Book Review

Gold, Thomas B. 1986. *State and Society in the Taiwan Miracle*. M.E. Sharpe, Inc. New York.

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Discourse on Taiwan cannot be separated by the legacy of Japanese rule in the past era. This article aims to explore how Taiwan miracle between 1977 and 1983. Adopt the Gold thinking (1986) which discussed the complete Taiwan conditions in those years. I have the interest to understand Taiwan from as in the past as a lesson for today and the future. This book provides an understanding that Taiwan as a colony of Japan inherits the legacies are complete and provide a paradigm about the strong influence of Japan against Taiwan today.

In fact, there are three important chronologies to see Japan's influence on Taiwan. First of all, the Japanese priority. Japan has a huge influence on Taiwan in developing agriculture that has been inherited to this day. Industrializing Taiwan, especially in agriculture, has established Taiwan as a country with good agriculture technology today. The influence of Japan is also part of the development of the economy in Taiwan which at the same time supports the growth of Japan in the colony.

Secondly, the Japanese control, Taiwan has a large contribution to improve agricultural production. This agricultural produce is then exported to Japan. In 1920, Taiwan has an agricultural growth rate of 2-2.5 percent a year. This growth contributes Taiwan to Japan in its agricultural supply to Japan. There is a kind of mutual benefit between Taiwan and Japan in times of colony. Japan assisted the development of agriculture in Japan and at the same time, Taiwan assisted with the supply of agricultural needs to Japan.

Thirdly, the Japanese legacy. Japan contributes greatly to Taiwan also in politics, economy, and society. The influence of Japan on Taiwan in creating good investment climate in Taiwan can be seen from the change of fundamental structures as the support of economic and political stability in Taiwan. Japan has been enforcing law and order in Taiwan, which has been an improvement of the legal system and supporting economic stability in Taiwan. Another legacy also given Japan to Taiwan is unifying weights, measures, and currency. Building the economy should start with this stage. So Taiwan as a colony Japan has been prepared with the basic structure of a sustainable economy.

Guaranteeing private property rights, this stage as a foundation for creating the city's development system in Taiwan as a form of modern governance management. On the other hand, providing property security is also part of the human rights that must be provided by Taiwan to every citizen of his. This Japanese legacy teaches me that it seems that Japan has indeed thoroughly thought through all aspects prepared to build Taiwan in the future.

Building a modern infrastructure became a highly progressive thinking that Japan inherited to Taiwan. Preparing Taiwan as a modern country does require structured plans that are prepared in the long term. This definition convinces me that the author does see Taiwan as a society and state which is a miracle in a systematic sense. Mobilizing natural resources, this stage I consider as one way to create equitable welfare in Taiwan. Meanwhile, this stage also means that Japan benefits from the supply of agriculture needs from Taiwan

In terms of economy, Japan provides legacy on investment capital available and developing human capital. These two legacies which then made Taiwan miracle in the perspective of the economy which is Taiwan in politics was not stable, however economically showed significant growth and provided an improved business and business climate. Seeing Taiwan as a miracle must also be understood from the side of human capital that has been prepared by Japan in times of colony. Japan prepares human capital by giving effect to the very strong educational system in values and culture of Japan.

In addition to trying to understand Japanese legacy in colonial times, I was also interested to see the condition of Taiwan in 1977. The author gives a fairly complete record of how the writer experienced in Taiwan in those years. The condition of Taiwan in 1977 had little resemblance to Indonesia in 1998 which was the momentum of social-political change. I try to see this pattern as a similar pattern and there are some interesting similarities to be discussed in another article. Taiwan in 1977 provided a history of action by 10,000 people in Taoyuan County who committed anarchy by damaging the police station. The history of Taiwan which became the author's important note in 1977 has two important insights for me.

Firstly, this incident provides an understanding that Taiwan as the newly industrializing society noted for its strict authoritarianism which is the people had an extreme and risky act to vent its frustrations. The incident that has had a devastating effect on Taiwan's political development has given me the insight to see Taiwan as a long history that continues to change politically and economically.

Secondly, the crowd in 1977 gave lessons about Taiwan as a growing society had an important lesson about social and political upheaval for such a long time. Developing in this context I understand as a form of Taiwanese change from a society that has a political culture of authoritarianism to a democratic political culture. Two assumptions about unstable politics in Taiwan in 1977 compare with consistent economic growth led me to formulate the question of "how do we explain Taiwan's miraculous growth with stability?". This question will be answered in two response frames, namely conventional response and alternative response.

Author Conventional response

The Taiwanese miracle in managing the economy in unstable political situations can be explained by two perspectives. First, I read the conventional response made by the author that what happened in Taiwan was a result of Japan's legacy in the past. Japanese legacy of colonial occupation left a lot of culture and value that is beneficial to Taiwan's development. Fifty years of Japanese colonials provide the legacy of very productive agriculture which is the foundation of meeting the needs of society in Taiwan.

Agriculture legacy of Japanese is the most important factor for Taiwan's development in a chaotic political condition. Providing security to food needs can be interpreted as providing economic security for Taiwan in facing various unstable political conditions. However, the Japanese legacy of the infrastructure of roads provides open transportation access in support of Taiwan's economic growth. Japan has inherited the foundations of development as an early stage that is more useful for economic growth in Taiwan.

Japan also contributes to providing power as a way to build Taiwan as a modern society. This contribution is very beneficial to Taiwan's development and provides guarantees for the basic needs of society in Taiwan. I assume that Japan has laid the foundations of a comprehensive technology to create and build Taiwan from the soft and hard power aspect. Japan's contribution to Taiwan is a very useful legacy not only in the past but also in the present and in the future. I understand this as a long-term and highly systematic form of preparation for Taiwan in the face of the demands of the modern era.

From the aspect of soft power, Japanese legacy of human resources provides a very strong influence in the development of value and character of education in Taiwan. Japan abandoned legacy to build Taiwan not only from hard power aspect but more importantly, is how human resources are strongly prepared to manage economic and social security in Taiwan. Japan's legacy of economic development in Taiwan certainly cannot be separated from the power of human resources that have been prepared by Japan in the colonial era. In this condition, I see that Japan is already thinking and preparing what Taiwan will and has to face in facing global challenges.

In addition to Japanese legacy, another factor that also determines the economic growth of Taiwan in the unstable political situation is that of support from American military and civilian aid. America greatly contributes to providing of control inflation. American aid establishes Taiwan in controlling the economic situation, especially to make the economy in Taiwan still in increase position. America shows support that has long-term benefits by doing rebuild economy. American aid helps the rebound of the economy in Taiwan with the aid being managed based on the needs and priorities of the economy of Taiwan.

Another American contribution for Taiwan is that supply of needed commodities. The existence of the fulfillment of needs by the United States provides an explanation that the United States also has a thought to provide assurance on the fulfillment of needed commodities to provide security in all

aspects of life in Taiwan. American also support for raw material which is in Taiwan is very limited. America seems to understand Taiwan's need to maintain economic stability and provide effective and efficient management of natural resources.

Generally, America boosts the confidence of the government and people in Taiwan. Building social awareness as a state and society in the author's thinking that I interpret as a form of social consciousness. Building on this confident is essential to awaken Taiwan as a society that can cope with modern challenges and build a consistent state. America does lay the foundations of strong soft power in helping Taiwan development. Confident of Taiwan which has been designed by America is also supported with support in the sustainable economy, especially in foreign exchange.

After discussing the author response from the external side (Japanese legacy and American aid), another interesting perspective I discuss is how the power of Taiwan from the internal power which contributes to their own economy. Taiwan has been an abundant supply of cheap and disciplined labor. Taiwan has a labor that greatly contributes to the economic development in Taiwan. Moreover, the private sector and foreign corporations invested in labor-intensive rather than showcase capital intensive industry. Taiwan has a laboratory with sufficient quantities to meet development needs in Taiwan. This labor also distributes income more equitably. In this perspective, I see in addition to the great contribution of Japan and America, Taiwan as an internal resource can also be a solution to the economic problems that occur in Taiwan.

Taiwan used its comparative advantage in labor to compete successfully in world markets. The quality and quantity of labor in Taiwan is an aspect that needs to be understood as an important factor supporting development in Taiwan. The Taiwanese are by nature thrifty, hard-working, disciplined, ambitious, and the place a high value on education. Labor in this thinking I read as a human resources system to support economic growth and infrastructure development in Taiwan.

Author Alternative Response

Understanding the miracle of Taiwan can be seen from four factors as an explanation of economic growth in Taiwan while political situation was unstable. First of all, external factor. This alternative response understands that Taiwan would be nothing without Japanese imperialism and the U.S. Army. This assumption explains what happened in Taiwan between 1977 and 1987 just because of the agency for the international development and the aid of super power country.

This assumption is further reinforced by the support from international corporations and international banks that maintain the stability of the economy of Taiwan and control inflation in safety position. This thinking also believes that Taiwan does not have enough contribution to maintain economic growth in their self. Consequently, the external factor only assumed that Taiwan economy would be the crash if do not get support from Japan and the US Army.

Secondly, the apparatus. This factor explains that the repressive apparatus performed a valuable function for stabilizing the society. Keeping stability of society in Taiwan is strongly influenced by repressive actions. In this thinking, Taiwan is not seen as a democratic society. But it is considered an authoritarian society. The power of apparatus in Taiwan is used to suppress society in order to maintain political stability. Economic growth in this aspect is also understood as a result of repressive forms formed from systems governed by the compliance of the society to the apparatus.

The apparatus also contributes to helping to legitimize the regime, in contrast. Stability is built on thinking about common interests. Supporting economic growth is also seen as an important reason for supporting the repressive action of the apparatus in the name of stability and value consensus especially anti-communism.

Thirdly, the design of political stability. The stability in Taiwan is linked with the need to provide a stable investment environment for trans-national corporations. There is a common concern in Taiwan to maintain political stability as an important factor in economic growth and foreign investment in Taiwan. The author tries to emphasize that it appears that political stability is a top priority that must be understood for all Taiwanese. This thinking I consider to be an effective design to keep Taiwan's economy growing and show advantages for Taiwan society as a whole.

Fourthly, the system. Taiwan's relatively equitable income distribution and mobility as defusing social tensions. The system is seen as frozen and inflexible from top to bottom. Taiwan already has a system that supports social welfare evenly. This system is a key factor in organizing the Taiwan government that is ready to face various threats and political fluctuation. The author considers that repression was necessary for the first instance to prevent communist subversion and mass revolt. Taiwan has been preparing a system that can adapt to various situations in order to maintain stable and steady economic growth over the long term.

My Response: Democratizing Taiwan

Among the discourses on how Taiwan can survive in economic growth in an unstable political situation. I am trying to formulate how we should understand Taiwan miracle by including two thoughts and responses that have been submitted by the author.

First of all, Taiwan is able to survive in the middle of a political shock situation because it is supported by a condition where the economic prosperity increases and at the same time increases equality. The Kuomintang party emphasized policies that contributed to social stability. KMT has successfully created conditions in society in Taiwan that fulfilled basic needs, for instance, people in Taiwan had enough to eat. This strategy I consider succeeded in creating justice and economic equality in Taiwan by minimizing disparity among Taiwanese. KMT also succeeded in producing policies which progressive in Taiwan.

Secondly, what happens in Taiwan has adopted administrative, economic, social and educational development under the Japanese. Taiwan is a role model of Japanese colony that successfully implement modernization. Taiwan has also successfully implemented the administrative system backed by a strong police force. In this sense, what is happening in Taiwan again can not be separated with Japanese legacy that has been built on the foundations of a strong administrative system and has adapted to modern economic development?

Thirdly, Taiwan passes high educational levels under Japan and the KMT. What happens in Taiwan is actually the result of an educational system that has been built with regard to age population throughout the period. Taiwan explains to me that it seems that education is an important instrument in creating human resources ready to face modern challenges.

Fourthly, developing professional civilian defense specialists. Taiwan government ensuring that experts man the new defense structure. This strategy I consider as the right way to build a bureaucratic system that is able to adapt modern problems and prepare Taiwan in unstable political conditions. My defense means not only in the military context but also the social security context that can be manifested in the form of good governance and sustainable economic development.

Finally, another thing that is important for Taiwan development is that Taiwan nationalism. The majority of the people of Taiwan believe their defense establishment is inadequate, but do not favor spending the money to improve it. Building nationalism among Taiwanese is building the civilization for human resources in Taiwan. So, in this context, I see nationalism is an important factor that must be developed by including character building among Taiwanese.