

History of Taiwan

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Chapter 1

The Great Voyages

Ilha Formosa

At the end of the fifteenth century, Christopher Columbus discovered the New World (1492), and a few years later (1498), Portuguese navigator Vasco da Gama opened the sea route between Europe and India by way of the Cape of Good Hope. It was the era of the great voyages, and from a European historic viewpoint, a period of "great discoveries".

Portugal was the first European power to invade Asia. In 1510, they captured Goa of India, destroyed the kingdom of Malacca, and by having control of the Strait of Malacca, the Portuguese expanded their influences towards the southeast and northeast Asia. Moving north in an endeavour to trade with China and Japan, they occupied Macao in 1537.

In 1517, a Portuguese fleet sailing through the Taiwan Strait on the way to Japan sighted Taiwan and called it Ilha Formosa, meaning "Beautiful Island." This is the

origin of Taiwan's other name, Formosa. However, whenever they came across a beautiful island on the sea, Portuguese sailors had the habit of calling it "Ilha Formosa", so there are more than ten islands in Africa, South America and Asia which bear the same name. Nevertheless, Formosa has become the proper name of Taiwan, and is now commonly used among Westerners.

Pirates and Aborigines

During the period when Western European powers were moving eastward, the Chinese and Japanese pirates known as Wo-k'ou, who had plundered the Chinese southeastern coast, used Taiwan as a base or hideout for geographical reason. When chased by the government forces, these pirates would flee first to Penghu (Pescadores) Islands, and then to Taiwan. Government forces might chase the pirates to Penghu, but would never pursue them to Taiwan. In the sixteenth century, the Ming government (being unfamiliar with Taiwan) regarded Taowam as a dreadful, barbaric region spread with pestilences.

In the middle of the sixteenth century, there were only a small number of Han immigrants and Malayo-Polynesian aborigines who had dwelt on Taiwan for many thousands of years. Although presently these aborigines have become minority, they were once the major inhabitants spread over the entire island. All the aborigines are Malayo-Polynesian, however, they do not belong to same race. Beside the nine tribes of Atayal, Saisiyat, Tsou, Bunun, Rukai, Paiwan, Ami, Puyuma, Yami, there are Ketagalan, Luilang, Kavalan, Taokas, Pazeh Papora, Babuza, Hoanya, and Siraya, who are commonly called the "flatland aborigines".

These aborigines have their different languages and

customs, and constitute unique independent societies. From their different languages, customs and dwellings, one can imagine that they migrated from different places during different periods of time. The flatland aborigines were assimilated by Han settlers through inter-marriage, and are now almost indistinguishable from Han people. Because the aborigines were divided into so many racial groups, they have not been able to establish a united kingdom, and have been overwhelmed by foreign invaders and consequently have become the minority.

The Origin of Taiwan

All the aborigines, with the exception of the "flatland aborigines", were gradually squeezed and forced to move towards the mountains, and eventually became the "mountainers". The Yami tribe that lived on the isolated island of Lanyu are the only aborigines still retaining the lifestyle of an oceanic race. While these "Mountainer" aborigines were called "Takasago" by Japanese during their occupation; the name was changed to "Gao-Shan-Zu" (mountain tribes) by the KMT regime of the Republic of China after the World War II.

Be it "Takasago" or "Gao-Shan-Zu", these names were given by the Japanese and Chinese, and are definitely not what the aborigines call themselves. Fundamentally, it is in contempt of the aborigines seeing them as uncivilized savages. Moreover, all the foreign invaders who ruled Taiwan have under the pretense of "Savage Administrative Policy" segregated the aborigines from the Han immigrants by adopting the "divide and rule" scheme, deliberately creating the impression that the aborigines were "untamed savages".

In fact, Malayo-Polynesians, who are widespread among

Southeast Asian islands today, have become the primary races of the countries such as Philippines, Indonesia, Malaysia, Borneo, etc., and are very proud of their cultures and traditions. On the other hand, the aborigines in Taiwan have, since the era of the great voyages, been continuously oppressed and isolated from the modern civilization, and consequently have not been able to develop and refine their unique traditional cultures. Above all, they have been driven out of the flatlands to remote and mountainous regions.

"Taioan" did not originate from Han language. The Siraya aborigines who dwelled in the vicinity of Tainan called outsiders and visitors "Taian" or "Tayan", and it had been misheard as "Taioan". Han immigrants and Japanese had applied different Han characters and Kanji, which became the name of the island itself. Between the years 1573 and 1620, Ming government began calling the island "Taiwan", and the Dutch also used "Taioan" in their writings.

You can see from the origin of the name that, to the aborigines, the outsiders were just some visitors "passing by". The aborigines never realized that the "passers-by" would become masters of the island, and treat them as "uncivilized savages", the objects of "Savage Administrative Policy". In this respect, there is a close resemblance to the fates of the Indians and Indeos in North American continent.

Unexpected Windfall for Dutch

The Dutch, who fell one step behind the Portuguese and the Spanish in invasions, arrived at Jakarta, Indonesia ("Batavia" as called by the Dutch) in 1596. In 1602, the Dutch formed the first stock company in human history called the "Dutch East India Company". With headquarters in Amsterdam, the Company was

chartered for monopolized trade as well as managing newly acquired colonies. After establishing a foothold in Batavia, the Dutch planned immediately to trade with China and Japan, and began searching for a midway base. In 1603, the Dutch fleet sailed toward the Pescadores of Taiwan Straits, and landed on the main island Penghu. This was the first time that Western European power ever set foot on the land of Taiwan.

During the Yuan Dynasty, the Mongol government had a garrison stationed at Penghu Island, but in 1388, the Ming government abolished the garrison station and abandoned the Pescadores. Having heard the arrival of Dutch fleet, the Ming government immediately sent troops to Penghu and expelled the Dutch from the island. After failing to occupy Penghu, the Dutch tried to wrest Macao from the Portuguese, but also failed. In July 1622, the Dutch made another attempt on Penghu Island and finally succeeded in occupying it.

After landing on P'enghu Island, the Dutch mobilized the residents and fishermen in the harbor to build a fortress in Makung, and a trade base linking Batavia, Makung, China and Japan was established. The Dutch started to use this base to control traffic on the Taiwan Strait and to harass Portuguese vessels travelling to and from Japan. The Ming government, as a countermeasure, issued a decree in September 1623 banning all ships from approaching southeast coast of China.

In January 1624, Ming forces attacked the Dutch on Penghu Island, and after warring for eight months, the Dutch signed a treaty with the Ming who gave the Dutch posts on Taiwan and other rights in exchange for withdrawing from Pescadores. It was a pleasant surprise to the Dutch, for even if they decided to defend Penghu

they were no match against the towering Ming forces. Not only was Taiwan a much bigger island than Penghu, it was also located in a strategic point of the trade route in East Asia, making it possible to monopolize trade with China and Japan. So, the Dutch immediately signed the peace treaty, and moved their fleet to Taiwan after destroying the fortress and military facilities on Penghu Island.

The Ming government agreed so easily to let the Dutch take over Taiwan, simply because China had never looked upon this island as its own territory.

Chapter 2

The Dutch Era

Forts Zeelandia and Providencia

After retreating from Penghu island, the Dutch fleet sailed towards Taiwan, and on Aug. 26, 1624 landed in southern Taiwan, near the present-day city of Tainan. Through governor of Batavia, a Taiwan governor was appointed by the Dutch East India Company. Different from the heads of the Dutch trading houses, the governor of Taiwan was not only the trading boss, but also the administrator of the colony.

Immediately after landing on Taiwan, the Dutch started to build Fort Zeelandia at present-day An-ping, which took eight years to complete. In 1625, construction of Fort Providencia (present-day Chih-Kan-Lou) was also started. Both forts were military fortresses, however, Fort Zeelandia was used more for trading, and Fort Providencia was used as living quarters and warehouse.

Compared with the Ming Dynasty, the Dutch were

more conscious of the value of Taiwan: it was not only an ideal trading base, the land was also fertile and abundant in products. From the beginning, the Dutch had shown profound interest in developing Taiwan as a colonial enterprise. During the thirty-eight years of Dutch rule, the total number of Dutch personnel assigned to Taiwan was less than two thousands; half were soldiers. Right from the first day, the Dutch had been prepared for resistance from aborigines and Chinese immigrants as well as attacks by the Portugues, the Spanish and the English. Cannons set up in the fortresses were not just aimed at invaders from the sea, but also at local residents. Surprisingly, the aborigines and the immigrants did not resist the Dutch occupation, but rather helped them build their fortresses. They did not realize that these fortresses were later to be used as means of their own oppression.

Enlightenment and Oppression

The first problem the Dutch faced upon landing, was how to deal with the problem of aborigines. In those days, although aborigines were not familiar with the concept of "territorial rights", but they were conscious that it was the land where they were born and grew up in. Japanese and Chinese pirates, who invaded Taiwan and used it as a "den", had never claimed Taiwan as their "territory", hence there was no master-slave relationship. Now that the Dutch dominated this land, and aborigines lost the freedom they had enjoyed before. Certainly they would uprising and resist. In order to cope this problem, the Dutch "enlightened" the aborigines with Christian religion, and used force in suppressing the stiff-necks. More than ten years passed before the Dutch finally had full control of the aborigines.

Soon after the construction of Fort Providentia began,

Rev. Judinius was sent to Taiwan from Batavia in 1627, and many other missionaries followed him in the endeavour of preaching to the aborigines. These missionaries not only propagated Christian belief in Taiwan, but also mitigated the resistance of aborigines, and at the same time, provided an opportunity for Taiwan to come in contact with European civilization. In order to preach the gospel, the missionaries romanized the languages of the aborigines to print the Bible, thus leaving various traces of cultural history behind. One example was the "Shin-kang Document", a land contract exchanged between immigrants and the Sirayas who lived in Shin-kang near Tainan. The Shin-kang Document which was written in romanized aboriginal language has become valuable historical material for studying the customs of the past.

The Greedy Dutch

The Dutch East India Company gained great profits from trans-shipping trade in Taiwan: Southeast Asian products such as spices, tin, amber, cotton, opium, etc. were transported from Batavia; silver was imported from Japan; silk, fine chinamas, herbal medicines and gold were imported from China; sugar and deer skin were exported from Taiwan to Japan; and besides sugar and jerked deer meat, Southeast Asian products were also exported to China. In addition, silk, fine chinamas and gold were exported from Taiwan to Amsterdam through Batavia. Their profits obtained from the multilateral trade were tremendously high.

Since the Dutch took over Taiwan, the pirates infesting the island had greatly decreased, especially in the areas under Dutch control. However, the vessels on the open sea were often attacked by pirates. In order to ensure safe transportation on the sea, the Dutch concluded an agreement with the powerful pirate chief, Cheng

Zhi-long. It is interesting to know that the secret of the Dutch's success in trans-shipping trade was by obtaining the cooperation from Chinese pirates.

From the fact that deer skins and meats, and sugar were main export products from Taiwan, one can see that Taiwan in the old days was the habitat of deers and sugar canes. The Dutch encouraged aborigines and immigrants to hunt for deer, taxed hunting equipments, and obtained enormous profits from trading deer products. It was reckless plunder. Herds of deer became nearly extinct in Taiwan, mainly because of indiscriminate hunting by the Dutch. From the beginning, the Dutch rulers controlled and exploited Taiwan with the same political and economic systems which was colonialist pattern of seizing and ruling under the mercantilism. Not only heavy taxes were levied on all production and consumption, but head taxes were also collected from newly arrived Chinese immigrants. This only promoted resistance from aborigines and immigrants.

"King's Field" and Agricultural Development

Dutch East India Company gained exclusive rights to commercial ventures in Taiwan and ruled Taiwan as a colonial enterprise. The Company leased land and agricultural tools to the peasants and introduced oxen to till rice fields. The Dutch dug wells, conducted land surveys, introduced cash crops such as sugar, and romanized aboriginal languages.

While the Dutch obtained excessive profits from transshipping merchandise, they also made considerable efforts in agricultural development. All lands were seized and owned by the Dutch monarch (hence the name "King's Field"), and were managed by Dutch West India Company. Lands were then leased to Han

pioneer farmers from whom 5 to 10% rent or taxes, called "king's field rent contributions," were collected. Incidentally, the land measuring unit of "jia" (9700 square meters), which was used in Dutch era, has been carried over to this date.

The Company leased agricultural land and tools to peasants and introduced oxen to till rice fields, and at the same time, dug wells, conducted land surveys, and protected farmers from aborigines' attacks. However, the Dutch provided protection and supports to immigrants not out of charity, but simply in order to obtain higher profits for the Company. The Dutch not only improved the breeding of plants, but also introduced new crops such as cabbage, bean, tomato, mango and chili pepper, which became popular produce today. The Dutch opened two breeding farms, raising oxen imported from India, and by replacing human labour, productivity was increased remarkably. As a result of the agricultural developments, production of rice was not only self-sufficient, but also had surplus for export.

The development of the sugar industry is something worth mentioning. As climate in southern Taiwan was suitable for growing sugar canes, sugar was produced and exported even before the Dutch gained control of Taiwan. However, the Dutch, who realized the profitability, established sugar cane plantations in an endeavour to increase production and promote sugar as the major export industry. Since then and for about three centuries, the sugar industry has continued to hold an important position in Taiwan export.

The Spanish Seized the North

The Dutch were not the only western power which wanted Taiwan as a base for trans-shipping trade. The

Spanish, who already controlled the Philippines, also intended to expand their power to Taiwan to ensure the security of the Philippines and to prevent the Dutch from monopolizing trade with China and Japan. On May 5, 1626, a Spanish fleet, detoured eastern Taiwan coast in order to avoid clashing with the Dutch, reached the northeast tip of Taiwan and named it the Cape of San Diago. Next day, Spanish forces seized the port of Keelung and established control down the west coast a short distance from Tamsui. Forts San Salvador and San Domingo were built in Keelung and Tamsui respectively. In the following year the Dutch sent a fleet to the north trying to drive the Spanish away, but was defeated. At that time, the Dutch had devoted their efforts in developing southern Taiwan, and was incapable of stopping the Spanish from taking over northern Taiwan.

Although the Spanish successfully controlled northern Taiwan, neither trade with China and Japan, nor the propagation of Catholicism in Japan went smoothly. Moreover, supplies from Manila was often obstructed by typhoons and more than half of the limited number of personnel succumbed to either by aborigine attack or epidemics such as malaria. The Spanish plan of controlling Taiwan was severely hampered, and in 1638, the Spanish withdrew after destroying Fort San Domingo in Tamsui. What they left in Taiwan was a small defensive system and an advanced base for trade. Seeing the Spanish forces in northern Taiwan weakened, the Dutch fleet moved northward in the summer of 1642, and took Keelung, putting an end to the Spanish control of northern Taiwan. With the withdrawal of the Spanish forces, Dutch control over Taiwan spread from south to the north.

The period of Spanish rule in Taiwan was short, but

they brought new immigrants from China to work with aborigines in pioneering projects, such as mining of sulphur in Peitou. In the effort of propagating Catholicism to residents, the Spanish edited a "Tamsui Dictionary", and together with missionary's medical service in treatment of malaria, teaching of western medical science, etc. had left significant impact in the cultural history of Taiwan, just like the Dutch who propagated Christianity in the south.

The Uprising of Kue Huai-Yi t

Colonial rule by force undoubtedly would incur resistance from people who are subjected to it. During the Dutch's era, resistance and uprisings frequently happened; in which "Ma-tau Incident" (1635) and "Hsiao-liong Incident" (1636) resulted in massacre of large numbers of aborigines. After these incidents, the Dutch forced aborigines to show their obedience by holding a "ceremony of obedience". A similar ceremony was later utilized by the Japanese as a scheme to deal with Taiwanese residents.

The Dutch were in need of labour for developing Taiwan, so they imported great numbers of immigrants from China, not only enslaving them, but also taxing them heavily. The hatred and anger towards the Dutch by the immigrants multiplied year after year, and finally developed into an armed uprising headed by Kue Huai-yit. This incident was inevitable because there was a limit to the immigrants' tolerance under the hard-hearted rule of the Dutch.

Legend says that Kue Huai-yit originally was a follower of Cheng Zhi-long, after the Dutch took over Taiwan he lived near Fort Providentia as a farmer, and was well-respected by the immigrants. On September 7, 1652, Kue assembled his comrades and planned to revolt

on the night of Autumn Festival. Unexpectedly, Kue's younger brother leaked the secret information to Dutch authority. Hastily Kue led 16,000 men, attacked Fort Providentia and succeeded in occupying it. The Dutch sent for reinforcement from Fort Zeelandia and with help from 2,000 aborigines recaptured Fort Providentia. Kue and approximately 4,000 comrades were killed. Later, more than one thousand immigrants who were involved in the uprising were also executed. Although the uprising forces were superior in number, however, hoes, clubs, and bamboo spears were no match for the modern weapons in the hands of Dutch soldiers and aborigines. The fate of Kue and his men was sealed.

The uprising of Kue Huai-yit was a mass revolt against the tyrannical rule of the Dutch, which also represented immigrant's consciousness of human rights. The uprising failed mainly because aborigines and immigrants were divided and fought amongst themselves. After the Dutch left Taiwan, "divide and rule" became a controlling method commonly used by the new rulers.

Chapter 3

The Era of Cheng Ch'eng-kung

"Overthrow Ch'ing, Restore Ming"

During the Dutch rule, the Ming Dynasty in China was threatened by the expanding power of Manchurians. In 1636 the Manchus, who subjugated Korea, changed their dynastic name from Latter Chin to "Great Ch'ing", and threatened to replace the Ming as the ruler of China. In 1628, the Ming Emperor Sze Tsung enlisted the help of Cheng Zhi-long, a pirate chief operating from a base in Taiwan, to rebuild China's armed forces and economy.

Cheng Zhi-long was married to a Japanese woman, Tagawa of Hirato, who gave birth to a son named Cheng Shen. In 1631, at the age of seven, Cheng Shen went to China with his mother and younger brother. At that time, the Ming Dynasty was on the verge of collapse: Emperor Zong-zheng committed suicide in 1644, Prince Fu-wang acceded to the throne as Emperor Hong-kuang, but the Nanking regime supported by

Cheng Zhi-long only lasted one year and collapsed. Cheng supported Prince Tang to accede as Emperor Long-wu in 1645. Cheng Shen, now a young man of 21, was granted an audience by the Emperor who said to him: "I regret that I have no daughter to grant you as a spouse. Do not forget me and be loyal to your country." The Emperor gave Cheng the royal family name "Chu" and changed his name to "Ch'eng-kung". This is the origin of "Koxinga" Cheng Ch'eng-kung.

By 1645, Ch'ing forces had crossed the Yang-tse River, seized Chin-ling (the capital) and surrounded Fukien. Emperor Long-wu was captured in August 1646, and in November Cheng Zhi-long surrendered to Ch'ing in spite of his son's opposition. Ch'ing broke its promise and sent Cheng Zhi-long to Peking to be imprisoned, while his wife Tagawa committed suicide after being raped by the Ch'ing soldiers. Upon learning the fates of his parents, Cheng Ch'eng-kung swore in front of a Confucious temple that he will become a soldier instead of a scholar and avenge his parents and motherland.

After the death of Emperor Long-wu, Prince Kuei, who had taken refuge in Guantong, acceded as Emperor Yung-li. This last emperor of the Ming Dynasty conferred the titles "Prince of Y'eng P'ing Prefecture" and "Great Rebellion Quelling General" on Cheng Ch'eng-kung in 1653. In 1661, after a crushing defeat in an attempt to recapture Chin-ling (Nanking), Emperor Yung-li died. Cheng Ch'eng-kung, retreated from the mainland, and sought refuge in Penghu and Taiwan. He preserved Ming's dynasty name "Yung-li", and resolved to "overthrow Ch'ing and restore Ming". Later, Cheng Ch'eng-kung overthrew the Dutch on Taiwan, and moved to Taiwan in order to realize his goal of restoring Ming Dynasty. Cheng's relocation to Taiwan was a new turning point in the fate of Taiwan.

Cheng's Occupation of Taiwan

Since the efforts to overthrow the Manchu rule in China proved fruitless, Cheng Ch'eng-kung was forced to retreat to the islands of Amoi and Kimoi in 1661. At that time, Ho Bin, who had worked as an interpreter for Dutch West India Company, fled to Amoi to avoid debt collectors. Ho presented a sea chart to Cheng Ch'eng-kung, urging him to attack Taiwan, where fertile land was abundant. Entrusting the defence of Amoi and Kimoi to his eldest son, Cheng Jing and appointing Ho Bin as guide, Cheng Ch'eng-kung led 400 vessels and 25,000 troops and seized Penghu Island. Then, he prepared to launch an attack on Taiwan. Han immigrants on Taiwan, whose hatred toward the Dutch was intensified after the Kuo Huai-yit incident, welcomed Cheng's troops wholeheartedly. Cheng avoided Fort Zeelandia at seashore, launched an attack on Fort Providentia where defense was weak and seized it with little effort. Cheng's troops then closed in upon Fort Zeelandia, forcing the Dutch to entrench in the castle waiting for reinforcements from Batavia. While requesting help from Batavia, the Dutch administrator also demanded aborigines' support. However, reinforcements from Batavia were delayed, and the aborigines were annihilated. In February 1662, the Dutch negotiated an agreement whereby they would evacuate to Batavia, and in so doing ended their thirty-eight year occupation of Taiwan.

After occupying Fort Providentia in Chih-kan, Cheng Ch'eng-kung immediately set about dividing the administrative regions. First, he renamed the island "Tong-Du" (Eastern Capital), named the area around Fort Zeelandia "An-ping County", Chih-kan and its surrounding area which is present-day Tainan city was named "Sheng-Tien Prefecture". He established two prefectures, one in the north, one in the south, and a

garrison command on Penghu Island. Furthermore, he led his troops to tribal villages of aborigines and demonstrated his power in an effort to repress aborigines. The Cheng Royalty settled down in Taiwan as a government in exile, whose ultimate goal was to restore the Ming Dynasty in China.

Toward the end of Dutch rule, the population of Taiwan, including aborigines and immigrants, was approximately 100,000. Immigrants were estimated to number around 20,000. The numerous troops and their dependents that Cheng Ch'eng-kung brought to Taiwan were estimated at about 30,000. It was the first mass immigration to Taiwan from China. Due to the sudden increase in population, there was an urgent need to secure food supplies. To cope with the situation, Cheng forfeited all "King's Fields" owned by Dutch East India Company, and turned them into "Government Lands" owned by the new regime.

In addition, beside allotting lands for official residences and barracks, Cheng allowed families of government officials to obtain lands according to the number of family. These were called "Private Lands" or "Official Lands". The soldiers were allowed to reclaim lands provided they did not intrude upon lands already owned by aborigines and immigrants. These lands were called "Station Fields". As a result of expansion in agricultural land centered in southern Taiwan, the number of large scale "Station Fields" grew to more than 40, and the production of foods increased greatly. The agricultural development by Cheng was worthy of notice because he established a system of private land ownership in Taiwan. In the times following, Cheng and his family expanded their spheres of influence from sea to shore.

Cheng Ch'eng-kung's Death

Within one year after arriving in Taiwan, Cheng Ch'eng-kung died in May 1662, at the age of 38, before he was able to realize his dream of over-throwing Ch'ing. Cheng was recognized as an hero for driving away the Dutch and for developing Taiwan, and was revered as "Lord of Pioneer". During the Ch'ing era, a temple of the "Prince of Yeng-ping Prefecture" was built by the Imperial Command in honor of Cheng and his mother. During the Japanese occupation of Taiwan, Prince of Yeng-ping Prefecture temple was renamed as "Lord of Pioneer Shrine", and Cheng Ch'eng-kung was deified.

Upon Cheng Cheng-kung's death, his son, Cheng Jing, whose power base was in Fukien Province, vied with his uncle in Taiwan for succession. Cheng Jing finally forced the troops of his uncle to surrender and became Taiwan's ruler. He also led several expeditions against the Manchus, trying to fulfill his father's dream of restoring the Ming, but failed. In January 1664, he moved seven thousands troops and their families to Taiwan. It was a general retreat of anti-Ch'ing forces from China.

After moving to Taiwan, Cheng Jing renamed Tong-Du "Tong-ning", and in addition to Penghu Island, he added two garrison commands in the north and south of Taiwan. He also administered family registration system and divided cities into streets and blocks which became an important basis for "Bao-Jia System" (Resident Control System) later. Cheng Jing died prematurely in 1681.

For nineteen years, Cheng Jing concentrated his time and efforts in battling the Manchus, and therefore, had little time left for political affairs at home. All

governmental matters were entrusted to Chen Yung-hua, an state minister since the time of Cheng Ch'eng-kung's reign. Chen, who masterminded the development of Taiwan, not only established the feudal land system, family registry and administrative structure, but also laid the foundation of the Cheng Royalty government. Moreover, he actively engaged the residents in skill training, and promoted foreign trade in order to secure a source of revenue. Being a distinguished minister, Chen Yung-hua's achievements rarely noted due to the fact that he acted mostly behind the scenes. However, in the pursuit of restoring the Ming, his policies were often harsh and oppressive, and the residents suffered greatly.

Development and Harsh Demand

After Cheng Ch'eng-kung moved to Taiwan, Ch'ing for fear of the return of Cheng's troops, evacuated the coastal areas of Chinese mainland. Many of the residents in these areas were deprived of their livelihood and thus were forced to leave for Taiwan. Blockade was also enforced on sea ports where traffic of fishing boats as well as commercial vessels was banned. As a result, smuggling became rampant, and Taiwan became a foothold of smuggling trade with China. The Cheng Royalty regime encouraged residents of coastal provinces to come to Taiwan, setting immigrating in motion that soon resulted in sudden increase of population in Taiwan.

The increase of population was accompanied with progress in the development of Taiwan. Regions including Tamsui, Keelung and part of present day Taipei in the north, and Taoyuan, Hsinchu, Taja, Miaoli, Lukang, Changhua, Beikang, Touliao, Jiayi, Hsinying, Fongshan, Kaohsiung, Henchun etc. on the west side of the Central Mountain Range were

developed one after the other. The total cultivated land increased greatly, hence, production of foods was multiplied. Food supplies were not only self-sufficient, but were enough to support military operations against the Manchu.

In order to fund agricultural and industrial developments as well as gigantic government spending, the Cheng regime taxed residents rigorously. In addition to the headtax, a Dutch invention, the Cheng government also introduced property tax which included pig and chicken pens. Taxing objects were extended to all areas of industry, such as oxen-powered noodle production, sugar cane transport carts, salt fields, and so on. Not only were fishing boats taxed according to their size, a harbour tax and fishcatch tax were also levied. Buddhist and Daoist monks were required to pay "special professional taxes", while matchmakers were also needed to pay tax for payments they received in arranging marriages. Although Cheng regime was financially well off due to huge trade revenue and tax income, expenses were also extremely high. Tormented by heavy taxation, residents gradually grew bitter against the Cheng regime and were soon in deep despair.

Internal Troubles

Ideally, the Cheng Royalty and their followers should have banded together to build foundation for a sound regime. However, in reality their internal troubles were never ending. Following the death of their leader, family members and their supporters were involved in internal power struggle that weakened their unity. When Cheng Ch'eng-kung died, Cheng Jing, who was in Amoi, fought with his younger brother Cheng Shih-si in Taiwan over the right of succession. Cheng Jing had had an affair with his brother's nanny and

even fathered a love child in this relationship. This had angered Cheng Ch'eng-kung and Cheng Jing was deemed not suitable to be a lord. Therefore, upon the death of Cheng Ch'eng-kung, Cheng Shih-si was immediately exalted as the successor. Learning this, Cheng Jing led his troops to Taiwan, and after some struggle, finally reclaimed the role of successor .

When Cheng Jing died in February 1681, a more destructive struggle for succession followed. This time, the dispute between the two sons of Cheng Jing was complicated by two opposition ideals that of a hardline war advocate and those of a faction of practical affairs who stressed developing Taiwan. As a result, Chen Yung-hua, the distinguished minister was purged. Surely, the power struggle was a last-stage symptom of Cheng Royalty rule in Taiwan. It seemed to the Ch'ing Dynasty that the opportunity to destroy Cheng regime had finally come.

When the war between the Cheng Royalty and the Ch'ing Dynasty was at its worst, psychological warfare was pushed to the extreme. Betrayal was encouraged by both sides. The Ch'ing Dynasty opened a "Welcome House" in Fukien, and promised jobs and freedom to soldiers who would rebel against Cheng's camp. Monetary rewards were also given to men who grew pigtailed. This scheme had proven effective as rebels continuously arrived from Cheng's camp. Moreover, this "Welcome House" not only published the names of deserters, but also deliberately included names and positions of Cheng government officials. This induced suspicion inside the Cheng regime and accelerated its downfall.

Chapter 4

The Era of Ch'ing Dynasty

The Ch'ing Occupation of Taiwan

Before the Ch'ing Dynasty had complete control of mainland China, negotiations with the Cheng regime were continued in order to gain time. In October 1681, when the Ch'ing Dynasty had subjugated the whole country, it set out to put an end to the Cheng regime in Taiwan. At this time, Emperor Kang-shi, disregarding unanimous opposition, appointed Shi Lang, a betrayer of the Cheng Royalty, as the Fukien naval commander in charge of assault on Taiwan. Shi Lang, who knew Taiwan inside and out, would distinguish himself in the battle against the Cheng regime.

On July 8, 1683, Shi Lang led 300 vessels and some 20,000 men in the assault and took over Penghu Island after one week. Prisoners were sent back to Taiwan to spread rumours. While Shi Lang's forces were in Penghu Island, the Cheng regime panicked, and the ministers in power, Pang Shek-fan and Lau Kuo-yen

persuaded Cheng Keh-soan to surrender. On July 31, the Cheng regime sent a messenger to Penghu to transmit the message of unconditional surrender. Shi Lang accepted and sent a representative to Taiwan on Sept 5, ordering the Cheng Royalty and all its officials to wear pigtailed symbolizing submission to Manchus. They took away the seals of the Cheng Royalty, and demanded government property list.

On Sept.22, Shi Lang and his troops marched into Taiwan without bloodshed. Being fed up with the harsh policies of the Cheng government, the Taiwanese welcomed Shi Lang and his troops wholeheartedly. Shi Lang announced a three-year tax exemption to win their confidence. On Sept. 27, Cheng Keh-soan surrendered officially. He and all his ministers wore pigtailed to show subjugation to the new master. This ended over three generations and twenty three years of the Cheng rule in Taiwan. A new era of Ch'ing Dynasty had began.

To Retain or To Abandon Taiwan

Although Cheng regime was destroyed, the Ch'ing Dynasty was not very enthusiastic about retaining Taiwan. There were different opinions in the Ch'ing court whether to retain or abandon Taiwan, and those who advocated abandonment had the upperhand; Shi Lang alone insisted upon retaining Taiwan.

Abandonment advocates proclaimed that "Taiwan is nothing but an isolated island on the sea far away from China, it has long since been a hideout of pirates, escaped convicts, deserters and ruffians, therefore, there is nothing to gain from retaining it. On the other hand, the Penghu Islands being an important military strongpoint, needed to be retained and used as front base in eastern China Sea. As for Han immigrants currently living in Taiwan, they should all be shipped

back to their homes in China." Shi Lang strongly opposed this assertion and tendered a petition to Emperor Kang-shi, stating pros and cons of retaining Taiwan. This petition stressed the importance of occupying Taiwan as a part of Chinese territory.

In this petition, Shi Lang said to the Emperor: "Taiwan is a natural shield for the four southeastern provinces of China, namely Jiangsu, Zhejian, Fukien and Canton. It is not only abundant in fertile soil, but also in farm products and natural resources. Even if Taiwan is to be abandoned, the policy of shipping immigrants back home is impracticable, for immigrants would flee to the mountains grouping with aborigines and escaped convicts from the mainland, and attack the coastal regions of China. This will cause trouble in the future. Furthermore, the Dutch may try to occupy Taiwan again, and the safety of Penghu Islands will be jeopardized." Emperor Kang-shi approved Shi Lang's petition, and on May 27, 1684, an imperial order was issued to the effect that Taiwan had officially become a territory of the Ch'ing Dynasty. As a result of the Emperor's decision, Taiwan's destiny had turned toward a different direction.

Restricted Immigration

Although the Manchus had ruled Taiwan for a total of 212 years, the Ch'ing Dynasty regime was passive in developing this oversea domain. The Ch'ing court's basic policy was emphasized on preventing Taiwan from becoming a pirate den or base for any anti-government power. However, in spite of the passive policy, waves of immigrants came from the southern part of Fukien and the eastern part of Canton. Gradually Taiwan developed into a major agricultural land.

Upon deciding to retain Taiwan, the Ch'ing government put Taiwan and the Penghu Islands under the jurisdiction of Fukien Province, and set up the "Military Command Branch for Taiwan and Amoi", renamed Sheng-Tien Prefecture as Taiwan Prefecture, created three counties, namely Taiwan, Fongshan and Churo under Taiwan Prefecture. The Military Command Branch was responsible for both the military and general administration, but its main duty was to administer military power for peace-keeping. In order to prevent government officials and soldiers from revolt, government officials would only serve a three year term, upon completion of which they were transferred back to China, and no family was allowed to accompany while serving in Taiwan. The 10,000 plus army and navy servicemen were also transferred every three years, while no recruiting was permitted in Taiwan. The Ch'ing government was afraid that if the soldiers were stationed in Taiwan too long, they might group with Taiwan's residents and revolt against the government.

Soon after the Cheng regime was subjugated, more than 100,000 immigrants were sent back to China by force, and Taiwan had become a "deserted country" as a result. For those who were left behind, the Ch'ing government proclaimed a new regulation enforcing overall poll registrations. Those who did not have wives or children, business or property, were sent back to their home provinces immediately. And those who had wives and children, business or property, and were willing to remain in Taiwan had to apply through government offices in the home provinces. This application would need approval by the Taiwan-Amoi Military Comman Branch Office. Anyone who had a criminal record, regardless of whether he has family, business or property, were sent back to their home

provinces for trial, and were not permitted to set foot on Taiwan again.

Though passage to Taiwan was permitted it was severely restricted. Three restrictions were announced by the Ch'ing government:

- (1) Those who wish to apply for passage to Taiwan, must obtain an agreement in writing from the local authority of his hometown, and must be examined and approved by the Taiwan-Amoi Military Command and Taiwan Coast Guard offices. Stowaway or smugglers would be severely punished.
- (2) No family is allowed to accompany passengers to Taiwan. For those who are already in Taiwan, it is permitted to send for his family to join them in Taiwan.
- (3) The eastern region of Canton Province is a well-known pirate den, the residents of this region are customarily thieves, and therefore, are not permitted to travel to Taiwan.

Since eastern Canton Province was inhabited mostly by the "Hakka" race, rumour said that the third restriction was deliberately aimed at Hakka people due to Shi Lang's prejudice towards them. Whatever the reason may be, it is a fact that Hakka immigrants were comparatively less than immigrants from the Chuan Zhou and Chang Zhou regions of southern Fukian Province. In the early period of Ch'ing rule, under the pretense of reducing Taiwan population, the Ch'ing government kept the wives and children of the immigrants as "hostages" in their home province, so as to limit the numbers of immigrants for easier public peace-keeping.

Although passage to Taiwan was rigorously restricted, the number of immigrants smuggled to Taiwan increased each day. Taiwan, abundant in fertile land, was literally a new world to the people in southeastern coastal provinces of China, especially the heavily populated Fukien province. In order to successfully smuggle to Taiwan, one had to sneak through the government watch and cross the gigantic waves of Taiwan Strait. The Taiwan Strait had long been feared as the "impregnable pass", especially the dangerous ocean current known as the "Black Current" near the Penghu Islands. It was extremely difficult for smugglers to arrive at Taiwan safely. However, despite the numourous victims, the streams of people heading for Taiwan seemed never ending.

Restricted Development

The Chi'ing government did not only restrict residents of southeastern provinces from coming to Taiwan, but also enforced the "Mountain Sealing Order" on the residents of Taiwan, forbidding the immigrants to enter and cultivate the land in the regions of aborigines. On the surface, the Mountain Sealing Order seemed to protect the aborigines and prevent collision between immigrants and aborigines, but the real purpose was to prevent the rebel immigrants from escaping into the mountains and grouping with the aborigines. Under the Mountain Sealing Order, the Ch'ing government segregated the aborigines from the immigrants, and set up borders between them. This not only enclosed aborigines inside the line, but also prevent immigrants from crossing the border to mingle or intermarry with aborigines. Anyone who violated the order was severely punished, and incompetent officials who failed to discover border-crossing immigrants were demoted or transferred.

Furthermore, in order to prevent the immigrants from manufacturing and concealing weapons, the Ch'ing government forbade the import of iron and iron products. Foundry was also prohibited for a long period of time. The manufacture of agricultural tools had to be approved by the government, and there were only twenty-seven officially approved blacksmiths in the entire Taiwan; required iron materials were brought in from the government appointed suppliers in Chang Zhou, Fukien. In addition, being located in a sub-tropical zone, bamboo forests are widely distributed in Taiwan, and since the government was afraid the residents might use bamboo spears as weapons, transport and export of bamboos were prohibited.

Needless to say, the Mountain Sealing Order, which regulated a series of restrictions and punishments, weakened agricultural productivity and became obstacles in the development on Taiwan. However, as years passed by, these restrictions as well as passage restriction became little more than names, and Taiwan agriculture had had a slow but steady progress. The development during the Cheng Royalty's era was gradually been expanded and turned into a full-phased development.

Agricultural Development and Expansion of Administrative Regions

The bans accompanied with severe punishment proclaimed by the Ch'ing government, were eroded one by one by the corrupted government officials, and as the population increased and agriculture developed, so did the expansion of the administrative regions.

When Taiwan first became a Ch'ing territory, the Ch'ing government inherited almost all organizations and administrative divisions established by the Cheng

Royalty's government in the south. Taiwan Prefecture was divided into Taiwan, Fongshan and Churo counties. Later, as population increased and with development under way, Churo county was further divided into Churo, Changhua and Tamsui counties in 1723. In 1727, Penghu county was set up for military consideration, thus Taiwan Prefecture had a total of six counties. From 1760 onward, since the ban of Hakka immigrants was lifted and passage restriction softened, tides of immigrants flowed to Taiwan endlessly. Agricultural development was expanded crossing the Central Mountain Range, reaching eastern Taiwan. And in 1809, Hamalan county was established in Hamalan (present day Yilan), the north-eastern region of Taiwan.

The Ch'ing government had become positively interested in Taiwan development, ever since the 1874 incident, in which the Japanese sent a military expedition to Taiwan. At that time, the Emperor sent minister Shen Pao-tzeng to Taiwan for an inspection. In his report to the Emperor, Shen Pao-tzeng recommended that passage restriction to Taiwan as well as the Mountain Sealing Order, which had been enforced for 190 years and had then been ignored, should be abolished altogether. In 1875, Taiwan was redivided into two prefectures, twelve counties: under jurisdiction of Taiwan Prefecture were Taiwan, Fongshan, Jiayi, Changhua, Hengchun, Penghu, Pinan (present day Taitung) and Poli, and under the jurisdiction of Taipei Prefecture were Hsinchu, Yilan, Keelung and Tamsui, etc. From the way the new administrative division was set up, one can see that agricultural development of Taiwan had already been extended to entire island.

One Major Rebellion in 5 Years, One Minor Rebellion in 3 Years

The passive attitude toward developing Taiwan by the Ch'ing government was not without reason. During two hundred and twelve years of Ch'ing rule, approximately one hundred major and minor armed uprisings and peace-disturbing incidents had happened. In those days, Malaria and other epidemics were prevalent in Taiwan, and furthermore, Taiwan was a known habitat of venomous snakes. Ch'ing officials were afraid of the ferocious residents in Taiwan, who would launch "one major rebellion every 5 years and one minor rebellion every 3 years", and were hesitant in accepting the assignment to be posted in Taiwan.

Most of large scale armed uprisings and peace disturbing incidents by the immigrants were caused mainly by dissatisfaction toward greedy and corrupted government officials. Generally speaking, none of the Ch'ing government officials sent to Taiwan were of good qualifications, and above all, their salaries were low. In the early years of Ch'ing rule, chief of Taiwan-Amoi Military Command was paid an annual salary of 62 liangs (approx. 1.36 ounce per liang) of silver, chief executive of a prefecture was paid 22-1/2 liangs of silver, and soldiers were paid 2 liangs of silver per month, including clothings, food and living quarter, equivalent to an annually salary of 24 liangs of silver. It was no wonder that corruption and bribery were rampant among the officials.

Although corruption and accepting bribe had been traditional bad habits of Chinese officials, the situation in the case of Ch'ing officials in Taiwan was extremely serious. In order to correct the situation, as of 1743, a reward was paid to encourage honesty, however, corruption and bribery of officials did not decrease, but became even more serious than before. Furthermore, the morale of soldiers was low due to frequent transfers;

many of them began to gamble, indulge in pleasure or work hard to earn pocket money.

Among the armed uprisings and peace-disturbing incidents, the rebellions of Chu Yit-gui (1721), Lin Song-bun (1786) and Dai Tiao-chun (1862) were regarded as the three major rebellions in Taiwan history during the Ch'ing rule. In Chu Yit-gui's case, the rebellion spread to the entire island in seven days. The rebels proclaimed "anti-Ch'ing and restore Ming" as their cause, established "Yung-ho" as new era, but were suppressed after fighting Ch'ing troops for one year. Sixty-five years later, when Lin Song-bun rebelled, the idea of restoring Ming was thinned and indifferent. Lin's aim was to annihilate corrupt government officials. The rebels proclaimed "Sun-tien" as a new era, but their anti-government activities only lasted little more than a year. After Lin Song-ben, the uprisings and incidents that followed were due to economic issues rather than political, and were unable to develop to an island-wide scale. A typical example was Dai Tiao-chung's rebellion, which started in the center part of the island. The anti-government struggle lasted about three years. In most cases, Ch'ing troops stationed in Taiwan were insufficient to suppress the rebellions, and reinforcements had to be called in from the Chinese mainland.

Assimilation of Aborigines

Armed uprisings and peace-disturbing incidents were mostly brought about by the immigrants. However, there were also some riots initiated by the aborigines. These riots broke out mainly because aborigines were dissatisfied with the government and opposed to the invasion of their lands by immigrants. Since the aborigines were divided into many tribal races and lacked a concentrated power, they were unable to

launch a large scale uprising.

Before the Ch'ing government changed its policy on Taiwan, immigrants were nearly all bachelors due to passage restriction. Although marriages between immigrants and aborigine women was prohibited, intermarriages were still practiced. In fact, it contributed to the cause of decrease in aborigine population, because the children from intermarriages were treated as Han immigrants. The Ch'ing government regarded aborigines who lived on flat land as "tamed barbarians" or "flatlanders", distinguishing them from those who lived in the mountains who were called "untamed barbarians" (although they should be correctly called "mountaineer aborigines"). Almost all those who married immigrants were flatland aborigines. There had been a saying which goes: "There are no Tangshan grandmothers but only Tangshan grandfathers in Taiwan." It means that there are only Chinese grandfathers, but no Chinese grandmothers in Taiwan. One can see how popular intermarriage was between aboriginal women and immigrants.

Not long after Taiwan became a Ch'ing territory, assimilation of flatland aborigines was started; school education began in 1695 with the use of "three words lyric" in Han characters, and the Han value system was taught to the flatland aborigines. With the Han assimilation in progress, the aborigines were forced to accept "granting" of Han names. Popular grant names were Pan, Liu, Chen, Lin and Lee, among which Pan was most popular because phonetically it is close to "fan" (Chinese version of aborigine), and inside the Pan character are strokes meaning "paddy field" and "water", which are preferable to flatland aborigine farmers.

"Heaven and Earth Society" and Fight Between Ethnic Groups

Compared to the uprisings of aborigines, the revolts of immigrants were overwhelmingly larger in scale. This had something to do with an organization called the "Heaven and Earth Society" which started after the collapse of the Cheng regime. The "Heaven and Earth Society" was a civilian organization whose purpose was to overthrow the Manchus and to help other helpless immigrants.

The name "Heaven and Earth Society" came from its motto: "Heaven and earth are our parents, all members are our brothers". To join the club, one had to go through ceremonies of "mixing blood" and "drinking blood", and after exchanging blood cups signifying allegiance, one would be accepted as a member. At that time, since all immigrants were single, by joining the brotherhood one not only participated in anti-Ch'ing activities, but also found relief from loneliness.

Although the "Heaven and Earth Society" had a strong political motive in the beginning, gradually the role of politics diminished and the society took on a nature of mutual assistance. As immigrants increased, members of the Society also increased. It was not long before branches of different home regions were organized. During the rebellions of Chu Yit-gui and Lin Song-bun, the mobilizing power of Heaven and Earth Society was behind the scenes making it possible to sweep the whole island in a short period of time. On the other hand, failure of the rebellions was caused by disunity between Fukien and Hakka racial groups.

Although Fukien and Hakka ethnic groups were both Han immigrants, they were further divided into smaller groups according to their origins, such as Chang-zhou and Chuan-zhou groups within Fukien group. Fighting

between different ethnic groups was a traditional behavior often happened in Fukien, however, not only had this tradition been brought into Taiwan, it also became more violent and complicated. Beside conflict between Fukien and Hakka groups, there were also conflicts among Chang-zhou, Chuan-zhou and Hakka groups, and sometimes the aborigines would participate in the conflict making it a four-fold struggle. Aside from this, there were also fighting between different clans. This fighting between ethnic groups resulted in weakening the residents' own strength. To the Ch'ing government, division among residents made it easier to control them. According to the Ch'ing's record, there were "righteous men" who collaborated with the Ch'ing government in suppressing the "rebels".

Anti-Ch'ing uprisings, peace-disturbing incidents, and the residents' fight between different ethnic groups gradually subsided as the Ch'ing government positively engaged in Taiwan development. In view of the imperialist powers' ambition on Taiwan, the Ch'ing government finally realized the value of Taiwan, and the residents, being conscious of new enemies, was awoken with racial consciousness. This was a change of phenomenon occurred when merchantilism gave way to imperialism.

Since the Dutch era, Taiwan's agriculture had been based on producing foodstuffs and cane sugar. During the Cheng Royalty rule, it was the same. When the population of the island was small, "sugar as major, rice as minor" product was the trend, but as the population increased and in the event of natural disasters when the need for food increased, the trend turned to "rice as major, sugar as minor" product. As a result, the problem of "rice and sugar clash" often occurred. It was a subject which tagged along Taiwan agriculture from

the Ch'ing Dynasty to Japanese era.

Rice crops were harvested two or three times a year in Taiwan, so there was usually enough for self-consumption with surpluses. During the Ch'ing era, Taiwan was called Fukien's "grain stock" for supporting food shortages in China. While supplying China with rice, Taiwan still had to depend upon import of daily commodities from China. Even if Taiwan wanted to produce daily commodities for its own consumption, it could not compete with the imported goods, due to the sale of cheap Chinese products. Under normal circumstances, Chinese merchandise were shipped to Taiwan, and in return, Taiwan speciality products, rice, sugar, camphor, etc. were shipped to China. Thus, Taiwan had economically become China's "domestic colony".

Having been in the "domestic colony" for a long time, importers and exporters in Taiwan developed a unique trade organization called a "guild". In the 1720's, there were "north guild" and "south guild" merchants who traded in northern and southern China respectively, bordering at Amoi. There was also "harbor guild" merchants who specialized in trading between harbors. Later, each harbor in Taiwan formed its own "guild", and aside from the regional guilds, divisions according to commodity were also developed such as "rice guild", "sugar guild", etc. These guilds, which were similar to presentday trade organizations, enjoyed monopolized business approved by the government. They would later become the capitalists of Taiwan commerce. In exchange for special privileges, almost all the "guild" merchants collaborated with the government in recruiting "militias" or donating military expenses during residents' uprising. They were virtually political merchants. Later, when Taiwan harbors were opened to

foreigners, "guild" merchants who had long controlled the businesses in Taiwan became partners of foreign capitalists or acted as their agents.

Open Harbor

During the period of Opium War, in September of 1841 the British fleet started to appear offshore of Taiwan, and tried to occupy Keelung harbor in the north and Goh-cheh harbor of central west coast, but failed. This was the first aggressive move on Taiwan by imperialist powers. In July 1854, Admiral Perry, who had just signed a goodwill treaty with Japan, led an American Far East Fleet to Taiwan and anchored at Keelung harbour for ten days. During the period, with searching for missing sailors as an excuse the Americans landed at Keelung and surveyed the coal mine. Upon return to America, Perry presented a report pointing out Taiwan was suitable for a Far East trade station, sharing similarities to Florida and the Yucatan. Therefore, he insisted on occupying Taiwan. Though his desire of occupying Taiwan did not materialize, Perry's report had been noticed by the European powers, and rapidly aroused their interest in Taiwan.

In October, 1856, the "Arrow" incident which occurred in Canton induced a Second Opium War, and as a result, four Tientsin treaties were concluded during June, 1858. Based on the Tientsin treaties, Tamsui (1862), Keelung (1863), Anping and Takao (presentday Kaohsiung, 1864) were opened to the West one after another, and western missionaries were allowed to propagate Christianity in Taiwan.

Immediately after harbours were opened, merchants from western countries began to enter the harbours for commercial activities, and missionaries arrived in Taiwan one after another. Since the trouble caused by

British merchants collecting camphor occurred in 1868, the Ch'ing authorities, under the threat of guns, had no choice but to comply with the demands of the British.

The summaries of treaties signed at that time were: (1) Abolish government monopoly of camphor business, permit foreigners and their employees to freely buy and sell camphor products; (2) Permit foreign merchants to travel freely in Taiwan; (3) Indemnify for the losses of churches, forbid the residents to slander Christianity; (4) Missionaries are given the right to live in Taiwan and propagate Christianity; (5) Complications between the natives and foreigners should be jointly judged by Ch'ing authorities and British consul, etc. etc. Although this was a treaty with Britain, it also applied to other major powers. By the same token, all unequal treaties concluded between the Ch'ing and various countries also applied to Taiwan. Since then, Taiwan's economy was linked with the world's economy: tea and camphor were exported from Tamsui and Keelung in the north, sugar was exported from Anping and Takao (Kaohsiung) in the south; and opium and general merchandise were the major imported items. .

During the Dutch era, there had been propagation of Christianity in southern Taiwan, and in the north, there were also activities of Catholicism introduced by the Spanish, but all the western religious activities became extinct when the Dutch were replaced by the Cheng Royalty. After the Opium War, the Santa Dominico Church sent a priest to Taiwan in 1859, and resumed propagation of Catholicism two years later. After the harbours were opened, the British Presbyterian Church began Christianity propagation in 1865, and in 1872 the Canadian Presbyterian Church started its activity. The propagation activities of Catholicism and Christianity, which resumed in the

latter half of the nineteenth century, continued for one century. Although the number of believers is not comparable to Buddhism and Daoism from China, but the western religion has brought multiple phase to the culture and has been very influential in Taiwan society.

Japanese Military Expedition to Taiwan

Since the Meiji Restoration, Japan had many troubles in dealing with the matter of Ryukyu, and developed a profound interest in Taiwan. It happened that in 1871, sixty-six Miyakojima residents of Ryukyu had drifted to southern Taiwan, of whom fifty-four had been killed by aborigines of the Botan tribe. The remaining twelve somehow escaped unharmed and returned home. This was so-called "Botan Incident".

The Japanese government used this incident as an excuse, trying to win the recognition of Japan's territorial right on Ryukyu, and at the same time extending its power on Taiwan. The next year (1872), the Japanese government set up a consulate in Fuchow, sent a consul to spy on Taiwan's situation, and secretly dispatched army major Kabayama Sukenori and a Japanese student Mizuno Jun, to Taiwan for onsite investigation. At the same time, Japan also hired ex-American consul of Amoi, C.W. LeGendre, who was well-acquainted with Taiwan affairs as an adviser of the Foreign Affairs Department, paying him an annual salary of 12,000 yen. These moves were part of the preparation for a military venture to Taiwan. Japan had even promised to appoint LeGendre as the governor of Taiwan in the future.

While he was in office as consul of Amoi in 1867, LeGendre signed a treaty with aborigine chief Tokidok for helping shipwreck drifters. There had been many American and foreign shipwrecks at offshore of

southern Taiwan, and often drifters were killed by the aborigines. The Ch'ing government had previously declined responsibility with an excuse that aborigines were "barbarians" and their habitat was a "barbaric region". Therefore, with approval from American government, LeGendre directly concluded the treaty with Tokidok. It was as if there existed two governments in Taiwan.

While preparing for the invasion of Taiwan, Japanese foreign minister Soejima Taneomi went to Peking to exchange the approvals of "Provisions for Sino-Japanese Reconciliation", and negotiated for the settlement of the Botan Incident. The Ch'ing government rejected taking responsibility for the Botan Incident, reasoning that Taiwan residents were "barbarians", and that territory was a "barbaric region". The attitude of the Ch'ing government was not different from what LeGendre experienced when he signed the treaty with Tokidok.

With this response from the Ch'ing, Japan appointed lieutenant general Saigo Tsugumichi as chief of Taiwan Barbarian Territory Affairs, and Okuma Shigenobu as bureau chief. With LeGendre as the bureau's second class official, these three constituted the key personnel for the military venture on Taiwan. Japanese troops led by Saigo, departed from Nagasaki on May 17 of the same year and landed near Hengchun in southern Taiwan on May 22. Although troubled by endemics and aborigines' guerrilla-style resistance, Japanese troops successfully occupied the "barbaric territory" by June.

During the period when Saigo and his troops were in southern Taiwan, the Japanese government dispatched Okubo Toshimichi as an ambassador plenipotentiary, accompanied by LeGendre to the Ch'ing government,

and after repeated negotiations signed the "Peking Treaty". In this treaty the Ch'ing agreed to pay an indemnity, 500,000 liangs of silver to Japan, and Japan agreed to withdraw troops from Taiwan. Although there was no clear provision as to who owned Ryukyu, the Ch'ing government admitted Japan's act of sending troops to Taiwan was a "noble deed" to protect its nationals, and furthermore, agreed to pay victims' family comfort money amounting to 100,000 liangs in silver. Even though the object of occupying Taiwan was achieved, Japan had indirectly obtained the Ch'ing government's recognition that Ryukyu belonged to Japan.

From Passive to Positive

Japan's military venture to Taiwan served as a warning signal to the Ch'ing court who had taken a passive attitude for developing Taiwan in the past. On May 27, 1874, after Japanese troops arrived in Taiwan, the Ch'ing court swiftly appointed Shen Bao-tseng as "Inspector-General and concurrently Minister for Taiwan Coastal Defense", and dispatched him to Taiwan. Accompanied by warships and troops, Shen Bao-tseng arrived at Taiwan on June 17 of that year, and he strengthened the defense of Taiwan remarkably. However, Shen's duty was not to fight the Japanese, but to reform Taiwan's administrative system and positively plan for the development of Taiwan.

Shen's positive policies included: (1) Pacify the aborigines and abolish the Mountain Sealing Order; (2) Completely remove passage restriction; (3) Adjust administrative divisions and expand the scopes of prefectures and counties; (4) Fukien governor who concurrently governed Taiwan must be stationed in Taiwan; (5) Adjust the military systems; (6) Coal mining, etc.

Shen's reform was a great turning point for Taiwan's development. There was paved road in eastern Taiwan for the first time, and in the south an east-west crossing road was built. Immigrants were encouraged to cultivate the waste lands; border lines were redrawn to reduce the habitat of aborigines in the mountain region; and the habitat of immigrants was expanded to facilitate accelerated development. Foreign engineers were hired for the coal mine near Keelung, and new methods of mining were introduced. In Taipei and Tainan, letter transmit bureaus (equivalent to today's post office) were established to speed up traffic of government documents. Morals of civil and military officials were positively promoted. Although stationing the Fukien governor in Taiwan was not realized, the governor did spend a half year each in Taiwan and Fukien.

Less than a year after Shen Bao-tseng arrived at his post, he was promoted to governor for both Chiang-shi and Chiang-su provinces and concurrently the Minister of Commerce, and thus had to leave Taiwan. His reform plan was not completed, but was carried on by his successor, Ding Jit-chang, the governor of Fukien province. Same as Shen Bao-tseng, Ding was also a promoter of "westernization movement" which was a reform movement before the collapse of the Ch'ing Dynasty. Ding's term of office was also very short, his main achievement in office was laying 95 kilometers of communication cables between Tainan and Kaohsiung as well as between Tainan and An-ping only.

The Reform of Lau Ming-tuan

After Opium War, western powers continuously watched for an opportunity to grab territories possessed by the panic-stricken Ch'ing Dynasty. Following Japan's military venture, France directly assaulted Taiwan with force. France started the war with the

Ch'ing for a dispute on Vietnam, and in April of 1884, dispatched a French fleet into Keelung harbour. Beside surveying the harbour, the fleet purchased coal supplies compulsively. In August of the same year, French troops landed at Keelung again and destroyed the battery; they also performed a threatening parade in the city before withdrawal. After that, they came back again in September to attack Keelung and Tamsui, and between November and February of next year (1885) repeatedly attacked the vicinity of Keelung. French forces did occupy part of northern Taiwan at one point, but had never been able to occupy it completely, so they turned their target on Penghu Island where the defense was weaker, and succeeded in occupying Penghu in March, 1885.

In mid-April, a cease-fire agreement was concluded between the Ch'ing and France, with precondition that the Ch'ing recognizes Vietnam as France's protected territory. French forces called off the blockade on sea and withdrew from Penghu Island. France's military operation on Taiwan had made the Ch'ing government realize the importance of Taiwan, and in order to accelerate the policies of positive Taiwan development, dispatched a "westernization" reformist, Lau Ming-tuan, to Taiwan. In the midst of Sino-Franco war, the Ch'ing government appointed this ex-army commander, who reported directly to the Emperor, as the governor of Taiwan responsible for administration and military operations. In July of 1884, Lau Ming-tuan arrived in Taiwan, and in view of the situation that northern Taiwan was under attack by French forces, he stationed himself in Taipei. There was a world of difference between Lau's positive action and other Ch'ing officials' passive attitude in dealing with problems.

When Lau Ming-tuan assumed the office of the Fukien

governor in control of both Fukien and Taiwan, he suggested to the Ch'ing court that Taiwan be separated from Fukien and his suggestion was accepted. In October, 1885, Taiwan became an independent "province", and Lau was appointed the first governor of Taiwan. Upon establishment of the Taiwan Province, the administrative divisions were immediately revised. Under Taiwan province were: Taitung County, directly controlled by provincial office; Taipei Prefecture, which controlled Tamsui, Hsinchu, Yilan, Keelung and Nanya counties; Taiwan Prefecture, which controlled Changhua, Yunlin and Miaoli and Polisha counties; and Tainan Prefecture, which controlled Anping, Fengshan, Hengchun and Penghu counties, etc. There were a total of three prefectures, eleven fourteen counties and one directly-controlled county. The administrative districts revised at this time had become the basis for eras under the Japanese and the KMT regime in later years.

Lau Ming-tuan established over thirty organizations which were directly controlled by the Taiwan provincial government. He also readjusted the organizations that already existed. These included the Taxation Bureau, Salt Monopoly Bureau, Coal Mining Bureau, Shipping Bureau, Land Development Bureau, and Medical Bureau, etc. Lau's reforms were based on the principle of self-support by the residents, and was a kind of "resourcing from the spot" principle. While establishing new enterprises, he also put the taxing system in order and developed new tax sources. In other words, under his own calculation, Lau Ming-tuan had taken positive goals for Taiwan's development. Taiwan's finance in those day depended mainly on land taxes, and Lau had decisively taken unprecedented measures of tax reform, and reported to the Emperor that "within three to five years, the finance of Taiwan will become self-sufficient".

Tax Reform

In April, 1886, LauMing-tuan established Tax Reform Bureau in Taipei, completed investigation on resident population within three months, and started to organize "Bao-jia" system which concurrently had public peace-keeping purpose. Bao-jia system used "jia" as a unit in managing residents under a get-involved system; ten households are grouped in one "jia", ten jias in one "bao", with one chief in each "jia" and "bao" respectedly. After completing the investigation on population, Lau started the investigation on the lands, made certain land and field ownerships, exposing the tax-evading "invisible fields" and identifying their owners. As a result, tax revenues had abruptly increased from 500,000 to 675,000 liangs of silver.

Although the tax reform work was not done thoroughly enough, but the investigations on Taiwan population and lands as well as making clear of complicated land ownerships, had not only become the basis of population and land investigations later in the era of Japanese rule, but was also instrumental in Taiwan's transformation to capitalism. In those days, the situation of land ownership in Taiwan was that tenant farmers work for "small landlords" who in turn work for "great landlords". It was a so-called double ownership structure. The great landlords collect 10% of harvest crops, while small landlords collect 50% to 60% of crops as rental, leaving 30% to 40% of crops to tenant farmers, while great landlords and small landlords bear an equal share of land taxes. One of the objects of tax reform was to try to abolish the great landlords, but it had been resisted by influential politicians, businessmen and men of the district, and as a result, great landlord gave up 40% of their previous collection to small landlord, making small landlord responsible for paying land taxes, thus the problem was solved with so-called

"reduce 40%, retain 60%" compromise.

On railroad construction, originally it was planned to build a railroad from Keelung through Tainan, but due to lack of capital and the departure of Lau Ming-tuan from his post, only about 32 kilometers were constructed between Keelung to Taipei. Later in February of 1893, another section of approximately 67 kilometres was completed extending up to Hsinchu. So far, the narrow railroads constructed during Ch'ing era totalled 100 kilometres from Keelung to Hsinchu.

Partly because of the domestic political struggle in China, Lau Ming-tuan resigned from his office using sickness as an excuse, and left Taiwan in disappointment. Shaw You-lien, who succeeded as the Taiwan governor, was different from Lau; he was very passive about developing Taiwan, and discontinued the unfinished reforms of Lau. While he was in office, Shaw moved the capital from Tainan to Taipei in April of 1894, and the centre of Taiwan politics was subsequently shifted from south to north. Later in December 1894, Shaw You-lien was removed from his post, replaced by Tang Ching-sun as Taiwan's governor. This was in the midst of the Sino-Japanese War.

Chapter 5

The Republic of Taiwan

Japanese Ambition

Before sending military expedition to Taiwan in 1874, Japan hired ex-American consul C.W. LeGendre as Foreign Affair advisor. LeGendre participated in the invasion planning, and at the same time, recommended to the Japanese government: " Unless Japan take possession of the series of islands from Karafuto (Sakhalin) Island in the north to Taiwan in the south, encircling China mainland in a crescent shape, and maintain foothold points in both Korea and Manchu, otherwise it is inadequate to ensure the safety of Empire and control East Asia." His suggestion stimulated the Japanese government tremendously, and as a result, sowed the seed of Japan's ambition in invading Taiwan. Almost all of Japan's China Mainland policies in the latter years were based on this recommendation.

Rivaling for control of Korea, China and Japan went to war on Aug. 1, 1894. By the year end, with victory in

sight, Kowashi Inoue, ex-advisor to the Emperor, presented to Prime Minister Hirobumi Ito, a letter in Chinese, commenting:

"Everyone knows that we must fight for the sovereignty of Korea, but nobody knows that Taiwan is even more worth fighting for.....Korea is unable to be independent after all..... to become its protector may win an honorable name of chivalry, but there is hardly any real profit, while in the case of Taiwan, there is. With Taiwan in Japan's possession, we can not only control the navigation rights of Yellow Sea, Korea Strait as well as Japan Sea, but also able to open and shut the door of Far East region. Moreover, linking with Ryukyu and Yaejima Islands, we can check on the coming and going foreign vessels with stretch of one hand. If this big island falls into other hands, it would disturb the peace of our Okinawa islands, and therefore, make a world of difference in pros and cons to the contrary..... If we lost this opportunity, Taiwan would surely fall into the possession of some big country, or become neutral and no longer a place to contend".

Inoue explained the importance of owning Taiwan, and pointed out that it is now or never. At this time, Junkuro Nakamura, a subordinate of Supreme Command, and concurrently a naval professor, also presented the "Recommendation Related to Taiwan Occupation" to Motonori Kabayama, then naval commander in chief, stoutly insisted that: "Taiwan is the throat of South China Sea, we must take it and include in Japan's territory."

The Supreme Command accepted the opinions of Inoue

and Nakamura, and in January, 1895, decided to occupy Penghu islands. On March 26, while the Sino-Japanese peace negotiation was still in progress at Shimonoseki, Japan dispatched Hishijima Branch Unit to Penghu Island and occupied it. In order to block up the Ch'ing government's reinforcement to Taiwan, occupying Penghu Island was not only necessary but also an effective strategy. The occupation gave a great shock to the government and residents in Taiwan, who became worried about Japan's plan of occupying Taiwan. Although a cease-fire agreement was signed on March 30 between Japan and the Ch'ing governments, because Taiwan and Penghu islands were excluded from the cease-fire zone, uneasy emotion of the Taiwanese increased even more, while the rumour about secession of Taiwan and Penghu islands became more realistic. During the peace talk, the Ch'ing government tried very hard to hide the circumstances relating the secession of Liaotung Peninsula and Taiwan, however, the government and residents in Taiwan got the news from foreign business firms, and were aware of the outline of the peace conference.

In October of 1894, when the Sino-Japanese War first began, the British government had already noticed Japan's territorial ambition toward Taiwan, and urged London Times to report it so as to attract worldwide attention. France was also strongly opposed to Japan's occupation of Taiwan, and indicated they would opt to use of force to stop it. Encouraged by these actions, Tze-tung Chang, Ch'ing's concurrent governor of Chiangshi and Chiangsu, tried to borrow several tens of million liangs (silver) from Britain using Taiwan as security, but was refused. In the same period, a French fleet arrived at Penghu Island, broke the news that Japanese forces will soon attack the island, and the French government also suggested to the Ch'ing

government to temporarily secede Taiwan to France, and return after the war. However, this suggestion was strongly opposed by Yung-fu Liu, who was famous for his brave act in defending Taiwan during the Sino-Franco War, and had not been brought to realization. Penghu Island was occupied by Japanese troops soon after.

Taiwan Democratic Republic

On April 17, 1895, the Sino-Japanese Peace Treaty was signed. Concerning an incident as big as such, the Ch'ing government failed to inform the government and residents in Taiwan from the beginning to the end. It was Tze-tung Chang, the teacher of Taiwan Governor, Ching-sun Tang, who told him the content of Shimonoseki Treaty regarding secession of Taiwan and Penghu islands. The next day after the signing of the treaty, Fong-jia Chiu, a noted Taiwan "clever man", visited Ching-sun Tang, told him that Taiwan residents were opposed to secession, and intended to fight to the last. On April 19, the Ch'ing government office, which was responsible for foreign affairs, officially notified the secession of Taiwan and Penghu islands. In the notification, it was written: "Secession of Taiwan is inevitable. Although Taiwan is important, but is less important if compared with the nation's capital. Taiwan is also an isolated island on the sea, impossible to defend..., etc.". Taiwan residents fell into deep despair and indignation.

After the signing of Shimonoseki Treaty, the French government was once prepared to send troops to Taiwan to prevent the Japanese from occupying Taiwan, but stopped short because a disturbance occurred in their own colony, Madagascar Island. On May 11, the French minister stationed at Peking advised

the Ch'ing Foreign Department about this, but Taiwan residents kept on expecting help from France. Fong-jia Chiu went to see Ching-sun Tang, did his best to urge him to stay in Taiwan. After their meeting, Chiu issued the following statement showing the intention of Taiwan independence:

"Taiwan has already been abandoned by the Ch'ing court, the people of Taiwan have no one to depend on, but only to defend themselves to the last."

On May 19, although being one step late, but a French battleship arrived at Taiwan, and Chi-tung Chen, ex-minister of the Ch'ing legation in Paris, visited the French captain and talked about concluding a treaty for Taiwan to acquire French protection upon independence, or the possibility of intervention by French force to stop the secession of Taiwan. Later, the French captain also returned a visit to Ching-sun Tang. At that time, Taiwan elites and residents, who advocated fighting to the last, were so eager that they could care less about what kind of help they get, their minds were already made for Taiwan independence. With preparation of Taiwan independence swiftly under way, a "Declaration of the Independence of Taiwan Democratic Republic" was proclaimed on May 23, 1895. On May 24, the Declaration was translated into several foreign languages and distributed to various consulates stationed in Taiwan, and on the 25th, an Independence Ceremony was held. It was written courageously in the Declaration of Independence: "The Japanese have been high-handed, trying to annex our Taiwan now that the Japanese are coming, the situation is extremely urgent. If we surrender to the enemy, our homeland shall fall into the barbarian hands We have already conferred with various countries,

and upon our independence we shall certainly gain their support. All residents devoted to Taiwan do not wish to give up and serve the enemy, and would rather die in battle, a decision is made unanimously to become an independent Democratic Republic....." Ching-sun Tang was recommended as the president of Taiwan Democratic Republic, at the same time, "Yellow Tiger Flag" (a yellow tiger with blue background) was chosen as national flag, a seal of state with inscription of "Seal of Democratic Republic" was made, and "Forever Ch'ing" was decided as the name of the new era. Thus, the first republic in Asia was born, however, with failure to obtain recognition from other countries, and under attack by the Japanese troops, it vanished soon into the air.

The key personnel of the Democratic Republic were: Ching-sun Tang, President; Fong-jia Chiu, Vice-president and concurrently Chief of Volunteer Army; Ming-tseng Yu, Minister of Interior; Chi-tung Chang, Minister of Foreign Affairs; Bing-rei Li, Minister of National Defence; and General Yung-fu Liu, chief of Southern Taiwan Defending Force, etc. Wei-yuan Lin, the wealthiest man in Taiwan, was recommended for the president of National Assembly, but he insisted on declining it; after donating one million liangs of silver to the Democratic Republic, he secretly sneaked away to Amoi on the next day of the Independence ceremony. Although Ching-sun Tang took office as the president of the Democratic Republic, just like all other civilian and military officials from China, his heart was already absent from Taiwan. The truth was that being forced to assume the office, Ching-sun Tang was prepared to escape any time from the beginning.

The forming of Taiwan Democratic Republic, which

was done in a rush, had been mocked as an impatient and thoughtless act, however, the idea of having Taiwan independence was not a bad one, considering the situation at that time, it was actually the best choice available. The problem lied in the fact that Taiwan was overly dependent on the French aid, but if one considers the circumstances in which America became independent with French supports, he can hardly criticize that for Taiwan independence, "self-reliance is better than expecting help from others". The secession of Liao-tung Peninsula, which was included in the Sino-Japanese Peace Treaty, was not realized due to interventions by Russia, Germany and France. This development, which made the European powers lost interest in Japan's annexation of Taiwan, greatly influenced the existence of Taiwan Democratic Republic. The wrong choice of leaders was an even more serious mistake. The Ch'ing bureaucrats were all greedy, selfish and dishonest, Ching-sun Tang was no exception. He utilized his position as the governor, immediately after the Shimonoseki Peace Treaty was concluded, remitted 400,000 liangs of public funds to Shanghai, getting ready for escape long before hand. Soon after the Japanese troops landed on Taiwan, Ching-sun Tang left Taipei on June 4, 1895 with pretext to inspect the front line, protected by his trusted guards, boarded on a German steamship and fled to Amoi on June 6. It was only two weeks from the celebration of the Democratic Republic's independence. As to Bing-rei Li, the National Defense Minister, he ran even faster than Tang. But, after the runaways were gone, the anti-Japanese activities of the remaining devoted "Taiwanese" had officially began.

Japanese Troops' Occupation of Taiwan

After signing the Sino-Japanese Peace Treaty, the Japanese government, concerned with the unrest

condition of the Taiwanese people, and in fear of intervention from foreign country, was in a hurry to take over Taiwan. On May 10, 1895, Motonori Kabayama, who had been to Taiwan for investigation and who had now been promoted to admiral, was appointed as governor of Taiwan; and Jun Mizuno as deputy chief of Civil Administration Bureau. An organized party headed by Governor Kabayama embarked for Taiwan on May 24, joined on May 27 with the Konoe Division led by Prince Yoshihisa Kitashirakawa, and started to land on Taiwan on May 29. The hand over was not done at Taipei as previously arranged, but was done on the sea off Cape San Diego on June 2. Because Ching-fan Li (son of Hong-chang Li), the Ch'ing ambassador plenipotentiary, strongly requested it, in fear of attack by the angry Taiwanese residents, deemed it impossible to proceed the hand over peacefully under the situation. In this way, under the international law, Taiwan's jurisdictional right was turned over to Japan.

The occupation of Japanese troops started from landing at Audeh, north of Cape San Diego. The military power of Taiwan Democratic Republic at that time, including the regular armies of Hsiang Brave (Hu-nang soldiers) and Guang Brave (Guang-dong soldiers) who were stationed in Taiwan, plus the volunteers soldiers (militias) recruited in Taiwan, were estimated to be approximately 50,000 to 100,000. But, though they were regular armies, their morale was low, and they were badly disciplined. On the other hand, the morale and discipline of the volunteers were better. The Japanese troops, whose destination was the capital Taipei, avoided Tamsui and Keelung, which were under defense by the regular armies, and landed from Audee, because they did not know the facts about Hsiang and Guang Braves. After landing, the Japanese troops passed

the San Diego Cliff, which was known as a natural stronghold, and with support of bombardment from the battleships outside Keelung harbour, occupied Keelung on June 6. On the same date, Ching-sun Tang, the president of Taiwan Democratic Republic escaped to Amoi, and the Japanese governor Kabayama also landed from Keelung.

The Japanese troops' occupation of Keelung shocked the city of Taipei. Hsiang Braves and Guang Branves who were retreating from Keelung plundered and committed outrages on the way. Within the city of Taipei, the situation was similar; the defeated troops suddenly rushed in, plundering and setting fire everywhere. Around this time, Heng-Eng Ko, a man from Lukang, entrusted by elite businessmen and foreigners, went to Keelung to request the Japanese army to enter Taipei city as soon as possible, and served as the guide himself. Furthermore, on June 7, when the Japanese advance party arrived at Taipei, a city woman by the name of Fah Chen lowered down a ladder from the wall, and helped the Japanese troops enter the city without shedding any blood. With Taipei under control, the Japanese troops moved immediately to Tamsui for suppression, and occupied it on June 9. So far, the important footholds in northern Taiwan, namely Taipei, Keelung and Tamsui had all been controlled by the Japanese troops. And on June 17, Governor Kabayama presided over a ceremony announcing the commencement of his administration at the ex-Ch'ing governor's office. Since then, until the year Japan gave up Taiwan, similar ceremony was held celebrating "anniversary of administration commencement" on that date. The ex-Ch'ing governor's office at that time, was also where the ceremony of the Independence of Taiwan Democratic Republic took place. During the Japanese era, it was

rebuilt as Tapei Public Hall, and later after Japan was defeated in World War II, it was where the ceremony of Japanese surrendering to the Kuomintang regime of the Republic of China (R.O.C.) took place, and was renamed as "Chungshan Memorial Hall" and being used till present. Having witnessed various changes in Taiwan from the beginning to the end, this building is surely a "silent witness" of the history.

Collapse of Taiwan Democratic Republic

Contrary to the Japanese army's expectation, suppression of the north was easily achieved. If everything goes as it is, it does not seem to take much time to pacify the entire areas of Taiwan. But, this was a wrongful thinking. When the Japanese troops pushed southward as of June 19, 1895, they met strong resistances from the residents and were forced into desperate battles, as a result, an additional 7th Mixed Brigade was dispatched. And, Lieutenant General Tomonosuke Takajima was sent to Taiwan to be the deputy governor, and concurrently the commander of the southern operation. Furthermore on October 11, the Second Division led by Maresuke Nogi was added to the operation. So far, the total military forces Japan put in for suppressing Taiwan included: two and half army divisions approximately 50,000 men, civilian personnel approximately 26,000 men, horses approximately 9,500 heads, equivalent to one third of Japanese Army forces had been mobilized; and the navy also mobilized more than half of its combined fleet. Even the Great Ch'ing Empire had to submit to the new Japanese Empire, and how could Taiwan, an isolated island on the sea, confront with Japan single-handedly and win. Nevertheless, the Taiwanese people pathetically but fiercely resisted.

The population at the time when Taiwan was seceded

by the Ch'ing was estimated to be: the aborigines 450,000, the immigrants 2,550,000, a total of approximately 3,000,000. Most of the immigrants lived in the middle and southern parts of Taiwan. Although the new developed area of the north, centered in Taipei, after reforms by Bao-tseng Shen and Ming-chuan Liu, became the political center, but not for too long and the number of residents were relatively small. Because the northern part had already been controlled by the Japanese troops, and the leaders of the Taiwan Democratic Republic and the regular Ch'ing armies had also fled one after another, therefore, the Japanese troops should have no problem suppressing the middle and southern parts of Taiwan, but on the contrary, they had fallen into desperate battles. This was because the great majority of the immigrants had already regarded Taiwan as the tomb place of their ancestors, their determination to live and die here was firm and strong, therefore, their resistance was also stubborn. About the heroic resistance, it was recorded by the Japanese that: each and everyone of the Taiwanese residents was like a courageous soldier, willing to risk his life, and even the women had joined the fighting. It took as long as five months for the Japanese troops to suppress the whole island, for they had encountered such a pathetic and desperate resistance. However, because the Taiwanese residents were so poorly equipped, fighting with bamboo spears and old firearms against the Japanese army equipped with modern weapons, they were doomed to lose the battle. The total number of the Taiwanese residents who were sacrificed in the resistance, including died in action and massacred were estimated to be 14,000. As to the wounded, though not clear, it was generally believed to be higher than the number of the dead. Compared to this, the Japanese troops died in action was only 278, and the number of wounded was only 653. The ratio of Japanese troops'

casualties against that of the Taiwanese residents was 1 to 50, therefore, the battle of resistance was suicidal.

Some of the things worth emphasizing in the resistance of the Taiwanese residents are, according to the Japanese records, the participation of women in the fighting and the Taiwanese guerrilla war tactics. In addition, the fact that about 700 aborigine warriors from Taitung, who fought together with the immigrants in the west, was also worth to be noted. Aborigines and the immigrants had often been antagonistic since a long time, their participation in the battle was very unusual. Moreover, through such hopeless resistance, not only immigrant consciousness had been faded, there was an awakening of unity between the ethnic groups of Hakka, Fukien, Chang-zhou and Chuan-zhou, who used to fight with each other all the time, thus a "Taiwanese" consciousness grew among them, made them feel there is hope in the future.

After the leaders such as President Ching-sun Tang, Vice President and concurrently Militia Commander Fong-jia Chiu, fled the country one after the other, the foundation of the Taiwan Democratic Republic was ready to collapse, but the issuance of paper money and postal stamps were continued for raising funds. The "Taiwan Democratic Republic Stamps" issued at that time are highly valued among the stamp collectors today. Towards the end of June, 1895, the great general, Yung-fu Liu was recommended as the president in Tainan, but Liu firmly declined, and the re-organized National Assembly was also nihilistic. Because the tide of war was unfavourable and the soldiers under his command fled one after another, Yung-fu Liu proposed a peace talk to Commander Takajima of the Southward Advance Unit on October 10, but was refused. Being

afraid what had happened in Taipei might repeat in Tainan, the local and foreign businessmen in Tainan persuaded Liu to leave. On October 19, Yung-fu Liu boarded on an English steamship from Anping and fled to Amoi. After Yung-fu Liu was gone, the Taiwan residents lost the central leadership, and the Taiwan Democratic Republic officially collapsed. Since its founding on May 25, 1895, the Taiwan Democratic Republic, which only survived for 148 days, born during exciting national upheaval and disappeared after heroic but pathetic battles, was recorded in a chapter of Taiwan history, which nobody can read with dry eyes.

Although the Taiwan Democratic Republic had already collapsed, but the resistance of the Taiwanese people kept on. After the fleeing of Yung-fu Liu, the local and foreign businessmen who were afraid chaos in Tainan, recommended Thomas Barclay, an English missionary, as the messenger to show the Japanese troops into the city. Finally on October 21, the Japanese troops were able to enter the city without shedding any blood, and with scattering resistances still going on in various places, the Konoe Division started to withdraw to Japan on November 12. Governor Kabayama reported to the Supreme Command that the whole island of Taiwan had already been "suppressed".

Chapter 6

Japanese Occupation

Obstinate Bandit

The Japanese rule of Taiwan began from oppressing armed resistance of the Taiwanese. During their terms, Motonori Kabayama, Taro Katsura and Maresuke Nogi, the first three governors, had been busy day and night fighting against the heroes of Taiwan Republic whom were later called the "bandits". As Japanese rule gradually intruded into Taiwan, the residents' resistance began intensified, and was extremely difficult to oppress.

In 1895, although Governor Kabayama reported to the Supreme Command that " the whole island of Taiwan has been suppressed", but ironically from that time on, guerrilla activities had begun active in various places of the island. In December of 1896, a revolt of the "bandits", broke out in the northeastern part of Taiwan, laid siege to Yilan and attacked the Japanese troops. In this revolt, the number of Taiwanese killed

by the Japanese troops amounted to 2,800. As of December, 1895 to January, 1896, a group of "bandits" led by Tai-shi Chien and Ch'iu-chu Chen tried to recapture Taipei city and began attacking the Japanese. The entire island was dumbfound. The Governor's Office sent for reinforcements from home, and as a result, several thousands of "bandits" were killed and the revolt was suppressed. Then in April, 1896, Japanese government dissolved the Supreme Command, which was set up for the Sino-Japanese War, and ended the wartime structure, but the "wartime structure" in Taiwan had to be continued for the time being.

The first governor, Motonori Kabayama, who did all his might to suppress the Taiwanese resistance, was replaced by lieutenant general Taro Katsura in May, 1896, been in his office less than thirteen months. The second governor, Taro Katsura, was in his office only four months, in which he stayed in Taiwan no more than ten days, had hardly any time to warm up his chair, or do significant work. Both Kabayama and Katsura, being the governor of Taiwan, their hearts were not in Taiwan, but were deprived by the central politics back in Japan. Lieutenant general, Maresuke Nogi was ordered to assume the office as the third Taiwan Governor. When Japan first took over Taiwan, Nogi had been the commander of Second Army Division participated in suppressing the resistance of Taiwan Democratic Republic, so he was somehow related with Taiwan, and was much more interested in ruling Taiwan. He arrived at his office accompanied by his mother. However, Nogi was also in office only for one year and four months, and there was no achievement worth mentioning.

Not long after Governor Nogi assumed his office as governor, he adopted the "invitation to surrender

policy" suggested by Yilan police chief, and made the surrender of part of the north and middle Taiwan "bandits" possible. As of June, 1897, he put in effect the "three stage alert" system, the unrestful mountain regions were entrusted to the Army and Military Police, the relatively stable areas were distributed between the MP and the Police, and the areas which had already been suppressed were given to the Police to be in charge of keeping alert for possible disturbances. The purpose of this "three stage alert" was to eliminate frictions between the army and the police, and to improve command unification. However, the joint use of soft and hard policies, the "invitation to surrender" and the "three stage alert" respectively, did not bring about effective results in suppressing the "bandits".

Beside the difficulty in suppressing the "bandits", language was another problem. The Japanese government wrongly assumed that all Taiwanese people speak Chinese language (Mandarin), therefore, they sent Chinese language interpreters to Taiwan. But, almost all Taiwanese, including the aborigines, Fukien and Hakka immigrants, could not speak Chinese language, so some Taiwanese who were well versed in Chinese language had to be hired as assistant interpreter to work with the original Japanese interpreter, and with Chinese language as mediation, conversations in Japanese and Taiwanese were held. The "interpreting politics" as such, was not only extremely inefficient, but also created various misunderstandings and distortion of facts, resulted in all kinds of confusion.

The Power of "Bumpkin Emperor"

When Motonori Kabayama was appointed as the Taiwan governor, the Japanese government gave him an instruction: "You have been selected and given the grave responsibility of the Taiwan Governor and

concurrently the Military Commander..... When you carry out these important duties, if an unforeseeable and urgent situation happens, and there is no time to report the government by telegraph and wait for instruction, it is permissible take whatever measure the occasion demands, and report it later." Based on this instruction, Taiwan Governor was not only the civil administrative director, but at the same time, as the chief commanding officer in control of both military government and command, he had been authorized to do whatever he deems right with only the need to report afterward. He was just like an "Emperor" reigning over Taiwan, and was what the Taiwanese called, the "Bumpkin Emperor". The "Bumpkin Emperor" conducts of the Taiwan Governor continued until the realization of party politics in Japan, and a civilian officer was appointed as the governor under the cabinet of Takashi Hara.

The "Bumpkin Emperor" Taiwan Governor also had the function of law making. On the pretext of "bandit's rebellion", different manners and customs, and the far distance from Tokyo to Taiwan, etc., the Japanese government proposed a "Bill for the rules concerning the application of the law in Taiwan" to the Imperial Diet in March, 1896, and was adopted. It was proclaimed as "Bill No.63" at the end of March, effective as of April 1. This bill, which was generally called "Bill 63", being a law enacted by the governor under the authorization given to him, was specially named as "ordinance" in order to differentiate it from the law of Japan, and its coverage was also limited to Taiwan. Based on this ordinance enacting power, Governor Kabayama immediately enacted the "Judicial Courts Ordinance by the Taiwan Governor's Office" (Ordinance No.1), establishing various levels of judicial courts, and appointing the judges and prosecutors. In

March, 1897, the Imperial Diet again adopted a "Bill concerning Special Accounting System for the Taiwan Governor's Office", effective from the same fiscal year. Based on this, the Taiwan Governor was also given the finance power. Thus, the "Bumpkin Emperor", was able to concentrate all powers to himself without supervision by the Diet under the pretext of the occasion demand, in control of administration, legislation, justice, and finance, etc. besides military administration and command.

But, if you think about the fact that the governor who had the power of "Bumpkin Emperor" and was still unable to suppress the "bandits", you would know how stubborn the resistances of the Taiwanese people were. At this time, there were even arguments among the Japanese government and people as to the sale of Taiwan to France for one hundred million yens.
Choice of Nationality

In the fifth article of the Sino-Japanese Peace Treaty, it regulates: "If the residents of the territory which is severed to Japan wishes to live outside the severed territory, they can freely sell all their properties and move out. As of the date of approval of this treaty, a period of two years will be given for executing the move. However, when the afore-mentioned period expires, any remaining residents will be regarded as Japanese subjects." This regulation set an expiration period of two years, giving the Taiwanese residents a freedom to select one of the two choices, whether to remain in Taiwan as a Japanese national and obtain Japanese nationality, or to sell all their properties and leave Taiwan. The Sino-Japanese Peace Treaty was signed and approved on May 8, 1895, therefore, the last date for the Taiwan residents to choose their nationality was May8, 1897.

When the afore-said fifth article was proposed by the Japanese at the conference table at Simonoseki, the Taiwan residents were opposed to the severance, and were prepared to fight to the last resort, and at the same time, they were groping for a means of becoming independent. To the Japanese government, in order to avoid the residents' resistance and occupy Taiwan smoothly, it was best not to force the dissidents to stay in Taiwan and become Japanese nationals. Based on this thinking, the "Evacuation Regulations of the Residents of Taiwan and Penghu Islands" was promulgated in November, 1896. The outline of the regulations was that: all residents of Taiwan and Penghu islands who wished to leave, regardless of permanent or temporary residents, had to report to the government office; the "bandits" had to surrender and be disarmed before they were allowed to leave; all personal belongings of the evacuees were exempted from taxation, etc. However, the actual number of residents who left Taiwan was said to be only 4,500 or 6,500. Whichever number it was, they were both less than one percent of the population, showing how deeply the residents had established in Taiwan.

Although the Taiwanese residents had free choice of their nationality, but they did not choose to be Japanese nationals delightedly. It was rather because they were afraid to lose the livelihood they have established for a long time, and made one of the two choices reluctantly. The resisting activities of the "bandits", which were impossible without the resident's support and cover, went on for a long time after the choice of nationality expired was a proof to this fact. Furthermore, the Japanese government and the Taiwan Governor's Office did not take positive policy in removing the "bandits" or forcing the residents to evacuate from Taiwan. Because Taiwan belongs to the

tropical and subtropical zones, the environment was extremely different from that of Japan, and in addition, the endemic and sanitary living condition was bad, it was impossible to immigrate large numbers of Japanese immediately to Taiwan to engage in the development. Therefore, from the standpoint of maintaining the labour force needed of development and managing Taiwan, outflow of the residents was undesirable.

After the period of nationality choice was expired, the Taiwan Governor's Office began rigorously restricting the traffic between Taiwan and China; the request of setting up a consulate in Taiwan by the Ch'ing court was denied, and efforts were made to remove the Ch'ing influence on the Taiwan residents. Under the fate of relationship between the colonial ruler and those who are ruled, even though the Taiwan residents had "Japanese nationality", it was obvious that they cannot become real "Japanese", and being troubled by the discrimination, have strengthened their "Taiwanese" consciousness.

Goto Shinpei

At the end of Sino-Japanese war, Goto Shinpei was working as the chief administrator under Kodama Gentaro, the Army's Temporary Chief Quarantine Officer; Kodama and Goto got acquainted at this time and became trusted friends. After finishing his quarantine job, Goto Shinpei was reinstated as the head of health department of Ministry of Interior. At this time, as regard to the opium problem in Taiwan, there was a head on conflict between the advocates of "strict prohibition" and "non-prohibition", a storm of hot disputes arose between the oppositions. Goto asserted the theory of "gradual prohibition", and presented a letter of opinion regarding "the opium system in Taiwan Island" which was appreciated, and Goto was

appointed as the health adviser for the Taiwan Governor's Office. Based on Goto's letter of opinion, the "Taiwan Opium Law" was promulgated in January, 1897, and a system of opium monopolized sale was established. The opium problem had tied Goto to Taiwan, and later led him to assume the presidency of the Manchu Railway Co., whereby he left a gigantic footprint in Japan's colonial management history.

Smoking opium was a bad habit which the Taiwanese learnt since the Dutch era. It is said that this bad habit began by the overseas Chinese in Batavia, and after brought into Taiwan, it was spread to all over Chinese mainland via Amoi. Therefore, we can see the history of opium smoking in Taiwan had been long, and the ill effect from the spreading of it was very serious. In the Sino-Japanese peace talk, the Taiwan opium problem was also brought up; making up some counterplan for opium smoking and suppressing the Taiwanese armed resistance had become important task of Japan after occupying Taiwan. Goto Shinpei's policy of gradual opium prohibition and monopoly system, in addition to the purposes of reducing opium addicts and increasing financial income from the monopolized sale, had also helped the peace keeping object by appointing middle and retail opium sale outlets in return for the Taiwanese cooperation in countermeasuring the "bandits", it had the effect of not only killing two with one stone, but even killing three birds with one stone.

As the chief civil administrator of the Taiwan Governor's Office, Goto Shinpei arrived in Taiwan in March, 1898 together with the fourth governor, Kodama Gentaro. When Japan first occupied Taiwan, Kodama was one of the committee members in the Bureau of Taiwan Affairs headed by Ito Hirobumi, so he had already been involved with Taiwan long time

ago. During his term of office, Governor Kodama served concurrently as the Secretary of State for War in the fourth Ito Cabinet in December, 1900; he became the Home Secretary in the first Akira Cabinet in July, 1903 while concurrently served as Taiwan Governor and the Minister of Education; and when Russo-Japanese relation grew worse, he left the Home Office and become the assistant chief of the General Staff Office, and immediately after the Russo-Japanese War started, he became the chief of staff for the Manchu Army. Therefore, just as Kodama was called the "absentee governor", until he was replaced by the fifth governor, Sakuma Samata in April, 1906, for a period of eight year he was too busy to take part in managing Taiwan, essentially everything was entrusted to Goto, the chief civil administrator.

Hence, Goto was able to put into practice his cherish theory of "Colonial Management based on Biological Principle". Goto said: "It's impossible to change eyes of a flatfish into those of a sea bream. The eyes of sea bream neatly grow on both sides of the head, while the eyes of flatfish both grow on one side. Even though it looks funny, you cannot change it to be like the sea bream. The reason for the flatfish to have both eyes growing on one side is, because biologically it is necessary In politics, this is also an important point So, when I ruled Taiwan, first of all I thoroughly and scientifically investigated the old customary systems of the island, and governed according to the conditions of the people Those fellows who did not understand this and tried to import and suddenly apply the Japanese laws and systems in Taiwan, were just like trying to change the flatfish's eyes into sea bream's eyes; they were a bunch of fellows who did not know the real politics." His idea was like the diagnosis of a doctor.

Based on this biological principle, after Goto assume his office in Taiwan, beside suppressing the "bandits", he established Taiwan Old Customs Investigating Committee, Central Research Institute, etc, and enforced land and population investigations. Then, using these investigations and research as basis, he designed the policies and law systems for ruling Taiwan. Thus under the rule of Goto Shinpei, the ground work necessary for Taiwan rule and for transplanting Japanese capitalism to Taiwan had been done, and the financial independence of Taiwan as well as the foundation of control were established.

Whip and Candy

Colonial management is not "a charity" based on the love for humanity. Since land is gained by physical mean called military power, it will indeed incur armed resistance, and to suppress the resistance, more force will be used; the severer the resistance the stronger suppression will become. Goto Shinpei's countermeasures to the "bandits" was thorough use of whip and candy policy. In addition, he tried to recover the law and order and establish the ruling relationship with so-called "civil and military armaments" by constructing modern buildings, railroads, water and electricity, etc. to overpower the residents of the colony. And as for suppressing the resistance, he even applied "iron fist policy" by use of inanimate methods.

Not long after Goto arrived at his office, he abolished the former governor Nogi's "three step alert" system in June, 1898, and used the police as major force in dealing with the "bandits" instead of military force. The Japanese colonial rule in Korea was called "military police politics" while in Taiwan it was called "police politics". The "police politics" of Taiwan was started by Goto, and during the era of Japanese control, the police

in Taiwan was feared to the extent that a "crying child would be silenced" with their appearance. Upon arrival of Goto and Kodama at their offices, the police organization in Taiwan had been considerably expanded; the police force quickly infiltrated and reached all corners of the country; and the installment of police telephone network was completed. Beside the establishment of police force, a "Bao-jia Ordinance" was announced in August of the same year, further strengthening and completing the Bao-jia system which was started in the Cheng era and the foundation laid in the Ch'ing era. This time, the Bao-jia system under the jurisdiction of the police, with reinforcement of joint responsibility, mutual watch and informing, demonstrated powerful effects in suppressing the "bandits" and in peace keeping, and also proved profoundly effective in thoroughly transmitting the intents of the Governor's Office to the residents. Furthermore, a "bandit punishment ordinance" was proclaimed whereby the "bandits" and the "brigands" were severely punished. The punishment was like the burning sun in autumn, within only one year in 1899 the number of persons executed based on the "bandit punishment ordinance" amounted to 1,023, and in five years from Goto assumed office till 1902, the total "bandits" executed reached over 32,000, exceeding one percent of the population of Taiwan at that time.

While severely whipping the Taiwanese on one hand, Goto gave conciliatory measures on the other hand. Goto pointed out the following weaknesses of the Taiwanese people: (1) Afraid to die, weak under coercive threat; (2) Love money, easily tempted by profit; (3) Love face, can easily be taken in with false reputation and vain position. If what he said was true, then there should not be such persistent resistances. However, aside from this, the policy Goto utilized

these weakness in ruling Taiwan was called the "three plans for ruling Taiwan". Goto's conciliatory measures included entertaining senior residents exceeding 80 years old to a "Senior's Feast", inviting scholars to participate in a "Literature Promotion Meeting" where poems were read and sung, and giving preferential treatment to esquires and people of high reputation by awarding them "gentleman certificates". He followed the "bandit surrender policy" of Governor Nogi, encouraged surrender by based on the provision in Article No.6 of the "Bandit Punishment Ordinance", which stated: "All who violated the crime specified in this ordinance and surrendered to the government, may be reduced or exempted of his punishment. In the case of exemption, no more than five years of observation period would be added." Beside exempting punishment of the surrenderers, the government also gave them rehabilitation capitals and jobs. The steep highway between Taipei and Yilan, which is still in use today, was constructed by the hands of the surrendered "bandits".

When "bandits" surrendered, learning from the Dutch era, a "cermony of obedience" was ostentatiously held surrounded by a band of armed police, and in order to prevent second offence, the surrenderers were photographed and registered. There had been incident that the surrenderers were shot to death by the police during the "ceremony of obedience". In any event, when Goto Shinpei left Taiwan in 1906, there was no longer any large scale armed resistance.

The Undertaking of Investigations

Based on the principle of "biological colonial management", various kinds of investigations and studies were undertaken. To begin with, in 1898 the "Taiwan Land Register Regulations" and "Taiwan Land Investigation Regulations" were promulgated.

Then, the "Temporary Taiwan Land Investigation Bureau" was established, mobilizing 1,670,000 work force and spent 5,250,000 yens in six years for investigations. Based on these investigations, it was discovered that there were 300,000 jias of arable land than estimated before the investigation, the actual cultivated acreage was 317,000 jias (9,700 square feet per jia), other farmland was 305,600 jias, a total of 620,000 jias which became the basis of land tax collection. During the closing days of Ch'ing Dynasty, the problem of arable land double ownership, which Ming-chuan Lau was not able to solve in his tax reform effort, was now dissolved by compensating the large landlords and established the modern land ownership system of reassigning land ownership to the small landlords. The compensations to the large landlords were paid by issuing Taiwan industrial bonds. Moreover, lands "without owner" were turned into public ownership, which were distributed among the retired officials or Japanese companies, helping Japanese capitals to enter into Taiwan. In investigating the land, the latest triangle surveying method, which had never been used in Japan, was adopted and helped greatly in measuring the areas and topographies of Taiwan and its attached islands, and also in making accurate maps. After Japan gave up Taiwan, the Kuomintang regime of the Republic of China used the way that Goto Shinpei dealt with the big landlords as a model in attempting the lapse of landlords for the land reform. Following the land survey, Goto announced the setup of the "Temporary Taiwan Old Customs Investigating Committee" and promulgated its regulations in 1901. His enthusiasm in this matter was so great that he served as chairman of the committee himself. Professor Okamatsu Santaro of Kyoto University, Orita Man and many other scholars also joined the investigating committee, and the results of the investigation and

analysis were compiled into a huge volume report, which was not only helpful to the administration of Taiwan but also became an important material for studying the Ch'ing Dynasty and China today.

In 1903, the "Family Register Investigation Ordinance" was promulgated, whereby as of zero hour, October 1, 1905, a complete population investigation was carried out. This was the first official population investigation in the history of Taiwan, and the total population in Taiwan at that time was approximately 3,040,000 of which included: Taiwanese island residents approx. 2,980,000 or 97.8% of the total population (Fukien race approx. 2,490,000 or 82%; Hakka race approx. 400,000 or 13%; Flatland Aborigines approx. 50,000 or 1.89%; Mountain Aborigines approx 40,000 or 1.2%), Japanese approx 50,000 or 1.89%, and foreigners including the Chinese approx. 10,000. This statistic of population are considered accurate in most part, however, even though the number of Japanese in Taiwan could be obtained, if the "bandits" who were still resisting or the difficulty in investigating the population of aborigines in the mountain regions are considered, omission in the investigation was inevitable. Furthermore, in comparing with the population estimated at the end of Ch'ing era, there was an obvious reduction in the population of the aborigines, which beside omission in investigating the mountain aborigines, might have been caused by the fact that the flatland aborigines were assimilated by the Han race.

Infrastructure Development

While suppressing the "bandits" and proceeding with land survey, old customs as well as population investigations on one hand, Goto Shinpei on the other hand set about constructing the infrastructure (the foundation for economic activity such as

transportation, transportation, and harbour facilities, etc.) for industrial developments.

When Japan took over Taiwan, the main currency in circulation was a hard money called "Mexican Silver" (Mexican dollar). For the purpose of unifying Taiwan currency, industrial development and promotion as well as financing for promoting trade with South China and Southeast Asia, the Taiwan Governor's Office, based on the "Taiwan Bank Ordinance" promulgated in April of 1897, established The Bank of Taiwan two years later in July, 1899, and began its operation in September. From the viewpoint of the financial power of "Bumpkin Emperor" the Taiwan Governor, the Taiwan Bank Ordinance and Taiwan Governor's Special Accounting Ordinance were like the two wheels of a vehicle. The industrial public loan needed for building the infrastructure of Taiwan was raised by no one else but the Bank of Taiwan, which played a great part in it.

By 1904, Taiwan bank notes were issued. To the Taiwanese who were accustomed to hard money, the circulation of paper money was like a currency revolution. Since then, the Bank of Taiwan established branch offices not only in Japan, but all over the other shore of Taiwan Strait in Amoi, Swatow, Guanzhou and Shanghai, Hongkong, etc, and penetrated into the money market of Taiwan products and tried to recapture the leadership which had been held by the British or Chinese capitals in the past. As soon as the Bank of Taiwan was established, the task of leading the advancement of Japanese capitalism to China and Southeast Asia had been fulfilled.

In 1901, Taiwan Governor's Office promulgated the "Regulations of Taiwan Public Reservoirs and

Irrigation Systems" These were regulations concerning construction of irrigation facilities for promoting the agriculture, and were advantageous measures for developing new arable lands. The irrigation work was succeeded after Goto left Taiwan, and the cultivated acreage in Taiwan reached more than 750,000 jias in 1919. By 1941 it has reached more than 880,000 jias, among which approximately 546,000 jias of arable lands were irrigated. The irrigation work caused a leaping effect in the agricultural production in Taiwan, and greatly contributed in increased tax income. Rice breeding was also actively promoted; a new breed "Holai Rice" was loved by the Japanese and was exported to Japan in large quantities.

Goto Shinpei also work hard in bringing up the sugar industry which was one of the major export industry since the Dutch era. In 1902, Taiwan Governor's Office promulgated the "Regulations for encouraging Taiwan sugar industry." These regulations, instead of seeing it as encouragement to the sugar industry, it should rather be regarded as "preferential treatment" to the Japanese capitalists. Beside giving the government lands, which were found "ownerless" during the land investigation, free of charge to the Japanese enterprisers, the Taiwan Governor's Office also gave encouraging money for sugar cane seedlings, fertilizer, irrigation, reclamation and machines and tools, etc., and offered subsidy for sugar production. Goto, who also took great interest in reforming the old fashioned sugar producing technique, hired Nitobe Inazo and invited him to Taiwan. At first, Nitobe declined the appointment with sickness and unqualified as excuses, but as for sickness, Goto allowed him to place a bed for nap in the office, and as for qualification, he was to be hired for the time as the acting chief of the Department of Colonial Industries, and so he finally accepted the job. Owing to the

modernization of manufacturing technique and equipment, the quality and productivity of sugar were greatly improved, and as a result, contributed greatly in increased tax income. Since the sugar consumption in Japan was supplied with cheap Taiwan product, it also helped in substantial saving of foreign exchanges. The sugar industry in Taiwan at that time was so prosperous that it was called the "Sugar Industry Imperialism". From the way that Nitobe was hired with the "preferential treatment of afternoon nap", we can understand that Goto spared no exceptional condition in order to collect men of abilities for personnel needed by the Taiwan Governor's Office.

The idea of building "infrastructure" started right after Taiwan was occupied by Japan, but it was Goto Shinpei who actually started the work, and after he left his position, it continued on. Among the most fundamental works, there were: the expansion and rebuilding of harbours, railroad construction, rebuilding and extension of highways, communication network construction and public health promotion, etc. etc. When Japan first took over, Keelung and Tamsui in the north, and Kaohsiung and Anping in the south were the major harbours of Taiwan, but because Tamsui and Anping were both in shadow water, it was difficult for larger ships to enter into these harbours. Therefore, while expanding and rebuilding both Keelung and Kaohsiung harbours for improving oversea traffic on one side, a railroad running through the island between Keelung and Kaohsiung was constructed on the other side, connecting the harbours and railroad as well as highways of various districts, and spared no effort in construction of ground transportation network. As to the communication network, communication facilities between Taiwan and Japan proper were completed, and post offices and telegraph offices were established in

various places of Taiwan. With regard to public health, Taiwan Medical College was founded quickly to train doctors, and at the same time, government hospitals were constructed in various places. Furthermore, through the powerful police system, cases of epidemic disease were completely isolated, and all residents were compelled to take vaccination and preventive shots of epidemic diseases.

These infrastructure construction made by the Taiwan Governor's Office had been very helpful in promoting the Taiwan industries and improving the health of the residents. However, the required expenditures, similar to the reform made by Ming-chuan Lau at the end of Ch'ing Dynasty, were completely provided based on the principle of "supply on the spot" from land taxes, Taiwan industrial bonds as well as income from monopoly sales; and improvement and extension of roads were usually done by mobilizing the resident's volunteer labour through the Pao-jia system.

As previously said, colonial management is not "a charity". To Goto Shinpei, who put his theory of "biological principle" into actual practice in managing the colony, he did not want to kill the hen to get the egg, but wanted to fatten the golden-egg laying hen which was called Taiwan, and to let it keep on laying as long as possible. Infrastructure construction was a "foundation work" in order to achieve this goal. The construction of transportation and communication systems caused expanding and deepening of the Taiwanese life and economic spheres. However, on the other hand, as they were being isolated from the Ch'ing and discriminated by the Japanese, the Taiwanese consciousness has grown even stronger than before. Thorough suppression during the reign of Governor Kodama and Administrator Goto had abled the Taiwan

management to achieve many results. One achievement which were often pointed out was the declining of Japanese government's special subsidy to the Taiwan Governor's Office since the fiscal year of 1905, realizing Taiwan's financial independence only ten years after Japanese took over. Afterward, Professor Yauchihara Tadao of the Imperial Tokyo University had commented: "To the finance and economy of the home land, Taiwan is a colony of the many great values."

After Governor Kodama retired from his office in 1906, he was succeeded by General Sakuma Sabata in April of same year as the fifth Taiwan governor. Within a year, Goto Shinpei also left Taiwan. Later in May 1915, General Ando Sadami became the sixth governor; in June 1918, Lieutenant General Akashi Motojiro (promoted to general later) assumed the office as the 7th governor; and in October, 1919, a civil officer, Ta Kenjiro assumed the position as the 8th governor. Before Ta Kenjiro assumed the office, from Kabayama Motonori to Akashi Motojiro, all of them were military officers, and the period of their reign was usually called the "first period of military governor's era" (1895-1919). In this period, the main duty of the governor was to suppress the "bandits" and construct the infrastructure of the colony. Governor Sakuma, who held his office from April 1906 to April 1915, a total of nine years, was in the office for the longest time among the 19 governors in 50 years of Japanese occupation. Through the period in office, he was engrossed in the so-called the "Barbarian Managing Business", tackling the problem of suppressing the "bandits" and oppressing the mountain aborigines who refused to submit,

To begin with, the mountain aborigines had never submit to anyone through the occupation of the Dutch, Cheng Royalty or Ch'ing court, and the governing

powers did not thoroughly suppressed to force their submission. Different from the flatland aborigines who accepted the enlightenment of the ruling powers and Chino-nized through cultural exchanges or marriages with the immigrants, the mountain aborigines not only had no concern with the changes of the ruling power, but still less with submission. They were rather having ill feeling against the outsiders who invaded their living spaces, and their antipathy became stronger each day. The operation of suppressing the mountain aborigines was intensified by Governor Sakuma and was carried out continuously. Large scale military operations by the army, police and patrol, etc. were launched on one hand, and on the other hand, extended the border "patrol line" of the Ch'ing era which segregated the living areas of the mountain aborigines from those of the immigrants and flatland aborigines, ate away little by little and shrank the living areas of the mountain aborigines. Pushed by the modern equipments and large scale encirclement of the Taiwan Governor's Office, the mountain aborigines was confined in the mountain areas of the Central Mountain Range at length. As mentioned before, when the former Emperor Showa visited Taiwan in 1923 as crown prince Hirohito, he changed the name of the aborigines from "barbarian" to "Takasago Race". If we consider the fact that the flatland aborigines had already been chino-nized, the so-called "Takasago Race" was meant for the mountain aborigines.

While Governor Sakuma was in office, there happened also many armed resistance incidents. Among the major incidents are: the "Peipu Incident" in November 1907, resisting for Japanese industry's monopolizing camphor business; the "Lin-ki-po Incident" in March 1912, resisting for "owner-less" forest lands being disposed of and given to Mitsubishi Paper Manufacturing Co.; and

the "Lo-foksheng Incident" in December 1913, a failed uprising attempt by the resident leader Lo-foksheng, but all of the incidents were suppressed one after another. Immediately upon arrival of Governor Ando Sadami, who replaced Governor Sakuma in June 1915, the "Seraian Incident" (also called "Tapani Incident"), a large-scale uprising occurred. The purpose of this incident was to establish the "Great Ming Nation of Mercy", although it extended to almost the entire island of Taiwan, but was suppressed and 866 persons had been sentenced to be executed. However, after 95 persons were executed, by an amnesty when Emperor Taisho acceded to the throne, 766 persons were reduced to life imprisonment. Ever since this "Seraian Incident", large scale armed resistance by the Taiwanese residents was ended, and another new kind of resistance, the legal political movement had begun.

Governor Akashi Motojiro, the successor of Governor Ando, died in his term of office only more than one year. After his death, his body was shipped to Taiwan in accordance to his will. He was the only Taiwan governor whose bones were buried in Taiwan.

Chapter 7

Colonial Modernization

Assimilation Policy

"Seraian Incident" (1915) as turning point, armed resistance of Han descent Taiwanese had been basically suppressed. At about this time, the World War I broke out, and though Japan also entered the war, the battlefields were all in the European continent, Japan was rather, as being called "a thief at the fire scene", boiling with war boom. As a colony of Japan, Taiwan also had a share of the boom, and a considerable number of Taiwanese students had received higher education in Japan proper. In November, 1917, when the war was almost over, the Russian revolution occurred whereas a socialist regime was born, advocating liberation of colonies and racial independence; in January of next year, the American president Mr. Wilson asserted "racial self-determination" at the post-WWI peace conference, so the people under colonial rule were filled with hope. Partly influenced by

this, in March 1919 there happened in Korea the "March 1 incident" with the object of independence. The world trend of colonial liberation such as this had exercised considerable influence on Taiwanese. On one hand, Japan, after long period of Han faction rule and bureaucratic government since the Meiji Restoration, as of September 1918 when Hara Kei cabinet based on Seiyu Society took power, had finally started to have party politics. The party politics in Japan, however, had strong reflection on the personnel of Taiwan governor; instead of military governor who was the practice before, had opened the road for civil governor. Hara cabinet revised the organizing system for Taiwan Governor's Office in August 1919, lightening the restriction on the qualification of governor from limiting to general and admiral or lieutenant general and vice admiral to making it possible to appoint a civilian governor, and at the same time, created a new position of Taiwan military commander. It was further regulated that when a civil officer assumes the position of Taiwan governor, all military matters are to be put under the control of the military commander; the governor only controls general political and governmental affairs, and when it is necessary to maintain peace and order, he can request the Taiwan military commander for using the military force.

In February, 1896, when Hara Kei was still a under-secretary of the foreign department, he presented to the Taiwan Affairs Bureau the "Two Plans of Taiwan Question" (the policies of assimilation and non-assimilation), following the precedent in French Algeria, advocating the assimilation of "homeland extensionism" as the fundamental policy for ruling Taiwan. Although Hara's proposal was not denied, but it was obvious different from Goto Shinpei's "Colonial management based on biological principle" of latter

date. The policy adopted by the Japanese government and Taiwan Governor's Office was, neither the radical assimilation of Hara Kei, nor Goto Shinpei's non-assimilation as said in his metaphor of "the flatfish and sea bream's eyes", and was a "progressive assimilation" of the middle line policy. As soon as Hara Kei became the prime minister, he moved toward realizing his theory. Not only did he change the system of the Taiwan Governor's Office, but he also restricted the legislating power of the Taiwan governor. The legislating power, which was awarded to the Taiwan governor in 1896 based on "Bill 63", had originally three year term of validity, but was repeatedly extended, and in 1906 it was changed to five year term by "Law regarding to the ordinances to be enforced in Taiwan" (Bill 31). However, there was essentially no difference between "Bill 63" and "Bill 31", mainly it was, so to speak, the Diet's countermeasure to the violation of Imperial Diet's legislating power and the Imperial Constitution. In March 1921, Hara cabinet enacted the "Law regarding to the ordinances to be enforced in Taiwan" ("Law No.3") which replaced the "Bill 31". Under "Bill 63" or "Bill 31", the laws enforced in Taiwan was in principle the laws and orders made by the governor, but according to "Law No.3", the laws of Japanese homeland were in principle to be enforced in Taiwan, with the only exception of recognizing the Taiwan governor's law-making power. Incidentally, the "Law No.3" was almost identical to the content of the "Law Plan" based on assimilation policy, which was an attachment to the "Two Plans of Taiwan Question" that Hara Kei had once presented.

In October 1919, Den Kenjiro was appointed by Hara cabinet as the first civil governor, and General Siba Goro was appointed as the Taiwan military commander. Although Den Kenjiro was not a member

of Hara Kei's Seiyu Society at the time, but he belonged to the Seiyu group. Besides, both Den and Hara as the members of Taiwan Affairs Bureau after the Sino-Japanese war, were involved in drafting the policies for Taiwan rule, and Den was supportive to Hara's assimilation policy. Ranking with Kabayama Motonori, Den was one of the only two Taiwan governors who had served as cabinet minister. From appointing Den as the governor, you can see the Hara's strong will and Den's enthusiasm in ruling Taiwan.

Political Movement

Because colonial rule by a different race means destruction of the traditional culture of the ruled, forcing submission politically and exploiting economically, it would certainly incur resisting movement of the ruled race. There was no exception in the case of Taiwan being ruled by Japan. There are two kinds of resisting movement, namely armed resistance and political movement. In Taiwan, the "Seraian Incident" of 1915 as a border line, the "illegal" armed resistance gradually turned into the legal political movement.

Taiwanese resistance to colonial rule through legal organization began with the movement of the "Taiwanese Assimilation Society" which started in December, 1914. The Taiwanese Assimilation Society was organized through the good efforts of the elder statesmen of Meiji Restoration led by Itagaki Taisuke, and the wealthiest man in middle Taiwan who lived in Bufong, Lin Hen-tong and others; and the object of the organization was to "organize jointly by the homelander (Japanese) and the Taiwanese, to friendly associate with each other, and to promote a perfect assimilation in comply with the imperial wish of equal treatment for all nationals."

However, the real purpose of the Taiwanese who joined this movement was not to assimilate with Japan, but to pursue equal treatment as the Japanese. Thus, the movement, under severe oppression by the Taiwan Governor's Office as well as slander by the Japanese in Taiwan, was deemed as "harmful to public safety", and the Taiwan Assimilation Society was ordered to dissolve in February next year. Although the Society existed only for two months, but it gathered the Taiwanese supporters who were interested in politics, and played an important part in the political movement of the Taiwanese later. At that time, Tsai Pei-ho, who served as an interpreter for Lin Hen-dong and Itagaki Taisuke in the Taiwan Assimilation Society, was reproached for participating in the political movement, lost his teaching job in Taiwan Elementary School, but with the help of Lin Hen-dong went to Japan to study in the Tokyo Higher Normal School. Later, Tsai Pei-ho acted as a liason connecting Lin Hen-dong with the Taiwanese students in Tokyo.

According to the statistics issued by the Taiwan Governor's Office, Taiwanese studying in Japan began in around 1901, gradually increased each year reaching 300 plus in 1915, and in 1922 suddenly increased to more than 2,400 persons. These oversea students, being shocked by Chinese and Russian revolutions which overthrew the feudalism and imperialism, in the tide of racial self-determination after the World War I stimulated by the racial movements in the colonies of various countries, was also strongly influenced by the Taisho democracy in Japan homeland. A part of the oversea Taiwanese student's feelings can be seen from the statement of the first issue of the "Taiwanese Youth" magazine, which declared aloud: "Rise, gentlemen! The time has come. Those who see what is right and to do nothing are cowards in want of courage.

Those who resist the worldly trend are stragglers of culture.....".

At the end of 1918, through the efforts of Tsai Pei-ho, the "Enlightenment Society" with members mostly Taiwanese students was organized for studying "how to liberate and save the Taiwanese people from the present fettered lives", and Lin Hen-dong was elected as the president of the Society. The immediate purpose was to campaign for abolishing the "Bill 6" (Although it had already been changed as "Bill 31", but was generally addressed as "Bill 63"), however the Enlightenment Society was soon dissolved during the development, and was reorganized as the "New People's Society" in January, 1920. On the surface, the purpose of the "New People's Society" was to study all sorts of matters which need improvement in Taiwan, and seek for cultural advancement, but the real aim was to realize the improvement and advancement of Taiwanese position. The New People's Society made the student members belong to its affiliate, the "Taiwanese Youth Association", and launched the monthly magazine "The Taiwanese Youth", with Tsai Pei-ho as the publisher. "The Taiwanese Youth" was the first political magazine published by the Taiwanese in the history. In April of 1922, this magazine was renamed as "The Taiwan" monthly, and in April of the next year, it was changed to a semi-monthly in Han script called "The Taiwan Min-Pao", and later in October it became a magazine published every ten days. Furthermore, in July 1925 the publication was developed as a weekly magazine, and was approved to publish in Taiwan as of 1927. In March 1930 it was renamed as the "Taiwan New Ming-Pao" weekly, and in April it was finally developed as a daily newspaper.

Petition for Establishing Taiwan Parliament

Although the New People's Society succeeded the "Bill 63" abolishing movement of the Enlightenment Society, Lin Tien-lok, who graduated from the law department of Meiji University and later became a lawyer, asserted that the "Bill 63" abolishing movement should be stopped because it not only denies the Taiwanese own peculiarity, but also affirms Prime Minister Hara and Governor Den's assimilation policy of so-called Japanese home-land extensionism. Instead, he insisted on a petition movement for establishing "Taiwan Parliament" emphasizing Taiwan peculiarity based on the idea of colonial self-government. Lin Tien-lok put his assertions together and wrote an article entitled "The conclusion of the problem of Bill 63", which was carried on the "Taiwanese Youth". This article had brought about the determined goal of a legal resisting movement for the Taiwanese, the "petition movement for establishing Taiwan Parliament", for which it had an extremely important significance. Ironically, the ground of argument in Lin Tien-lok's article was later become the point of arguments in the Imperial Diet between the government commissioners and the Diet members of the Opposition party in relation to the "Bill 63", "Bill 31" and "Law No.3", and as if they were using the same arguments after rearranging the inconsistencies. What Goto Shinpei had once reasoned that the the people of the colony need only lowest level of education, because "education is like a sword with many sides of blade", was not altogether wrong after all.

Lin Hen-dong, the president of the New People's Society, though setup the goal of movement to gain a self- government for Taiwan, but he was afraid if the movement runs to an extreme, it would have a head-on conflict with the assimilation policy of the Japanese government and the Taiwan Governor's Office. Based

on this judgement, he took a step backward from asserting complete self-government, and was cautious in stimulating the authorities to avoid unnecessary oppression and sacrifice. So, with self-restraint he claimed a petition movement for setting up Taiwan Parliament to seek the right for approving the legislation and financial authorities of the Taiwan governor, especially the budget making under the special accounting system. The New People Society members agreed to Lin Hen-dong's idea, and decided to use the petition right and petition to the Imperial Diet for enacting the "Law for ruling Taiwan", based on which to petition for establishing "Taiwan Parliament". Hence as of January 1921, a modernized legal racial movement, the "petition movement for establishing Taiwan Parliament" aiming at a self-government for Taiwan had began, and until February of 1934 when the petitioning was finally called off, the petition to the Imperial Diet went on as many as fifteen times for fourteen years. Incidentally, soon after the first petition was presented to the Imperial Diet, the Japanese government had proposed the "Law No.3" to replace the "Bill 31", and while Prime Minister Hara and Governor Den were explaining the assimilation policy with confidence in the Imperial Diet, an incident happened in Tokyo that the leader of Korean Central Suffrage Gaining Movement, Bin Gen Shiok, who approved the assimilation policy, was assassinated by another Korean.

For the persons concerned with the petition movement for establishing Taiwan Parliament who were opposed to assimilation policy, this incident was a great encouragement to them. From the viewpoint of the Japanese government and Taiwan Governor's Office, even though the immediate purpose was to obtain a self-government, the ultimate object was for

Taiwan independence, so they were on guard against the movement. Therefore, the response of the Imperial Diet to the movement was either "no adoption", "no presentation" or "shelving the deliberation", and as a result, the setting up of Taiwan Parliament was never materialized.

Among the Japanese scholars who not only showed understanding but also provided indirect support with theory are Prof. Yauchihara Tadao of Tokyo University, Prof. Yamamoto Minoetsu of Kyoto University, and Prof. Izumi Tetsu, etc.; and entered as the petition's introducers are members of the House of Peers, Ehara Suroku, Yamawaki Gen, Watanabe Cho, and members of the House of Representative, Tagawa Daikichiro, Kiyose Ichiro, Kanda Masao and Shimizu Tomesaburo, etc. Needless to say, the support of these Japanese had encouraged the Taiwanese tremendously. Through the development of an island-wide petition movement for establishing Taiwan Parliament, many Taiwanese political leaders had been produced. Though under colonial rule, the Taiwanese had awakened with the consciousness of modern time citizens, especially it had great significance in that under the oppression of the Japanese authorities, the Taiwanese consciousness had been strengthened.

Countermeasure of Taiwan Governor

In October, 1921, after the first petition for establishing Taiwan Parliament was submitted, through the effort of Chiang Wei-sui, M.D. from Yilan, the "Taiwan Cultural Association" was founded in Taipei. "To help promote the development of Taiwan culture" was claimed as the purpose of Association, more than one thousand joined as members, Chiang Wei-sui and Tsai Pei-ho were elected as general secretary and secretary. Because political association was not permitted in those

days, the association pretended to stand for "culture development", but in reality, while coordinating with the New People's Society and Taiwan Youth Association in Tokyo and actively engaged in cultural activities in Taiwan, exerting maximum effort in awakening the Taiwanese racial self-consciousness, and at the same time performed as the major driving force of the petition movement in Taiwan. These leaders of the Taiwanese organizations were almost same faces and many members also belonged to the different organizations at the same time. Due to different law coverage and differed standard of regulating association between Japan homeland and Taiwan, it was a necessary measure for the activity to exist under the strict watch in Taiwan.

Immediately after the Taiwanese sent their first petition out, Governor Den Kenjiro sternly warned Lin Hen-dong and his followers that he would not tolerate the establishment of Taiwan Parliament, and called for withdrawal. Moreover, in lieu of Taiwan Parliament, he put the existing "Taiwan Governor's Office Counselling Committee" to practical use, appointed Lin Hen-dong as councilor, together with eight "gentlemen under government patronage" who were cooperative to the Governor's Office. This counselling committee was merely "an attachment to the governor, upon request for consultment to express opinion", and was not quite replacable to Taiwan Parliament.

Inspite of the conciliation extended to him by the Governor's Office, Lin Hen-dong also participated in the second petition. While persuading Lin Hen-dong, Governor Den applied pressure through Lin's creditor, the banks, and for a moment made him leave the petition movement. By this time, there was the plan of separating the petition movement for establishing

Taiwan Parliament from the Taiwan Cultural Association, and set up the new "League for Carrying out Taiwan Parliament Plan", and the Governor's Office which perceived the plan immediately applied the "Peace Police Law" of Japan to Taiwan to be prepared for the establishment of the League. It was a happening on December 28, 1922. In January of 1923, even though Chiang Wei-sui and his colleagues signed a memorandum stating Taiwan Cultural Association will not to involve in politics and notified the formation of League of Carrying out Taiwan Parliament Plan according to the Peace Police Law, the Governor's Office had banned the League on the ground that "peace and order have to be maintained", and dismissed Lin Hen-dong from the councilor of the Governor's Office because his cousin was a member of the League.

In order to counter the Taiwan Youth Association in Tokyo, the Taiwan Governor's Office had Chen Kim-sui and others prepare the formation of the "Fellow Association" for promoting the central suffrage movement based on assimilation policy. However, because they were looked upon coldly by the Taiwanese students, the formation was not materialized. Moreover, the Governor's Office supported Ko Hen-eng, the leading "gentleman under government patronage" who had guide the Japanese troops from Keelung to Taipei, to have a lecture meeting to counterplot the Taiwan Cultural Association. But Ko Hen-eng repeated emphasized "we would rather be the dogs of peace time, and not the people in troubled times", which aroused resistance from the Taiwanese people, and resulted in the failure of the Governor's plan. Being not contended with these, the Governor's Office gathered so-called "influential men" namely Koo Hen-eng, Lin Him-cheng and others who were "under government patronage" to

set about organizing the "Taiwan Public Service Association" for the purpose of "leading the residents' thought to the right direction and control the activity of the Cultural Association". However, the anticipation of the Governor's Office to make the Taiwan Public Service Association "a great opposition power against the Taiwan Cultural Association and the people concerned with the Petition for Establishing Taiwan Parliament Movement" was not fulfilled, for just as written in the record of the Governor's Office, it ended up with "the members did not have any definite view or enthusiasm, joined the Association following the wishes of the government.....started well and ended in a fiasco without worthwhile activity".

When the fifth petition was presented in 1924, seeing the enthusiasm of the Taiwanese in Taiwan and Tokyo, the Governor's Office used the "gentlemen under government patronage" to summon the "Islandwide Influential People Assembly" in Koo Hen-eng's residence as a countermeasure to the petition movement. The total attendance of "influential people" to this assembly was only twenty-eight, and the meeting ended by reading a resolution prepared in advance to the effect that the petition for Taiwan parliament movement is maneuvered by merely a few ambitious men. Indignated at the "Islandwide Influential People Assembly", the Taiwan Cultural Association and the people concerned with the petition immediately gathered a total of several thousand people at Taipei, Taichung and Tainan and held the "Non-influential People Assembly" and resolved that "In order to protect our freedom and right, we are determined to exterminate the monster of self-styled "Islandwide Influential People Assembly" which forges public opinion and infringes righteousness". From the attendance of the "Influential People Assembly" being

only twenty-eight, and that of that "Non-influential People Assembly" several thousands, it was clear which side the Taiwanese supported.

Peace Police Law Violation Incident

"The League for Carrying out Taiwan Parliament Plan", which was banned in Taiwan, had immediately been organized in Tokyo with the same name, same purpose and same membership, and had been approved by the minister of the interior. The members of the league after petitioned for the third time in Tokyo returned to Taiwan. With the reason that "even though the area is different, majority of the members are from the old organization, and above all, are active within the island of Taiwan using the same name", the Governor's Office mobilized all police force under the direction of Chief Prosecutor Miyoshi Ichihachi and arrested the people concerned with the Taiwan Cultural Association and the Petition for Taiwan Parliament Movement on the suspicion of violating the Peace Police Law. At the same time, news concerning the incident was banned and a thorough measure such as censoring Japan-bound telegraphs and letters had been taken. In this "Peace Police Law Violation Incident", ninety-nine persons were summoned and their houses searched, of whom forty-one had been retained, and eighteen including Chiang Wei-sui were indicted in January of next year (1924). In the first trial, all were acquitted for "lack of evidence", however, in the second trial, eight men including Chiang Wei-sui were sentenced for three to four month imprisonment, and five men including Tsai Shek-kok were punished with a fine of one hundred yen. All punishments were in proportion to the role played in the petition movement. Later, although Chiang Wei-sui and others had appealed, the third trial in February of 1925 upheld

the judgement of the second trial and the sentences were finalized.

At the final speech in the court, Miyoshi chief prosecutor quoted the dialogue between Li Hong-chang, the Ch'ing ambassador plenipotentiary, and Ito Hakubumi that "the Taiwanese residents are used to launch one minor rebellion in three years, and one major rebellion in five years", pointed out the "rebellions of bandits" since Japanese occupation of Taiwan till 1915 for example, emphasized the rebellious character of the Taiwanese race, and stated that the Taiwanese were not eligible to demand the right of freedom, if the Taiwanese did not like the assimilation policy, they should leave Taiwan now. In making objection to this, the defense lawyer Watanabe Cho (member of the House of Peers) stated: (1) the association was reorganized with the same name and same purpose in Tokyo after it was banned and dissolved in Taiwan, so there is no legal problem, (2) even though assimilation is the government policy, the opponents are not traitors, (3) to punish at Taiwan the legal activities of the League in Tokyo is to disregard the different area of legal coverage, and (4) it is impossible to assimilate a difference by saying whoever opposes to assimilation should leave Taiwan. Kiyose Ichiro (member of the House of Representatives) further pleaded to the court: (1) If the government were to rule Taiwan with the mentality of treating petition as treason, it will never be able to make the Taiwanese agree, (2) assimilation policy is already a hackneyed idea, therefore, the Taiwanese deserve what they demand, (3) if legal political movement were oppressed by a strong measure, it will cause even bigger problems, (4) judicial power is like a sword with multi-sided blades, if applied with prejudice, both the nation and defendants will be hurt. When defense lawyer Kiyose referred to Miyoshi

chief prosecutor's remark that the Taiwanese who do not like the assimilation policy should leave Taiwan, he could not restrain his passion but choked up and advocated with tears shedding: "Being born and living in Taiwan and being the subjects of the Imperial State, if the Taiwanese were asked to leave Taiwan merely because they are opposed to the assimilation policy, it is an outrageous statement not only inhuman but also unforgivable by law." His argument had created a great sensation in the court. By the opportunity of this trial, Watanabe Cho and Kiyose Ichiro became the members who introduced the petition for establishing Taiwan Parliament to the House of Peers and House of Representatives, and continued to assist the Taiwanese until the petition movement was suspended.

Since the Taiwan governor possessed the judicial right in Taiwan, judges and prosecutors were both under his command. Naturally, the trial result of the peace police law violation incident was predictable, but through the process in the trial, the legitimacy of demanding self-government and nature of the problem became clear. And what's more important, were that for the first time the Taiwanese racial movement had been disputed by means of struggle in court, and the consciousness of the citizens of a law-governed country had been cultivated. The significance of these was immeasurable.

Immediately after the sentence was finalized, Chiang Wei-sui was imprisoned, but the others, after a grand farewell party just like sending off heroes to the front, were seen off by their comrades and citizens in a parade before going into prison. And when they came out of prison, they were met by an enthusiastic reception as if they were triumphant soldiers from war. Since then,

the Taiwanese who had been imprisoned because of political movement were regarded as heroes, a few months, a year or two years of imprisonment was taken as if it was "free boarding with meals". However, understandings and feelings as such were only possible in "a law-governed country" even though under colonial rule. In the case under the rule of Kuomintang regime after the World War II, it was not applicable and so the sacrifice of the Taiwanese leaders and intellectuals became unavoidable in the "February 28 Incident".

Split of the Taiwan Cultural Association

Until 1927 when the Taiwan Cultural Association split, it had made much contribution to the society. Their activities began by publishing bulletin, and the Bulletin No.1 carried an article written by Chiang Wei-sui, titled: "The Clinical Instruction on Taiwan". According to this article, Taiwan was the following circumstances: "domicile origin: Fukien Province, China, present: the Taiwan Governor's Office"; "the condition of patient: morality corrupted, superstitious, knowledge superficial, unmanly, and lazy"; "diagnosis: a weak-minded child of world culture, lack of knowledge nourishment"; "treatment: supply knowledge nutrition". This could be seen as a severe self-criticism. Such stimulating expression by Chiang Wei-sui must have shocked the Taiwanese in those days. While pushing the petition movement for establishing the Taiwan parliament, the Taiwan Cultural Association also took up the role of supplying "knowledge nourishment" to the Taiwanese and developed various cultural activities.

The activities of the Taiwan Cultural Association included establishing newspaper reading clubs in various parts of Taiwan and provided newspapers and

magazines, holding "cultural lecture meeting" on weekends and holidays, staging new play by dramatic companies, and showing films by "Meitai Group", etc. The purpose of these activities were to enlighten the Taiwanese consciousness, to improve people's knowledge and concern in politics, especially to stir up criticism toward the Japanese colonial rule on Taiwan. Of these activities, the cultural lecture meetings amounted to approximately 800 times within four years between 1923 to 1926, a period after the peace police law had been applied to Taiwan, and gathered a total of over 300,000 attendance in various places of Taiwan. To say nothing of lecture meeting, all activities were done under close watch and control by the police based on the peace police law. But, the police interference or the clash with police had, on the contrary, improved the Taiwanese consciousness. The period of six years from the establishment of Taiwan Cultural Association till its split may be called the "Taiwanese Renaissance". These six years, as it was regarded as "a period of united front" for the Taiwan racial movement, was a very valuable period when all influential powers were concentrated.

The concentration of influential powers, however, had on the other hand brought up the bud of splitting. In addition, the fact that the leaders, including Lin Hen-tong, were all middle classes or wealthier men cannot be ignored. The time was, as can be seen in the formations of Chinese Communist Party and Japanese Communist Party in 1921 and 1922, a period when socialism and communism movements were exalted and class struggle was coming to the fore, and Taiwan was also not able to escape from its influence. The so-called "united front" of the Taiwanese was nothing but the unification of racists and socialists under the Taiwan Cultural Association without distinction of leftist or rightist, therefore, the Association played a leading part

in racial movement, peasant struggle and even labour dispute. Moreover, since these activities had all been suppressed by force, the "legal resistant movement" was questioned and criticized, hence the ideological controversy was developed into policy struggle, and at the end, the leadership of Taiwan Cultural Association fell into the hand of the leftist. After the breakup, the rightists including Chiang Wei-sui and Tsai Pei-hoe organized in July, 1927 the "Taiwanese People's Party", the first legal political party in the history of Taiwan, but already lost the liveliness that the Taiwan Cultural Association used to have. And while the Taiwanese People's Party was turning toward the left under the leadership of Chiang Wei-sui, the rightists including Lin Hen-tong and Tsai Pei-hoe broke away from the party and organized the "Federation of Taiwan Local Self-government" in August, 1930. In addition to the split of leaders, the Taiwan People's Party was forced to resolve in less than four years by a prohibition order in February , 1931.

On the other hand, the extreme leftist of the Taiwanese racial movement, the "Taiwanese Communist Party" was formed in April, 1928 in the French settlement in Shanghai with the guidance and help from Comintern (Communist International). Because Taiwan was a Japanese colony, Taiwanese Communist Party became the "Taiwanese Branch" of Japanese Communist Party organization-wise, and was put under its direction and order. When Taiwanese Communist Party was established, seven Taiwanese including Hsia Soat-hong, the Chinese Communist representative Peng Rong and Ro Wun-heng, a Korean communist were present. It is noteworthy that in the general principles of Taiwan Communist Party, "Taiwan racial independence" and "establishment of Taiwan Republic" were asserted, the Japanese occupation of Taiwan was denied squarely.

Since its formation, the Taiwanese Communist Party had from the beginning to the end never got out of the sphere of underground activity, not only in China or Japan, but also in Taiwan. That was why the Taiwan Cultural Association, which the leftist was taking the lead, had been corroded, and by 1931 the leadership was completely fallen into the hand of the Communist. But in June of this year, all Taiwanese Communist Party members were arrested at the same time, and by the year end, the leaders of Taiwan Cultural Association were also arrested, thus Taiwan Cultural Association finally came to an end. In July, 1937, the Federation of Taiwan Local Self-Government also voluntarily dissolved a week after the Sino-Japanese War broke out, hereupon the Taiwanese political movement have vanished from Taiwan.

A Full Investment in Education

Based on his thinking that "education is like a sword with multi-sided blades", Goto Shinpei was not too enthusiastic about giving the Taiwanese education more than necessary. However, soon as the industries were developed, it was necessary to bring up the Taiwanese as labourers of modern industries, minor officials and backbone technicians, so the Governor's Office must look to fully invest in education.

In Taiwan under the Ch'ing rule, education was done in private schools called "Book House", but in 1896, one year after the Japanese occupation, the Governor's Office established "Japanese language schools" in Taipei and "Japanese language instructing houses" in various places of Taiwan. The Japanese language schools were divided in two sections namely, "instructor training" (later became normal school) and "language training" which gives low secondary education. The Japanese language instructing houses in various places after 1898

became the public schools which give elementary education to Taiwanese children. In 1899, the "Taiwan Medical School" was established, and between then and 1919, junior high schools, girl's high schools and vocational schools had been established one after another. Compared to the education in the Ch'ing era, it was like living in quite a different age, but since Taiwan was cut off from contact with the education system of Japan proper by policy, the road for going to higher schools in Japan was shut. Incidentally, the Japanese children and students studied in the "elementary schools" or "secondary schools" similar to those in the homeland, there you can see the different treatment toward the Taiwanese and the caution that "education is a sword of multi-sided blades" had been taken.

The appointment of civil governor as well as the propulsion of assimilation policy brought remarkable changes to the Taiwanese education which became even more fully developed. Through the World War I, Japan as well as were blessed with a war boom, the industries were lively and national income had also been increased, which contributed to improving and setting up more educational institutions in Taiwan. Under the assimilation policy, unifying Taiwan educational system with Japan proper was also promoted. By 1944, one year before Japan gave up Taiwan, there were: 1,109 elementary schools with 932,475 students, 3 normal schools with 2,888 students, 117 vocational schools with 32,718 students, 22 girl's high schools with 13,270 students, 22 junior high schools with 15,172 students, 1 senior high schools with 563 students, 4 professional schools with 1,817 students, and 1 imperial university with 357 students. The percentage of children's school attendance in 1944 was surprisingly as high as 92.5%, even though it was under the wartime structure which

urgently needed to train combat personnel, when compared with the educational situation of the European country's colonies, you can understand how the education in Taiwan had been widely spread.

In comparison with Malaya, the British colony, it is worth mentioning how much importance that Japan laid on education in its colony Taiwan. The Britain entered into Malaya since 1786, but it was one and half century later when the only university (University of Malay) was established in 1948. Japan established Taipei Imperial University in 1928, only 33 years after the occupation of Taiwan. Considering the necessity to equip elementary, junior and high schools before establishing a university, Japan's posture toward education in Taiwan was greatly different from that of Britain toward Malaya. At present, Malaya is divided into Malaysia and Singapore independently, and apart from Singapore, Malaysia is in a situation unable to be fully self-sufficient in necessary talents. Taiwan on the other hand, have already produced a Nobel prize winner in the field of chemistry (Lee Yuan-tek, after finishing B.A. in the University of Taiwan, went to America for further study), and in the field of medical science, have reached the level comparable to advanced nations in the world. There is no intention to affirm the colonial rule of Japan, but it is understandable that if there was no modernization of the colony, particularly if there was no fully invested education in Taiwan, the great economic progress in 1970s and after would have been impossible, or at least would have been an happening at an later date.

Just as Goto Shinpei feared, indeed the fullness of education cultivated the Taiwanese racial consciousness, fostered the resistant movement to colonial rule. However, the greatest "inheritance" of Japanese

occupation was the education as the soft phase of infrastructure improvement, without which the awakening of Taiwanese as modern citizen would have been much late. Moreover, under the colonial rule, unlike the Japanese officials or police officers, most of the Japanese teachers in Taiwan were passionate in their mission and excellent in character, and so had centered respects and trusts.

The pro-Japanese emotion often seen among many elderly Taiwanese today, owes greatly to the existence of these Japanese teachers. After Japan gave up Taiwan, the Kuomintang regime, who became the new ruler, branded the education in the colonial days as "slavish education", however, it was nothing but an excuse to shift the responsibility by the successor, who lacks the proper knowledge of modern citizen consciousness, in order to hide his dictatorship and corruption.

Promote the Development of Industry

There were a total of nine civil governors, began by Den Kenjiro in 1919, and followed by Uchida Kakichi, Izawa Takio, Ueyama Mannoshin, Kawamura Takeharu, Ishizuka Eizo, Oota Masahiro, Minami Hiroshi and Nakagawa Kenzo, which period continued until September, 1936 was called the "Civil Governor Era" (1919-1936). Later, military governors were appointed again to be prepared for the Sino-Japanese and the Pacific wars, namely Kobayashi Seizo (Navy), Hasegawa Kiyoshi (Army), Ando Toshikichi (Army), a period called the "Latter Military Governor Era" (1936-1945). The promotion of infrastructure and industry properly started by Goto Shinpei, was succeeded in the civil governor era, and further accelerated during the latter military governor era under the wartime structure.

The result of infrastructural and industrial developments may be seen in 1917 statistics as follows. The construction of harbours in Keelung and Kaohsiung, railroad was extended from 100 to more than 600 kilometers, the whole rail line from Keelung through Kaohsiung, equivalent to the artery of Taiwan, was opened for service. The construction of water irrigation system was progressed, and cultivated acreage had been increased from 640,000 to 740,000 chia. Rice production was doubled from 2,500,000 to 5,000,000 koku, and sugar production expanded eleven folds from 30,410,000 to more than 344,000,000 kilos. As for trading, not only the deficit was turned into surplus, export was increased by 980% and import 540%, added up to a surplus of 56,870,000 yen in total. The income government enterprise was increased 14.7 times from 2,510,000 to 36,960,000 yen. On the other hand, the population also increased from 3 million to 3.6 million, and became the labor power which the industrial promotion cannot do without.

When Japan first occupied Taiwan, the Japanese government allotted an annual subsidy of approximately 7,000,000 yen to the Taiwan Governor's Office, and expected Taiwan will financially become independent in about 13 year. Due to smooth progress of industrial development and monopoly sale as well as increased landtax income, Taiwan had become financially independent in 1905, and during the period the subsidy from the national treasury only amounted to 24,240,000 yen. As of 1907, being able to start contributing to the finance of Japanese government, Taiwan had grown up to be "a chicken that lays golden eggs". Nevertheless, we should not miss the fact that through such remarkable industrial development, the Taiwanese economy had been completely colonized just like politics, in short, had become dependent to the Japanese

economy.

In this period, large scale modern constructions also appeared in various places of Taiwan. These were the "military equipment in civilized dress " as advocated by Goto Shinpei, in short, served as an aid to military power mechanism in colonial rule, overpowering with an array of modern civilization to deal with resistant movement, and the governor's palace built in the new downtown center of Taipei was the best example. The construction of the governor's palace began in 1912, and completed in 1919 after seven years. The commanding appearance of 76,000 square feet majestic figure, made of red bricks in Renaissance, was enough to awe the Taiwanese into obedience in those days. This building, which seems to symbolize the Japanese occupation of Taiwan, has become the "presidential palace" of Kuomintang regime of Republic of China, and is still continuing to overpower the Taiwan residents.

In the field of transportation, there were the opening of coastline railway in the central part of Taiwan, Yilan line between Peh-tou and Soo-au, and Pintong line which connects Pintong and Pan-liau from Kaohsiung, the completion of second phase Keelung harbour construction, the expansion of highway network, etc. Furthermore, as to water irrigation work for agricultural development, there were Kanan irrigation system of the southern plain centered in Chiayi and Tainan, and Taoyuan irrigation system of the northern plain centered in Taoyuan, by which irrigation reached 55.5% of total cultivated land. In addition, there were hydro electric power plants in Sun-Moon Lake and Dai-ka River, attempt in increasing electric power for the industry was made.

In the year of 1935, there were a total 26 hydro electric power plants and 9 steam power plants when the construction of power plants reached completion status.

In October, 1935, an "exposition commemorating the 40th anniversary of commencing administration in Taiwan" was held in Taipei. At that time, the Kuomintang regime of Republic of China sent an observation group with officials from the city of Amoi and Fukien province, to have them observe in detail, not only the exposition, but also the administration in Taiwan under the Japanese rule. After they returned home, they published a report titled "Report of Taiwan Study" in 1937. This report has given the Japanese rule on Taiwan a storm of top praises, commenting: "it is a good lesson to us", "if the Japanese can, why Chinese can't?", "Taiwan run by Japan for only 40 years, the disparity from China is surprising great", far from criticizing the Japanese imperialist's control of Taiwan, has shown astonishment and great admiration to the fruitful result.

Busha Incident

In the morning of October 27, 1930. an incident whereby the mountain aborigines attacking the Japanese had happend in Busha, in about the middle part of the Central Mountain Range. It was the athletic meet day of Busha elementary school, and the Japanese and the Han-descent Taiwanese parents and children were gathered together.

The hoisting of national flag that heralds the opening as a signal, about 200 armed mountain aborigines broke into the meeting place, after killing and wounding almost all the Japanese, attacked the police station, government office and official residence one after

another, and after taking possession of government properties for three days, took the weapons and ammunitions before evacuating to the mountain area. In the attack, 132 Japanese were killed, 215 wounded, and in addition, two Taiwanese wearing Japanese kimonos were also killed by mistake. This was the "Busha incident", the characteristic of which in the aim of killing only the Japanese people.

Governor Ishizuka of the day immediately requested the Taiwan military commander to mobilize the army, and over 800 soldiers went into action. In addition, together with armed police and Han-descent Taiwanese youth group a total of more than 2,700 men were dispatched and the suppression began. During the suppressing action, bomber and poison gas had also been used, and after more than 50 days of desperate battle, the revolt was suppressed. Among the twelve tribes of the mountain aborigines who lived in Busha, six tribes had joined the rebellion and their total population was about 1,400. Of these aborigines, 276 were killed and the remainder forcibly moved to the district of other mountain aborigines who were ally to the governor's office. But in April of 1931, a "second Busha incident" happened, whereby 210 of these aborigines were attacked and killed by other tribes.

Busha incident happened in a period of time when Japanese rule on Taiwan got under way, enlightenment toward the aborigines in progress, and the success of "savage managing policy" was being praised, and so it was a great shock to the Japanese. Especially, the fact that listed among the rebels was a graduate of Taichung public normal school, who had the background of a police officer and a Japanese name "Hanaoka Ichiro", forced the Japanese government as well as the Taiwan Governor's Office to re-examine their aborigines

policy, and even developed to the resignation of Governor Ishizuka and Chief of General Affairs Hitomi Jiro.

It has been pointed out the causes of Busha incident were discontent to the Japanese rule, especially the anger toward the suppression and forced labour, the haughty attitude of government officials and police, who also shelter under their power in seducing women, etc. had finally exploded. In spite of this, the diffusion rate of Japanese language among the aborigines was higher than Han-descent Taiwanese, and is still being used as common language among the aborigine tribes today, and in addition, during the Pacific War, it was a well known fact that the "Takasago Volunteers" formed only with the aborigines had bravely fought for Japan in the Southeast Asian front, therefore, how can we conclude that because of the Busha incident, all Japanese enlightenment and policy toward the aborigines had failed.

Chapter 8

World War II

Japanization Movement

In September 1931, the Mukden Incident broke out in Manchuria, and "Manchukuo" was created in March of the year after, while Sino-Japanese relation turned for the worse. In 1933, Japan withdrew from the League of Nations, and was further isolated in the international community. On July 7, 1937, a clash between Japanese and Chinese troops at "Rukou Bridge" near Peking finally led the two nations into war.

Later on December 8, 1937, the Pacific War broke out, and Japan was at a dash into war chaos. Taiwan, as Japan's colony, was put under wartime structure. In order to cope with wartime requirements, reserved admiral Saizo Kobayashi was appointed as the governor of Taiwan. This was the beginning of so-called "military governors of latter period". Upon arriving at his office, Governor Kobayashi declared that his basic policies were to "Japanize" the Taiwanese people,

"industrialize" the industries, and to turn Taiwan into "a base" for the march towards Southeast Asia.

Japanization movement was nothing but a reinforced assimilation policy aiming at "thoroughly implanting the spirit of imperial nationalism, promoting education, encouraging learning of Japanese language and customs, and cultivating the character of loyal imperial subject". Not long after Governor Kobayashi arrived at his office, he started to expand the Japanization movement. After the Mukden Incident, the first Fumimaro Konoe cabinet announced the "National Spirit General Mobilization Plan and Enforcement Rules", and the movement was further reinforced. Eliminating Chinese columns in newspapers, promoting the use of Japanese language, abolishing Chinese temples and idols, compulsive worshipping of Shinto shrine, and prohibiting Taiwanese manners, customs and ceremonies, etc. had been enforced consecutively. Under the pretense of spiritual reform, destruction of the Taiwanese traditional culture was enforced with strong measures invoked by the government. On February 11, 1940, at the "2600th Anniversary of Imperial Era", a "name-change movement", encouraging Taiwanese to use Japanese names, also began in Taiwan.

In October 1940, the second Konoe cabinet started the "Support the Sovereign Society", and Taiwan Governor's Office responded by establishing "Imperial Subjects Service Society", which had a double purposes of supporting the Sovereign by strengthening wartime structure and promoting assimilation and Japanization of the Taiwanese people. The Governor appointed himself as the director, and General Affair Officer acted as the manager of the central office, under which departments of general affair, propaganda, training, culture, life, economy, etc. were set up. As for the local

organizations, various levels of branches were set up in prefectures, counties, cities, streets, villages, districts and tribes. Service groups were also organized among the citizens. Because the directors of various levels of Service Societies were concurrently appointed from executives of the administrative organizations which it belonged, the Imperial Subjects Service Society and administrative organization were actually a same body. However, there were other side-organizations such as "Manhood Service Group", "Industrial Service Group", "Volunteer Service Group", "Literature Service Group", and "Kikkyo Club" organized by single women, etc. Furthermore, "Southward March Agricultural Pioneers Training Center", "Southward March Industrial Pioneers Training Center", and "Ocean Training Center", etc. were set up to train personnel advancing to the Southeast Asia. The Imperial Subject Movement purported not only for Japanizing the Taiwanese people, but also for completing the wartime structure, in reality. It was a gigantic movement dragging the entire population of Taiwan into war.

Base for Southward March and Industrialization

Before entering into the Pacific War, Japan was already prepared to invade the colonies of Britain, France and Holland in Southeast Asia. In other words, Japan was ready for the "southward march". Symbolizing this intention was the "Taiwan Colonization Company", which was set up by the Imperial order in November 1936.

"Taiwan Colonization Company" was semi-government company organized in line with national policy. The president of the company was appointed by the Taiwan Governor, approved by the Minister of Colony Affairs. The original capital, 30

million yen, was repeatedly increased as war expanded, and reached over 100 million yen in 1941. The Company was eventually developed to be a big business with 32 subsidiaries and investments covering Taiwan as well as various places in southern China and Southeast Asia under Japanese occupation. The field of investment included: development, colonization, manufacturing, commerce, mining, transportation, entertainment, securities, etc. In other words, Taiwan Colonization Company was an organization which harvested the fruits of war in flank economically.

As in the past, it is a rule that colonial economy is designed to be dependent upon the economy of the principal country; the colony to supply the resources and materials, and the principal country to produce the goods and market in the colony. Up to the civilian governor's era, Taiwan nearly followed this pattern, but except for the food processing industry which was typified by sugar manufacturing, it was centered in agriculture and light industry. However, the promotion of Taiwan industry under the wartime structure had reversed this pattern, and heavy industry in connection with munition industry was rapidly developed. Especially in the course of heading into the Pacific War, under the necessity of not only supplying the materials, but also diversifying heavy industry and a supply depot for the southward march, the heavy industry in Taiwan made a great expansion.

Up to 1937, the scale of Taiwan industry was limited to processing of agricultural products, but Sino-Japanese War as a turning point, and further as Japan plunged into Pacific War later, and as Taiwan became the "supply base for the southern operation", munition related industries were developed in astonishing speed: modern industries such as steel, chemistry, textile, metal

and machinery, etc. became very active. By 1939, the industrial products exceeded the agricultural products amounting to 570,000,000 yen, equivalent to 45.9% of GNP, and Taiwan had reached the front gate of industrial society. During the Japanese rule after that, the industrial production had never been below the agricultural production, and by March of 1944, the total industrial production exceeded 700,000,000 yen, a highest record in history. However, it was not long before the industrial production suffered a sharp decline due to damage from bombing by American forces.

In proportion as industrialization progressed, the infrastructure construction was further proceeded. Before Japan gave up Taiwan, public railroad had been extended to more than 900 kilometers, and the bus routes were extended as far as rural districts. The expansion of harbours had had a good progress, hence docking 25 ships under 10,000 tons in Keelung harbour and 34 ships in Kaohsiung harbour became possible. Water supply systems were laid in major cities, and sewage systems were also constructed in some of these cities. Twelve government general hospitals were constructed in various places, whereby epidemic diseases were nearly exterminated.

Air routes were established, and airports, which also served for military purpose, were constructed in Taipei, Yilan, Tamsui, Taichung, Tainan (2 places), Taitung, Kaohsiung and Makung. Not only domestic flights which linked Taiwan and Japan proper, but it once had flown the international route which linked Bangkok, Saigon (Hochiming city today) and Guanzhou. Radio broadcasting was also begun, broadcasting stations were established in Taipei, Taichung, Tainan, Chiayi and Hualien, and oversea broadcasting had also been done. There were 223 post offices including general and

special post offices and their branches, 454 telegraph offices including wireless, and more than 25,000 persons who owned telephones.

Taiwanese Under Wartime Structure

For managing Taiwan in a long term, Japan had carried out its basic policy of "industry for the principal country, Japan" and "agriculture for the colony, Taiwan". Been located between tropical and sub-tropical zones, it was possible to have three harvests of rice crop in a year in Taiwan. In addition, the success in plant breeding had been favourable to the growth of rice production, hence the name "Granary of Japan". But, as war expanded and it became necessary to control food supply, the "Taiwan food supply control order" was promulgated in 1943. Based on this order, "Taiwan Foodsupply Management Group" was organized and began to control and ration food supply. Now that the Taiwanese have experienced for the first time severe control and shortage of food supply. Until then, they have been told Japan's one-sided victory in the Sino-Japanese war and Japanese troop's brilliant result in the first match of Pacific War, Taiwanese people generally believed that Japan will win the war. Therefore, the control and shortage of food supply made them realized the seriousness of the situation.

At first, the Japanese government did not impose the obligation of military service to the Taiwanese. However, as war expanded and military personnel ran short, Taiwanese were enlisted as civilian military personnel and sent to the front in large numbers. Furthermore, as of April 1942, Japan began to "enlist" in Taiwan under the pretext of "volanteers". This was the "special army volanteers". In three year period through 1944, a total of about 6,000 volanteers had been sent to the front, approximately 1,800 of whom were

"Takasago Volunteers" organized with the aborigines. As of August, 1943, about three thousand men were recruited to organize "Navy Special Volunteers", and when the tide of war turned against Japan after May, 1944, more than eight thousand men were sent to the marine corps. Thus, the Taiwanese had directly involved in the whirlpool of war, and the war was no longer for the Japanese.

As the situation of war became worse and together with great losses of military personnel, conscription also began in Taiwan in September, 1944, and 22,000 men had been enlisted. It was ironic that in accompany with the enforcement of conscription, the election law of the House of Representatives was revised in March, 1945, and though the number was limited to only five, but the road to Imperial Diet was opened for the first time to the Taiwanese to participate in the politics.

However, the war ended before Taiwanese had any opportunity to exercise this privilege, and besides, because Japan had given up Taiwan, Taiwanese were no longer "Japanese". Incidentally, according to the data provided in April, 1973 by Public Protection Bureau of the Ministry of Welfare, the numbers of Taiwanese rounded up and sent to the war were soldiers 80,433, enlisted civilians and labourers 120,6750, totalling 207,183, of whom death in action and sickness were 30,304. The death rate was as high as one out of seven, based on the population of Taiwan after the war (approx. 6,000,000), there was about one victim in every two thousand Taiwanese. The wounded soldiers, enlisted civilians and labourers, including the 30,000 deads, did not receive any compensation after the war, on the ground that they have lost their Japanese nationality.

Later at the end of 1974, with the discovery and rescue of a former Japanese soldier, who was a Taiwanese

aborigine by the name of Sunion (Teruo Nakamura by Japanese name), a movement requesting compensation for former Taiwanese soldiers, enlisted civilians and labourers had begun. Although failed in the lawsuit on the ground that they have lost their Japanese nationality, a law was passed in the Japanese Diet for "payment of condolence and sympathy to the surviving families of the war-deads of Taiwan residents". A sum of two million yens per person was paid by the Japanese government to each dead in action or sickness and seriously injured. Nevertheless, there is a great difference in the treatment of Japanese and Taiwanese after the war, inspite of the fact that they had both bled in the battlefield as "Japanese soldiers". Moreover, other countries such as the United States, United Kingdom and France, have given generous compensations to the residents of their colonies whom they sent to the war. In view of this fact, it cannot be helped if Japan was criticized that their assimilation policies of "equal treatment" and "Japanization" were merely controlling methods.

Defeat and Impact to the Taiwanese

On August 15, 1945, the "gracious broadcast" of the Emperor announcing Japan's defeat was also heard in Taiwan. The defeat was not only for the Japanese, but it changed the fate of the Taiwanese even more drastically than the Japanese. However, immediately after the war, the Taiwanese in general hardly knew what the defeat meant or what would happen to them. In Taiwan, there were some bombings by the American, but no enemy landing like what happened in Okinawa. Even though defeated, the administrative organizations including the Governor's Office were still in operation, and there were great number of Japanese troops stationed in Taiwan. Only a few intellectuals, who secretly learned through Allied broadcast about

the "Cairo Declaration" of November, 1943 and the "Potsdam Declaration" of July, 1945, and knew that Japan's defeat would mean "returning Taiwan to China". So, while there were some people who rejoiced about being liberated from the fifty-year long colonial rule, there were also those who had mixed feeling that "yesterday's enemy" suddenly became "tomorrow's motherland". Among those who were aware of the big gap in modernization between China and Taiwan, there were people who thought that the opportunity for Taiwan to become independent has arrived. It makes one sad to think that Taiwanese were unable to decide their own destiny at any rate.

Some Japanese soldiers in Taiwan, who could not accept the reality of defeat, attempted to work together with the Taiwanese and opt for Taiwan independence. Major Goro Nakamiya and Major Yoshio Makisawa, staff officers of Taiwan Army, gathered the Taiwanese leaders, who either cooperated with or resisted the Japanese rule in the past, to organize the "Taiwan Peace-keeping Society", secretly met Ching-po Koo (son of Hen-ying Koo) on August 16, 1945, one day after the war ended, and presented a list of members for the "Peace-keeping Society". According to this list, Hen-tong Lim was intended as president, Him-shiong Lim as vice-president, Rep. Piah Ko of the House of Nobility as adviser, and Ching-po Koo as chief of general affairs. After the second meeting on August 17, Professor Chhong-ben of Taipei Imperial University, Lawyer Teng-lok Lim and Rep. Long-shan Kan of the House of Nobility, including Ching-po Koo, etc. visited Governor Ando on August 22nd. However, Governor Ando was not only opposed to Taiwan independence, but also forbade movement for a self-government. In view of this, around thirty persons concerned met at Piah Ko's residence on August 24, and decided to call

off the movement. Later, the Kuomintang regime punished these persons involved in so-called "Taiwan independence plot" with imprisonments ranging from 1 year 10 month to 2 year 2 months.

Repatriation of the Japanese in Taiwan

Since the war ended, Taiwanese soldiers as well as enlisted civilians and labourers started to return from the fronts of China and Southeast Asian countries one after another, and demobilized. On the other hand, the withdrawal of Japanese in Taiwan to Japan proper also began. At the end of war, total Japanese population in Taiwan, including 166,000 soldiers, was about 488,000. Kuomintang regime ordered to have a "Liason Office for Handling the Japanese soldiers in Taiwan" organized, and Ando was assigned to head this office, but actual business was handled by his assistant Suda, the bureau chief of Agriculture and Commerce of Taiwan Governor's Office. The withdrawal began with military personnel which was completed in February 1946. The Japanese in general, who were accustomed to living in Taiwan, in fear of the chaos and food shortage in Japan, and in view of the fact though Japan was defeated there was practically no revenge on the Japanese by the Taiwanese, about 200,000 Japanese expressed desire to stay in Taiwan. But, the Kuomintang regime who took over Taiwan did not permit large numbers of Japanese to remain in Taiwan, and in addition, as social disorder including inflation started to happen in Taiwan, by March of 1946, all the Japanese had wished to be repatriated.

The withdrawal of all Japanese was completed on August 20, 1946. Each person was only allowed to bring 1,000 yens in cash, foods for consumption on the way, and two backpacks of personal belonging. Practically all properties, material or immaterial, which they had built

up by working hard for half century, were left behind. Eventually, the total number of Japanese repatriated was less than 460,000 including military personnel, and there were about 28,000 technicians and teachers who were needed by the Kuomintang regime remained as "retainees".

On April 13, 1946, when the withdrawal was nearly completed, Likichi Ando, the last Taiwan governor was arrested as war criminal. Ando was sent to Shanghai for trial, but he committed suicide. He killed himself after accomplishing his duty, defying the humiliation of war criminal. On May 31 of the same year, Japanese government abolished the Taiwan Governor's Office by an Imperial order, and thus the Japanese rule on Taiwan was brought to an end.

Chapter 9

The 2-28 Incident

Governor's Office and Garrison Command

According to the agreement at Potsdam Conference , Japan was occupied by the Allied forces. On September 2, 1945, Japanese representatives signed the formal document of surrender on the deck of the U.S.battleship Missouri, anchored in Tokyo Bay. On the same day of Japan's surrender, the office of the Supreme Commander for the Allied Powers issued General Order No.1, directing Japanese forces in China and Formosa (except Manchuria), to "surrender to Generalissimo Chiang Kai-shek." Based on this order, Taiwan became occupied territory of the Chinese army under Chiang Kai-shek's command. At that time, the domestic war between Kuomintang and the Communist Party had already begun; the Chinese army under Chiang Kai-shek's command was in reality Kuomintang troops. Chiang Kai-shek's regime, which had been hiding in Chungking, Szechuan during the war, could hardly wait for the order of the Allied

Supreme Command, promulgated the "Organization Rules for the Governor's Office of Taiwan Province", and set up "Taiwan Provincial Governor's Office" and "Taiwan Provincial Garrison Command" headquarters, appointed army general Chen Yi as the governor and concurrently the chief of Garrison Command, and Ger Ch'in-yin as the secretary-general of the Governor's Office.

In spite of the fact that there was no international agreement regarding change of status on Taiwan, Chiang Kai-shek had swiftly renamed Taiwan as "Taiwan Province" of China. On September 5, 1945, Chen Yi set up a temporary office at Chungking, and appointed himself as the chief executive. Further on September 29, he set up an "advanced command post" combining the Governor's Office and the Garrison Command headquarters, and began preparing for the occupation of Taiwan. Meanwhile, some Taiwanese who had joined Kuomintang regime in China returned to Taiwan to spread propaganda about Kuomintang's "courageous deeds" of resisting the Japanese during the War, trying to produce the atmosphere of the "happy return to motherland". In addition, Chiang also secretly sent an advance party of Kuomintang's secret military agents to pave the road for power transfer. From the secretary-general of the Governor's Office down to the members of the advanced party, a total of 80 requisition personnel boarded on an American military plane and arrived at Taipei on October 5, 1945, and immediately moved the advanced command post to Taipei.

Then, on October 17, 1945, two regiments of Kuomintang troops including 12,000 plus soldiers and some 200 officials who were transported in about 30 American vessels, escorted by American warplanes, landed at Keelung harbour and marched toward Taipei

on the same day. Though a victorious army, Kuomintang was unable to occupy Taiwan without all-out support from the Americans. Meantime, many Taiwanese people, seeing with their own eyes the low morale, poor clothings and inferior equipments of the Kuomintang troops, were surprised that they were so much different from Japanese soldiers, and could not believe that Japan had been defeated by China. Now they believed the rumour that "the Japanese may have lost the war to the U.S., but not to China" was correct after all. Due to the surprises and disappointments by the Kuomintang troops, the Taiwanese started to feel uneasy about "returning to motherland"; their original expectation and joy were overgrown with some shadow.

Returning to Motherland

On October 24, 1945, Governor Chen Yi led the management teams of Governor's Office and Garrison Command and entered Taipei in an American military airplane from Shanghai. Next day, on October 25, at 10 A.M., the ceremony of "accepting surrender in Taiwan region of China war zone" was performed in Taipei Public Hall (present-day Taipei Chungshan Memorial Hall). After the ceremony, Governor Chen Yi made an announcement in a radio broadcasting (summary) as follows: "From now on, Taiwan officially becomes the territory of China; all lands and residents are, therefore, under the jurisdiction of Nationalist government, the Republic of China (Kuomintang regime)". This announcement not only changed the status of Taiwan, but also changed the nationality of the Taiwanese people from Japan to China without their consent. This is considerably different compared to the time when Taiwan was seceded to Japan after the Sino-Japanese War, that Taiwan residents were given two years period to decide on the choice of their

nationality. Following the ceremony, a mass meeting for the "celebration of retrocession" was held in the afternoon, celebrating the "return to motherland". Taiwan has thus returned to "motherland", and since that day the nationality of Taiwanese was changed to Republic of China, and they were called the "people of this province" to differentiate from the Chinese arriving recently from China who were called the "people from other provinces" (the Mainlanders). And since then, October 25 was set as the "Retrocession Day" and has become a national holiday.

After accepting Japan's surrender, the colonial Governor's Office was replaced by the Governor's Office of Taiwan province, and Taiwan Military Headquarters was occupied by the Garrison Command Headquarters, while enemy properties (Japanese industries) were taken over one after another. The Governor's Office took over all government offices which were originally belonged to the colonial Governor's Office, and the Garrison Command took over all facilities originally belonged to the Japanese military. Requisition committees were also set up in every prefectures, and the original local government's offices were all taken over. In addition, the Japanese government enterprises and properties were taken over by the "Taiwan Provincial Take-over Committee, while private enterprises and private properties were taken over by the "Taiwan Provincial Japanese Property Managing Committee". Up to the end of February, 1947, with the exception of lands, the total properties taken over were:

- (1) Government organizations: items 593, amounting to 2,938,500,000 yens;
- (2) Private enterprises: items 1,295, amounting to 7,163,600,000 yens;

- (3) Private properties, 48,968 items, amounting to 888,800,000 yens;

Grand total 50,856 items, amounting to 10,990,900,000 yens.

If converted to the value of the currency in those days, it was a tremendously big fortune. Using the ruling structure of ex-colonial government as basis, Kuomintang regime was able to easily establish its ruling organizations in Taiwan, and assume complete control of Taiwan economy. In the processes of take-over, many bureaucrats had also made great fortunes.

The corruption of the Kuomintang regime was too numerous to mention. The embezzlement of the officials was so infested that there was no case of requisition without it. Every KMT official was busy building the "surrender" or the "restoration" fortunes. The requisitions were done by the mainlander officials according to the property lists faithfully produced by the Japanese, but the lists were altered and a portion of the requisitioned properties was embezzled and disappeared. It sounds like a joke, but it was a true story that a requisition official mistook a "hammer" (it was written as "metal pounder" in Japanese, while "metal" and "gold" share the same character) listed in the property list as a "gold hammer", and requested the "hammer" to be presented to him at once. The Taiwanese people, who had been permeated with Japanese education and had grown up as citizens of a law-governed country, were lost in wonder to see the "motherland" officials mixing up public and private matters and corrupting the way they did. "To serve for public good unselfishly" under the war-time structure, has now turned into "To hell with public good, be

selfish" society, and therefore in the hearts of the Taiwanese, the disappointment and contempt toward the motherland and the Kuomintang regime began to sprout and swelled day by day.

Requisitioned Japanese Industries

Main public and private industries which had been requisitioned were later became public industries under national or provincial control by the Kuomintang regime.

Bank of Taiwan, Taiwan Savings Bank and Sanwa Bank were merged as the Bank of Taiwan; Japan Kangyo Bank became Taiwan Land Bank; Taiwan Shoko Bank became Taiwan First Commercial Bank; Kanan Bank became Hua-nan Commercial Bank; Shoka Bank became Chang-hua Commercial Bank; Taiwan Sangyo Saving Bank became Taiwan Provincial Cooperative Saving Bank and all are controlled by the provincial government. The life insurance companies, Chiyoda, Daiichi, Imperial, Japan, Meiji, Nomura, Yasuda, Sumitomo, Mitsui, Daihyaku, Nissan, etc. were merged and became provincial Taiwan Life Insurance Company.

Navy's Sixth Fuel Plant, Japan Petroleum, Imperial Petroleum, Taitaku Chemical Industry, Taiwan Natural Gas Research Institute, etc. were merged as China Petroleum Co; Japan Aluminum became Taiwan Aluminum Co.; Taiwan Power became Taiwan Power Co.; Dainippon Sugar, Taiwan Sugar, Meiji Sugar and Ensuiiko Sugar companies were merged as Taiwan Sugar Corporation; Taiwan Electro-chemical, Taiwan Fertilizer and Taiwan Organic & Synthetic, etc. were merged as Taiwan Fertilizer Co.; South Nippon Chemical Industry, Shoen Soda and Asahi Electro-chemical Industry, etc. were merged as Taiwan

Alkali Industrial Co.; Taiwan Salt Mfg., South Nippon Salt Industry and Taiwan Salt Industry were merged as China Salt Industrial Co.; Taiwan Ship Dock's Keelung Shipyard became China Shipbuilding Co.; Taiwan Ironworks, Toko Industrial Company's Takao Factory and Taiwan Ship Dock's Takao Factory, etc. were merged as Taiwan Machinery Corp. All of the above were nationally owned companies.

Asano Cement, Taiwan Kasei, Nanpo Cement Industry, etc. were merged as Taiwan Cement Corp.; Taiwan Pulp Industry, Ensuiko Pulp Industry, East Asia Paper Industry and Taiwan Paper Mfg. etc. were merged as Taiwan Paper Corp.; as for agriculture and forestry, eight companies related to tea manufacturing, six companies related to pineapple, nine companies related to marine products and twenty-two companies related to livestock were merged as Taiwan Agricultural and Forestry Co. Furthermore, twenty-four companies related to mining, thirty-one companies related to steel machinery, seven companies related textile, eight companies related to glass, nine companies related to oils and fats, twelve companies related to chemical products, fourteen companies related to printing, thirty-six companies related to pottery, five companies related to electric appliances and sixteen companies related to civil engineering were merged as Taiwan Industrial & Mining Corp. Beside these provincially owned companies, there were other industries taken over in the prefectures and cities, which will be omitted here.

Owing to the "windfall" by occupying Taiwan, so to speak, the Kuomintang regime acquired tremendous amount of lands and properties. A great benefit to the Kuomintang, especially when its regime moved to Taiwan a few years later after the mainland was lost to

the Communists, it helped the "motherland's flee to Taiwan" as pointed out by the Taiwanese.

The New "Bumpkin Emperor"

The Kuomintang regime not only took over the Japanese organizations and properties, but also followed its ruling system for a while. According to the "general organizing principles of Taiwan Governor's Office", within the scope of his power, the governor was given the power to issue order and enact the law in Taiwan. He also served concurrently as the commander-in-chief of Garrison Command, having the military power inclusive of both administration and command system. He was equivalent to the military governor during the Japanese era, gathering all the functions of legislation, administration, justice and military in himself, nothing but a new "Bumpkin Emperor".

Kuomintang government also followed the regional administrations for the most part, but changed the division of five counties and three tings to eight hsien, eleven cities under ting to nine provincial cities, gung (district) to district, section to tseng, and town to hsiang, putting all these divisions under provincial jurisdiction. Government offices were established in each hsien and provincial cities; and public offices were set up in each town, tseng and hsiang respectively. Former council under colonial Governor's Office was changed to Taiwan provincial council while district and city councils were changed to hsien and city councils, but they were only consultative and not decision-making bodies.

The bao-jia system which had been abolished during the later period of Japanese control in 1944, was revived and became an even more strict system than before. The bao-jia system of the colonial Governor's Office

was a system of "ten households involvement" with one "jia" consisted of ten households, and one "bao" consisted of ten jias, but it was changed to a neighborhood system of "five person involvement" after revival. In addition, the "five person involvement" system was enforced on public employees in the government offices. The control over citizens has become much severer than the era under Japanese rule.

Kuomintang is a political party similar to Lenin's "one party dictatorship", with the object that "party rules over the country". Upon occupying Taiwan, KMT personnel were dispatched to Taiwan to take upon establishing the party organizations. KMT offices were set up on provincial and district levels such as hsien, city, tseng and hsiang, etc. In every party offices were stationed full-time officers called "party workers", whose duty was to oversee and direct the various levels of administrative organization.

The Kuomintang regime utilized an intelligence organization, which is commonly called the secret military service, as a major government support, and smuggled secret agents into Taiwan immediately after Japan's defeat to spread networks of its system throughout the island. Later, through terminal district offices guided by the secret agent's office in the Garrison Command, not only the Governor's Office, but down to public organizations, schools and public enterprises, all were put under strict supervision by secret agents.

Thus the Kuomintang regime had established a unique government structure which consisted of "party" (KMT), "administration", "military" and "intelligence" long before it was relocated to Taiwan. In order to maintain such complicated government structure, it was

a matter of course that the personnel of the Governor's Office swelled to about 43,000 as compared to 18,300 under the colonial Governor's Office during the last period of Japanese rule. This is merely an example, and the rest may be inferred.

In the past, the Japanese including the colonial Governor's Office, administrative organizations and Japanese enterprises had never appointed Taiwanese for high level position, but used many Taiwanese of superior ability in lower level positions. Now that they have returned to the "mother-land", these Taiwanese expected to have leading positions but they were disappointed. Almost all important posts and management positions were assigned exclusively to the "mainlanders" by the Kuomintang regime. And besides, as these "mainlanders" were inferior in learning, experience and ability, the discontent of the Taiwanese was intensified.

Collapse of Economy and Social Disorder

Upon occupying and requisiting Taiwan, the Kuomintang regime cut off all relationships between Taiwan and Japan. Since then, Taiwan economy was linked to Chinese economy; whereas it had been subject to Japanese economy it was now subject to Chinese economy. The Chinese economy at that time, which had been extremely exhausted after the prolonged Sino-Japanese war followed by the civil war between Kuomintang and the Chinese Communists, was on the verge of collapse, and as a matter of course, Taiwan was also affected. Rice and sugar, which had been exported to Japan up to that time, were rerouted to China, and from China, daily necessities and industrial products were imported. Meantime, shortage of goods and inflation were aggravated and prices were rising with no ceiling in China, and by interlocking the prices of

commodity exported to Taiwan, pushed up the prices in Taiwan.

After occupying Taiwan, the Kuomintang regime replaced yen with yuan as the currency of Taiwan, used fixed rate system between Taiwan yuan and Chinese currency, and excessively held down the value of Taiwan yuan. Thus resulted in further pushing up the prices of imported goods. By that time, the vicious inflation in China had already spread to Taiwan through the exchange rate of currency and trade, and the livelihood of Taiwanese citizens was severely threatened by the worsening economy. In early 1946, less than six months after the Chinese occupation, Taiwan economy was already in a catastrophic situation. Although fixed rate had been changed to floating rate later, the value of Taiwan yuan remained under-valued.

Just as Taiwan was regarded as a "granary" (great rice crop region), even at the end of the war, there were more than enough food reserves to cover the need for 160,000 plus Japanese soldiers for two years. In spite of this, by the end of November, 1945, Taiwan was in a situation of island-wide acute shortage of rice. The reason was none other, but because Taiwan rice was shipped to China in large quantities, and the shortage of rice resulted in rapid price increase. Compared to the price of rice in Taipei at the end of war which was 20 cents (Taiwan yen) per catty (600 grams), it increased 60 times to 12 yen in November, 1945. The price of rice was only one example, but because all other Taiwan products were either shipped or smuggled to China at unreasonably low prices, Taiwanese people were faced with double-pains of acute shortage of goods and vicious inflation as early as in the beginning of 1946. Nevertheless, the Kuomintang regime dealt with the

situation by issuing more paper money, and so the printing machines of Bank of Taiwan repeatedly printed additional yuans. The total currency issued in September, 1945 was 1.93 billion yuans, which increased to 29.43 billions in May, 1946, to 53.3 billions at the end of same year, to 171.33 billions at the end of 1947, and to an astonishing figure of 1,420.4 billions at the end of 1948. Finally, it was not quick enough to print money for the needs, and branches of all banks began to over-issue "bank notes" (checks payable to bank itself), resulted in overflow of paper currencies and bank notes in astronomical figures, and the economic situation became more and more deteriorated.

In addition to the deteriorating economy, social disorder due to sudden increase of unemployment was also getting more and more aggravated. Since Japan was defeated, large number of students came back from Japan, at the same time, soldiers, enlisted civilians and labourers also returned from the front, but there were no jobs available for them. Furthermore, there were factories inoperative either due to bombardment during the war or operation not going well after the requisition, particularly because the Kuomintang regime intentionally rejected Taiwanese, employment opportunity was extremely decreased, and over 300,000 Taiwanese unemployed crowded the streets.

Law and order were rapidly deteriorated, and a "law-governed country" in the Japanese era had turned into a "disturbed country". The situation was so bad that in citizen's transportation such as buses, passenger and freight trains, guards were hired for protection.

Criticism against the Governor's Office

Robberies and delinquencies committed by the

Kuomintang soldiers and corruption and greediness of the Kuomintang officials were really unforgivable. Not long after the Kuomintang troops occupied Taiwan, Taiwanese people were disappointed with the new rulers who regarded them as "compatriots", and began criticising them. The Taiwanese of Han descent used to refer new comers as "Tangshan-er", and Tanshan being the other name of China, there wasn't any ill will but was rather with intimacy. However, "Tangshan-er" soon became "A-shan" which is a contemptuous name for bumpkins. In addition to this, they even deplored that "the dog (Japanese) is gone, but the pig (Chinese) has come!". In other word, the Japanese are like watchdog, noisy but useful, and the Chinese are simply greedy and dirty. It is worthy noticing that in the subconsciousness of the Taiwanese, they deemed they are different from the Japanese or the Chinese.

Among the intellectuals, there were those who posed various demands to the Governor's Office, but none of their demands was taken up seriously. The government avoided all responsibilities and matters were higger-muggered, hence the people were forced to take measures to protect their own rights. A "Committee for Defending the People's Freedom" was established in March, 1946 and immediately spread all over Taiwan. Lin Mao-seng, a professor of Taiwan University and the chief editor of the newspaper "People's Daily", commented in his editorial: "we are now in a situation where we can no longer rely on the police to maintain law and order in Taiwan. Today, not long after the "retrocession", the people are forced to take necessary measures to protect themselves". Not only Governor Chen Yi and his cronies were impeached for incompetency and corruption, but also sternly criticized. Later when the session of Taiwan provincial assembly was convened in May, the corruption and

misgovernment of Governor's Office were criticized and the rage towards Chen Yi exploded. At this time, the demands of the intellectual were mainly administrative reforms, local self-government, and purge of corrupted officials. However, Governor's Office as well as the Kuomintang Central in Nanking had no ears for the sincere requests or complaints of the people. Moreover, director Chen Yi declared in January of 1947 that the "Constitution of the Republic of China", which was enacted in December 1946 will not apply to Taiwan until two or three years later, because "after being occupied by Japan for a long period of time, the political consciousnesses of the people is degenerated and so the Taiwanese lack the ability for self-government." This aggravated Taiwanese anger further more.

The February 28 Incident

In the evening of February 27, 1947, just as the discontent of Taiwanese was being pent up, a trouble broke out in Taiping Street, a Taiwanese shopping center along Tamsui River in Taipei, caused by police from the alcohol and tobacco Monopoly Bureau seizing unauthorized cigarettes, immediately developed into island-wide uprising, the "Feb.28 incident". This was an happening only sixteen months after the Japanese surrender and Taiwan was "retroceded" to China.

Like its predecessor, the Governor's Office had made the sale of all tobacco products a government monopoly, and it was a major source of income. However, the high officials in Governor's Office and their cronies were profiting by cigarette smuggling. Prosecuting only the retailers on the street and leaving the smugglers at large, so to speak, had long been discontented by the Taiwanese people.

Following is how the trouble in Taiping street happened:

On the evening of February 27, six investigators from the monopoly bureau including Fu Hsueh-t'ung (a Cantonese) seized unauthorized cigarettes and money from Lin Chiang-mai, a middle-aged Taiwanese widow. Lin knelt down and begged for the return of money, but the investigators pistol whipped her and she fell to the ground bleeding. The angry crowd started to attack the investigators, and the investigators fired upon the crowd as they fled, killing one on-looker. This further infuriated the crowd, who soon sieged the nearby police station and military police headquarters and demanded that the investigators be handed over to them, but were refused.

Next day, in the morning of February 28, an angry crowd went to protest at Taipei branch of the Monopoly Bureau, beating up the branch manager and three employees and burned the bureau's documents and furnitures. In the afternoon, the crowd gathered at the open space in front of the Governor's Office to demonstrate their complaints and demand political reforms. But, the military police fired at the crowd with machine gun from the roof, and dozens of men had been killed or wounded. Now the situation was so tense that all the stores in Taipei were closed, factories and schools were shut down, and thousands of citizens joined the protest and the city was unrest everywhere. The Garrison Command declared martial law, but the people occupied radio station, broadcasting the happening to whole Taiwan. By March 1, the incident had spread islandwide. Disturbances started not only in the big cities, but also in local regions, where indignant citizens attacked government offices and police stations, beat up the Mainlanders, venting their pent-up anger on

the Kuomintang regime. The military and police opened fire trying to suppress the demonstrators, but the situation was uncontrollable and went from bad to worse. "People's Daily" on that day had a critical comments of the Kuomintang regime, pointing out that the "undisciplined, tyrannical and greedy government officials and soldiers" were the causes of the incident.

On March 1, a committee was organized by representatives from the provincial and city councils to investigate the bloody incident, and a delegation was sent to governor Chen Yi requesting that "February 28 Incident Settlement Committee" be established and was agreed by Chen. Further in that afternoon, governor Chen Yi promised to

- (1) suspend the martial law,
- (2) immediately release all people being detained,
- (3) order the military and police not to fire,
- (4) establish a committee of government and popular representatives to investigate the incident, and make public broadcast.

Next day on March 2, the Settlement Committee convened at Chungshan Auditorium mainly with delegates from the provincial and city councils and five officials from Governor's Office. While the meeting was in progress, a report of gun was heard, and though the Settlement Committee demanded that the police brigade who fired the shots be disbanded but was refused.

On March 3, the Settlement Committee resolved that the following reform program be presented to Governor's Office: (1) broaden the scope of committee by including representatives from various departments of society and establish branches in various regions, (2)

restrict the armed forces from mobilizing on the streets, and prohibit any government personnel to carry gun when shopping for foods, (3) recover transportation services, (4) broadcast to local and international communities that Taiwanese people have no other intention but political reforms. In the afternoon of March 5, the Settlement Committee formally adopted an "Organization Principle for the Settlement Committee" and additional demands called for: (1) Appointment of native Taiwanese to at least half of government positions such as general secretary, department heads of civil, finance, industry and mining, agriculture and forestry, education, and police administrations as well as members of the legislation committee;(2) Public enterprises to be managed by Taiwanese; (3) Popular election of mayors and prefecture governors; (4) Reform of the government's monopoly distribution system, and abolition of propaganda committee, (5) Guarantee the freedom of speech, publication and assembly, (6) Guarantee the people's safety of lives and properties, etc. The Settlement Committee, which started as a machinery for settling the incident, has now become a driving force for political reform.

On March 6, the Settlement Committee published a "letter to fellow countrymen", saying that "through this incident, our object is to sweep away corrupted officials and to realize the political reform in Taiwan. We do not reject the Mainlander, but rather welcome them to take part in the political reform." Next day on March 7, under a confused situation, the Settlement Committee adopted an "outline of settlements" which consisted of thirty-two articles. Furthermore, an additional ten articles submitted by fiery committee members covering abolition of the Garrison Command, control of weapons and ammunitions, and allotment of native

Taiwanese to army and navy officers, etc. were also adopted. The "outline of settlements" consisting a total of 42 articles was immediately announced through radio broadcast. But, in the afternoon of March 8, when the reinforcements of Kuomintang army landed from Keelung and Kaohsiung harbours, Taiwan suddenly turned into living hell.

From the beginning of the incident until the arrival of Kuomintang reinforcements, the Governor's Office controlled only a limited circumference of military compound while the Settlement Committee actually maintained the administrative and peace keeping functions. In various regions and large cities, temporary organizations were formed by students, youths and repatriated Taiwanese soldiers. They clashed with the troops and police repeatedly trying to get hold of weapons and ammunitions, but failed because being organized hastily they were not decently armed. Among them, there was the "27 Corps", led by Yi-jen Chung from Taichung, which had been somewhat equipped with fighting capacity, and a real combat was developed in the assault and defense of Sui-siong airport near Chia-yi.

Massacre and Purge

Governor Chen Yi never intended to negotiate with the Taiwanese in good faith, but sought to buy time by pretending to accept their demands. He secretly requested the Kuomintang Central to dispatch reinforcement troops from the mainland, and made lists of Taiwanese dissidents preparing for a grand purge.

In the afternoon of March 8, 1947, the first contingent of reinforcements, including 2,000 troops of the 5th Military Police Corps and 11,000 troops of the 21st Army Division, landed from Keelung and Kaohsiung,

and began firing at the Taiwanese on the streets. Unlike the former requisition troops, these were modernized troops equipped with U.S. aid and were no match for armless Taiwanese.

Immediately after learning the arrival of reinforcement troops, Chen Yi denounced the Settlement Committees as illegal and ordered them to be abolished. The change was so abrupt that the negotiations so far seemed as if they were a series of plausible lies. Indiscriminate killing of Taiwanese began in Keelung and Kaohsiung, went on to Taipei, Pintong and the eastern coast, and extended to entire island of Taiwan within two weeks. As a result, the resistance of Taiwanese was completely suppressed. The methods of killing used by the Chinese soldiers were extremely cruel ones, as beside being machine-gunned, the victims' noses and ears were sliced off, groups of several were tied together piercing through their palms with steel wires or packed in jute bags and thrown into ocean and river. Before execution, the victims were dragged through the city, and after execution, their bodies were left unburied for many days to set examples to the residents. It is unbelievable that civilized people in the twentieth century could do such barbarous work, and definitely not what "motherland" or "compatriots" could have done.

While slaughtering the citizens on one hand, the Garrison Command declared "the entire island has been suppressed by March 13, and purge will now begin", and immediately began all-out searches and arrests under the pretext of family-registry investigation. The objects of "purge" included not only people directly involved in the incident, but also many leaders in the society and numerous intellectuals including councilmen, professors, lawyers, doctors, journalists, and teachers who had been arrested. Somehow it

seemed that Governor Chen Yi wanted to completely wipe out the intellectuals who had received Japanese education.

Professor Lin Mao-seng, lawyer Tang Teh-chong, Dr. Chang Ch'ih-long and his sons (both M.D.), typical Taiwanese intellectuals in those days, were victimized at that time.

Lin Mao-seng, born in 1887 in a devout Christian family, graduated from the department of literature, Imperial Tokyo University in 1916 after Third Senior High School in Kyoto. He went to the United States to study in Columbia University as a research student abroad jointly sponsored by colonial Taiwan Governor's Office and the Ministry of Education of Japan, and was awarded a degree of Ph.D. in 1929. After the war, he was appointed as a professor in the faculty of literature in Taiwan University, and at the time of the "Feb.28 incident", he was not only the head of the department, but also served as the president of the newspaper "Min Pao" (People's Daily) as well. He incurred the displeasure of Governor Chen Yi for bitterly criticizing the corrupted KMT regime, and was taken away from his home on the night of March 9. Since then, he has been missing. However, according to the investigation by his family and people concerned, Lin was executed immediately after the arrest, and his body was stuffed in a jute bag and thrown into Tamsui River.

Tan Tek-chong, born in Tainan in 1907, was a son between a Japanese police officer and a Taiwanese woman. After quitting Tainan Normal School, he became a policeman and served as police inspector before resigning due to conflict with his superior in dealing with a trouble incurred by Japanese. He went to

study in Central University with help from the parents of his father, who died while he was young. After graduation, he passed the judicial examination and started to practice law in Tainan. After the war, he remained in Taiwan, became one of the leading figures in Tainan, and served as chairman of the Tainan Citizen's Freedom Defence Committee. Since "Feb.28 incident" spread to Tainan, a branch of "Settlement Committee" was established in Tainan and Tan was appointed as the chief of peace keeping department. With the approval from Governor Chen Yi, three candidates for the mayor of Tainan city was recommended by the leaders of various circles, and Tan, being one of the candidates, was arrested when the KMT reinforcement assaulted Tainan on March 11. As Tan was besieged in his home, he tried to gain time by resisting arrest and burned all documents related with the incident. Many lives of whom concerned with the incident in Tainan were saved on account of his action. Tan was tortured for one night and executed on March 12 after being dragged through the city. Tan refused the soldier's order to kneel, and firmly met his death standing with a smile. After rather long time, although Taiwan Supreme Court declared him not guilty, it was only indicative of how careless all arrests, executions and judgements had been.

Chang Ch'i-long, was born in Hsinchu in 1888. Graduated from the governor-sponsored medical school in 1915 and after serving in the governor-sponsored Keelung Hospital, he started practicing medicine in Fonglin, Hualien in 1921. He was elected the chairman of Hualien prefectural council in March, 1946 and a member of delegation for enacting the Constitution of the Republic of China in October. He went to Nanking to attend the constitution enactment meeting in December, and immediately after returning to Fonglin

in early 1947 laid up in bed. Really, he was only recommended for the candidate of Hualien prefectural governor and had nothing to do with the "Feb.28 incident", but when the reinforcement troops arrived in Fonglin on April 1, Chang Ch'i-long was arrested in the afternoon of April 4. Moreover, his sons, Chang Chong-jin (eldest son) and Chang Ko-jin (third son), who were both physicians, had been summoned for soldier's sudden illness and were arrested. The father and sons were shot at the public cemetery in Fonglin suburbs that night. The bereaved family were told later by the Garrison Command that "Chang Ch'i-long, Chang Chong-jin and Chang Ko-jin were traitors to the party and country, they were shot for organizing assassination group and resisting arrests". Of course, the family did not accept this explanation, judging from the circumstances of the arrest and the condition of bodies collected. The wife of Chang Ch'i-lang demanded the authorities to reveal the truth, and deplored in her appeal that "although Japanese rule was dictatorial, yet hostile parties could go together; there had been no unlawful arrest or execution. Today, under the pretext of democracy, there is no guarantee of life; the authorities do anything as they please. If the government does not respect law and discipline, how could the people be expected to obey the rules. How sorrowful that my husband and sons did not die before the "retrocession", and where is justice to bring disgrace on such men of integrity! Not only did they die after the "retrocession", but also take the blame for false accusations." The carving on the headstone of Changs' graves: "Accompanied by two beloved sons, all his hot blood shed on the field" vividly describes the sorrow, anger and mortification of the bereaved family.

The tragedy of the Taiwanese people started when they euphorically expected from the Kuomintang regime the

same spirit of "constitutional state" and "rule by law" which they experienced under Japanese rule. Most of the intellectuals had experienced the "Police Law Violation Incident" (1923), in which they criticized and resisted the government, and had been tried and punished by law, even though it was a bad law. However, with the "motherland" there was not a speck of the notion of "law", only mercilessly "deal with guns" to those who dare to criticize or resist.

The over-suppression and over-killing of Taiwanese by the Kuomintang regime incurred condemnation from the international community, especially severe criticism from the United States. Mr. Steward, the U.S. ambassador to China handed a "memorandum in regard to the situation in Taiwan" to Chiang Kai-shek, strongly protesting the KMT troops' inhuman violence in Taiwan. By that time, the Kuomintang regime had increasingly shown signs of defeat in the civil war with the Chinese communists, and was in desperate need of American aid. Being unable to disregard the opinion of the U.S., Chiang Kai-shek dismissed Chen Yi from his post on April 22, and summoned him to Nanking on May 1. Incidentally, Chen Yi was appointed Governor of Chekiang Province later, and was arrested in February, 1950 on suspicion of being connected with the Chinese communists during the tense situation of the civil war. At a court martial in Taiwan, Chen Yi was found guilty of high treason and executed on June 18, 1950.

The aftermath of February 28 Incident

The massacre and purge had a chilling effect on the Taiwanese, who through years afterward spent their days extremely terrified. Following the "purge operation" by the Garrison Command, the Governor's office began the "country sweeping operation". Chen

Yi published a "letter to the public with regards to country sweeping", in which he said: "in order to protect the good people, maintain the peace and thoroughly purge the villains, the government will carry out the country sweeping operation so as to eliminate a few rebels in hiding", "our main objects are weapons and villains, so all weapons and villains should be handed over to the government and the matter will be dealt with by the government reasonably and legally." So called "villains" were nothing but persons objectionable to the Kuomintang regime, and through the five person involvement system and encouraging secret informers, a sweeping and thorough "man-hunt" and "weapon-search" had begun. Many Taiwanese had also been arrested at this time, and most of them were condemned without public trial. Furthermore, among the families of the arrested citizens, there were those who had been demanded a large sum of bribery called "atonement money". Arresting of persons involved in the "Feb.28 incident" was alleviated by 1949, however, arrest and surveillance of "dangerous characters" were continued for a long period of time.

According to the information released by the Kuomintang regime later, about 28,000 people were slaughtered over a month in relation to the "Feb.28 incident". It was equivalent to one victim in two hundred Taiwanese based on the population of that time, and equalled to the number of Taiwanese killed due to armed resistance during fifty years of Japanese rule. It has been difficult to investigate how many have been arrested and sentenced to imprisonment of a definite or indefinite terms, but it is undoubtedly an enormous number. Besides, because intellectuals were marked for the purge, nearly all Taiwanese leaders were either killed or arrested under the name of "cleanup" and imprisoned for long period of time. Lack of

leadership has long been a phenomenon in the Taiwanese community since then.

Also under the enforcement of martial law and white terrorism, the Taiwanese people were compelled to keep silent politically. The Kuomintang regime refused to deal with the demand for political reform by the Taiwanese, shutting them off with persecution and purge, which created further hostility between native Taiwanese and the Mainlanders.

In short, the origin of "Taiwanese-Mainlander conflict" was the "Feb.28 incident" and none other. Under the circumstances, native Taiwanese's hatred towards the Kuomintang regime and the Mainlanders continue to grow over the years, the will for Taiwan independence was awoken, and political movements including movement for Taiwan independence which were not permitted in Taiwan began to develop abroad.

Hundreds of Taiwanese intellectuals, who fled the island seeking refuge from the arrests and killings, organized the "Alliance for Taiwan Re-liberation" under the leadership of Dr. Liao Bun-gei (born 1910 in Yunlin, Taiwan, a doctor of engineering, Ohio University). On September 1, 1948, Liao sent a petition to the United Nations, appealing that Taiwan be put under trusteeship of the United Nations, and let the natives of Taiwan decide their reversion or independence in a referendum. Partially due to the sudden change of situation in China, the object of this petition had been accepted by part of the international community. Liao arrived in Japan in February, 1950, together with his comrades organized "Taiwan Democratic Independence Party" in Kyoto, and he became the president of the party. In February, 1956, a "provisional government of the Republic of Taiwan"

was established in Tokyo, with Liao as provisional president of Taiwan. Although Liao's "submission" to the Kuomintang regime in February of 1965 gave a severe blow to the Taiwan independent movement, the role he played as the pioneer of independent movement cannot be ignored. Since Liao "submitted" to the Kuomintang regime, the "provisional government of the Republic of Taiwan" collapsed and the Taiwan independence movement in Japan was assumed on the shoulders of the "Young Formosan Association", a group of Taiwanese students who came to Japan after the war. In February, 1960, the first issue of "Taiwan Seinen" (Young Formosan monthly) was launched and since then it has been published for nearly 40 years without interruption. Being not only the official publication of the Taiwan independent movement, but because it covers the state of affairs related to Taiwan, domestic or foreign, and provides most accurate analysis, the "Young Formosan" monthly has been highly valued by the international community.

By 1960's, Taiwanese students studying abroad especially in the United States have rapidly increased. Organizations in relation with Taiwan independence movement were formed one after another, and effective lobbying towards the U.S. government and Congress for democratization and Taiwan independence have been going on. On account of this, the center of overseas Taiwan independence movement was moved from Japan to the United States, and in January, 1970 "Taiwan Independence Alliance" (later, "Alliance for Taiwan Independence and State Foundation") was formed with headquarters in New York. This organization has become a world-wide scale with an underground Taiwan branch in Taipei, an American branch in Los Angeles, a Japanese branch in Tokyo, an European branch in Paris, and a South American

branch in San Paulo.

In addition to the Taiwan independence movement abroad, the Taiwanese communities of various countries in the world including Japan have commemorated the "2-28 Incident" annually since the 1950's. Many Taiwanese call this horrible day "the memorial day of national tragedy". For decades the Kuomintang regime put it under a taboo to refer to the "2-28 Incident", and forbade to write or talk the incident. In February 1987, forty years after the incident, by ignoring the opposition of the Kuomintang regime, the "2-28 Peace Promotion Society" was organized in Taiwan at last. The object of the Peace Promotion Society was, to inquire the truth about the incident, to forgive the criminals who slaughtered the Taiwanese people and to set the date February 28 as "memorial day". As many as twenty-two memorial services were held from February 14 through March 7 of that year, although it was too late to mourn for the victims, but memorial services have been held annually in various places of Taiwan since then. In February of 1989, a memorial tower was erected in Chiayi, and a silent prayer for the souls of the "2-28 Incident" victims was offered for the first time in the Legislative Yuan (equivalent to Congress) in February, 1990.

Chapter 10

Chiang Regime

Relocation of Kuomintang Regime to Taiwan

The Kuomintang regime in Nanking fired the administrative director Chen Yi on April 22, 1947, and at the same time abolished the Administrative Director's Office, established the "Taiwan Provincial Government", and appointed Wei Dao-min, a professional diplomat more acceptable to the United States, as the Taiwan Provincial Governor. Wei Dao-min assumed his office on May 16. On the next day, he issued a statement suspending the martial law and called off the arrest of people involved in "Feb.28 incident". However, contrary to this statement, arrests and executions of persons concerned with the incident were kept on. As a conciliatory measure, Wei Dao-min appointed seven Taiwanese to seat in the Provincial Government committee. He also appointed Taiwanese for high posts in the Provincial Government, however, it was similar to the "inner guidance" of Manchuguo. Just like the Japanese who worked under the

Manchurians hold real power, the Chinese mainlanders, who worked under the Taiwanese high officials, were holding the real power.

It was obvious that the outlook of civil war in China became more and more unfavorable to Kuomintang, who began actively preparing for relocation of its regime to Taiwan. For this reason, Dao-min Wei was removed from his position on Dec.29, 1948, and was replaced by Chiang Kai-shek's confidant, General Chen Ch'eng, as the governor of Taiwan Province. At the same time, Chiang Kai-shek's eldest son, Chiang Ching-kuo, was appointed the chief executive of the KMT's Taiwan provincial committee. Moreover, ChiangWei-kuo , Chiang Kai-shek's second son, who led the armoured division, also moved to Taiwan. Governor Chen Ch'eng was appointed concurrently as the chief of Garrison Command in January 1949. and in February, he ordered blockade of all harbours and river mouths and strict control of Taiwan's coastal lines. To prevent refugees flowing in from China, entry into Taiwan without permit was strictly prohibited. Furthermore, as of zero hour, May 1, 1949, a sweeping family register investigation was enforced, and martial law was enforced on May 20. Until July 15, 1987 before it was dismantled, this martial law had been in effect for forty years is the world's longest ever. Meantime in the Chinese mainland, inspite of the opposition from the Chinese communist and the neutral power, the Kuomintang regime promulgated the "Constitution of the Republic of China" in January, 1947. Based on this constitution, 2961 representatives (National Assembly), 760 legislators (Legislative Yuan), and 180 inspectors (Inspection Yuan) were elected. In March 1948, the first National Assembly meeting was held and Chiang Kai-shek was elected as the president, Li Tsung-jen as the vice-president. Since then, through a series of

"electoral procedures" the Kuomintang regime under the leadership of Chiang Kai-shek became the self-proclaimed China's "legitimate government". Meantime, as the tide of war in China turned for the worse, and under the mounting request for Chiang Kai-shek to resign, Chiang quit the Presidency temporarily in January, 1949, but he retained the presidency of the Kuomintang Party and recommended Li Tsung-jen as the "acting president".

After resigning his office, Chiang Kai-shek came to Taiwan later, set up the office in Grass Mountain of Taipei, and from here, he gave commands to the "party", "administration", "military", and "intelligence" organizations as the president of Kuomintang Party. Meantime, the United States government, which was the only hope of the Kuomintang, being disappointed with the regime, published the "China White Paper" on Aug. 5, 1949, pointing out the Kuomintang regime's failure on the Chinese mainland due to its corruption and incompetency, considering Kuomintang as "a regime untrustworthy", and was prepared to abandon it. On October 1, 1949, the Chinese communists declared the establishment of People's Republic of China; and the defeat of Kuomintang regime came to a decisive stage. The acting president, Li Tsung-jen fled to America, and the Kuomintang regime made an announcement of relocating its government to Taiwan. Incidentally, even after moving to Taiwan, the Kuomintang regime consistently refused to recognize Chinese communist's People's Republic of China, and resolutely held fast that Republic of China (in Taiwan) is "the one and only China", and Kuomintang regime is the "legitimate government". This is the origin of so-called "Two Chinas" or "One China, One Taiwan". Since then, the position of Taiwan in the international community have fallen into difficulties.

Korean War and the U. S. Aids

On January 5, 1950, President Harry Truman announced that "the United States will not involve in the dispute of Taiwan Strait", which meant America will not intervene if the Chinese communists were to attack Taiwan. At this critical moment, Chiang Kai-shek declared "reinstate to presidency", and appointed Chen Ch'en as the head of Administrative Yuan. Incidentally, as of that time the colonial governor's office has been used as presidential office till today.

Early in the morning of June 25, 1950, Korean War broke out. To the Kuomintang regime which was about to be abandoned by the United States, Korean War was a "life saver". President Truman reacted immediately by declaring "neutralization of the Straits of Formosa" on June 27, and sent the Seventh Fleet into the Straits with an order to prevent any attack on the island, and also prevent the Kuomintang forces to attack on China. From that point on, Taiwan was placed under the U.S. military protection and became a part of the western camp in the Cold War structure. Korean War was indeed a great event which altered the fates of the Kuomintang regime and Taiwanese people.

In January of 1951, the U.S. government resume its military aids to the Kuomintang regime. On February 10, the "Sino-American Mutual Defense and Assistance Agreement" was signed, and a Military Aid and Assistant Group (M.A.A.G.) was dispatched to Taiwan and began operation in May. In addition, a "Sino-American Mutual Defense Treaty" was also concluded in December, 1954. Later, due to changes in the international situation, after the normalization of the U.S. and Chinese relations, although Taiwan's diplomatic relation with the United States was severed,

the "Sino-American Mutual Defense Treaty" has been replaced with the "Taiwan Relation Act", which is a U.S domestic law. Since then, the United States recognizes Taiwan as a "political entity", maintains essential relations, and continues to supply weapons (for payment) necessary for the defense of Taiwan. In response to China's assertions that "Taiwan is a part of China", "Taiwan problem is internal affair", etc., the U.S. government and Congress repeatedly issued warning statements that "Taiwan problems must be resolved with peaceful means". In brief, under the protection of the United States, the Kuomintang regime was not only able to survive, but also to devote its efforts in establishing the ruling system in Taiwan.

State of Emergency

In 1948, the newly installed National Assembly in Nanking, in which the Kuomintang had an overwhelming majority, "elected" Chiang Kai-shek as the president. On the pretext of suppressing the "communist rebellion", Chiang demanded constitutional amendments which would give the president an "inflated power" to enact laws that supersede the constitution. His demand was accepted whereas the "temporary provisions effective during the period of communist rebellion" and a series of constitutional amendments were put into effect for two years as of May 10, 1948. The so-called "period of communist rebellion" meant the time before the "rebel" communist regime (The People's Republic of China) was suppressed. This "temporary provisions", a legislation with time limit, was only good for two years, expecting that by the end of that period the "rebellion" would be suppressed.

The "temporary provisions" was also applied to Taiwan where there was no Chinese communist rebellion.

After the Kuomintang regime moved to Taiwan, although the "temporary provisions" expired in May, 1950, extension was made with the excuse that the "rebellion" had not yet been suppressed, and before it was finally dismantled in May 1991, the "temporary provisions" was enforced for 43 years. In short, the Kuomintang regime had put Taiwan, which was under the U.S. protection, in a state of emergency during the "period of Communist rebellion" and ruled with the "temporary provisions". The "temporary provisions" was further reinforced by martial law and some 160 other laws and regulations under the heading of "During the period of Communist rebellion". In other words, the Kuomintang regime used Chinese communist rebellion as an excuse to justify its oppressive rule on Taiwan, trying to bring about stability and strengthen its ruling system.

Repeated revisions of the "temporary provisions" made it possible for the president and the sitting members of various organizations to remain in their seats for life, and gave the president "power of emergency disposal". In reality, the normal political life was suspended for the duration of the "Chinese communist rebellion", and the National Assembly and Legislative and Control Yuans were turned into puppets of the dictator. In spite of the fact that the constitution was shelved by the "temporary provisions" scheme, KMT regime not only claimed to be the "legitimate government of China" and pretended that it still ruled over the entire territories of China, so as to cover up its dictatorial policies, it also retained the government structure before moving to Taiwan. Furthermore, by use of president's "emergency disposal power", the KMT regime established various "organizations for suppressing rebellion" such as National Security Council for handling emergency situations. By this way, a one-party authoritarian state

system under Chiang Kai-shek and later Chiang Ching-kuo at the top was made possible, and it became a fact of life.

However, since KMT regime claims to be the "legitimate government of China", it has incurred various contradictions. The best example is the "Mongol and Tibet committee", a department under Administrative Yuan. Tibet aside, it is a common knowledge that Mongol has already become an independent country known as People's Republic of Mongol in 1924. Mongol has joined the United Nations, and is an independent country officially recognized by the international community. Obviously it is fictitious for the KMT regime not only to claim Mongol's sovereignty, but also to setup its competent authorities. This explains the assertions that "Republic of China is the one and only China" and KMT regime is "the legitimate government of China" are also nothing but fictitious. In order to maintain these fictions, both the KMT regime and Taiwan residents including the Chinese mainlanders have been compelled to make great sacrifices.

Dictatorial Rule of Chiang Family

With a view to achieve "Lenin-style" political party, the Kuomintang Party had tried for a long time to establish a "one-party rule" system. In the past the Kuomintang was just a coalition of many factions, but before moving to Taiwan, the party was rebuilt to the effect that the party's central was secured by Chiang Kai-shek's close associates, and a centralized ruling structure was established later in Taiwan, hence materialized the object of "party rules the country".

As a turning point when the court martial was declared on May 20, 1949, KMT regime suspended freedom of

assembly, association, and prohibited the formation of new political party. Two small parties, "Young China Party (YCO) and "China Democratic Socialist Party (CDSP), which followed KMT regime to Taiwan, were nothing but bubble political parties survived only by receiving subsidies from the KMT, . Their existence has been devoted for watering down the color of KMT's one-party dictatorship, and just as they have been ridiculed as the "flower vases of the toilet", the "stinking smell" of "toilet" (one-party dictatorship) remained.

On August 5, 1949, not long after Chiang Kai-shek set up the KMT boss's office in Yang Ming Shan, he abolished the Central Standing Committee, the party's highest authority, and established a new "Central Reform Committee", consisted of sixteen committee members including Chiang Ching-kuo. The so-called "reform" was nothing but power-control by Chiang Kai-shek's close associates, and in reality, party reorganizing. Upon relocating to Taiwan, in an effort to recall the dispersed party members, KMT announced on September, 1950, the "regulations covering the returning of party members" which had lashing effects on the party members. In the 7th general meeting of party representatives in October, 1952, the Kuomintang declared that the tasks of the Central Reform Committee have been completed and resumed to the original Central Standing Committee. Through this party reform, Chiang Kai-shek made his own position as steadfast as the rock and his authority unchallenged. At the same time, the deification and worship of Chiang Kai-shek, so-called "god-making movement" went on, whereas bronze statues of Chiang Kai-shek were erected in various places of Taiwan.

While exerting themselves to obtain power on one

hand, Chiang Kai-shek and his son also proceeded with succession planning. Chiang Ching-kuo, who had been a student in Soviet Union and had had the background of Soviet communist member, was a great help in bringing KMT's "Lenin-style party" to realization. The characteristics of KMT and the Communist Party were nearly identical, and to both of them, revolution equals to achievement. In short, KMT was a "revolutionary party" that resolved to continue to "revolt" until the "Three Principles of the People" was materialized all over China. Absolute power was concentrated to the party boss (in Chiang Kai-shek's days, the party boss was called "president", but renamed to "chairman" later), and KMT's party boss, being equivalent to the chairman of central standing committee of the Soviet Communist Polit Bureau, presided the Central Committee meeting every Wednesday, made fundamental policies of the nation almost according to his idea. This was no different to the "concentrated democratic system" of the Communist Party.

The organization of KMT is also similar to that of the Communist Party. Under the "Central Party" headquarters, there are "Regional Parties" which, parallel to regional administrative organizations, give "guidance" to the administrators. Each regional party has its own "People Service Station" providing service to citizens in KMT's name, and at the same time, guiding their thoughts and watching their movements. However, the expenses of this citizen service were largely borne by the regional administrative organizations, as if the "national treasury is connected to party treasury". There are also horizontal party organizations, such as "special party units" inside the military and public industries. There are party organizations even in the military regiments, and "political combat officers" or "political instructors" are

responsible for carrying out party policies and guiding thoughts. Each industry has its own individual party organization, such as the "Railway Party Unit" in the Railway Bureau. Among the special party units, there is the most functional "Huang Fu-shing Party Unit" of the ex-soldiers. The organizational activities of the KMT are not limited to this, the privileged "party-owned industries" controlled by the KMT central treasury committee have entered into every sphere of commercial enterprises, and is deemed the largest conglomerate in Taiwan. Chiang Ching-kuo played a great part in building such vigorous KMT party organization network, which is linked to his control of power at later date.

Under the aegis of his father, Chiang Ching-kuo was appointed the virtual leader of the "Political Action Committee" (Later renamed "National Defense Council"), which is essentially the KMT's highest power machine. In April, 1950, he also took office as the head of "Political Dept. of the National Defense Ministry", which manages political officers and controls soldier's thoughts. Through this military reorganization, the troops were partisanized as KMT's "troops", and cultivated absolute loyalty to Chiang Kai-shek, and later to Chiang Ching-kuo. Furthermore in November, 1951, the "Military Political Officers Training School" was established to train political officers, and Chiang Ching-kuo appointed himself as the headmaster. And in October of 1952, following the examples of the "Communist Youth Corps" and the "Three People's Principles Youth Corps" of early-day Kuomintang, the "Chinese Youth Corps for Anti-Communism and Saving the Country" was established, with Chiang Ching-kuo as the head of the Corps. Intended mainly for students of high school or higher, the purpose of C.Y.C.A.S. was to train students

and youths to be faithful to the KMT by guiding their thoughts and lives. When students enrolled into school, they were admitted to the Corps automatically, and youths in general could join the Corps in various region according to their wishes. In this way, Chiang Ching-kuo tried to gain control of Taiwanese younger generation.

In March 1965, two months after Chiang Ching-kuo assumed the office as the Defense Minister, Vice-president Chen Cheng, a confidant of Chiang Kai-shek, died. The father-and-son succession structure of Chiang Kai-shek and Chiang Ching-kuo was now set in substance. In May 1966, Chiang Kai-shek took the office of president in fourth term, and Yen Chia-kan, who had been known as a "yes-man", was appointed the vice president and premier at the same time. In June 1969, Chiang Ching-kuo was appointed as the vice-premier under Yen Chia-kan. By that time, Chiang Kai-shek was infirm with age, and in addition, due to Yen's personal character and position in the party, Chiang Ching-kuo was the supreme authority defacto. In May 1972, Chiang Kai-shek and Yen Chia-kan were elected as the fifth president and vice-president respectively, and Chiang Ching-kuo was elevated to the position of premier. And when Chiang Kai-shek died in April 1975, though Yen Chia-kan assumed the office of president, Chiang Ching-kuo became the leader of KMT Party. It was "hereditary" of party leadership from Chiang Kai-shek to Chiang Ching-kuo, and since then, the party leader was renamed the "chairman", and president, the chief of nation, has been separated from the chairman of KMT Party. However, three years later, when the party chairman Chiang Ching-kuo became the sixth president in May 1978, he held both positions of party chairman and president again, and the so-called "Chiang Family Kingdom" was realized.

"House on House" Duplication of Administration Structure

In an endeavour to demonstrate that Republic of China is the "legitimate government of China", the Kuomintang regime not only established Administrative, Legislative, Judicial, Control and Examinatorial Yuans within the central government, but also set up under Administrative Yuan eight departments and two committees, namely Departments of Interior, Foreign Relation, Finance, Economy, Transportation, National Defense, Education, Justice, and Committees of Oversea Chinese as well as Mongol and Tibet Affairs, maintaining a structure as if it were still ruling entire China.

As the result of repeated rezoning of administrative sphere, the cities of Taipei and Kaohsiung and Fukien province (Kimo and Matsu islands only) are under the control of Administrative Yuan; under the control of Taiwan provincial government, sixteen prefectures (hsiens), namely Taipei, Taoyuan, Hsinchu, Miaoli, Taichung, Changhua, Nantou, Yunglin, Chiayi, Tainan, Kaohsiung, Pingtung, Taitung, Hualien, Yilan and Penghu; and there are also five cities under the direct control of provincial government, namely Chilung, Hsinchu, Taichung, Chiayi and Tainan, totalling "21 prefectures and cities". Under the sixteen Hsien government, there are as many as 300 plus hsien-controlled cities, tsengs (towns) and hsiangs (villages), all of which have their own public offices. In other words, with Administrative Yuan at the top, there are the provincial and central- controlled city governments, under the provincial government there are hsien and provincial-controlled city governments, and under the hsien governments there are the public offices of hsien-controlled cities, tsengs (towns) and hsiangs (villages).

An appointment system was adopted for the governor of Taiwan Province, the mayors of Taipei and Kaohsiung as well as the governor of Fukien Province, and except for Fukien Province, parliaments representatives were popularly elected . In addition, prefectural governors, provincial and regional city mayors, town and village administrators as well as representatives of respective councils were all elected by citizens. However, the form of local self-government was only superficial; in reality, the state of local self-government in Taiwan was estimated at 10%, compared to 30% in Japan. In the case of Taiwan, the head of local self-government neither had personnel administering right, except for hiring temporary employees, nor had own source of revenue. As to civil servants, regardless of national or local, examination and appointment were controlled by the central government. Central and local taxation systems were separated, however, nearly all tax revenues were pumped up by the central government. The actual situation was that the finance of cities, towns and villages depended upon subsidies from prefectures, prefectures in turn depended upon subsidies from province, and province depended upon subsidies from the central government. Therefore, the government of Taiwan was nothing but a centralized administration.

Within Taiwan provincial government, there were "tings" and "departments" similar to those of Administrative Yuan, except for National Defense, Justice and Foreign Affairs departments. And within hsien (prefectural) and city governments, town and village public offices, there were "bureaus", "sections", and "sub-sections" similar to those of provincial government. Administrative organizations such as governments and public offices in hsien, city, town and village levels might have been necessary, but the central

(Administrative Yuan) and provincial governments were obviously repeated both structurally and functionally, and because of this "house on house" structure, it did not only cause corpulence and complexity, but also poor efficiency. It has been ridiculed that, the phenomenon of multi-layered administrative organizations and a huge number of government officials in such a small island of Taiwan, is just like "placing a gigantic Buddha in a tiny temple" or "placing too many Buddas in a small temple", a situation where "if someone throws a stone would most certainly hit an official". One extreme example of "house on house" situation was the "National Security Council", which was established in February 1967, according to the president's disposition right. Since it replaced the former National Defense Council, the president being the head of the council, and decisions were carried out by Administrative Yuan, it was, so to speak, an "Administrative Yuan on top of Administrative Yuan". Under one-party dictatorship of the Kuomintang, it was also the Administrative Yuan who carried out the decisions of the KMT Central Committee. Moreover, since all the members of National Security Council were KMT Central Committee members, and were also those who make important decisions of the country, it was extremely repetitious and complex. For example, the head of National Security Council was Chiang Kai-shek, the president, and the Secretary of the Council was Chiang Ching-kuo, the National Defense minister.

Another extreme example of the "house on house" situation was the "Investigation Bureau of the Ministry of Justice", which might be called "police on top of police". The police in Taiwan, just as in Japan before the war, was under the unitary command of Police Department, Ministry of Interior. If a crime is

committed in Taipei and the criminal flees to Tainan, the police of Taipei could arrest him in Tainan. There is a big difference in that an American police cannot arrest any criminal who flees to other state. Because of this, there is the FBI (Federal Bureau of Investigation), which belongs to the Department of Justice, a federal police force dealing with interstate crimes. But in a small country and yet under the unitary police command system, Taiwan also has a Bureau of Investigation equivalent to FBI. The Bureau of Investigation not only repeats in function with that of the police, but also exceeds far beyond, having the character of a "secret police" and playing the role of a "political police". Agents dispatched by the Bureau of Investigation penetrated into personnel posts of administrative organizations of various levels, public enterprises as "section 2" of personnel departments (generally called "personnel 2" unit), and were responsible for thought control. It was through these "P-2" units the Kuomintang regime controls the "affairs of state", (one of the four pillars of support for the regime) namely administrative organizations and public enterprises.

KMT and Chiangs Controlled Military Power

In the Chinese political culture, there is no such conception as "ballot box produces political power". Just as Mao tse-tung used to say, "Gun produces political power" is the essence of Chinese politics. In order to train and secure military power, Kuomintang established "Huangpu Military Academy" at Huangpu, a suburb of Guangchow in 1924, with Chiang Kai-shek as the headmaster. Almost all graduates of this academy became the leaders in Chiang's armies.

It was said that after losing the civil war with the Communists and moved to Taiwan, the Kuomintang regime possessed an army of 600,000 men including

military clique units from various places of China. Since moving to Taiwan, General Sun Li-jen, a graduate of American military academy, was appointed as the commander for reorganizing and dismissing troops from China in Fongshan and Pintung of southern Taiwan, and new soldiers were also recruited for training in Taiwan. The reorganized troops became KMT's military power loyal to Chiang Kai-shek and his son, just as the "reformed" Kuomintang became their personal party.

Soon after the Korean War started, American aids began to pour into Taiwan. And based on the "Mutural Security Act", the U.S. provided \$1.5 billion in aids to Taiwan between 1951 to 1965, including \$800 million in military aids. Besides the Military Assistance and Advisory Group (M.A.A.G.), a secret military advisory group by the name of "White Group", headed by an ex-Japanese military officer Naosuke Tomita (Pai Hong-liang by Chinese name), had joined in support for equipping and training KMT armed forces. As a result, the KMT forces were modernized and adding conscripting in Taiwan, the fighting capacities had been greatly reinforced.

Aiming at recapturing mainland China, the Kuomintang regime published a slogan "Prepare for 1 year, counter-attack in 2 year, clearing the enemy in 3 year, and succeed in 5 year!", which had been advertised extensively for a long time. However, the slogan of "recapturing the mainland" had disappeared unnoticed and was replaced by "devote for defense", a national defense order to be prepared for armed invasion from China. Around half million armed forces were maintained always, and therefore, the burden levied on the Taiwanese was extremely great. Through 1970, military spending exceeded 50% of the total budget,

resulted in shortfall of social investments such as public facility construction. Moreover, like the Communists, the KMT trained soldiers with thorough "political education", so that they became the "private army" of Chiang Kai-shek and son, and were hostile to the critics of the Kuomintang regime.

According to the statistics published in April, 1993, among the 20,400,000 population in Taiwan, the total armed forces was 460,000 and the ratio was army 4.2, navy 1, and air force 1. Based on this ratio, the number of army was around 312,000, and both navy and air force were around 74,000. It has also been planned that within ten year hereafter the army personnel will be reduced by about 60,000 to 250,000, and maintain navy and air force at 75,000 each, totalling an armed forces of 400,000, and to put emphasis on equipping missile units in the army, high-speed missile boats in the navy and high performance fighters in the air force. Judging from the present situation as well as planning, obviously it is not a strategic arrangement for "unification of China", and rather a defense system of an independent nation, preparing for the invasion from China.

The Kuomintang regime brought into Taiwan an insidious "secret police politics" which is usually seen in Chinese politics. Secret politics and secret information are inseparable, as even between parent and child, man and wife, brother and sister, one would not hesitate to inform against his relative for self-protection. Under KMT's authoritarian politics, fellow Taiwanese suspected each other, and this also had helped KMT's control on Taiwan greatly.

The secret police in Taiwan is usually called the "secret military agency" or "secret peace-keeping intelligence agency". As its name indicates, the problem lies in the

fact that the "peace-keeping agency" and "intelligence agency" are lumped together, while the intelligent agency does the functions of the peace-keeping agency, and vice versa. The original secret military agency which fled to Taiwan was extremely complicated and on the whole was divided into two major organizational systems namely "Bureau of Military Investigation and Statistics" (M.I.S.) and "Central Party Investigation and Statistics" (C.I.S.). M.I.S. and C.I.S. were always hostile to each other, secretly informed against each other, and desperately competed with each other in "producing criminals".

In February, 1967, the "National Security Council" was established, and an executive agency "National Security Bureau" was set up, putting police and the re-organized secret peace-keeping intelligence agencies under its control. Under the National Security Bureau's command, there were: (1) administrative organizations such as Police Administration Office, Bureau of Exit and Entry Control, Investigation Bureau of Justice Department; (2) military agencies such as Taiwan Garrison Command Headquarters, General Political Combat Unit, Military Intelligence Bureau and Military Police Headquarters; (3) KMT organizations such as Social Work Committee, (Chinese) Mainland Maneuvers Committee and Overseas Maneuvers Committee, among which directly affecting the daily life of the Taiwanese were Police Administration Office, Bureau of Investigation, Garrison Command, Military Police and Social Works Committee. Here one can also see the adhesion of the party and the state, a phenomenon called "indiscrimination of party and state" in Taiwan.

The National Security Bureau is feared so much by the people, just like the police force in Japanese era, that

mere mention of its name would "silence a crying child", and because its headquarters is located at 110 Yangteh Boulevard of Yang Ming Mountain, a suburb of Taipei, it is referred to as the "Mystical 110", where no visitor or reporter are admitted except taking pictures from outside the gate. The successive bureau chiefs are exclusively military officer in the rank of a general, and the bureau was nicknamed "Taiwan's KGB" or "TKGB". In order to check the "security level" of each individual toward the Kuomintang regime, so-called "security data" is maintained here. The "security data" are drawn up by the political instructors in military units, by the "section 2" of personnel departments in government offices and public industries, by the police and the "service stations" of KMT's Social Works Committee in various locations, and by the security officers in embassies or representative's offices overseas, and these "security datas" are collectively managed by the National Security Bureau. The thoroughness is just like a dragnet cast over all Taiwanese domestic or abroad, keeping a close watch on their thoughts and political activities in the name of national security, prosecuting critics of the KMT regime and often convicting them without an open trial.

Resistance and Suppression

After the "Feb. 28 incident", the KMT regime, who cast a dragnet of strict watch and prosecution over Taiwan from all sides, have mercilessly suppressed those who dared to demand for reform, criticize or oppose the authoritarian rule, with charges of "collaborating with Chinese communists", "hiding Communist spies" and "plotting to overthrow the government", etc. Moreover, in order to eliminate the dissidents who criticized and resisted the KMT regime, many innocent people were prosecuted with fabricated crimes.

Let's review some of the primary examples in chronological order.

May 1953, "Wu Guo-jen seek refuge in America incident". Wu Guo-jen (a Chinese mainlander), who enjoyed the confidence of the Americans, was appointed as the governor of Taiwan in December 1949, but he could not get along with Chiang Ching-kuo, and perceiving the danger of being assassinated, he resigned in March 1953 and fled to America. Living in exile, he sternly criticized the dictatorial government of KMT, especially the secret police rule by Chiang Ching-kuo.

August 1955, "Sun Li-jen incident". Sun Li-jen (a Chinese mainlander), an army general who also enjoyed American confidence, rendered distinguished services fighting with the Japanese forces in Burmese front during World War II. After the war, he was appointed as the commander of re-organizing and training KMT army, the commander-in-chief of Taiwan defense and the army successively. But, being disliked by Chiang Ching-kuo, he was entangled in a Communist spy incident by his subordinate and was dismissed while serving as the chief of staff of the president's office. He was put under house arrest with a false charge, and was freed in March 1988 after thirty-three years.

September 1960, "Ray Cheng incident". Ray Cheng (a Chinese mainlander), being a KMT party member, had the background of high official. He bitingly criticized the KMT regime and had advocated that "counter-attacking on the mainland is hopeless". When he was summoning Taiwanese intellectuals and politicians and actively involved in forming the "Chinese Democratic Party", he was arrested on the

suspicion of patronizing a Chinese communist spy, and was sentenced for ten years of imprisonment.

September 1961, "Soo Tung-chi incident". Soo Tung-chi was at the time a councilman in Yunglin prefecture. Because of his sharp criticism on the KMT regime, he was accused for leading in a scheme of Taiwan independence, and was arrested together with more than 200 supporters. Soo had been imprisoned for 15 years.

January 1962, "Liao Bun-gei's Taiwan independence incident". On suspicion for supporting Liao Bun-gei's Taiwan independence movement in Tokyo, Shek Shih-hung, Kei Kuo-ki, Yang Kim-hu, Li Goan-chan, and more than two hundred others were arrested.

September 1964, "Declaration of self-protection for the Taiwanese incident". Professor Peng Min-bing and his two students, Hsia Ch'ong-bing, Wei Teng-chao, deemed it was a grim reality that there existed "one China and one Taiwan" in the international community, and upon putting in print a "declaration of self-protection for the Taiwanese", with the object of looking at fact in the face and coping with the situation, they were secretly arrested. The arrests of Peng Min-bing and his students were made known after searches and close inquiries done by his American scholar friends, and the KMT regime officially announced the arrests in October. Although all three of them had been sentenced to imprisonment of definite terms, owing to international pressure, Peng Min-bing was pardoned in November 1965, and the sentences of Hsieh and Wei were reduced in half to four years. It is interesting to note that the declaration has become the principle of "One Taiwan, one China" theory today.

August 1969, "Lin Sui-ch'uan incident". Lin Sui-ch'uan, a member of Taipei municipal assembly, known for his fiery anti-KMT speech. In an effort to promote Taiwan independence, he organized a "national association for promoting united youths", but was arrested together with 270 some comrades in August 1968. At the end of a trial which lasted two years, among the 15 convicted, Lin Sui-chuan, Lu Kuo-ming, Gan Yi-bo were sentenced to 15 years of imprisonment.

December 1971, "Declaration on national affairs" by Taiwan Presbyterian Church. When President Nixon decided to visit China, Taiwan Presbyterian Church (Rev. Kao Chun-ming, general secretary) announced the "declaration on national affairs" demanding that: (1) The future of Taiwan must be entrusted to self-determination by Taiwanese people, (2) the propulsion of democratization in Taiwan. The same church had also announced the "declaration on human rights" in August 1977, asserting that "at this moment when China tries to annex Taiwan, based on our belief and human rights declaration of the United Nations, the future of Taiwan should be decided by Taiwanese residents", and requested the president of the United States, all nations involved and churches of the whole world to take necessary steps for Taiwan to become "a new and independent nation". The "declaration on national affairs" and "declaration on human rights" irritated the KMT regime resulting in suppression and arrests of Christians later.

October 1975, "Pai Ya-ch'an incident". At the legislators replacement election in 1975, Pai Ya-ch'an in running for the election prepared a written twenty-nine item inquiry towards Chiang Ching-kuo, and was arrested for treason. Without open trial, he was imprisoned for about 13 years until April 1988. And

Chou Pin-wen, a businessman who printed the inquiry was also sentenced for 5 years imprisonment for the crime of "helping the traitor".

November 1977, "Chungli incident". At the election of Taoyuan prefectural governor, because KMT schemed falsified votes in order to fail candidate Hsu Shin-liang, it raised a disturbance where angry citizens burned down the police station. Soldiers were mobilized to suppress the riot, but when they were accused of "beating the fellow Taiwanese" by the citizens, they pulled back. Since then, police and military police were used instead of soldiers for suppressing the citizens. It should be noted that by the seventies, of all the soldiers in Taiwan, 90 percent were Taiwanese youths.

December 1979, "Ilha Formosa incident" also called "the Kaohsiung incident". On December 10, 1979, a rally commemorating the international human right day was restricted by the police for not having approval from the authority, and clash between demonstrators and the police turned into a bloody incident. The anti-KMT leaders were all arrested, and at the trial in military court, criminal law for rebellion was applied. Shih Min-teh was sentenced to life, Huang Shing-chieh, Yao Chia-wen, Chang Chun-hung, Lin Yi-hsiung, Lin Hong-shuan, Lu Shou-lien and Chen Chu, etc. were sentenced to 12 to 14 years of imprisonment. In addition, in April 1980, Rev. Kao Chun-ming and nine other Presbyterian Church members were arrested for "helping and hiding the fugitives", but were paroled in August 1984.

February 1980, "The slaughter of Lin Yi-hsiung's family incident". Lin Yi-hsiung was a member of Taiwan provincial assembly at that time. Being arrested as one of the "Kaohsiung incident" leaders, he was under

detention on the day of February 28, 1980. At noon time, his mother and two twin daughters were cruelly murdered at his home. Lin was an important suspect of the "Kaohsiung incident", and the crime was committed while his home was under surveillance, therefore, it has been pointed out that the secret military police was involved in this matter.

July 1981, "The murder of Dr. Chen Wen-chen incident". Chen Wen-chen was an assistant professor of Carnegie Mellon University. He was a critic of the KMT regime while he was in the United States, and on July 2, 1981, during his short visit to Taiwan, he went missing after he had been summoned to the Garrison Headquarters for questioning. Next day, his body was discovered in the campus of Taiwan University. There were lots of trace of violence in his body. It has been said that this incident was a warning to the Taiwanese critics abroad.

October 1984, "The murder of Chiang Nan incident". Chiang Nan (real name Liu Yi-liang, a Chinese mainlander), a writer with U.S. citizenship, who was very active in America disclosing inside secrets of the KMT regime. In concern with the publishing of "the biography of Chiang Ching-kuo", by order of Chiang Shao-wu, the second son of Chiang Ching-kuo, he was murdered in his own home in the suburbs of San Francisco by the Taiwan mafia, dispatched by the Military Intelligence Bureau of National Defense Ministry. At the trial in America, although the KMT regime denied involvement with the incident, US\$1.5 million was paid to the widow of Chiang Nan for compensation in September 1990. After this incident, the "pro-Taiwan president", Ronald Reagan applied pressure on the KMT regime to put democratization in practice in Taiwan, through the "1986-87 Foreign

Affairs Authorization Act" on August 17, 1985. This had become the turning point of propulsion for democratization afterwards, and resulted in tolerating the establishment of an opposition party, the Democratic Progress Party in September 1986, and lifting of the martial law in July 1987.

Chapter 11

Economic Miracle

Currency and Land Reforms

The KMT regime, being called a "government in exile", had no other way but to swiftly maintain political stability and reconstruct economy in order to survive in Taiwan. Therefore, while building up an authoritarian political system of one-party dictatorship on one hand, the regime rushed to rebuild the economy as top priority. It was so-called "dictatorial development". Not only the rebuilding or development was successful, but a "miraculous" economic growth has also been achieved to this date, and the "dictatorial development", now named as "Taiwan experience", is being used as a model for developing countries.

When Taiwan was taken over by the KMT regime, in addition to misgovernment of the governor's office, economic chaos incurred by civil war between the KMT and the Communist were worsening, and it was not long before critical situation arrived. Among the

problems, multiplying inflation was the most dreadful: between 1945 and 1950 the prices had risen as much as ten thousand times. Citizen's lives were reduced to wretched poverty, and the situation was so bad that salaries were calculated at the beginning of each month to cope with accelerated inflation but only to find a fraction of its value remained at the end of the month. The daily progressive inflation had confused the economic activities and driven the citizen's livelihood to difficulties mercilessly. And besides, government officials, soldiers and their dependents, a total of around 1.5 million in number, had moved into Taiwan, hence Taiwan's economy was further driven to bay by the sudden increase in population.

Since February 1949, in order to prevent infiltration of the Chinese communists and control population over-inflow, Garrison Command Headquarters blockaded all harbours and rivermouths, brought shorelines under control, and denied entry into Taiwan without permit. Moreover, on June 15, 1949, the currency relations between China and Taiwan were cut off, and a decisive action was taken to issue a new denomination of New Taiwan Dollar which was exchanged at one to 40,000 old Taiwan Dollars. This forcible currency reform compelled Taiwanese people to make bitter sacrifices, but it isolated the influences from the endless inflation in China, and was a necessary measure in stabilizing the Taiwan currency and economy. In June 1950, at the outbreak of Korean War, when U.S. president Harry Truman declared "neutrality of Taiwan Straits", Taiwan was completely separated from China.

In April 1948, before moving to Taiwan, the KMT regime had adopted the Farm Rent Reduction Act, which limited rents on farm land to 37.5 percent of the

value of crops, marking the first stage of Taiwan's land reform program. It was done with the help of the "United Committee of Chinese Rural Reconstruction" under the U.S. aids program, and by the leadership of Wolf Reznick from the U.S. State Department, who was appointed as an advisor. The Farm Rent Reduction policy reduces the rents which the tenant used to pay the landlord from 50% to 37.5%.

Further in June 1951, after moving to Taiwan, the KMT regime announced the "Regulations for Disposing Public Land", based on which, lands owned by government or public industries were disposed to the farmers who actually tilled the lands. The conditions for farmland disposition were: (1) Price of land set at 250 percent of the value of annual crops, (2) Price of land payable in a ten year installment plan, (3) Total annual repayment and rents limited to less than 37.5 percent of the annual crops.

Later in January 1953, the KMT regime further adopted the "Land-to-the Tiller Program", a second phase of land reform. "Land-to-the-Tiller", meaning to take away land from landlords and dispose it to tenants, was revolutionary among the land reforms. The methods were: (1) Allow landlord to retain three chias (one chia equals to approx. 9700 square feet) of rice field and six chias of other tillable land, (2) Except for lands retained by the landlords, all the remainder of lands are to be purchased by government and distributed to tenant farmers, (3) The price of land purchased from the landlords is 2.5 times of annual crops, same as the price of public land disposition, (4) Payment to the landlord was to be made 70 percent in bonds of rice or other crops by installment for ten years and 30 percent in the stocks of public industries, (5) Farmers who received the disposition and became land-owning farmers would

repay the government in rice or other crops by ten year installment.

The "375 Farm Rent Reduction", "Public Land Disposition" and "Land-to-the-Tiller" were land reforms which needed no funding. And the reason that the KMT regime was able to carry out these reforms with little or no resistance from the landlords was that an authoritarian ruling system had nearly been perfected after the "Feb. 28 Incident" . In other words, the landlord's lips were "sealed up with guns". Moreover, the public lands for "disposition" and the stocks of public enterprises which had been paid to the landlords were all "enemy properties" taken over from the Japanese.

The land reform which "needs no funding" had made a great contribution to the stability of the KMT regime as well as economic reconstruction. First, it politically resulted in: (1) conciliating the public feelings by turning many Taiwanese tenant farmers into land owners, (2) weakening the resisting force by degenerating economic strength of the intellectuals who were mostly landlord class, (3) securing staple food for the officials and soldiers including their dependents, who moved to Taiwan with the regime, with rice and other crops which farmers paid in exchange for the land. Economically there were following effects: (1) stocks of the "four major corporations" (the four government enterprises) , namely Taiwan Cement, Taiwan Paper & Pulp, Taiwan Mining & Engineering, Taiwan Forest & Agriculture, which were paid to the landlords as compensation for their lands, had been jacked up nine times together with its capitals just before the payments were effected, and by doing so, the value of the stocks received by the landlords was reduced to one ninth in substance, thus these

corporations were all able to retain one third of stocks and secure the right of management, (2) by transforming the landlords (agricultural capitalists) into industrial capitalists, it helped in promoting industrialization, (3) by improving the purchasing power of the farmers, it activated the consumption economy.

Exploitation of Farmers

While doing a favour to the farmers with land reforms, the KMT regime also exploited the farmers. In October 1947, soon after the take over, the Food Bureau and Food Corporation of the former colonial government were integrated into "Taiwan Provincial Food Bureau", and in order to secure provisions for the officials and soldiers including their dependents, and at the same time shift the losses from inflation to the farmers, land tax was made to pay in kind. At that time, 8.5 killograms of paddy was converted to one Taiwan dollar. Furthermore, as of July 1947, the government began compulsory buying at about half of the market price.

In September 1948, a system of bartering chemical fertilizer for rice crop was introduced. Chemical fertilizer, which was either from monopolized production by the government-owned Taiwan Fertilizer Corporation or monopolized import by Central Trust of China under Executive Yuan, was bartered with the farmers for rice at the ratio of one to one. For example, in 1952 the price of rice was 1.9 yen per kilogram whereas the price of chemical fertilizer was 0.9 yen. The losses suffered by the farmers from the exchanges were so great, that it was near plunder. Later the difference was magnified further, and by 1960 the price of chemical ferlizer was 1.5 yen as compared to 4.1 yen for rice.

Since the era of Dutch rule, Taiwan had been a well-known sugar exporter. After taking control of Taiwan, the KMT regime took over the Japanese sugar manufacturing company and turned it into government owned Taiwan Sugar Corporation. And through this corporation, the sugar cane growers were exploited on the pretext of "sugar dividing system". Taiwan Sugar Corporation, which monopolized the processing of sugar cane, had taken 50% of sugar products as processing fees, and charged additional 10% for harvesting, transportation and interest on cash advance, etc., hence the sugar cane farmers actually only received 40% of the finished products. Furthermore, under the pretext of united management and sales, Taiwan Sugar Corporation forced the farmers to sell 20% of products back to them at a price much lower than international market price. Therefore, what left for the sugar cane farmers to be able sell freely in the market was only 20% of the total production. This was the reality of so-called "sugar diving system".

The exploitation of the farmers as such was like forcing them to spit out the benefits given to them in the land reforms. After going through high degree of economic growth in 1960's, and by early 1970's as industrialization was in progress and the economic gap between farm villages and cities was widening, the flux of excessive labour force from the farm villages to the cities had made the agricultural condition worse. Partly because of this, the unequal bartering system of rice and fertilizer was abolished in 1973, and a minimum purchase price for rice was guaranteed. Still, it did not stop the slacking of agriculture, finally a policy changing rice as staple food by reducing rice production and converting to other farm produces was put in place.

The population of Taiwan had already exceeded sixteen

millions in 1975, and the encouragement of the crop conversion during the population increase also had something to do with the import of large quantities of wheat from America. Since 1951, the United States had been providing military and economic aids to Taiwan, which included supply of wheat, America's surplus farm products. Even after 1965, when the American aids were terminated, due to high production cost of rice and in order to balance the trade, Taiwan had continued to import wheat from the U.S. This has not only greatly influenced the rice producing agriculture in Taiwan, but also changed the eating habit of the Taiwanese, who began to love bread or "mantou", a Chinese-style steaming bread.

The Causes of Economic Development

Immediately after the KMT regime took over Taiwan from Japan and before the outbreak of Korean War, for a period of about five years, Taiwan economy was extremely chaotic. However, since Taiwan Strait became "neutralized" as of Korean War, Taiwan's relationship with China was severed, and Taiwan was freed from the restraint of impoverished Chinese economy. That was how the KMT regime had been able to look after the reconstruction of Taiwan economy and later achieved "miraculous" economic developments, although there were other causes which made the economic achievements possible. First of all, there were the fertile lands and diligent residents:

In the era of agriculture centered economy, Taiwan was blessed with fertile lands and natural environments, as it had been said: "one harvest is good enough for three year's livelihood". Besides, the residents, who were mostly descendants of the Chinese immigrants, had nothing but to depend upon their own efforts and abilities in order to survive in the new land, since there

was no state or government to protect them. This had brought up the hard-working and thrifty spirit. In addition, the massacre and purge of "Feb. 28 Incident" led the Taiwanese away from politics and leant toward economy. As a result, Taiwanese economy is supported by the Taiwanese who operate medium and small-sized enterprises today.

There were also the "inheritances" succeeded from Japan:

Though colonized by the Japanese for fifty years, Taiwan had accomplished "modernization under colonial rule". After an inspection trip to Taiwan at the "Exposition Commemorating the 40th Anniversary of Japanese Rule over Taiwan" which was held in October 1935, a management group of KMT's Amoi city and Fukien provincial governments have praised highly on the situation in Taiwan in their "Inspection Report on Taiwan". The report, written by stern critics of Japanese imperialism, was worthy of notice as a testimony of "Taiwan's success in modernization under colonial rule". At the time when Japan gave up, Taiwan was already at the doorstep of industrialized society, even though there had been some destructions from the bombings by Allied Forces during the Pacific War, the infrastructural construction, promotion of industrial developments and spread of education, etc. were unrivaled by any other developing countries which had also undergone colonial rules but became independent countries later.

The U.S. aids and Japanese loans also provided great helps:

The United States began its aids to Taiwan in 1951, giving an annual average of 100 million dollars

equivalent in aids, and continued for 15 year until 1965 totalling approximately 1.5 billion dollars. As to the content of aids, more than half were military aids, and the rest were supply of surplus agricultural products, filling up of financial deficiencies, investment in industrial equipments and agricultural developments, etc. It might be somewhat different from time to time, but the U.S. aids roughly accounted for 5% of Taiwan's GNP, bringing a "blood transfusion" effect to Taiwan economy after the war. Since the U.S. ended its aids in June 1965, the KMT regime had concluded an agreement with the Japanese government for a loan of 150 million U.S. dollars. Of the loans, 100 million U.S. dollars was provided by Japan Import-Export Bank at an interest rate of 5.7% per annum to be repaid in 15 years, and 50 million U.S. dollars was provided by Japan Overseas Economic Cooperative Funds at 3.5% rate with a term of 20 years. These loans in yen were not comparable with the U.S. aids, but it made up for the suspended aids, and at the same time, resulted in the close cooperation between Taiwan and Japanese economies.

The KMT regime's crisis consciousness cannot be overlooked:

After fleeing to Taiwan and having "their backs pushed to the wall", the KMT regime was desperately seeking a measure for survival. Although the KMT regime, who had once been given up by the United States, regained the U.S. military and economic aids after Korean War, there was no guarantee how long the aids will continue. In order to cope with the threat from China, it was imperative to speed up political stability and economic development. This was also necessary so as to maintain the fictions of the "one and only China" and "China's legitimate government". It was a fact that the crisis consciousness as such created an evil dictatorial

government, but at the same time it also prompted the development of economy. One of the most successful example was the "Export Processing Zone", which was a deferred duty processing zone, established in 1965. Inside the Export Porocessing Zone, measures had been taken to give favourable tax treatment, simplified administrative procedures, lighten restrictionson foreign exchange and guaranttee remittance, etc. and while goods were produced exclusively for export, it had contributed greatly in acquiring foreign currencies, increase of employment opportunities, introduction of foreign capitals and transfer of technologies, and fostering domestic industries, etc. Taiwan's export processing zones have later become a model for many developing countries including China.

There was also considerable influence from the Cultural Revolution: The Chinese government (communist regime), who continuously watching for an opportunity to "liberate Taiwan", was tossed about by the storm of cultural revolution, the so-called "ten year rebellion" since 1966, and did not have the time to look upon Taiwan. The cultural revolution refreshed the Taiwanese as well as the mainland Chinese the understanding of Chinese communist regime, and brought about on Taiwan economy a great influence, by which not only a remarkable growth was achieved, but improvement of infrastructure and the "ten great constructions" of heavy industry were also started as of 1973. In traffic and transport, there were the expansions of Taipei international airport, north-south superhighway, electric and double-tracked railways, sea-ports in Taichung and Soo Au. For maintaining power generation, nuclear power plants were constructed, and heavy industries centered in steel manufacturing, petrochemicals and ship building, a total sum of 5.8 billion U.S. dollars had been invested.

The propulsion of "ten great constructions" was regarded as a sign of KMT regime's determination to settle down and be engrossed in "rebuilding Taiwan". In any case, the "ten great constructions" had undeniably contributed to the growth of Taiwan economy later.

Introduction of foreign capitals was another important element: Investments from foreigners and overseas Chinese had also contributed to the development of post-war Taiwanese economy. The KMT regime enforced the "regulations of foreign investment" in 1954, the "regulations of overseas Chinese investment" in 1955, and the "regulations for encouraging foreign investments" in 1960, promoting the introduction of foreign capitals. These regulations have guaranteed favourable treatments in taxes and in acquiring industrial lands, etc. for foreigner and overseas Chinese investments, for which the influx of foreign capitals have increased rapidly since 1960's.

From 1952 to 1990, there were 3,587 cases of foreign investment amounting to US\$1,129,780,000 and 2,187 cases of overseas Chinese investment amounting to US\$195,390,000, which totalled 5,774 cases of investments amounting to US\$1,325,160,000. Among the foreign investments, Japan stood first with 32.6%, followed by the U.S. 21.9%, European countries 13% and Hongkong 7.3%. Generally, most of Japanese investments were joint ventures with the local industries, and the manufactured goods have been exported or sold in Taiwan. In the case of the U.S. investments, almost none of them took the form of joint venture, and all manufactured goods were exported to America. The scale of overseas Chinese investments were relatively small, centering in servicing businesses, and there was hardly any investment in high-tech industry. The investments from Japan,

Europe and America resulted in an effect of technology transfer, while the oversea Chinese capitals strengthened the competitiveness of Taiwanese businesses, both played the leading role of opening the oversea markets for Taiwanese products.

The Locus of Economical Development

Owing to the decisive monetary reform in new denomination, which cut off Taiwan's relation with China, the vicious inflation calmed down at last, and starting from 1952 under the U.S. aids program, the first "four year economic plan" was launched. As a result, agricultural production of 1950's recovered the highest level of what was under the Japanese rule. And the development of industries in replacement of import centering in light industries got under way and prospered.

Looking at the economic condition of 1950's, we found the average growth rates were GNP 8.3%, agriculture 6.4%, industry 11.5%. The growth in the export centering in agricultural products had reached 20%, while agriculture played the role of "midwife" in industrialization. The international trade was continuously in the red, however, the deficits were covered by the American aids. The inflation rate was 8.6%, which was a great relief compared to the critical inflation before. On the whole, 1950's may be regarded as a preparation period for the high economic growths in 1960's .

By 1960's, the growth of annual agricultural production remained at 4.6%, while the industrial production and export attained high growth rates of 15.9% and 22.9% respectively. GNP was maintained as high as 9.2%, while inflation was held at low standard of 4.9%; a so-called "high growth without inflation" had been achieved.

With this prosperity as background, by 1968 one million surplus labor from farm villages streamed into the export processing zones whereby full employment was attained. These low-wage but excellent labors contributed much to the development of labor-intensive export-processing industries, and export of industrial products prospered rapidly. At that time, the electric appliances and electronic goods initiated by foreign capitals and the textile fabrics held the position of two major export product categories. In general, urged for industrialization and export by foreign capitals, cheap labor and export ambition, the economy of Taiwan in 1960's went through a transition from import-substitute industry to export-processing industry, whereupon high degree of economic growth was achieved.

Basically the economic development of 1970's was the extension of 1960's. The "ten great constructions" started in 1973, whereupon proceeded the expansion of infrastructure and construction of basic industries. Struck twice by oil crisis in 1973 and 1979, there was a big amplitude in the economic growth. However, the oil shocks exercised no severe influence to the growing economy of Taiwan, which imported oil and processed synthetic fiber and plastic products for export. The reasons had been many: Taiwan's friendly relationship with the oil producing countries especially Saudi Arabia, the merit from the high Japanese yen, and the blessing of "special procurement" for the Vietnamese war which continued from the latter half of 1960's. As a result, the annual agricultural production was maintained at an average of 4.6% in 1970's, industrial production and export enjoyed high growth rates of 15.2% and 28.3% respectively. On the other hand, while annual GNP growth averaged at 10.3%, the inflation rate had reached an annual average of 9.5%.

On the whole, with the fruit of high growth in the 1960's, Taiwan was ready to switch over from export-intensive industries to heavy industries in 1970's.

The economic growth of 1980's, even though lack of stability, was basically in the growing pace. The growth rate of 1979 was 8.5%, followed by a downward trend of 7.1% (1980), 5.8% (1981), 4.1%(1982), but owing to reduced oil price and revival of the U.S. market in 1983, the growth rate was recovered up to 8.7% and reached double digits to 11.6% in 1984. In 1985, due to recession in the U.S. economy, the growth rate suffered a sharp decline to 5.6%. It was obvious that Taiwan economy was closely inter-locked with the U.S. economy, in other words, largely depending upon the U.S. market. By the influence of cheap dollar and high yen in 1986 and 1987, the growth rates were 12.6% and 11.9% respectively. However, trade balance in the black toward the U.S. became a pressure to push up Taiwan currency sharply, which accompanied with high wages and shortage of labor, etc., resulted in declined growth rates of 7.8% (1988), 7.3% (1989) and 5% (1990). Though the annual average growth maintained 8.3% in 1980's, the downslide trend from 1988 on foretold the weak Taiwan economy after.

Laying emphasis on cultivating high-tech industries was the characteristic of Taiwan economy in 1980's. "Hsinchu Scientific Industrial Zone", a long-term collective development for high-tech industries, started its operation in December 1980. Though the economic and industrial policies were centered in export-processing for some time, in order to maintain the economic growth of the past and cope with wage increase, extensive oil crisis, labor shortage and environmental pollution, etc., under the principles of "large production effect, large potential market, high

intensive technology, high added value, less energy consumption and less pollution", the information-managing industry (computers, electronic parts, computer softwares, etc.) and the machine industry (precision instruments, agricultural machines, automotive parts and electrical goods, etc.) had been selected as strategic industries and promoted by government policy.

Looking back at the industrialization development of Taiwan economy, we find the traces of transforming process from the import-substitute industry in 1950's, the export-processing industry in 1960's, the heavy industry in 1970's, to the cultivation of high-tech industry in 1980's. By 1990's, the object was to get high-tech industry under way and to secure competitive power to be ranked among the countries with advanced technology. As of July 1991, a "six-year national construction plan" with a scale of 300 billion U.S. dollars was enforced, aiming at (1) increasing national income, (2) reinforcing industrial foundation, (3) balancing development of various sectors, and (4) improving quality of life. By the last half of 1970's, Taiwan had already become the standard bearer of Asian NIES (New Industrial Economic Sector), leading Korea, Hongkong and Singapore. Upon completion of the high-tech industrialization and the six-year national construction plan, the dream of joining the advanced economic nations may be fulfilled.

The Problems of Taiwanese Economy

As of 1952, Taiwan economy had continuously been so successful that it was regarded as "miracle". The GNP per national had kept increasing proportionally from US\$50 in 1950 to US\$6333 in 1988, reached the level of "high income (US\$6000)" category defined by World Bank. Later in 1992, the GNP per head had risen to as

high as US\$10,000. Keeping pace with the economic growth, the exchange rate of Taiwan yuan to U.S. dollar had also risen, and the foreign currency reserve had increased rapidly since the last half of 1980's, reaching 46.31 billion U.S. dollars in 1986 and 76.748 billion U.S. dollars in 1987, and following after Japan and Germany, Taiwan was taken notice as a "nation of wealth". Since then GNP had kept increasing and with the level of 85 billion U.S. dollars, Taiwan has maintained the position as the "nation which possesses the world's highest foreign currency reserve" after July 1992. However, Taiwan economy, which appears to be going well, is not without problems. As for one, it depends too much on export, especially depending upon the U.S. market.

After 1980's, due to wage increase, stagnant international trade and catchups by the developing countries, Taiwan's export became dull, particularly noticeable from 1988. Moreover, because of imbalance of trade between Taiwan and the United States, the pressure seeking correction by the United States grew stronger, and forced by the demands of import liberalization, reduction of customs duties, opening of service industry and protection of intellectual property rights, etc., Taiwan was compelled to revalue up Taiwan yuan. Further in 1989, due to the cancellation of the general special privilege (G.S.P.), Taiwan's competitiveness in export to the United States had dropped sharply. This was related to the abrupt declination in Taiwan's economic growth after 1989. In order to reduce the dependence on the United States even if for a little, Taiwan tried to disperse the destination of its export products, and realized the export to ex-socialist countries after the collapse of cold war between the east and west blocs. But after all, it was not a scale big enough to replace the U.S. market of the

past.

Medium and small-sized enterprises being the main force of economy is another problem. Taiwan has been called the "kingdom of medium and small-sized enterprises", for there were 773,511 medium and small-sized enterprise at the end of 1988, which accounted for 97.72% of total enterprises. The population of Taiwan at the end of 1988 was approximately 20 millions, so in simple calculation, there was a boss in every 26 persons. The medium and small-sized enterprises also played the leading role of export: of the total of US\$60.585 billion export in 1988, the medium and small-sized enterprises accounted for 60% amounting to US\$36.353 billion. However, the medium and small-sized enterprises generally have the following weaknesses: (1) low in productivity, (2) small scale and short of funds, (3) lack of reserve for equipment investment and technology renovation, (4) most of them run by family, have difficulty in securing talented people, (5) capitals are seldom raised from the stock market, (6) lack of market research ability, etc. And these weaknesses may well be the weaknesses of Taiwan economy.

Japan's "subcontractor structure" is also a serious problem. Japan has continuously been the top of Taiwan's import, and is also top in Taiwan's trade deficit. Looking at 1989 for an example, of the total import from Japan, approximately 90% were machineries and equipments (53%) and industrial materials (34.2%), both of which were indispensable to the processing of products for export. Since about 80% of parts and materials for Taiwan's export-processing products were imported from Japan, and as increased export would result in increase of trade deficits to Japan, Taiwan economy which chiefly dependent upon

export literally became a "subcontractor structure" under Japan. Furthermore, a great part of trade surplus obtained from export have been making up for the trade deficit to Japan. Synchronizing with the increase of Taiwan's trade surplus, the trade deficits to Japan also increased from year to year: US\$7,660,710, 000 in 1990, US\$9,669,400,000 in 1991, it had reached 12.9 billion U.S. dollars in 1992. Incidentally, the trade surplus to the U.S. in 1992 was 7.8 billion U.S. dollars. In an effort to reduce the trade surplus to Taiwan, the Ministry of International Trade and Industry of Japan was propellent in transferring high-tech industries to Taiwan, expecting that it would bring "boomerang effect" with import of the finished products to Japan. Nevertheless, the "subcontract structure", which was nearly fixed, has not been so easy to rectify. Influence from the isolated diplomatic relations is a big problem.

The Kuomintang regime has held fast to the fictions that "Republic of China (Taiwan) is the only China" and "KMT regime is the legitimate government of China". With the returning of People's Republic of China to United Nations in October 1971, most of the countries in the international community including Japan rushed into establishing diplomatic relations with China, and broke off with Taiwan. The United States, which had been relied most, also normalized its relations with China in January 1979 and severed diplomatic relations with Taiwan. Most of the countries, although severed diplomatic relations with Taiwan, have maintained non-governmental relations with Taiwan. For instance, through Japan's "Cultural Exchange Association" office in Taiwan and the representative's office of Taiwan's "East-Asian Relations Association" in Japan, substantial exchanges between the two countries are being conducted. But for Taiwan which depends much of its economic activities on

international trade, many problems get in the way when having economic exchanges with countries that it does not have diplomatic relations. It is not difficult to understand how much hardship Taiwanese businessmen were compelled to go through in obtaining a visa for export destination . In the period of twenty some years since 1971, Taiwan had exerted itself in promoting international trade under such unfavorable condition, and is worthy of praise that it has grown to be the world's No.13 trade nation. However, as long as the diplomatic isolation continues, Taiwanese economy is apt to be influenced by it.

The tendency of increasing trade with China may also present a problem in the future. By 1980's, the hostile relations with China were changed for the better, and after November 1989, Taiwan residents have been allowed to travel to China. At the same time, investment in China has become brisk, and relay trade through Hongkong has increased every year. During the four years from 1987 to 1990, there was a tendency of abrupt increase in the trade between Taiwan and China which shows 44.1% averaged increase rate in export from Taiwan to China, and 54.8% from China to Taiwan. In 1990, the amount of bilateral trade has exceeded 4 billion U.S. dollars, and the same has reached 5.79 billion U.S. dollars in 1991, of which export from Taiwan to China was 4.66 billion U.S. dollars while import from China was 1.13 billion U.S. dollars.

It was an overwhelmingly excess of exports for Taiwan in trading with China. The trade surplus from trade by way of Hongkong in 1992 suddenly increased to 13.64 billion U.S. dollars, without which Taiwan's trade balance of that year would have been in the red. In a situation as such, the "Three No Policy" towards

China, that is "no negotiation, no compromise, no contact", has lost its meaning. Although Chinese market is very attractive in making-up for the loss of American market, especially when there is no strict condition, but Chinese government claims that "Taiwan is a part of China" and insists on "unifying" it sooner or later. If Taiwanese economy excessively depends upon the Chinese market, there is the danger of being controlled and encroached upon by China. Obviously, Chinese government intends to induce Taiwan to become economically dependent upon China, and by promoting close economic cooperation today, it aims for a political "unification" in the future. Therefore, it is thoughtless to be too delightful for expanding businesses in the Chinese market.