROC’s policy toward mainland China and its relations with the rest of the inter-
national community. Since permission was granted for Taiwan residents to visit their relatives on the mainland, more than 500,000 people have travelled there from the island. Trade with the mainland and Taiwan investment there have also increased. The Chinese Communist authorities have continued to publicize their "one country, two systems" model for reunification, though in the shadow of Tienanmen and with the Peking regime refusing to renounce the option of using force against Taiwan, Taipei is unlikely to respond favorably to any such moves.

The ROC government adheres to the "one China" principle and advocates national unification through the promotion of the "Taiwan experience" of modernization and democratization in mainland China. Now that Taipei has drafted a law regulating relations between the two sides of the Taiwan Strait and is permitting scholarly exchange, the effects of the ROC unification model are gradually being felt on the other side of the Strait.

Since Lee Teng-hui assumed the presidency, the ROC has taken a realistic and flexible approach to expanding its formal ties with other countries. By tacitly allowing countries to maintain formal ties with both Taipei and Peking, the ROC has been able to establish diplomatic relations with Grenada, Liberia, and Belize. Despite vehement criticism from Peking, the ROC government is determined to pursue its current pragmatic foreign policy and establish substantive or diplomatic ties with any country which respects the ROC's international position and does not require Taipei to formally renounce its claim to the mainland.

One crucial factor in Taipei-Peking relations is the separatist movement in Taiwan. As mentioned above, certain leaders of the radical wing of the DPP and their followers are increasingly advocating independence as a solution to the Taiwan issue. The ROC government strongly opposes this type of thinking and has taken legal action against proponents of separatism. Despite Taipei's firm stance on independence, the Peking authorities have become increasingly dissatisfied with separatist sentiment within the opposition. Top of the list of circumstances in which Peking claims it would use force against Taiwan is a declaration of independence by the island. Whether or not the ROC government can convince Peking that its efforts in expanding diplomatic ties are neither an attempt to create "two Chinas" nor a bid to promote Taiwan independence is the key not only to the success of the ROC's diplomatic endeavors but also to peace in the Taiwan Strait.
Modernization and Democratization in Taiwan: The Implications for Other Countries

Taiwan’s economic development and political democratization have increasingly attracted the attention of social scientists in recent years. The fact is that the ROC’s national development fits neither the Western “developmentalist” model nor the “dependency theory” proposed by scholars in the Third World, notably those in Latin America. Thus, the ROC on Taiwan is seen as a “deviant” case which must be explained by new paradigms. The explanation, I believe, will be found not so much in the way in which social, economic, and political variables contribute to the development process but in an examination of the methods used by the governing elite to handle the issues of institutionalized public policy planning over the past forty years.

In short, the ROC government decided forty years ago to adhere to the teaching of Dr. Sun Yat-sen and steer a middle course between the radical interventionist model of the socialist countries and the laissez-faire model proposed by Western development theorists. The result has been the “open-ended” approach to policy planning discussed above. The development experience of the ROC has amply demonstrated that given this approach, a densely-populated country with limited resources under almost continuous external pressure can achieve significant success in modernization. From the ROC’s development track record, we may arrive at the following tentative conclusions:

1. A flexible and open-ended ideology which enhances group unity and solidarity on the one hand, and the full development of individual talents on the other is an important factor in development, particularly in the initial stage.

2. In order to make a concerted effort to modernize, a government must have long-range and flexible plans which can serve as a blueprint for gradual and evolutionary social, economic, and political development.

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3. In order to achieve long-term effects in the development process, a country’s leaders must put equal emphasis on growth and equality. Simultaneous emphasis on economic growth and socio-political development is a sine qua non for sustained progress.

4. Institutionalization is the key to orderly and lasting progress toward modernization and democratization. Organizational arrangements and the enactment of the necessary laws are indispensable to a smooth transformation.

5. In mobilizing a population for modernization, education is the key element. A large number of highly educated citizens imbued with the spirit of patriotism and a strong sense of social responsibility are probably the most important factor in the social, economic, and political development of a nation.

6. The tasks of national development cannot be accomplished through erratic mass movements. The peaceful and gradual methods used in Taiwan’s land reform and economic development were key factors in the success of the ROC’s development efforts.

Whether the ROC’s development experience can be transferred to other developing countries is of course another matter altogether. However, it is the opinion of this author that the lessons learned by the leaders and people of the ROC in their development process, particularly those concerned with policy planning and implementation, do have important implications not only for mainland China but also for other developing countries. It may be of interest to social scientists in general and political scientists in particular to examine the ROC’s multi-dimensional and gradual development process and combine this knowledge with the development experience of other non-Western countries.