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Government  
and Politics

# Nationalist China

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NATIONAL INTELLIGENCE SURVEY

SECRET

35

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# Nationalist China

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## Government and Politics

### A. Introduction (C)

The Government of the Republic of China (GRC), which combines traditional Chinese, modern Western, and contemporary Communist governmental concepts, is in form a constitutional republic. According to the constitution, adopted in 1947, governmental powers are shared by the Executive, Legislative, Judicial, Examination, and Control Yuans (branches). The parliamentary function is shared by the Legislative Yuan and the National Assembly, the latter of which is constitutionally an elective body that exercises "political powers on behalf of the whole body of citizens."

Obvious discrepancies exist, however, between constitutional provisions and political realities. Historically, the GRC essentially has been a one-party, one-man government. Governmental power has been concentrated chiefly in the executive and, more specifically, in the person of the increasingly feeble 86-year-old President, Chiang Kai-shek (Figure 1). Moreover, President Chiang dominated the Kuomintang (National People's Party—KMT) a monolithic political organization, in his capacity as Director General. In turn, the Kuomintang exercises firm, and pervasive control over governmental and political processes. Since mid-1972, President Chiang's declining health has confined him to a hospital and ended his active participation in political affairs. The mantle of power has descended to his son, Premier Chiang Ching-kuo. The Premier has been carefully groomed by his father to take up the leadership and, although the succession has occurred earlier than was expected, it has gone smoothly.

Although power theoretically resides in the people through the right of franchise, only a few limited, controlled elections have been held since the removal of the central government to Taiwan in 1949. As a result, those Chinese from the mainland who were chosen in the national elections of 1947 have continued to dominate the central government's elective bodies. Beyond this, the maintenance and enforcement of a state of martial law since the retreat to Taiwan has circumvented many of the individual rights and guarantees in the constitution.



FIGURE 1. President Chiang Kai-shek (C)

The Republic of China (ROC), like the People's Republic of China (PRC), lays historic claim to Taiwan. This claim is based on Chinese ownership prior to the Sino-Japanese War of 1894-95; the Cairo Declaration of 1943, which promised the return of Taiwan to China and which was reaffirmed in the Potsdam Declaration of 1945; and Japan's renunciation of sovereignty over Taiwan and the Pescadores (Penghu) islands in the peace treaty of 1952. The legal status of the province remains somewhat anomalous, however, since no specific disposition of the territory was made in the treaty.

The GRC's move to Taiwan resulted in a unique political phenomenon. A national superstructure was imposed upon the provincial government, with both having jurisdiction over essentially the same administrative and geographic area. Not only has this

resulted in constitutional inconsistencies, but it also has greatly compromised the integrity of the Taiwan Provincial Government, which serves as the passive and unobtrusive agent of the central government.

Prospects of survival appeared bleak in the initial years following the retreat of the GRC to Taiwan. Disorganized and dispirited national leaders went about the task of reestablishing central governmental institutions and restoring required government services. Desertions, defections, and defeats had demoralized both the armed forces and the KMT. A Chinese Communist invasion of the island appeared imminent, particularly following President Truman's assertion on 5 January 1950 that the United States was not committed to the defense of Taiwan. The prospect of collapse from internal subversion was hardly less sobering. The native Taiwanese were sullen and resentful as a result of both the intrusion of the mainland refugees and the harsh suppression of a Taiwanese uprising in 1947 in protest against 2 years of Nationalist misgovernment and brutality. The problems of inflation and corruption, prime factors in the Chiang regime's collapse on the mainland, accompanied the regime to Taiwan. Added to all this was the question of whether the predominantly agricultural economy of the island would be able to sustain an additional 1.5 million persons. There was uncertainty that these major problems, whose solution was required if Taiwan was to develop into a springboard for the "counterattack" against the mainland, would be surmounted. Moreover, the ROC's standing within the international community was rendered precarious by expulsion from the mainland and by recognition of the People's Republic of China by a number of governments.

A thoroughgoing transformation has been accomplished in the more than two decades the Nationalists have been on Taiwan, and the GRC has emerged as a model of internal stability with the region. Failure of the Communists to follow up their victory on the mainland and the ability of the Nationalists to regroup restored the latter's confidence and resolution. The outbreak of the Korean war in mid-1950 and the subsequent dispatch of the U.S. Seventh Fleet to the Formosa Strait largely nullified the threat of a Communist invasion from the mainland. These developments were followed in 1954 by the conclusion of the Sino-U.S. Mutual Defense Treaty, which committed the United States to the defense of Taiwan and the Pescadores islands. Beginning in 1951, the armed forces were reorganized and were given modern equipment and training, mainly by the United States. With the gradual

reduction of U.S. grant military aid during the 1960's and its termination on 30 June 1973, the GRC has been compelled to rely on its own financial resources for further modernization of its military establishment.

As a result of effective countermeasures by the national intelligence and security forces, subversion was brought under firm control by 1952, and by the mid-1950's the problem was nominal. There have been some modest recurrences of subversive activities, however, and uncertain future prospects could offer a potential for subversion. During the past 3 or 4 years, the decline of Taiwan's international political stature, U.S. efforts to normalize relations with Peking, and mainland efforts to win support on the island for eventual reunification have raised questions about the future of the Nationalist regime on Taiwan. The regime must cope both with native Taiwanese advocates of a juridically independent Taiwan as well as with dissatisfied groups within the island's mainland Chinese community. Debate within the leadership over what course will best serve their own interests, and the survival of the regime could engender domestic unrest. The smooth assumption of control by Premier Chiang Ching-kuo, however, precluded any chance that Taiwan might be subjected to the strains of an immediate succession crisis. Moreover, the present KMT leadership appears to have learned several lessons from their loss of the mainland. They are well aware that continued economic prosperity, controlling inflation, and cutting down on corruption are necessary if the regime is to maintain domestic support. Unless the regime should run into opposition on the scale of a massive, organized uprising, the nation's security forces appear fully capable of maintaining internal security.

Although community tensions have eased in recent years and there is more Taiwanese receptivity to Chiang Ching-kuo than to earlier mainland leaders, native Taiwanese still feel some resentment toward the GRC, mainly because of their virtual exclusion from policymaking and command positions in the central government, the ruling Kuomintang, the government sector of the economy, and the armed forces. To a somewhat lesser extent they are also resentful of the burdens of taxation and military conscription they are required to assume to maintain the disproportionately large military establishment, as well as the denial of personal rights under martial law and the unwillingness of the central government to permit an opposition political movement. Moreover, they generally do not identify themselves with the GRC's goal to regain control of the mainland.



A serious challenge to the GRC under prevailing conditions, however, can be largely discounted. Uncertainties over the island's future appear to have convinced many Taiwanese that they must acquiesce to the Nationalist regime to preserve what they have. The Taiwanese are achieving, albeit slowly, increasing representation in political and governmental institutions. While they have not acquired substantial political power, they dominate politics at the provincial and local levels and have achieved supremacy in the private sector of the economy. At the national level they have gained more representation than ever before. Ambitious young Taiwanese politicians are becoming increasingly willing to enter the KMT in the well-founded belief that it is the only way to success. Once they start working within the system, they often acquire an interest in its perpetuation. The government's land reform program was well received by the peasantry. The standard of living is one of the highest in Asia, and it is rising rapidly. In addition, the Taiwanese view time as their ally and are disinclined to challenge the government. To do so would not only risk the material and social benefits already achieved but also invite harsh retributive measures and in the Taiwanese view, would risk chaos and invite Communist intervention. Taiwanese do not desire Communist control and appear for the present to be almost insusceptible to Communist propaganda.

Although the Nationalist government officially remains publicly committed to the recovery of the mainland, this theme has lost its reality and is being given diminishing emphasis by national leaders. A reordering of priorities has emerged in fact, with emphasis on the development of Taiwan into a modern, economically progressive island. No military offensive against the mainland is seriously contemplated. Even the minor sabotage and intelligence operations directed against the mainland by GRC agents have generally come to naught, and operations from Taiwan appear to have been stopped after 1969. Emphasis on economic development has caused technocrats to assume an increasingly responsible role in national plans, and greater amounts of national resources are being used for economic and social development programs.

The hallmarks of GRC foreign policy have been the preservation of the GRC's identity abroad as the legitimate government of China and an uncompromising opposition to communism. In pursuit of both of these aims, the GRC has relied heavily on the United States to bolster its defenses and, to a lesser extent, to advance its economic development.

For about two decades the GRC displayed virtually no flexibility in foreign affairs. Peking's success in expanding its international relations, symbolized by the PRC's replacement of the ROC in the United Nations in October 1971, led to growing anxiety about the future status of Taiwan. A concerned leadership in Taipei adapted somewhat more flexible tactics in foreign policy as the Nationalist regime continued to decline in international status. Starting in 1969 an increasing number of countries switched their diplomatic relations from Taipei to Peking. The visit of President Nixon to Peking in February 1972 and the exchange of liaison offices between Peking and Washington in February 1973 have increased the Nationalists' apprehension concerning their future. A particularly hard jolt was the diplomatic recognition of Peking by Japan, which has been a major trade partner for the ROC. Taipei has quietly tried to maintain informal ties with nations recognizing Peking, and wherever possible it has continued to send technical missions abroad, particularly to those African and Latin American nations which continue diplomatic relations with Taipei. By such efforts it has enjoyed some successes in offsetting their growing political isolation, but the problem of their future international status remains unsolved. Thus far, the ROC has been reasonably successful in substituting trade relations for diplomatic relations.

## **B. Structure and function of government (C)**

### **1. General**

Although the central government theoretically shares its powers with governmental systems at the provincial, county, and municipal levels, obvious discrepancies exist between constitutional provisions and governmental practices. The influence of the central government, for years dominated by the now inactive President Chiang Kai-shek and now under the leadership of his son, Premier Chiang Ching-kuo, is pervasive. Since the exodus of the GRC to Taiwan, the central and Taiwan provincial governments have exercised jurisdiction within practically identical geographic boundaries. As a result, the provincial government has functioned mainly as an unquestioning and pliant agency of the central government.

The maintenance of martial law for more than 20 years has accentuated the nondemocratic aspects of executive power. Although extensive individual rights are guaranteed by the constitution, their exercise may be limited "for reasons of preventing infringements

upon the freedoms of other people, averting an imminent crisis, maintaining social order, or advancing the general welfare." This constitutional provision is the basis of restrictions known as Temporary Provisions Effective During the Period of Communist Rebellion, which have been in force since their adaption by the National Assembly in April 1948. The Temporary Provisions enabled the President the following month to declare a state of martial law without obtaining the approval of the Legislative Yuan. The Temporary Provisions also stated that the President was to call an extraordinary session of the National Assembly not later than 25 December 1950 to decide whether or not the provisions were to remain in force. This requirement was not met, however, because of the disorganization resulting from the withdrawal of the central government to Taiwan in 1949. Continuation of the President's emergency powers has been maintained by subsequent sessions of the National Assembly, which has consistently bent to the President's will on basic policy questions.

Alert to any advantages that might ensue from the excesses generated by the Cultural Revolution in the PRC, the National Assembly in 1966 gave the President two additional extra constitutional powers at the same time it renewed his emergency authority. The first permitted him to establish what was in effect to be a planning agency for the recovery of the mainland. Under this authority the National Security Council (NSC) was created in early 1967.

Until his incapacitating illness in the summer of 1971, the NSC was dominated by its chairman, President Chiang Kai-shek. The NSC is empowered to formulate major policies, decide on general mobilization, lay down principles for national reconstruction, administer civil affairs and supervise the military government in "liberated" areas, and determine basic policies for suppression of the "Communist rebellion." Technically the NSC also has authority over the National Security Bureau (NSB), the supreme coordinating agency for the ROC's intelligence and security community. Despite its wide mandate, however, the NSC has not produced practical results. Its reorganization in the summer of 1972 by Premier Chiang Ching-kuo appeared further to reduce the NSC's potential as a locus of power, and it has served only in a secondary consultative role in the Chiang Ching-kuo government.

The other power given the President allowed him to "readjust the administrative and personnel organizations of the central government" and to hold elections to fill vacancies in the central government or add representation to reflect population increases in

Taiwan and in mainland areas that might be recaptured by the GRC. Under the latter authority, elections were held in December 1969 to select 15 members to the National Assembly and additional members to the two elective yuans of the central government. Further elections held in December 1972 gave the KMT its usual sweeping victory at all levels. The party scored a clean sweep in races for county magistracies and mayors of large cities, won 58 of 73 seats in the Provincial Assembly, 43 of 53 new National Assembly seats, and 30 of 36 new seats in the Legislative Yuan. Ten new members were elected to the central government's Control Yuan in February 1973 by the Taiwan Provincial Assembly, with the KMT winning nine of the seats.

## 2. Constitution

The constitution of the GRC was adopted in December 1946 by a constitutional assembly convoked to fulfill the promise Chiang Kai-shek made during World War II, to end the 20-year period of KMT "tutelage" and inaugurate a representative form of government. The constitution derives chiefly from the political precepts of Sun Yat-sen and is fundamentally democratic. Subject to the limitations and restrictions engendered by a continuing state of martial law, the constitution enumerates the freedoms, rights, and duties of Chinese citizens, including the rights of election, initiative, referendum, and recall. It grants suffrage to all Chinese over 20 years of age and includes a broad bill of rights guaranteeing freedom of domicile, speech, correspondence, religion, and assembly, and all "other freedoms and rights of the people that are not detrimental to social order or public welfare." The constitution also enumerates obligations the citizen has to the state, including payment of taxes, military service, and the "right and duty to receive citizens' education." The constitution further commits the government to limited state socialism by assigning it responsibility for the enactment of progressive economic and social legislation and by according it broad control powers over educational and cultural institutions. Opportunity for employment commensurate with the capacity and ability of the people is encouraged, and the state is required to provide assistance and relief to the aged, the infirm, the disabled, and the victims of natural calamities, as well as to give special protection to working women and children.

The constitution provides for an elective National Assembly, a President elected by that body, and, in accordance with the theories of Sun Yat-sen, a

government consisting of five independent branches, called Yuans, which perform executive, legislative, and judicial functions plus the traditional Chinese functions of examination and control. Each of the five yuan is under the direction of a president, vice president, and secretariat. The parliamentary function is shared by the Legislative Yuan and the National Assembly; the latter exercises "political" powers on behalf of the whole body of citizens."

The actual structure of political power differs in many respects from the formal governmental structure described in the constitution and shown in Figure 2. During the lifetime of Chiang Kai-shek the paramount authority has been the President of the GRC. This extreme concentration of power is explained primarily by three factors: 1) the Chinese political tradition of vesting virtually unlimited power

in one person: 2) the forceful and pervasive personality of Generalissimo Chiang Kai-shek; and 3) Chiang's position as Director General of the KMT and Commander in Chief of the armed forces. The constitutional limitation of the two presidential terms has been repeatedly set aside, most recently in 1972, so that the Generalissimo could stay in office. The purported reason for this suspension, approved by the Generalissimo as an alternative to a constitutional amendment, was the emergency resulting from the "civil war" with the Communists. Since July 1972 President Chiang has been unable to perform his governmental functions due to illness and advanced age. Since then his son, Premier Chiang Ching-kuo, has become the center of political power and authority, but he seems to be more responsive to senior aides than was his father.

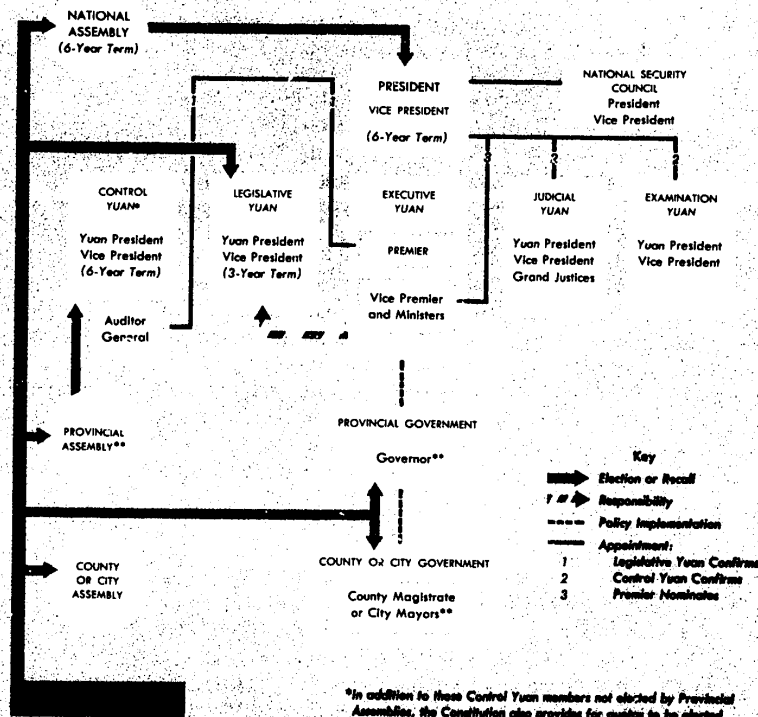


FIGURE 2. Constitutional structure of the GRC, 1973 (U/OU)

### 3. Central government

#### a. National Assembly

The highest organ of government is the National Assembly, which theoretically implements Sun Yat-sen's doctrine that political power should be held by the people. The Assembly's powers include the right to elect the President and Vice President, to act on impeachment measures initiated against the President or Vice President by the Control Yuan, to amend the constitution, to ratify any constitutional amendments introduced by the Legislative Yuan, to alter national boundaries, and to initiate national legislation when requested by the President.

Under the constitution, members are elected for 6-year terms from regional and occupational groups. The first National Assembly elections were held in 1947 and resulted in a 2,962-member body. Those members from the mainland who fled to Taiwan in 1949 have continued to comprise the overwhelming majority of the Assembly, although their ranks have been greatly reduced by deaths, resignations, and retirements. Central government elections held in November 1969 and December 1972 added a total of 68 new members, as well as new members to the Legislative and Control Yuans. In late 1973 Assembly membership was 1,402. The decisions to hold the elections were based officially on the desire to give added representation to Taiwan Province, since its population had more than doubled since 1947. More practical, but unexpressed, reasons were that the elections provided a means of increasing membership in the central government's principal branches since their membership had dwindled over the years, without, however, increasing the power of the Taiwanese in these branches of the government meaningfully. Plans for larger scale elections in the Yuans were cut down substantially shortly after Premier Chiang took office.

Since the constitution was adopted, the National Assembly has met every 6 years since 1948 for the purpose of choosing the President and Vice President and sanctioning the continued exercise of emergency powers by the President while a state of war with the Communists exists. The Assembly is summoned into regular session by the President 90 days before the expiration of each presidential term, but extraordinary sessions are called for such purposes as the ratification of constitutional amendments. A special 10-day session was convened just prior to the session in February 1966 to discuss giving the Assembly the powers of initiative and referendum, but the only

action taken was to increase the salaries of its members, a typical example of compromise, whereby the Assembly acceded to the President's will in exchange for personal perquisites. A presidium of 85 members is elected from among the delegates to serve as a steering committee, with members of the presidium presiding in rotation over plenary sessions of the Assembly. In addition to its regular committees, the National Assembly has a permanent secretariat headed by a secretary general. In recent years, the Assembly has remained largely inactive, except during its regular sessions every 6 years.

#### b. President and Vice President

The President, who must be a Chinese citizen and be at least 40 years of age, is titular head of state and Commander in Chief of the armed forces. With the consent of the Legislative Yuan, he appoints the President (Premier) of the Executive Yuan and the auditor general of the Control Yuan, and he promulgates laws, treaties, and declarations of war. He may also ask the Legislative Yuan to reconsider any bill enacted by that body if the executive branch thinks its enforcement will be particularly difficult or inexpedient, but his request may be overruled by a two-thirds vote of the legislators in attendance.

Of prime importance is the President's power to issue ordinary and emergency decrees. The President is also authorized to declare martial law and, under it issue emergency decrees "in case of a natural calamity, an epidemic, or a serious national financial and economic crisis." The Temporary Provisions Effective During the Period of Communist Rebellion, adopted by the National Assembly in 1948, nullified the original constitutional requirement of legislative approval for the President's emergency actions, but all decrees issued by the President must be countersigned by the Premier, who is constitutionally responsible to the Legislative Yuan. As Commander in Chief of the armed forces, the President also controls the military establishment. Thus in practice the President possesses almost unlimited authority, but his powers are informally limited by extraconstitutional factors such as pressure from other KMT and government leaders. Possible reaction from the people if it were to follow grossly unpopular actions is also a factor, but of lesser significance than pressures that can be exerted within the leadership. Moreover, the authority of the President over subordinate leaders and his countrymen may be eroded if his government proves demonstrably unable to induce the United States to take account of Taiwan's interests.

Like the President, the Vice President must be a Chinese citizen and be at least 40 years of age. He likewise serves a 6-year term normally and is restricted constitutionally to two terms. The Vice President has no significant constitutional functions except to succeed to the presidency if the office becomes vacant or to exercise the functions of the presidency if the President should be unable to attend to office due to any cause. Since President Chiang Kai-shek's incapacitation in July 1972, Vice President Yen Chia-kan has undertaken many of the ceremonial duties of the presidency, but he has not officially assumed the office nor does he exercise its executive functions. Premier Chiang Ching-kuo has acted as de facto head of the government in the day-to-day administration of affairs and in the formulation of policy.

#### c. Executive Yuan

The highest administrative organ in the national government is the Executive Yuan, which functions primarily as a cabinet. Second only to the President in influence and power, the Executive Yuan is under the supervision of a president, or Premier, as he is known informally. The Premier is appointed by the President, with the consent of the Legislative Yuan. Ministers, chairmen of commissions, and ministers without portfolio compose the Executive Yuan; and are appointed by the President upon the recommendation of the Premier.<sup>1</sup>

The Executive Yuan is responsible to the Legislative Yuan, to which it must submit its administrative policies and reports as well as the national budget. The Legislative Yuan may question members of the Executive Yuan and disapprove or alter policies. If the Executive Yuan objects to a bill or policy resolution passed by the Legislative Yuan, it can request a "reconsideration," which is in effect a veto. An executive veto may be overridden by a two-thirds majority of the Legislative Yuan in attendance, in which case the Premier must acquiesce or resign. Because of KMT dominance in both the Executive and Legislative Yuans, major impasses between the two bodies under prevailing conditions are unlikely; consequently, an executive veto normally would be sustained. In practice the Legislative Yuan does not initiate legislation, but it enacts measures—occasionally with modifications—submitted to it by the Executive Yuan.

<sup>1</sup>For a current listing of key government officials consult *Chiefs of State and Cabinet Members of Foreign Governments*, published monthly by the Directorate of Intelligence, Central Intelligence Agency.

#### d. Legislative Yuan

The Legislative Yuan, a unicameral body, is the highest lawmaking organ in the state. Its members are elected for 2-year terms by geographical and vocational constituencies and may be reelected. The first Legislative Yuan was elected in 1947 and had 760 members when it first convened in 1948. Until December 1969 it was composed of members chosen in the 1947 election who withdrew to Taiwan in 1949 and have since remained active, plus alternates elected in 1948 and designated between 1949 and 1951 to fill vacancies that occurred during those years. Eleven new members were elected in 1969 and 36 in December 1972, giving it 461 members as of January 1973.

The Legislative Yuan is empowered to adopt laws, review budget estimates, ratify treaties, and declare war. It may also force the resignation of the Premier, either by a motion of censure or by overriding a veto. The Legislative Yuan also administers grants-in-aid to local governments and resolves jurisdictional disputes between the central and local governments. The Legislative Yuan in practice serves mainly as a gadfly of the Executive Yuan, however, deriving its principal influence as an institution from its ability to bring minor embarrassment to executive officers by questioning them.

The Legislative Yuan meets twice a year, from February to May and from September to December, but its sessions may be extended if necessary. Extraordinary sessions may be convoked upon request of the President or of at least one-fourth of the membership. A quorum consists of not less than one-fifth of the entire membership resident in Taiwan, and bills and resolutions are adopted by majority vote.

#### e. Judicial Yuan

The Judicial Yuan, the highest judicial organ of the state, interprets the constitution and has the "power to unify the interpretation of laws and orders." Moreover, it has responsibility for the adjudication of civil, criminal, and administrative cases, as well as the discipline and punishment of public functionaries, except those tried by military courts. The president and vice president of the Judicial Yuan are appointed by the President, with the consent of the Control Yuan.

The four judicial agencies of the Judicial Yuan are the Council of Grand Justices, the Committee for the Discipline of Public Functionaries, the Administrative Court, and the Supreme Court. Members of the Council of Grand Justices are appointed to 9-year

terms by the President, with the consent of the Control Yuan. This body is responsible for interpreting the constitution, settling conflicts between national and local laws, and resolving divergent constitutional interpretations rendered by judicial agencies. This authority can be exercised only upon application by national or local organs of government and when doubts arise between two or more departments of government about constitutional interpretations. The Committee for the Discipline of Public Functionaries metes out penalties to government officials who have either been impeached by the Control Yuan or been referred to the Committee by competent authorities. The disciplinary action may take the form of dismissal, demotion, salary reduction, or reprimand. The Administrative Court is responsible for the adjudication of administrative suits brought by individuals who seek redress for alleged wrongs or for illegal administrative acts by government agencies. The Supreme Court, the highest tribunal, is the court of final appeal in both civil and criminal cases. It consists of a number of civil and criminal divisions, each of which is formed by a presiding judge and four associate judges.

A regular system of civil and criminal courts functions below the Supreme Court level, with all judges appointed for life. District courts, set up at the municipal and county levels, handle civil and criminal cases of the first instance. High courts, which operate at the provincial level (their number is determined by the size of the province), hear appeals from the district courts and theoretically take under advisement cases of the first instance pertaining to insurrection, treason, and other forms of conspiracy against the government. In practice, however, these types of cases have been handled by the military courts under the provisions of martial law. Appeals may be made from the high courts to the Supreme Court. Formerly, the entire court system was under the Ministry of Justice of the Executive Yuan, but in 1960 the Council of Grand Justices ruled that all courts should be under the jurisdiction of the Judicial Yuan. Nevertheless, the Ministry of Justice, which is also responsible for the administration of judicial and penal institutions and for the selection and appointment of judges, procurators, and other personnel in the high and district courts, has continued to exercise jurisdiction over the lower courts.

The civil, criminal, and penal codes are modeled after continental European codes particularly those of France and Germany, while retaining some Chinese features. Judges are admonished constitutionally to be "above partisanship" and to "hold trials inde-

pendently, free from any interference," but political pressures have played an important role in major judicial proceedings.

The legal and judicial system has a number of weaknesses and deficiencies: some judicial officials have been amenable to corruption and pressure; law schools have been unable to provide a sufficient number of adequately trained legal personnel; rules of evidence, as viewed by Western juridical standards, have not been developed sufficiently; and judicial uncertainties persist. Failure to implement the 1960 ruling of the Council of Grand Justices that the nation's entire court system be placed under the jurisdiction of the Judicial Yuan has inhibited judicial independence and permitted the Executive Yuan to influence legal decisions. The influence the Executive Yuan has on the Council of Grand Justices, in particular, can be seen in the fact that appointees to the Council of Grand Justices serve only 9-year terms and thus are more susceptible to external influence than regular judges who have lifetime appointments. Even more serious, the continuing national emergency has compromised many constitutional guarantees and encouraged arbitrary procedures. For these reasons, the judiciary has been unable to command the full confidence, respect, and esteem of the general populace.

#### *f. Examination Yuan*

Functionally analogous to the U.S. Civil Service Commission, the Examination Yuan is the contemporary manifestation of the ancient Chinese tradition of administration by a scholarly elite chosen through public service examinations. The president, vice president, and commissioners of the Examination Yuan are appointed by the President, with the consent of the Control Yuan. The Examination Yuan's three principal components are the Examination Yuan Council, the Ministry of Examinations, and the Ministry of Personnel. The Yuan selects civil service personnel through competitive examinations and is responsible for such related matters as salary scales for government employees, promotions and transfers, tenure policies, personnel commendations, and retirement and death benefits. The government bureaucracy has four formal ranks of officials and the examination system is intended to select candidates under each.

In practice, Kuomintang domination of the government has discouraged the selection of appointive officials on a nonpartisan basis. The GRC has put a premium on personal loyalty to Chiang Kai-shek and the ruling group. In consolidating his

position as his father's successor Chiang Ching-kuo has engaged in similar practices, with important powers of appointment concentrated in the KMT's Department of Organizational Affairs. Although important officials have seldom, if ever, been appointed from its rosters, the Examination Yuan has served a useful purpose in preparing registers of technical and professional personnel and rank-and-file officials for appointment to minor civil service posts.

#### *g. Control Yuan*

Lik the Examination Yuan, the Control Yuan is a carryover from the traditional Chinese system of supervision and control of public functionaries. Constitutionally the highest control organ of the state, it has the powers of consent, impeachment, censure, and audit. The rather substantial influence of this body derives mainly from its occasional interpellations and investigations of officers of the Executive Yuan. In theory the appointment of the president, vice president, and justices of the Council of Grand Justices of the Judicial Yuan and the president, vice president, and commissioners of the Examination Yuan is contingent upon the consent of the Control Yuan. The Control Yuan also has power to censure the behavior of public functionaries in both the central and local governments. Any impeachment (or violation of law or dereliction of duty) is referred to the Judicial Yuan for disciplinary action. Impeachment proceedings against the President or Vice President of the GRC, which may be instituted by no less than one-fourth of the Control Yuan membership, must be presented to the National Assembly for disposition. Criminal cases are referred to the appropriate courts. The Ministry of Audit, under the Control Yuan, audits government accounts.

Members of the Control Yuan, according to the constitution, are indirectly elected by the provincial-level governments for 6-year terms. The removal of the GRC to Taiwan has required the usual extended tenure of all members elected on the mainland and on Taiwan prior to 1973. A quorum is formed "when more than one-fifth of the total members are present," and a resolution or motion may be adopted by a majority vote of those members in attendance. Two new members were added to the Control Yuan in 1970, and ten more were elected in February 1973, giving the Yuan a total membership of 78.

#### **4. Provincial and local governments**

The constitution provides for elective provincial and local governments possessing some degree of autonomy. Again, however, the central government's

expulsion from the mainland has compromised the integrity of the constitution. The Taiwan Provincial Government (TPG) has been dominated since 1949 by the central government, which is superimposed upon it. The administrative jurisdiction of the TPG encompasses Taiwan, except Taipei City, several small islands in adjacent waters, and the Pescadores. The seat of the TPG is Chung-hsing-hsin-t'ung, just south of T'ai-chung.

During the emergency, the governor is appointed by the President of the GRC upon nomination by the President of the Executive Yuan. Governor Hsieh Tung-min, one of the few native-born Taiwanese to hold high political office in the KMT, was named to the post in May 1972. The governor in turn appoints the councilors, almost equally divided between mainlanders and native Taiwanese, upon recommendation by the Executive Yuan. The 17-member council is the policymaking body of the TPG; it meets weekly, with the governor serving as ex-officio chairman. The governor is assisted by a secretariat, 12 departments (civil affairs, finance, reconstruction, education, agriculture and forestry, social affairs, communications, health, information, budgets, accounts and statistics, audit, and personnel), a food bureau, and various offices for such essential services as public health, budgets and accounts, police, and personnel.

A popularly elected Provincial Assembly provides a forum for airing Taiwanese views, but it exerts little influence over the governor and his executive branch. Members of the unicameral Taiwan Provincial Assembly, presently consisting of 73 members, are elected directly by the citizens of the counties (*hsien*) and municipalities every 4 years, and quotas are determined on the basis of population. The speaker and deputy speaker are elected by the assemblymen in secret ballot. The assembly meets for 2 months every 6 months, but may be called into special session by the governor or by more than one-third of the assembly's members. In the December 1972 elections the KMT won 58 seats, while others gained 15 seats.

On 1 July 1967, Taipei became a special municipality administered directly by the central government; its mayor is directly appointed by the central government. Under the constitution, Taipei's status is comparable to that of a separate province. Taipei has a city council consisting of 49 members who are directly elected by the people every 4 years from multi-member districts whose size is determined by population. The council meets for 50 days every 6 months, but may be called into session by the mayor or by more than one-third of the council's members. In the December 1973 elections, the KMT won 45 of the 49 seats.

As in the case of the province, both county and municipal powers are derived almost wholly from the central government. At this level, the government is headed by a county magistrate or city mayor who is elected for a 4-year term and may be reelected once. County and municipal governments have councils as deliberative bodies, with members elected for 4-year terms. If an act or resolution of a local council is considered difficult to enforce, the provincial government may return it for reconsideration. If the council upholds the measure by an affirmative vote of two-thirds of those councilors in attendance, however, it then becomes valid. At the *hsien* and municipal levels, the administration comprises the bureaus of civil affairs, finance, education, reconstruction, police, health, and tax collection. Villages are administered by elected chiefs, assisted by village councils. At all levels of local government, financial resources are meager, and local officials must solicit additional grants from higher authorities.

#### 5. Civil service

The Chinese civil service is an institution of long standing, with extensive and detailed regulations based on a system of public examination and recruitment. There are three types of examinations—high, general, and special—given to choose officers for service in the four civil service ranks. The first, for senior-level administrators, is open to college graduates, qualified technicians, and officials of lower rank selected for promotion. The general examination, open to high school graduates, is used to select junior-level civil service personnel. The special examinations are open to individuals with technical skills. Although civil service examinations are usually held annually and are given wide publicity, only a small percentage of civil servants are actually selected from the rolls of those who pass, and none of the officials in more important ranks has been selected through examination. Mainlanders predominate in the central government bureaucracy, while Taiwanese are most numerous in provincial and local governments, with older mainlanders occupying the top positions. Frequently, military officers are given such sinecures after retirement from service.

The traditional Chinese desire to enter the bureaucracy has been undermined by the low salaries, heavy political direction, and unrealistic policies which for so long plagued the civil service in Taiwan. Remuneration is so meager that many officials have second jobs and engage in petty graft. Advancement often is slow, and the channels of work are frequently clogged with super-annuated civil servants who resist

retirement because of meager pensions. Indifference, dissatisfaction, and lack of initiative are common among officials at all levels of government. In some government organizations, such as the Taiwan Power Company, the Joint Commission on Rural Reconstruction and some departments of the Ministry of Economic Affairs the pay is better than in old-line government offices, and a greater sense of responsibility exists. The top echelons of the Ministry of Foreign Affairs and of the Chinese Foreign Service are staffed by competent career officials of many years service. Since becoming Premier in May 1972, Chiang Ching-kuo has had some success in his efforts to bring new, younger, more competent personnel—both Taiwanese and mainlanders—into all levels of the government.

### C. Political dynamics (S)

#### 1. The President and the Premier

Until July 1972, when severe illness complicated the infirmities of age, President Chiang Kai-shek had dominated the political, military, and economic life of the Republic of China since 1928. As a youthful professional soldier, Chiang Kai-shek played an active role in the establishment of the Nationalist Government after the overthrow of the Manchu Dynasty in 1911 and was closely associated with the founding of the KMT in 1912. Subsequently Chiang became a protege of Dr. Sun Yat-sen, and following Dr. Sun's death in 1925, he began to drift away from the leftwing of the KMT. In 1926 he commanded the Northern Expedition, through which the Nationalists gained control of the lower Yangtze valley. In March 1927 he turned against his Communist allies, and a month later he captured Nanking and established the Nationalist Government there. Defeat on the mainland by the Communists in 1949 forced Chiang to his final refuge on Taiwan but failed to undermine seriously his firm grip on the government he had headed for so long.

In later years Chiang Kai-shek began to delegate authority to his son, Chiang Ching-kuo, or to the Premier of the moment. Up until mid-1972, however, President Chiang made the basic decisions on all matters of national policy.

Since his father's incapacitation Chiang Ching-kuo (Figure 3), who has been Premier since May 1972, has been the de facto head of the regime. Although he lacks his father's charisma, he has had a long period of grooming in various important positions, such as Minister of Defense. Moreover, over the years Ching-kuo has been able to maneuver his supporters into





FIGURE 3. Premier Chiang Ching-kuo (C)

positions of power and authority. The transfer of power after July 1972 thus was accomplished smoothly and Premier Chiang Ching-kuo is fully in control of the regime. Since becoming Premier, he has consciously worked to establish his own image with the people by making frequent appearances in public throughout Taiwan that are widely reported in the local media.

## 2. The Kuomintang

As the GRC is essentially a one-man government, so it is essentially a one-party government. The KMT's political tutelage ostensibly terminated in 1947, but the party's political hegemony has not been altered, even though it is not sanctioned by law. Important posts in the government, the armed forces, and the law enforcement and security agencies are monopolized by KMT members. Policies are formulated within KMT councils and implemented by KMT members who hold government positions, and party status and influence often are of greater significance than official state posts. As in the government, the dominant figure within the party has been Chiang Kai-shek, who serves as Director General. Since Chiang's health declined, Premier Chiang Ching-kuo, who is a member of the policy-setting Standing Committee of the Party's Central Committee, probably acts as de facto party chief. The relationship between the KMT and the GRC is similar to that between ruling Communist parties and their national governments.

The structural organization of the KMT is essentially the same as that of most national Communist parties. The KMT is divided into

territorial units which encompass both Taiwan and overseas Chinese communities, and into functional units which largely parallel important government and professional groups. At the base of the pyramidal structure is the local unit, or cell, consisting of from three to 15 members. This is the KMT's most direct link with the general public, as it conveys the party's message and is responsible for membership recruitment. Above the local unit are the subdistrict, district, county, and provincial organizations. Each level of organization maintains a central committee and an advisory committee. Committees at the base level are elected directly by the party membership, but at higher levels they are chosen by party congresses elected in turn by congresses at the next lower level. In practice, however, central committee slates are often determined in advance by higher party echelons. The county and provincial congresses carry out party directives within their jurisdictional competence. The county congress is convened annually, the provincial congress meets biennially. The district and subdistrict assemblies (as the congresses are known at this level) are composed of the entire party membership in their respective areas.

The National Party Congress theoretically is the highest party authority. It is charged with the formulation of policies, objectives, and programs, as well as the election of the Director General and the Central Committee. The principal operating organ of the KMT is the Central Party Headquarters. This body, which is under the direction of a secretary general, consists of the National Party Congress, the 21-member Standing Committee, chosen by the 99-member Central Committee, and the Central Advisory Committee—a large committee numbering well over 100 members—appointed by the Director General but subject to confirmation by the National Party Congress. Among the ongoing responsibilities of the Central Party Headquarters is direct control of party members without fixed residence, such as railroad workers, seamen, other vocational groups, and overseas Chinese.

Because the Central Advisory Committee is largely honorary and the Central Committee convenes only twice a year, the Director General relies greatly on the Standing Committee, which meets twice a week. The Standing Committee issues orders, makes appointments, and even modifies resolutions framed by either the National Party Congress or the Central Committee, although it does not specifically have such authority. The Standing Committee ostensibly also makes decisions dealing with the KMT and government internal policy and administration, but

actually it merely provides a mechanism for policy formulation and decisionmaking since the Director General makes all important decisions and may veto actions taken by it. The Standing Committee's role therefore has been to give legality to the decisions of the Director General, who serves as chairman of the body. As the Standing Committee very rarely challenges the decisions of the Director General, so the National Party Congress seldom takes issue with policies drafted in the name of the Standing Committee. Under Chiang Ching-kuo's leadership, the Standing Committee is apparently decreasing in importance and is fulfilling only a proforma role.

Since the reorganization of the party headquarters in the spring of 1972, the major organs of the Central Committee are the Secretariat, seven departments, and four committees as follows:

**Departments:**

- Organizational Affairs
- Mainland Operations
- Overseas Affairs
- Cultural Affairs
- Social Affairs
- Youth Activities
- Womens Activities

**Committees:**

- Policy Coordination
- Disciplinary and Evaluation
- Finances
- History Compilation

The old organization had consisted of the Secretariat, six sections, a number of committees, and a board. By streamlining the Central Party headquarters, the KMT leadership hoped to reduce the duplication and overlapping of responsibilities among the various components. The reorganization also entailed some redistribution of power within the party hierarchy.

The Secretariat is responsible for the party's overall routine and ad hoc administrative and business matters, for the management of the agenda and records of the party congresses, meetings, and conferences, and for the budget and finances.

The Department of Organizational Affairs is responsible for the functioning and maintenance of party headquarters up through the provincial level, including the meeting of personnel requirements and the supervision of cadres. It also implements party policies and programs and supervises the establishment, reorganization, and utilization of headquarters bodies set up to serve party goals. The Department of Mainland Operations is charged with maintaining and providing guidance for covert operations on the mainland, planning and supervising psychological

warfare, sabotage, and intelligence operations, and performing communications duties, such as liaison with advance base and overseas stations. It also reportedly conducts studies on international communism and reports on Chinese Communist activities. Under the reorganization, this department may have become responsible for most of the party security functions previously within the purview of the abolished Sixth Section. The Department of Overseas Affairs concentrates on countering Peking's proselytizing among Chinese living abroad. It handles such matters as organizing, training, and conducting liaison activities with overseas Chinese movements, providing direction for overseas propaganda efforts, organizing training for overseas Chinese students, and recruiting for the KMT among the overseas Chinese communities. The Department of Cultural Affairs engages in a broad range of domestic propaganda, informational, and cultural activities. Heavy emphasis is placed on disseminating the teachings of Sun Yat-sen. The Department of Social Affairs apparently assumed the duties of the former Fifth Section (Mass Movements), directing its activities and efforts mainly toward such groups as youth, professional, labor, business, religious, and social organizations. Each department is divided into a number of functional divisions.

Other Central Committee organizations include committees for financial affairs, party history, evaluation and discipline, and policy coordination.

In October 1973 KMT membership on Taiwan and the offshore islands was reported variously to be "approximately 600,000" and nearly 1 million. The discrepancy appears to reflect the KMT's practice of claiming more members than actually take part in party activities. Reflecting its claim to be an all-China party, in 1968 the KMT reported that it had 17 provincial-level party headquarters, 260 *hsien* branch party headquarters, 2,675 district party headquarters, 6,553 district branch headquarters, and 79,200 cells.

KMT leaders also claimed to have 103 organizational units in overseas areas and to have more than 85,000 members among the overseas Chinese, distributed as follows: Asia, 73%; United States, 21%; Africa, 2%; Europe, 1%; and Oceania, 3%. Although not citing specific figures, leaders also claimed a 203% increase in membership and an 87% increase in the number of organizational units in mainland China between 1963 and 1967.

In accordance with Director General Chiang Kai-shek's instructions in his directive "Urgent Tasks To Be Carried Out by the Government and the Party in the Future," party leaders in late 1968 launched the Second Three Year Plan for the Development of Party

Organizations. All party headquarters were instructed to "pay special attention to the recruitment of Taiwanese and young intellectual women." A total of 250,000 new KMT members were to be recruited during the 3-year period, with specific quotas assigned to the various party headquarters and to occupational and professional groups. According to the recruitment directive, 80% of the 250,000 were to be native Taiwanese (approximately 65% of the 74,552 members recruited during 1966 were Taiwanese); 60% were to be youths; 25% were to be young women, working women, and housewives; 25% were to be recruited from the armed forces; and 65% were to have had at least a middle school education. Moreover, priority consideration was to be given to the recruitment of scientific and technical personnel. Party leaders also support a program whereby the retirement of older members is encouraged.

In addition to its regular membership, the KMT has mobilized a wide range of mass organizations to insure broad popular support for the party and to improve party services to society, as well as to strengthen the party itself. These organizations include labor, industrial and commercial, agricultural, veterans', cultural, religious, professional, and youth and women's groups. The party's mass-movement activities are centered mainly in the youth movement, however, and are carried out chiefly through the China Youth Anti-Communist National Salvation Corps, some of whose activities are focused on the promotion of the Cultural Renaissance Movement. Evaluation of the popular response to the KMT's mass-movement activities is difficult because of the lack of alternative channels of expression in a one-party state and the restriction of personal freedoms, but it appears that they do provide a wide range of social and economic services while consolidating the position of the party.

The KMT's income derives principally from membership fees and assessments, donations and contributions, investments and business enterprises, and government subsidies. Party-operated enterprises are of two types: cultural and economic. The former include a number of newspapers on Taiwan and in Hong Kong, the Central Motion Picture Corporation, the Broadcasting Corporation of China, and the China Bookstore. The KMT ostensibly divested itself of the Central News Agency (CNA) by turning it into a privately owned corporation—the Central News Agency Incorporated—in April 1973. The CNA, however, remains firmly wedded to the KMT. Economic enterprises include a number of companies and business firms owned or partly owned by the

party. Party income is, however, far surpassed by expenditures. The KMT's income has usually amounted to only about 10% of its total expenditures, with the remaining 90% being assumed by the government. The KMT's annual budget, prepared by the Finance Committee and approved by the Standing Committee, is forwarded to the comptroller's office of the Executive Yuan so that necessary subsidies may be absorbed and concealed in the regular GRC budget.

The party's deficits are attributed primarily to the assumption of responsibilities which ordinarily would be assumed by regular government agencies and institutions. From 1951 to 1967, annual operational expenditures averaged about 65% of the total budget, with a breakdown of these expenses as follows: mainland China operations, 48.2%; overseas operations, 24.4%; political and psychological warfare operations, 9%; and party activities in Taiwan, 18.4%. Although party activity expenses generally have increased during this period, mainland China and overseas operations still account for the largest sums. The party also has a special fund, amounting to 13% of total expenditures in 1967, used mainly for workers' relief, retirement benefits, loans, subsidies, living allowances, and scholarships for party members.

KMT income for FY68 (ended 30 June 1968) was reported to be about NT\$30 million (US\$750,000). Of this amount, approximately NT\$10 million came from membership dues computed on the basis of 1% of members' salaries. Virtually all of the remainder came from profits realized by commercial and cultural enterprises. Total approved expenditures for the year amounted to about NT\$280 million, some NT\$250 million of which was provided by the government.

Major goals, objectives, and programs, based on guidelines and directives provided by the Director General, are generally affirmed or reaffirmed by party leaders at national party congresses. Although the constitution provides that congresses be held quadriennially (triennially until 1963), the interval between congresses has often been about 6 years.

The 10th Party Congress, convoked in early April 1969, consisted of 670 authorized delegates: 330 from the various party headquarters; 70 Central Committee members attending as ex officio delegates; 135 delegates from overseas areas; and 135 ostensibly representing areas within mainland China. At this congress the theme of reclaiming the mainland was given less emphasis because of the possible negative impact upon the people if no major military action was taken. Instead, there was a more pronounced shift to political activities emphasizing the need to

strengthen "mainland operations" and activities "behind the enemy lines." While expressing continuing faith and trust in the United States, the congress called on the ROC to rely more on its own strength and resources in the continuing anti-Communist struggle. Greater emphasis was also placed on economic development, both to provide a contrast with mainland China's chaotic economy and to strengthen popular backing for the Nationalist regime. In support of this objective, six economist-oriented technocrats were named to the KMT Standing Committee. Finally, efforts were made to inject new enthusiasm and zeal into the party membership.

Displeased with the party's prosaic demeanor, Director General Chiang Kai-shek admonished party leaders a few weeks later to return to a revolutionary spirit and to be more democratic, adding that the mainland was lost because the Chinese people disliked the KMT. Without a revolutionary spirit, he said, the KMT was just another party "composed of cheap politicians," and without democracy, the Chinese revolution could not expect to succeed.

Although several party reforms have been carried out since the GRC's removal to Taiwan, the KMT has not undergone any major organizational or administrative changes. In 1950 a special Central Reform Committee carried out a reregistration of party members and attempted to invigorate the party by asserting strong party discipline and eliminating corruption and factionalism. The reform movement, which was largely successful in restoring the party as an effective and unified instrument of political control, was carried out under the personal direction of Chiang Kai-shek. Another reregistration of party members was conducted in 1962 and early 1963. In the spring of 1972 the organization of the Central Party headquarters was streamlined. A reshuffle of provincial party personnel in June 1973 brought more Taiwanese into local party offices, but after the personnel changes only 7 of 20 county and city level party chairmen were Taiwanese—an increase of only one over 1969. These efforts to broaden the party's base of support, however, have been only partially successful because domination by the party elite denies to the KMT a certain amount of flexibility and inhibits the presentation of diverse points of view. In recent years, however, the KMT has held a number of meetings with younger members of the intellectual elite in an apparent effort to increase KMT leadership awareness of a broader range of views both in and outside of the party.

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Perhaps the most significant intraparty development is the changing composition of the membership. More native Taiwanese are being admitted to membership for two main reasons. First, mainlander ranks are being depleted by retirements and deaths, and replacements are necessary. Second, and more important, the mainlanders wish to discourage Taiwanese opposition by giving them a modest role within the party. For the Taiwanese, the KMT is obviously the only path to a political career. Throughout the 1960's the KMT increased in size and the percentage of Taiwanese in it increased as well; by the early 1970's Taiwanese constituted at least 35% to 40% of total KMT membership with some KMT officials claiming that Taiwanese are in the majority. The opportunities for the Taiwanese to exercise independent judgment and authority in their jobs is carefully circumscribed. The most important positions in the KMT, as well as in the central government and armed forces, are occupied by mainlanders. Also, it may be noted that of the 670 authorized delegates at the 10th National Party Congress in 1969, only 10% were Taiwanese. Such domination of the KMT by mainlanders is resented by some Taiwanese members, an attitude sometimes expressed by ignoring party dicta.

Organized challenges to KMT political hegemony are virtually nonexistent. Offering nominal opposition are the legally constituted Young China Party (YCP) and Democratic Socialist Party (DSP), both of which have few members and exist largely in name only.

The most significant challenge to KMT political hegemony in recent years came in 1960 from the abortive China Democratic Party, although at no time did it constitute a serious threat. Lei Chen, its leader and spokesman, favored the establishment of an effective opposition party and the termination of one-party politics. Although he was a mainlander, Lei's principal supporters were Taiwanese. He was tried, convicted, and sentenced to imprisonment for 10 years on the charge that he had failed to report a suspected Communist contact to the authorities. Since Lei Chen's arrest, no serious attempt has been made to form a viable second party.

### 3. Election laws and practices

From its establishment in Nanking in 1927 until its removal to Taiwan in 1949, the GRC conducted only one popular general election for central government representative bodies—the National Assembly and the Legislative Yuan. Members of the Control Yuan are elected indirectly by provincial-level assemblies and

overseas Chinese groups. This election was held in November 1947 and has not been repeated on Taiwan. By a 1963 presidential decree, delegates of this First National Assembly were authorized to serve until such time as a successor National Assembly would be convened after an election. The terms of office of members of the Legislative and Control Yuans were similarly extended the following year by a ruling of the Council of Grand Justices. In March 1966 the National Assembly authorized the President to call certain limited elections, which were held in December 1969. Additional limited supplemental elections were held for the National Assembly and the Legislative Yuan in December 1972 and additional Control Yuan members were selected in early 1973. The rationale for disregarding the constitutional requirement that national elections be held every 6 years is that these government organizations are representative of all China, not merely Taiwan, and that elections cannot be held in the mainland provinces.

The GRC has allowed elections at the provincial level and below, but safeguards are maintained to insure firm KMT control. Although independent candidates are sometimes permitted to win over KMT candidates in relatively free elections, no genuine organized Taiwanese opposition is allowed. In the December 1972 elections, for example, the KMT won 95% of all the seats it contested and scored a clean sweep of the 16 county magistracies and the 4 major city mayoral elections. Moreover, there are narrow limits to the powers of locally elected officials. Although Taiwanese occupy most of the provincial and local elective offices over 86% of the Taiwanese elected are KMT members. Most senior level policy positions are the preserve of the mainlanders.

The chief means of insuring KMT and mainland political hegemony are the postponement of general elections for positions in the central government and the use of presidential appointment to fill a number of senior positions at lower levels. The post of provincial governor has been filled by appointment since 1945, a practice that is likely to continue under the Chiang regime because the position carries important security and political responsibilities and therefore, from the government's viewpoint, must be filled by a reliable KMT member. The current governor, Hsieh Tung-min, is a native Taiwanese who spent many years on the mainland working with the KMT. The new provincial government appointed in June 1972 contained younger men with substantial administrative experience. The key posts, however, in finance, police, and education remained in mainland hands

and the overall mainlander-Taiwanese ratio within the provincial government was left undisturbed. Since July 1968, 4 years after the KMT lost the Taipei mayoral election, Taipei has been classed as a special municipality administered directly by the Executive Yuan. Consequently, all senior positions in the Taipei administration are filled by appointment. Nevertheless, the opposition mayor was retained in office until his appointment as head of one of the central government ministries in June 1972. His appointed successor as mayor of Taipei was a prominent Taiwanese without a political base in the city and an ostensibly loyal member of the KMT.

Controls are also exerted through the enforcement of local election regulations enacted in August 1967 by the Taiwan Provincial Assembly under sustained KMT pressure, and since modified by administrative edict. The most controversial restriction requires all prospective candidates to pass a qualification screening administered by the Executive Yuan. This gives the regime a tool for disqualifying individuals, particularly Taiwanese, who might be inclined to oppose the KMT's political monopoly. Another restriction in effect limits candidates campaign speeches to officially sponsored platforms that are closely supervised by the government. KMT candidates can expect the full support of the party machine and finances. Independents must rely on their own resources to overcome a virtual KMT monopoly of political publicity. Candidates are forbidden by law to attack national policies, other candidates, or "other groups," a term which is frequently interpreted to include the KMT, the mainland population, and organizations associated with the central government. Moreover, no candidate is permitted to campaign outside his election district, thus preventing coalitions or nationwide groupings of independents.

Persons elected to public office are subjected to stringent controls. Few elected officials would be so rash as to speak out publicly on sensitive issues or to criticize the national leadership. Each mayor, county magistrate, township mayor, and speaker of a city or county council is given a chief secretary by the central government. This official is usually a career civil servant, usually a mainland, and invariably a member of the KMT. Furthermore, elected officials have little control over the selection of their staffs, another service provided mainly by the provincial and central governments. As a result of these restrictions, there is no opportunity to break the KMT's political stranglehold by regular processes. Office holders are surrounded by a KMT-controlled administrative milieu.

According to the constitution, suffrage in all local elections is universal, equal, direct, and secret. Any citizen of the ROC who has reached the age of 20 and has lived in his district for 6 months is entitled to vote. One-fifth of the voters may petition the provincial government for a recall election of county magistrates and city mayors 6 months after their inauguration. All other elected local officials also are subject to recall, although methods vary.

Candidates for elective office must meet certain age, fitness, and educational qualifications. Any citizen who has reached the age of 23 may run for office, except that county magistrates and mayors must be at least 30 years old and be college graduates. Persons deprived of public rights or indicted by the courts, persons in charge of elections, police and military personnel on active duty, and registered students are barred from seeking office. Under the election law approved by the Provincial Assembly in August 1967, persons convicted of crimes and given prison terms may not stand for elective office until at least 5 years after the completion of their terms. Another section of the new regulations keeps former convicts from serving as campaign assistants until 5 years after their release from prison. Elected officials suspended by the provincial government are ineligible for elective office until they have completed their terms of suspension and the cause of their suspension has been eliminated.

Although the Examination Yuan is empowered to set standards for screening in addition to actually screening candidates, the 1967 election regulations suggested a new set of qualifications, mainly because the legislators considered the standards being considered by the Examination Yuan too stringent. The Yuan's standards required candidates for county and city councils to be at least junior high school graduates. The 1972 election regulations retained this requirement, while stipulating that new candidates for the provincial assembly have at least the equivalent of a high school education. Magistrates and mayors were required to have college degrees and to be under age 61 at the time of the election. Enforcement of these new rules ended the political careers of some older local politicians. In addition, the new regulations served the KMT's purpose of replacing a majority of senior locally elected officials with new and younger party candidates.

In local elections for representative bodies, there is a special quota for women. If a district has four or more seats in the Provincial Assembly, one must be held by a woman, and the assembly must have a minimum of nine female members. At the county and city levels, one-tenth of the representatives must be women.

The last regular local elections were held in March 1973, when 313 mayors and village chiefs and 850 city and county councilmen were elected for four-year terms. The KMT fared somewhat better than in the 1968 elections, when it won over 80% of the seats in the city and county councils and about 87% of the mayoralty posts, by winning 92% of the mayoralties and 80.6% of the council seats. The elections were characterized by the usual voter and candidate apathy and vote buying.

Elections were held throughout Taiwan in December 1972. The KMT won all races for the 16 county magistracies and the 4 big city mayoralties, 58 out of 73 Taiwan Provincial Assembly seats, 43 out of 53 additional National Assembly seats, and 30 of 36 additional seats in the Legislative Yuan. The election turnout was 70% in Taiwan Province and 56.9% in Taipei, up from 59% and 43.5%, respectively, in the 1969 elections. The increased turnout in 1972 was probably due to the wider scope of the elections.

#### 4. Succession

Chiang Kai-shek, long the dominant figure in both the KMT and the government, has not taken an active part in political affairs since illness confined him to the hospital in July 1972. In precarious health, the 86-year-old president remains important mainly as a psychological factor which apparently inhibits certain policy initiatives, and as a symbol used by Premier Chiang Ching-kuo to rally regime supporters and consolidate his own authority. The long-anticipated succession crisis did not materialize because Premier Chiang, who was groomed by his father to assume power, took over the actual leadership of the regime while Chiang Kai-shek still lived to furnish a source of legitimacy for his successor. If the President dies in office, or resigns, however, the legal successor under the constitution remains the Vice President.

Vice President Yen Chai-kan (Figure 4) has played a major role in Taiwan's impressive economic development. He has been, successively, Minister of Economic Affairs, Minister of Finance, Governor of Taiwan, and president (Premier) of the Executive Yuan. Yen gave up the premier's office to Chiang Ching-kuo in June 1972, but retained the Vice Presidency he has held since 1966. Although an able and effective administrator, the 68-year-old Yen does not have a military background, is without a political following in the KMT, and does not have an independent political base that would enable him to become a favored contender for power. Since President Chiang's incapacitation Yen has fulfilled some of the ceremonial functions of the presidency, but he has not



FIGURE 4. Vice President Yen Chia-kan (C)

officially taken over that position nor any of the decisionmaking powers accorded the presidency. The real source of power is 63-year-old Chiang Ching-kuo, who is less liberal and less Western oriented than Yen.

In the 1920's, prior to his father's break with the Communists, Chiang Ching-kuo went to the Soviet Union, studied at Moscow's Sun Yat-sen University for Toilers of China, was a member of the *Komsomol* (Communist Youth Auxiliary), and remained in the Soviet Union for more than 10 years. He has held several key offices in Taiwan that reinforce his claim to power. Premier since June 1972, he was previously Vice Premier, and before that the Minister of National Defense. There was some speculation in mid-1969 that he would be appointed deputy director general of the KMT, a position which had been vacant for several years. To avoid "dynastic" implications, Chiang Kai-shek not only refrained from making the appointment, but also abolished the post. In doing so he also removed the potential risk of a competitor being named who might challenge his son, Ching-kuo, however, is not without standing or strength in the KMT and his precedence on the KMT's Standing Committee immediately follows that of Vice President Yen. He has served on the Standing Committee since 1963 and his supporters hold strategic positions in the party.

Chiang Ching-kuo controls the police, intelligence, and security services, the Youth Corps, and the Retired Servicemen's Organization, and he has greatly expanded his influence in economic affairs. His supporters hold key positions throughout the government. His influence over personnel appointments has contributed immensely to his overall position in a culture where loyalty is primarily to

personalities rather than to political parties or political principles. Chiang Ching-kuo lacks the prestige of his father, and his filial connection might be exploited by those who oppose a "Chiang dynasty." He is viewed with suspicion by many Taiwanese as well as by many mainlanders because of his central role in security and his control of the mass media. Moreover, while he is vigorous and active, he suffers from diabetes and could become incapacitated by ill health. But most of Chiang Ching-kuo's possible political opponents are elderly men whose age saps their physical and political vitality. It is the possibility of Ching-kuo's death or incapacitation that now provides the possibility for a succession crisis, for there is no single outstanding candidate to replace him in the regime at this time.

## D. National policies (S)

### 1. Introduction

The formal framework within which the GRC's domestic and foreign policies are determined was provided by Sun Yat-sen, whose political concepts are embodied in the often vague *San Min Chu I* (Three Principles of the People), identified as nationalism, democracy, and livelihood. Sun's political philosophy was a blend of traditional Chinese and liberal Western ideas on which were superimposed certain socialistic concepts and Communist organizational techniques.

Although tactical shifts and changes occurred, national policies after 1949 in fact were determined by two paramount objectives. They were to regain the mainland and to preserve the GRC's identity as the legitimate government of all China. Another major objective has been to maintain the mainland domination of political power. Other considerations were secondary, and policies which in themselves might have seemed desirable were not pursued vigorously if they appeared to detract appreciably from the achievement of these constant goals. On the domestic front these considerations accounted for the government's reluctance to make a substantial change in the political pattern—to streamline the unwieldy and in some respects superfluous central government structure superimposed in a largely coterminous Taiwan provincial structure. For the same reason, the GRC has been slow to reduce the proportion of the national budget devoted to the military so as to augment the promotion of economic and social development.

The diplomatic setbacks suffered by the ROC since 1969 have given impetus to the trend whereby most government leaders have come to acknowledge tacitly and implicitly their realization that the first of these

two principal objectives is impossible to achieve. These leaders are aware that continued stress on the "return to the mainland" theme is viewed as unrealistic by most on the island. Continued harping on an unattainable goal which has little popular support and serves no useful purpose at a time when the ROC is struggling to maintain its independence of the PRC could have a very negative impact on both the armed forces and civil populace on Taiwan. Indeed, after more than two decades without a major military effort to return to the mainland, national leaders have increasingly placed heavier stress on Taiwan's growth as a model province and contrast it with deplorable conditions in mainland China, while emphasizing the ROC's political action against the mainland. In the 1970's many of the ROC's leaders have evolved a concept of setting an example of democracy for the mainland to follow in their own understanding of the "return to the mainland" theme. The President's Double Ten proclamation in 1973 called for dedication "in the struggle against communism and for national recovery by achieving a real understanding of the revolutionary situation," probably the most diffuse treatment of national recovery since the GRC came to Taiwan.

Most of the activities directed against the mainland have been only minor irritants. Anti-Communist Chinese irregulars operating in the Burma-Thailand-Laos border area and linked nominally with Taipei have made a few insignificant, fleeting incursions into Yunnan Province, but many of these irregular forces are more interested in opium trafficking than in conducting operations against the PRC.

The recognition that the goal of returning to the mainland is unattainable and the circumstances of the GRC's declining international fortunes have prompted its leaders to devote more attention to Taiwanese concerns in an effort to promote national unity and harmony. Taiwanese are participating increasingly in political and governmental processes at the local and provincial levels. The new cabinet which accompanied Premier Chiang Ching-kuo into office in June 1972 included six Taiwanese, an increase of three over the previous cabinet. Wider Taiwanese representation at the cabinet level, however, does not threaten mainlander control of the policymaking process, but so far has largely been a cosmetic effort to give the appearance of Taiwanese representation without granting the substance of real power. While Taiwanese elite recognize that their increased representation is mainly a matter of appearances, there has been a substantial approval of these moves, apparently reflecting Taiwanese political passivity

and recognition that some movement is better than none.

Although the economic and social development of Taiwan are goals self-justified in themselves, their attainment as a source of strength is made more urgent by the decline in the GRC's international position and loss of world support of its pretensions to legitimacy as the government of all China. The emerging nations of the world in particular have shown little inclination to accept these pretensions. After 1969 the PRC's foreign policy became more active and conventional in seeking to establish state relations with a wide variety of nations regardless of their political coloration. The ROC rapidly lost out in this diplomatic competition with Peking, even in Africa and Latin America, where Taipei's diplomacy previously had enjoyed considerable success.

Most damaging to the ROC's aspirations, however, has been the recognition of the PRC by most of the established nations. By mid-1973 the United States was the only major industrial power which still recognized the government in Taipei. GRC leaders are concerned about the changing policies of the United States toward Asia. In particular, U.S. efforts to improve relations with mainland China—embodied in President Nixon's visit to Peking in February 1972 and U.S.-PRC exchange of liaison offices—as well as U.S. retrenchment policies in Southeast Asia, have aroused the leadership's concern about the future of the ROC. Some GRC leaders are convinced the United States will eventually abandon its longtime ally. The trend of events since 1971 has accelerated thinking in Taipei about policies most likely to permit the ROC's continued separation from the PRC, while ensuring the continuation in power of the regime.

## 2. Domestic

President Chiang Kai-shek has stated that strong leadership and limitations on expressions of dissent are indispensable in a revolutionary situation. The government has emphasized the need for stability and internal security while providing very limited opportunities for the exercise of democratic processes. Since coming to Taiwan, the GRC's emphasis on stability and internal security has been the result mainly of concern that the Taiwanese will challenge the mainlanders' power monopoly. Setbacks to the GRC's international standing and increased uncertainty about Taiwan's future status, however, have helped bring mainlander and Taiwanese interests closer together. The mainlanders are concerned to preserve their political power, while the Taiwanese business community, which controls most of the



island's private economic sector, wishes to safeguard its interests. Both wish to avoid domestic unrest, which they commonly view as an invitation to collapse and subsequent Communist takeover.

One of the most positive steps in political reform has been the institution of popular elections at the local and provincial levels, a process begun nearly 20 years ago. Although the powers and responsibilities of these elected officials are limited by the central government, which, with the KMT, determines national policies, these elections nonetheless serve to broaden the base of government and provide a degree of popular participation in political processes. Although mainlanders dominate the central government and the KMT and make most policy decisions, native Taiwanese dominate provincial and local politics and participate in the lower levels of the central government bureaucracy.

GRC labor policies are directed toward promoting social and economic stability by maintaining as high a degree of employment and job security as possible. For this reason the government goes to great lengths to prevent threats to political stability, public order, and continuous production by tightly controlling trade union activities and by preventing strikes. The rights to organize, to engage in collective bargaining, to form cooperatives, and to establish programs for health, education, and welfare are recognized, but the government retains extensive controls. The right to strike exists on paper, but during the state of "public emergency," a condition which has existed since 1949, strikes are prohibited. Recognizing the advantages this situation gives management, however, the government exhibits an attitude of benevolent paternalism toward labor and has insisted that no worker's "rice bowl be broken" by being fired.

Educational goals and purposes, as well as expenditures for education, are specified in the national constitution but are interpreted and applied as government leaders see fit. Educational policies are designed primarily to "build up a national, educated cadre for national reconstruction." This cadre ideally is to be imbued with a strong ethical code, to be acquainted with the best elements of China's cultural heritage, and to be trained in the techniques of modern science and democratic government. As interpreted by the authorities, this means that students must be taught Dr. Sun Yat-sen's San Mm Chu I (The Three People's Principles—Democracy, Nationalism, and the People's Livelihood), strict discipline, understanding of the anti-Communist cause, and devotion to the leaders and principles of the KMT. Military training is required of all physically qualified

male students in the high schools, colleges, and universities.

Although scientific and technical competence is being stressed increasingly, the educational system has not met the nation's economic needs in these areas. In an effort to resolve this deficiency, the government in September 1968 extended free and compulsory education from 6 to 9 years. Education will become more vital as the national economy shifts into more capital intensive industries that require a reservoir of skilled laborers, managers, and technicians.

The constitution requires that expenditures for education, science and culture be a minimum of 15% of the central budget and 25% of the provincial budget. Although the annual central and provincial governments budgets have only met this requirement partially, in Taiwan FY73 (ended 30 June 1973) about US\$283 million were allocated for these purposes, accounting for 15.6% of expenditures by all levels of government. Nonetheless, budgeted expenditures for education are very high in comparison with those in other Asian countries, and 27% of the island's population is in school.

### 3. Foreign

After its expulsion from the mainland, Chiang's government devoted most of its efforts in foreign affairs to an unrelenting opposition to the PRC while seeking to strengthen or at least preserve its claim to legitimacy as the government of all China. Heavily dependent upon the United States for diplomatic, military, and economic assistance in pursuit of this objective, while following a singleminded policy of "preparing to retake the mainland," the GRC for almost two decades displayed little initiative or flexibility in foreign affairs. It vigorously and vehemently defended its position in the United Nations, sent trade, information, and technical missions to a number of countries in Latin America and Africa to increase its influence in those areas, and bolstered its diplomatic representation in many other countries.

Until 1969 this basically static diplomatic defense worked fairly well—in large part because of U.S. support and Peking's diplomatic errors. The increased flexibility and moderation in Peking's foreign policy that began in 1969, however, made the PRC a more formidable adversary. During the following 4 years the ROC's international position rapidly deteriorated as more and more nations recognized the Peking government, nearly always dropping diplomatic recognition of Taipei. In mid-1969, 66 nations had diplomatic relations with the GRC and 45 with the

PRC. A small group had diplomatic ties with neither. By mid-1973 this ratio had been reversed—86 had diplomatic relations with Peking and 38 with Taipei. Eleven had diplomatic ties with neither. In October 1971, the PRC was voted into the United Nations and the ROC excluded from the world body. To offset these setbacks the ROC adapted a more flexible approach of attempting to maintain informal ties through trade and cultural offices in the capitals of nations recognizing Peking.

The traditionally friendly and positive relations between the GRC and the United States took a sharp downward turn as World War II drew to a close, reaching their lowest point as the Communist drive on the mainland gained momentum in 1948-49. A sharp upturn followed the outbreak of the Korean War in 1950, and since then the GRC has made the continuation of close relations with the United States the cornerstone of its foreign policies. U.S. support—military, economic, political, and diplomatic—has remained crucial to the realization of both the internal and external aspirations of the GRC. The two nations concluded a mutual defense treaty in 1954 that is still in effect. Under its terms, each party recognized that an armed attack in the western Pacific directed against the territory of either signatory would pose a danger to its own peace and security. The application of the treaty is limited to Taiwan and the Pescadore islands and to the islands of the western Pacific under U.S. jurisdiction, but it can be extended to include other territories by mutual agreement. The ROC has sought, but without success, to extend the U.S. commitment to include the offshore islands of Quemoy (Chin-men Tao) and Ma-tsu Tao. In January 1955 the U.S. Congress adopted the Formosa Resolution, which authorizes the President to employ the armed forces of the United States as he deems necessary for the purpose of protecting Taiwan and the Pescadore islands against armed attack, including such related positions and territories of that area as may be in friendly hands. The Formosa Resolution thereby affords the United States some discretion with respect to the offshore islands. The treaty itself is to remain in force indefinitely but may be terminated by either contracting party 1 year after formal notification.

The ROC was a leading recipient of U.S. military grant assistance from 1951 until its termination in 1973. From 1951 to 1965, Taiwan also received US\$1.5 billion in economic and technical assistance. U.S. economic grants and development loans were terminated in 1965, but a small P.L. 480 program, renewed in 1967, was terminated in 1973. Trade between the two countries remains at a very high level,

with the U.S. ranking as the Republic of China's major trading partner. Large amounts of long-term credits and a substantial portion of foreign investment in Taiwan are provided by U.S. corporations.

Given the importance of ties with the United States for maintaining the ROC's international political position and economic health, U.S. efforts to improve its relations with Peking, symbolized by President Nixon's visit to the PRC in February 1972 and the U.S.-PRC exchange of liaison officers a year later, caused consternation in Taipei. Motivated by doubts about the longer term intentions of the United States toward Asia, the GRC has been showing signs of adopting a more rational view of its position and of seeking foreign policy options which will ensure the continuation of the government in Taipei.

A further blow to the GRC's international position came in September 1972, when Japan switched its diplomatic recognition to Peking. Taipei is very much aware of the economic advantages of continuing to maintain as close relations as possible with Japan, one of Asia's most stable nations and the strongest industrial, and potentially, military power in the region. Since the break in diplomatic relations, both nations have set up organizations to preserve informal ties, and Japan has remained Taiwan's second largest trading partner, and leading supplier. The break in relations, however, caused the leadership in Taipei to initiate a policy of lessening Taiwan's reliance on Japan as a source of supply. Nevertheless, the ROC continues to buy more than it sells to Japan, and Japanese firms, which had been a major source of private foreign investment until several years ago, flocked back in 1973.

In the face of the PRC's diplomatic resurgence since 1969, the ROC's relations with a number of non-Communist Asian countries and with some international and regional organizations have come under increasing strain. These ties have been chiefly with countries that are also heavily dependent on the United States and which have felt most immediately threatened by PRC-supported subversion. The GRC traditionally has had especially amicable relations with South Korea, Thailand, the Philippines, and South Vietnam, the last of which has received technical and other non-military assistance from Taipei. The ROC also pursues a policy of strengthening economic and informal political ties with Indonesia, Malaysia, the Khmer Republic (Cambodia) and Singapore. Politically, however, the ROC has been losing ground to the PRC in the Pacific region and Southeast Asia. In December 1972 Australia and New Zealand switched their diplomatic

recognition to Peking. Malaysia is negotiating to recognize the PRC, and Thailand is attempting to improve its relations with China. Only Singapore and the Khmer Republic appears actively to be seeking firmer ties with the GRC. No progress has been made in improving relations with Burma, India, Pakistan, or Laos, all of which have diplomatic relations with the PRC. The ROC's membership in the declining Asia and Pacific Council and in the Asian Development Bank, both founded in 1965, has been characterized by a positive and constructive attitude toward regional problems and efforts to resolve them, but continuing membership will be open to challenge from Southeast Asian nations anxious for the participation of the PRC in Asian affairs.

At one time Peking and Taipei engaged in fierce competition among the African countries, but since 1969, when 21 of 41 African nations recognized the ROC and only 12 recognized Peking, Taipei's fortunes have declined. By late 1972, 20 African nations—including all of the politically or economically important ones except South Africa—recognized Peking and 11 recognized Taipei. The GRC's major inducement in retaining recognition from African states has been economic assistance underpinned by U.S. P.L. 480 commodity sales to the ROC. Peking, however, has easily been able to outbid Taipei in this sphere and the PRC's policy of moderate diplomacy in place of the revolutionary brand it pursued during the Cultural Revolution period reassured many African governments.

In Western Europe only Portugal recognizes the ROC, but Taipei has managed to maintain economic and informal relations with several European governments. In Latin America, where in 1969 all of the nations except Cuba recognized the ROC, by mid-1973 Peru, Chile, Argentina, Guyana, Mexico, and Jamaica recognized Peking, and others have shown similar inclinations.

Faced with such a rapid decline in its international stature, Taipei has demonstrated more flexibility in its foreign policy. The ROC attempts to maintain economic and informal political ties with nations which have switched recognition to the PRC. This flexibility, however, has not extended to adopting a more "open policy" toward the U.S.S.R. and other Communist countries that oppose the Maoist regime. At most, the ROC has used the Sino-Soviet quarrel to needle Peking. There is little likelihood that the government will go any further toward shifting its policy toward the U.S.S.R.

## E. Threats to government stability (C)

Subversive activity against the GRC is minimal, but the potential exists for discontent and dissidence that could lead to subversion. Obviously an unfavorable turn in the economy or uncertainty and disputes over the future status of Taiwan could be used to stir up discontent, particularly among students and intellectuals, but currently none of these groups have an organizational capacity for subversion. Peking might take advantage of such situations to infiltrate agents into the island. Less likely to play a successful role as agents of subversion are advocates of Taiwanese independence or mainlanders unhappy about the slow increase in the political influence of the Taiwanese community. The smooth transfer of effective leadership from Chiang Kai-shek to Chiang Ching-kuo in the last half of 1972 and early 1973 virtually eliminated the possibility of a succession crisis. There appear, however, to be no plans to deal with the crisis that would be created by the early death of Chiang Ching-kuo.

### I. Discontent and dissidence

Taiwan has developed into one of the most politically stable societies in Asia. In various measures this turn of events has been due to steady economic development and increasing prosperity, the political passivity of the general population, the ability of the KMT leadership to learn from some of the mistakes that helped lose the mainland, a loyal and effective internal security service and army, and extensive U.S. economic and military aid. Economic prosperity has been particularly important; the higher standard of living in Taiwan has generally negated Peking's efforts to propagandize for reunification with the mainland.

In the past the main source of potential dissidence was friction between the mainlanders and the Taiwanese. Although both groups share a common cultural and racial heritage, they have lived in essentially separate communities. In part this has been a result of Taiwan's historical isolation from the mainland, but there were other causes for friction and Taiwanese resentment. The older Taiwanese have bitter memories of the GRC's brutal suppression of the 1947 Taiwanese uprising and the burdens arising from the transfer of the Chiang government to Taipei 2 years later. The Taiwanese were particularly resentful of the mainlanders' political hegemony. The Taiwanese resented their virtual exclusion from responsible positions in the national government, the

armed forces, and government-owned industries. The Taiwanese are somewhat resentful of the burdens of taxation and conscription involved in maintaining disproportionate, large armed forces—one-thirtieth of the total population—as part of the government's goal of returning to the mainland. Despite these resentments, the Taiwanese have shown little stomach for open opposition to the mainlander regime. Taiwan has been remarkably free of civil unrest.

In recent years, however, the friction between mainlanders and Taiwanese has lessened. Chiang Ching-kuo has made a greater attempt to include Taiwanese in the political process. To some Taiwanese intellectuals the inclusion of greater numbers of Taiwanese in the cabinet after June 1972 was merely tokenism. To others, however, it appeared as an indication that Chiang Ching-kuo was willing to be more forthcoming to the Taiwanese in order to unify the island to face an increasingly uncertain future. As misgivings about the limits of Washington's continued support increased in an era of Sino-U.S. detente, the economic interests of the Taiwanese business community and the political interests of the KMT mainlanders in maintaining the de facto independence of the island from Peking's domination drove the two groups closer together.

Increasing mutual tolerance between the mainlanders and the Taiwanese has been accompanied by the decline of an organization called the Taiwan Independence Movement (TIM). Even during the period when Taiwanese resentment of mainlander domination was strongest, the TIM never had any significant capability for subversion. In part, this is because TIM adherents could never organize more than a handful of people. While independence sentiment was rather widespread, the TIM as a movement lacked unified leadership and common purposes, aside from the desire for independence. In addition, growing economic prosperity and the feeling among Taiwanese that time is working to their advantage have become tolerable substitutes for political power. The potential for Taiwanese dissidence has also been diminished by according them the appearance of political primacy at the provincial and lower levels, growing representation in the KMT, and a dominant role in the private sector of the economy. Moreover, close government surveillance of any open challenge to the regime and punishment for those who do challenge it make advocacy of independence a risky proposition. For example, Peng Ming-min, one of the most outspoken antimainlander members of the Taiwanese intellectual community, was convicted in April 1965 for

printing a pamphlet strongly critical of President Chiang and the KMT. Although Chiang suspended Peng's sentence of 8 years' imprisonment, apparently as a result of pressure from the United States, others have not fared as well. Peng, who for some years was regarded locally as the leader of the TIM, was closely watched after his release, but in early 1970 he escaped from Taiwan. He currently lives in the United States, but his reputation locally has declined drastically, partly because he failed to bring any benefits to the TIM in Taiwan and partly as a side effect of the Shanghai Communique.

The loosely knit independence movement overseas has been characterized over the past two decades by periods of relative vitality on the part of Taiwanese in Japan and the United States, but for several years the movement has been leaderless, factionalized, and moribund. The government has successfully induced several independence leaders to return to Taiwan and openly support the GRC. Increasing concern about the future international status of Taiwan and the belief that the Shanghai Communique has precluded independence has minimized TIM's appeal to potential new recruits, who apparently consider that subversion is not a viable alternative under present circumstances.

Of greater concern to the KMT leadership since 1972 has been the step-up in propaganda from the mainland directed at convincing major segments of Taiwan's society—army, KMT, bureaucrats, students, and intellectuals—that eventual reunion with the mainland is inevitable, and appealing to individual interests and to Chinese patriotic feelings in order to hasten the day. So far, Peking's campaign, as well as the efforts of the pro-independence groups have won few converts; some students have evidenced interest in reunification, some have engaged in pro-independence activities, but their numbers are very small and they have had no success. Since Taiwanese constitute the overwhelming majority of the armed forces, they are natural targets of those who are actively promoting Taiwanese independence or reunification with the mainland. Alertness by the authorities, periodic reminders to the major commands about the potential threat, and intense political indoctrination of members of the armed forces have prevented this from developing into a serious problem. In general, Taiwanese thus far have expressed a rather clear preference for their present rulers and virtually no receptivity to mainland rule.

The government relies primarily on its police and intelligence agencies to control subversion. By means of an elaborate net of informants in military units and

government offices, registration and extensive screening of citizens, issuance of identity cards, and censorship of the mails, the security forces have been able to neutralize quickly and effectively any organization or group that threatens, even remotely, to oppose the government. Although these controls have been somewhat relaxed, they are still sufficient to inhibit subversion. Efforts of opposition elements to organize, even for such limited purposes as local elections, have been only sporadic and successfully thwarted.

Population control methods have changed noticeably since the GRC's flight to Taiwan in 1949. The government initially relied on direct police measures, large-scale arrests, and other punitive measures to maintain political stability and stamp out potential threats. It has since come to adopt more positive policies in an effort to win popular support, particularly as security conditions have improved. The security agencies are less inclined toward overt use of police powers, instead favoring preventive measures and more subtle pressures. Nonetheless, the government would not hesitate to use its police powers aggressively and ruthlessly stamp out real or potential threats.

The government seeks to remove or lessen underlying causes of political and social discontent by promoting economic development programs, property ownership, higher levels of living, improved education, and a broad range of social services. Moreover, national leaders are making some efforts to break down distinctions between elements of the populace and to promote national unity, while fostering greater popular participation and involvement in political and governmental processes. The exercise of political and personal freedoms is more pronounced than heretofore—although restrictions remain, as shown by the absence of meaningful political opposition, by government supervision and control of the communications media, and by limitations on freedom of speech. Most of these restrictions are justified on the basis of the "continuing emergency," but a truly open society remains largely alien to the Chinese experience anyway.

## 2. Communist subversion

Communist subversive activities in Taiwan were particularly apparent in 1949 and 1950, and a limited recurrence was reported from 1962 to 1966. The intervening and subsequent periods have been generally quiescent. Subversion at that time was marked by direct acts of sabotage, assassination, kidnaping, and extortion, with the so-called Taiwan

Provincial Working Committee serving as the primary agency for such activities. The operational aims of Peking's program of subversion were to create a feeling of despair among the population, to sabotage the monetary system and the economy, and to cache military equipment in preparation for a Communist-led revolt that would be supported by an invasion from the mainland. After the Communist regime consolidated its hold on the mainland in 1949, it sought to coordinate its subversive efforts in Taiwan with a military offensive against the island.

The Peking regime's plans were frustrated by President Truman's decision to resist the Communist invasion of South Korea in June 1950 with armed force and by his declaration "neutralizing" Taiwan. During the early 1950's the GRC security services destroyed much of the Chinese Communist Party organization in Taiwan, which had successfully penetrated all levels of the military and government in the confusion of the Chinese civil war and the GRC's retreat from the mainland. About 1951, the Chinese Communist underground adopted a policy of withdrawal, and its agents dispersed and went into hiding. According to GRC security officials, there has been no formal Communist organization in Taiwan since 1954.

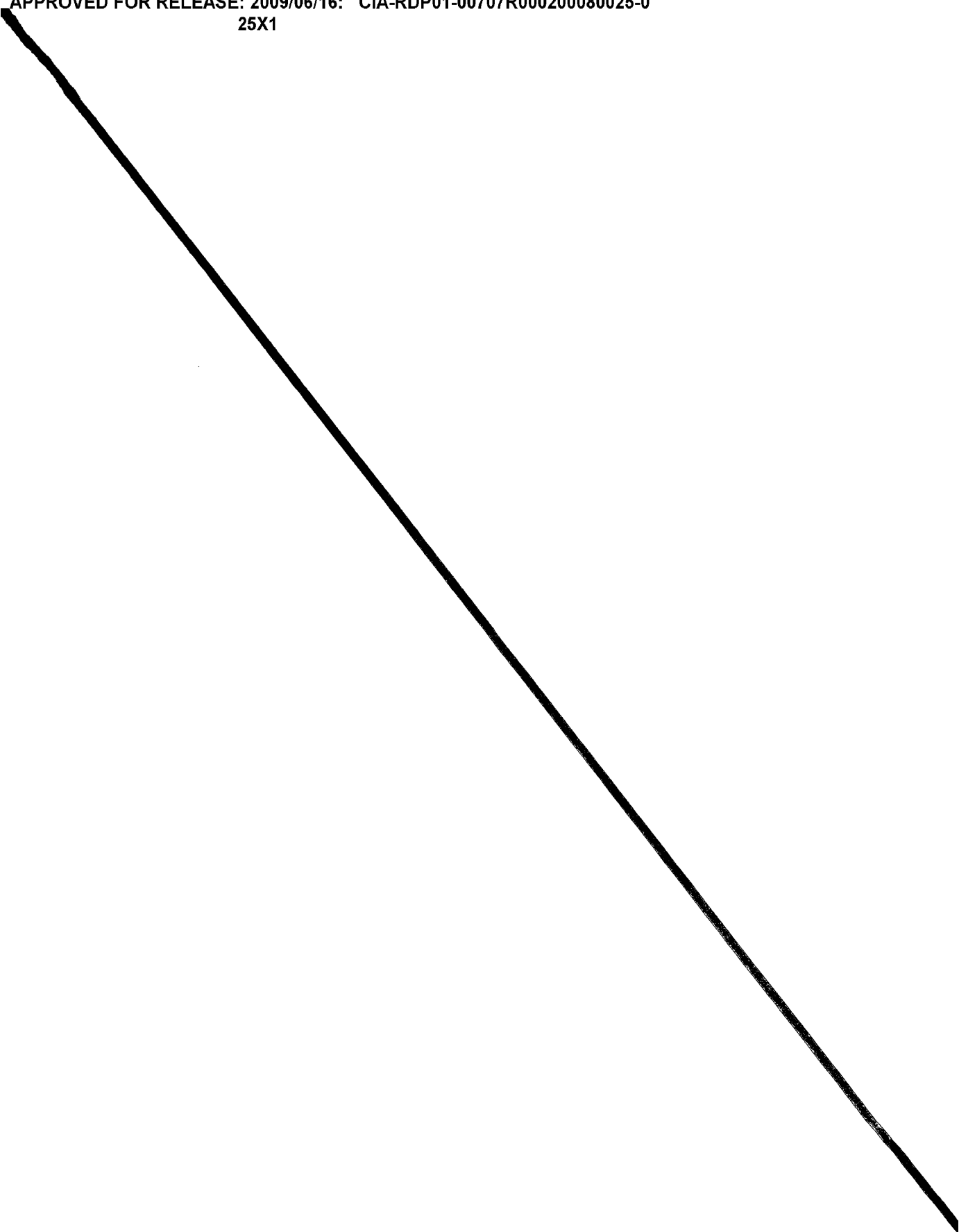
GRC estimates in early 1969 set the number of active Communist agents in Taiwan at about 1,000—presumably limited to the few cadres who evaded the government's roundup in the early 1950's and a small number of agents who were subsequently infiltrated. There is no indication that these agents in Taiwan are in a position to mount serious guerrilla or sabotage operations. There probably is a residue of "sleepers" agents who could be activated to support an assault from the mainland.

## F. Maintenance of internal security (S)

### 1. General

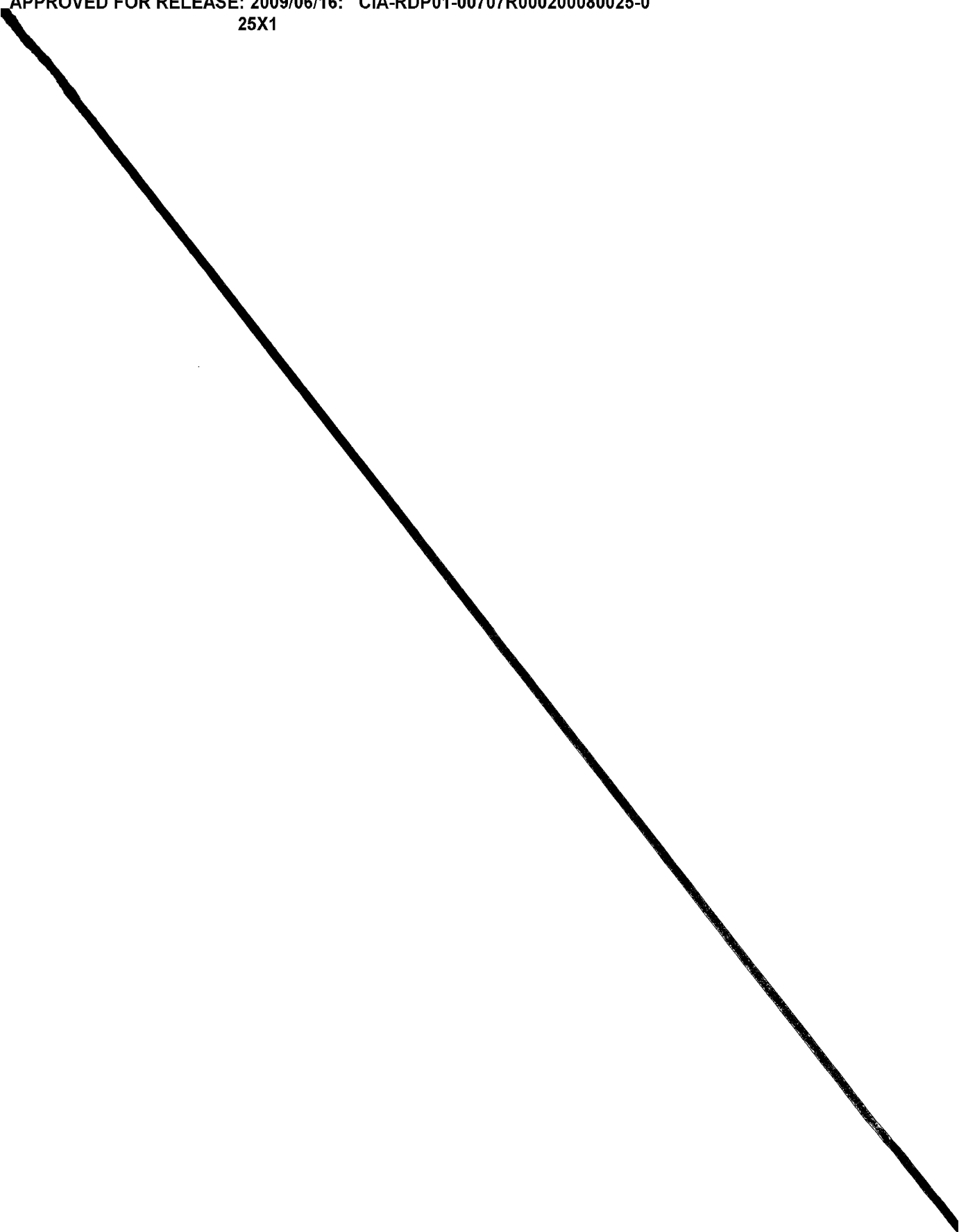
A highly complex and elaborate police and security apparatus that includes government, party, military, and civilian organizations is maintained in Taiwan. Its primary responsibilities are the preservation of internal security and public order through enforcing the criminal and civil codes and police regulations, while at the same time maintaining paternal control over the populace. Many antigovernment and anti-KMT activities are regarded as Communist inspired by the authorities, who thereby justify the use of repressive action which under other circumstances would be regarded as extralegal. The police and intelligence apparatus, whose operations frequently constitute an impediment to the full exercise of civil

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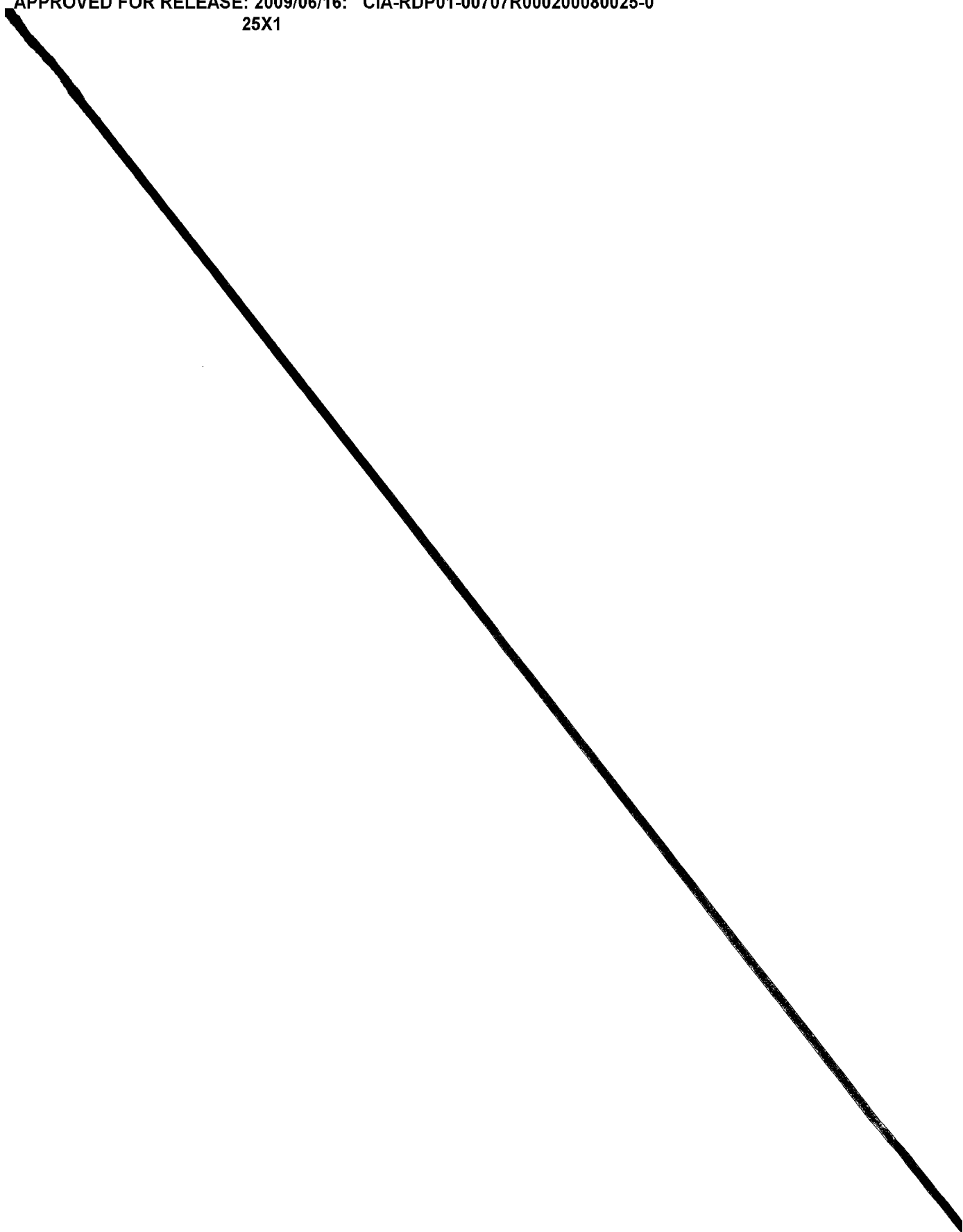
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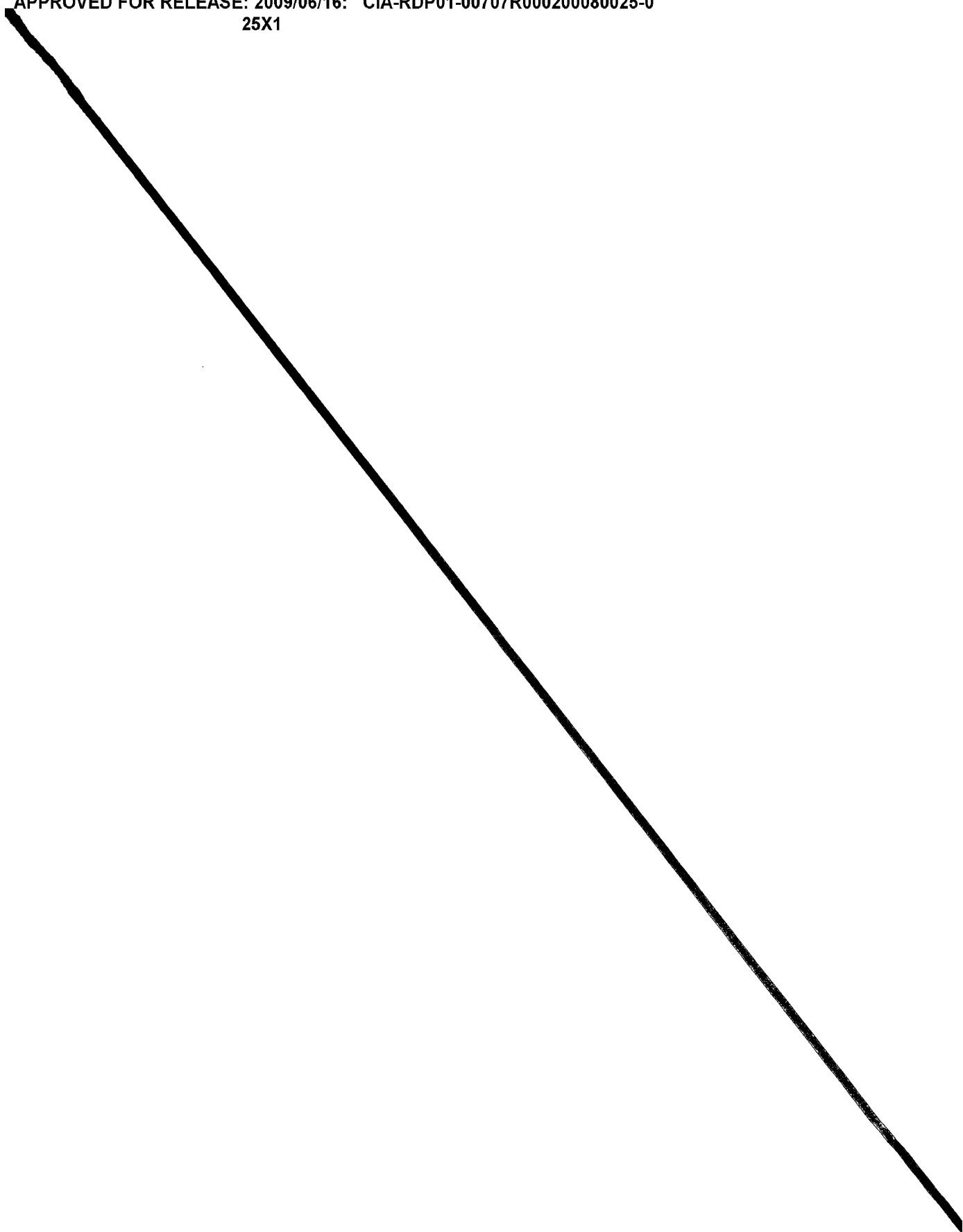
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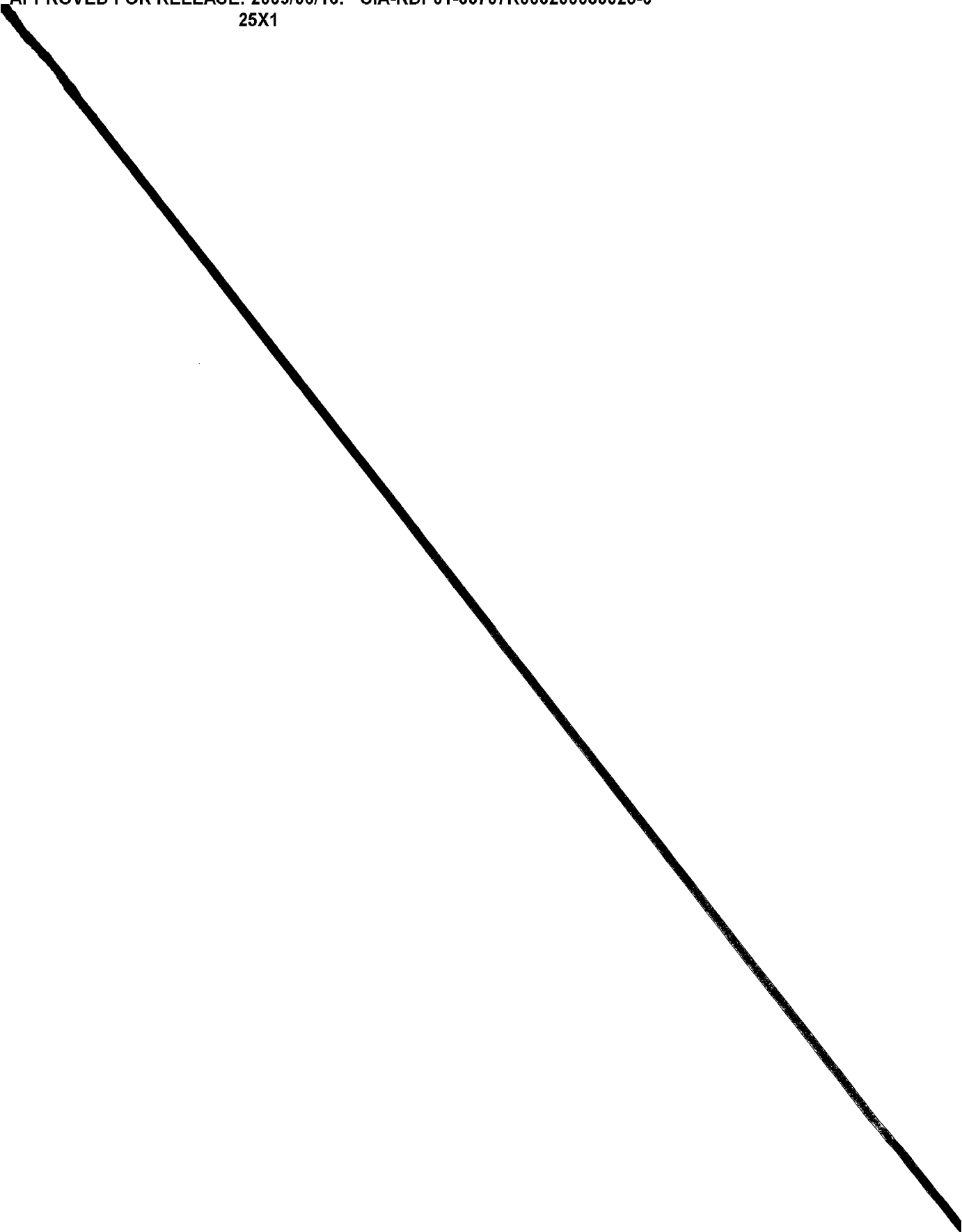


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The Sixth Section was primarily responsible for conducting and coordinating Chinese Nationalist propaganda programs directed at mainland China. It also engaged in propaganda activities in Hong Kong, Southeast Asia, Japan, and, to a lesser extent, Taiwan. The section also acted as General Secretariat of the interagency Psychological Warfare Guidance Committee, which coordinated GRC military, civilian, and Kuomintang psychological warfare. It administered the multimillion-dollar facilities of the Mainland Broadcasting Division, which beams both shortwave and mediumwave broadcasts to mainland China. The Free China Relief Association, in conjunction with the Sixth Section, welcomed and provided shelter for all refugees from mainland China who arrive on Taiwan. The Sixth Section interrogated and assisted in the rehabilitation of these refugees, and used them to advance GRC propaganda. The section conducted propaganda activity for the GRC through such international organizations as the Asian Peoples' Anti-Communist League. The section also helped arrange and sponsor National Day "Double Ten" celebrations among overseas Chinese communities, arranged anti-Communist propaganda displays on Taiwan, and participated in KMT negotiations with leaders of other political parties on Taiwan to line up their support for Kuomintang programs and policies.

#### H. Suggestions for further reading (U/OU)

Ch'ien Tuang-sheng, *The Government and Politics of China 1912-1949* (Stanford University Press, 1970-paperback ed.) A detailed study of the origin and structure of the Republic of China's political institutions.

Fairbank, John K., Reischner, Edwin O., Craig, Albert M., *East Asia-The Modern Transformation* (Boston, Houghton Mifflin, 1965). The standard history of East Asia. The chapters on China cover the impact of the West, the Chinese Revolution, the rise of the KMT and Chiang Kai-shek, and the Communist victory over the Nationalists.

Mancall, Mark, ed. *Formosa Today* (New York, Frederick A. Praeger, 1964). Contains chapters by various authors concerning Taiwan's history, politics, culture, and society.

Mendel, Douglas, *The Politics of Formosan Nationalism* (Berkeley, University of California Press, 1970). A well written account of Taiwanese nationalism and nationalist organizations. Heavily biased in favor of the Taiwanese.

Payne, Robert, *Chiang Kai-shek* (New York, Weybright and Talley, 1969). A relatively unbiased and complete biography of the leader of Nationalist China.

## Chronology (u/ou)

1943

**December**

Cairo Declaration states Allied objective of restoring to China territories stolen by Japan, including "Formosa and the Pescadores."

1945

**July**

Potsdam Proclamation reaffirms that terms of the Cairo Declaration shall be carried out.

**October**

China regains control of Taiwan after 50 years of Japanese rule.

1946

**December**

First National Assembly adopts constitution to be promulgated 1 January 1947 and effective 25 December 1947.

1947

**February**

Rioting on Taiwan occurs as result of oppressive measures of Nationalist regime; large numbers of Taiwanese are slain.

**November**

General election for National Assembly is held.

1948

**April**

Chiang Kai-shek is elected China's first President under terms of new constitution; First National Assembly approves "temporary" provisions of constitution granting emergency powers to the President during period of anti-Communist campaign.

1949

**January**

President Chiang announces his retirement from office in favor of Vice President Li Tsung-jen.

**December**

Chinese Communist forces take over control of mainland and establish the People's Republic of China (PRC); GRC withdraws to Taiwan and establishes seat of government at Taipei.

1950

**January**

U.N. Security Council rejects Soviet proposal for expulsion of GRC delegation and seating of Chinese Communist representatives, in first of annual discussion of Chinese representation.

**March**

Chiang Kai-shek resumes office of President.

**April**

Executive Yuan grants Taiwan Province authority to establish self-government by electoral process in districts and municipalities.

**June**

President Truman orders U.S. Seventh Fleet to patrol Taiwan Strait to prevent hostile activity by either Communists or Chinese Nationalists.

1951

**May**

U.S. Military Assistance and Advisory Group (MAAG) is established on Taiwan.

1952

**April**

Treaty of peace is signed between GRC and Japan.

1953

**January**

Legislative Yuan adopts Land-to-Tiller Act as GRC land reform program.

1954

**March**

National Assembly approves indefinite extension of "temporary" provisions of the constitution.

President Chiang is reelected President by National Assembly.

**December**

Mutual Defense Treaty with the U.S. is signed by GRC.

1958

**August**

Battle of Taiwan Strait is precipitated as Chinese Communists begin concentrated bombardment of Quemoy (Chin-men Tao).

**September**

U.S. Marines arrive on Taiwan for joint maneuvers; U.S. warships convoy ROC ships carrying supplies to Quemoy.

**October**

Joint U.S.-GRC communique deemphasizes liberation of mainland by military force.

SECRET

1960  
March

National Assembly amends constitution so that President and Vice President will not be subject to two-term restriction "during the period of national crisis."

President Chiang is reelected to third term as President.

1965  
July

U.S. economic assistance is terminated, except for P.L. 480.

1966  
March

President Chiang Kai-shek is reelected to fourth term as President and Premier Yen Chia-kan elected to first term as Vice President.

April

U.S.-GRC Status of Forces Agreement goes into effect.

April  
1969

Elections are held to choose Fourth Taiwan Provincial Assembly, 4 mayors, and 16 county magistrates.

Tenth Party Congress of KMT is held.

July

Chiang Ching-kuo is selected as vice premier.

December

Provincial elections are held to select 15 new members to National Assembly, 11 new members to Legislative Yuan, and 2 new members to Control Yuan.

1970  
April

Two Taiwanese favoring an independent Taiwan make attempt on Chiang Ching-kuo's life during his visit to United States.

1971  
July

President Nixon announces he will visit Peking.

October

The Republic of China is expelled from the United Nations and replaced by the PRC.

1972  
March

Chiang Kai-shek elected for fifth term as President, Yen Chia-kan to second term as Vice President.

May

Chiang Ching-kuo elected Premier.

December

Partial elections to select new members for the National Assembly, and Legislative Yuan.

Elections for Taiwan Provincial Assembly, city mayors, and county magistrates.

1973  
February

Supplementary elections for Control Yuan members.

## Glossary (u/ou)

ABBREVIATION	CHINESE	ENGLISH
CNA		Central News Agency
DSP		Democratic Socialist Party
GRC		Government of the Republic of China
KMT	<i>Kuomintang</i>	National People's Party
MAAG		Military Assistance Advisory Group
NSB	<i>Kuo Chia An Ch'uan Chu</i>	National Security Bureau
NSC		National Security Council
PRC		People's Republic of China
ROC		Republic of China (Nationalist China)
TGGH		Taiwan Garrison General Headquarters (Taiwan Garrison Command)
TIM		Taiwan Independence Movement
TMPB		Taipei Municipal Police Bureau
TPG		Taiwan Provincial Government
TPPA	<i>T'ai-wan Ching Wu Ch'u</i>	Taiwan Provincial Police Administration
YCP		Young China Party

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