

# From “Unification” To “Independence”: The Change of Taiwan’s Authorities’ Positioning on Cross-Strait Relations under The Rise of Emerging Middle Class

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**Abstract:** After the Chinese Civil War, Taiwan went through a process of profound structural change in its economy towards industrialization, which was most characterized by the growing power of the middle class under an industrialized society, a power that in turn acted on Taiwanese society and pushed forward the process of democratization in Taiwan. Contrary to the booming economy of Taiwan, the international status of the region has been in tatters. After the Restoration of the lawful rights of the People's Republic of China in the United Nations, the Taiwan authorities have completely lost the international recognition of representing the whole of China, and the legitimacy of the martial law rule based on this has been gradually eroded. With the authoritarian rule in danger, the society of Taiwan is in urgent need of reforms. The emergence of a large and self-centered middle class became an important stimulus for Taiwan's democratic transition, and the 1980s saw the rise of social movements in Taiwan, with the idea of "Taiwan's independence" being raised more and more frequently in the course of exchanges with the Kuomintang (KMT) authorities. This paper will use stimulus-response theory to examine how the stimulus of the rise of the emerging middle class has affected the evolution of the Taiwan authorities' positioning of cross-strait relations from "unification" to "independence", and finally draw the conclusions of this paper.

**Keywords:** Emerging middle class; Democratizing transition; Identification; Stimulus; Response.

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## 1. Introduction

The positioning of CROSS-strait relations is the basis for the mainland policy of Taiwan's rulers, from the Chiang Kai-shek and Chiang Ching-kuo's era, when they insisted on "one China" and regarded themselves as the sole legitimate government of the whole of China, to the Lee Teng-hui era, when they discarded the "one China" principle, shifted to "one China, one Taiwan", and proclaimed Taiwan's independence, reflecting different aspirations for consolidation of the rule of the ruling party under different systems in Taiwan. The authoritarian rule of the Kuomintang government was based on the "one-China" policy of adhering to the "legal system of the Republic of China" and "the Republic of China represents the whole of China". However, with the United States' recognition of the Government of the People's Republic of China and the restoration by mainland China of its lawful rights in the United Nations, the legitimacy of the authoritarian rule has suffered a heavy blow, and the rulers of Taiwan were vigorously pursuing economic construction and at the same time conducting by-elections for the National Convention to consolidate the legitimacy of their own rule in the country. Nonetheless, for a society with rapid economic development and perfect basic education, the growing power of the middle class has led to the accumulation of more and more political energy, and the mismatch between their economic and political status has led them to urgently seek a channel for their voices to be heard, and the democratization of Taiwan's social transformation has been promoted as a result. Along with democratization came the idea of "Taiwan independence", and the middle class often carries the idea of "Taiwan independence" while seeking political status. Analyzing the growth of Taiwan's middle class helps to understand the evolution of the Taiwan authorities'

positioning in cross-strait relations.

## 2. The Stimulus-response Theory

The "stimulus-response" theory, proposed by behavioral psychologist John Watson, holds that complex human behavior can be divided into two parts: stimulus and behavior, and that human behavior is a response to a stimulus. There are two types of stimuli: internal and external, and human responses usually accompany stimuli. Human behavior can be attributed to feedback in response to external and internal stimuli, and organizations, societies, and even states composed of individual human beings have similar behavioral patterns to those of individuals in the course of their operations. The phenomenon of Taiwan's rulers shifting from the idea of unification to the idea of independence grew in the soil provided by the promotion of democratization, the economic flourishing and the "diplomatic" dilemma constitute the internal and external factors of the transition to democratization, and the growth of the strength of the middle class is a necessary condition to stimulate the transformation of the society. Under the theoretical framework of "stimulus-response", this paper analyzes how the Taiwanese society went from the "stimulus" of the economic boom and the political elites of the middle class of the province to the governmental transformation of the "response".

## 3. The Rise of the Emerging Middle Class and The Need for Change in the Political System

### 3.1. The Stimulus

The definition of "middle class" varies from country to country and region to region, and there is no clear and widely

accepted definition of the middle class at present, and commonly used methods include determining the income profile of each household, etc. In the OECD's definition, the middle-income group is defined as those with median incomes within the range of 75% to 200%. The middle class in Taiwan is roughly defined as a class between the big bourgeoisie and the workers and peasants, with occupations ranging from corporate executives or managers to clerks in government departments, among which intellectuals and corporate talents are the most active among the middle class[1]. The formation and development of the middle class in Taiwan can be described as the following three stages: (1) The KMT authorities implemented land reform after moving to Taiwan, which transformed a large amount of agricultural capital into industrial capital, and the landowning class gradually formed the big bourgeoisie and the middle class in the process of transitioning to the urban native industrial and commercial class. (2) Taiwan realized the transition from a traditional agricultural-based economy to a modern industrial-based economy in the 1960s, a period that resulted in the flourishing of small and medium-sized enterprises (SMEs), the rapid growth of the old middle class, i.e., the ranks of SME owners, as well as the development of the new middle class, the managerial class, to a certain extent, and the beginning of the formation of the middle class as a main class. (3) Taiwan's authorities at all levels provide room for growth in the expansion of the middle class in the process of its enlargement[2]. Unlike the small and medium-sized enterprise owners, the old middle class, who generally hold the means of production in their hands, the emerging middle class consists mostly of professional and technical personnel, enterprise managers and civil servants, who do not own the means of production and rely on their personal ability and skills to become enterprise employees, and most of them come from the lower class or the middle and lower class, which makes the emerging middle class have a natural connection with the lower class, and also "the mainstream of those who wish to make urgent reforms". They were not satisfied with the status quo of the KMT's one-party dominance and one-party dictatorship, and had a strong demand for political change and economic development[3].

### 3.2. The Response

The high-speed development of the economy brought about changes in the social structure - the middle class began to have a place in the political arena, and Taiwan's society was transformed from a traditional agrarian society to an industrial society, and the local political system changed from one in which large landowners grasped the power of discourse to one in which the industrial and commercial elites participated in politics in a strong way, as can be seen from the results of the county mayor elections in Taiwan from the mid-1940s to the early 1950s. This can be seen from the results of the county mayor elections in Taiwan from the mid-1940s to the early 1950s, in which the majority of the elected people were from large landowners, while the proportion of representatives from the industrial and commercial sectors in the county mayor elections from 1957 onwards has shown an upward trend. At the same time, the proportion of members of the industrial and commercial sector in Taiwan's Provincial Assembly grew from nearly 30% in 1953 to nearly half in 1977[4], providing a glimpse of the growth of this middle-class elite within the political system. In order to consolidate their rule, the KMT authorities introduced local autonomy to

give the people the opportunity to participate in grassroots politics, with the aim of absorbing local forces, and when the middle class emerged they absorbed the middle class. The local self-governance elections contributed to the emergence of political forces in Taiwan that challenged the authoritarian rule of the KMT authorities, and through the local elections, a group of political elites in the society was trained, who later grew up to be the main advocates of democratic politics in Taiwan[5].

## 4. The Rise of Non-party Opposition and Democratization Reforms

### 4.1. The Stimulus

Since the resettlement of the National Government to Taiwan, the Kuomintang has exercised oppressive rule in Taiwan on the basis of the "Temporary Provisions Effective During the Period of Communist Rebellion", preventing the people from freely associating and organizing political parties[6]. In 1959, Lei Chen attempted to form a political party with Taiwanese democrats and published Free China magazine, which was banned by the authorities and forced to cease publication, and Lei Chen himself was jailed. Despite this, Free China became the first magazine in Taiwan to have a strong "non-party" political influence[7]. In the 1970s, Taiwan's economy developed rapidly, the middle class was flourishing, and the middle class that step on the political stage became an important influencing factor in promoting Taiwan's democratization process, which coincided with a large-scale social movement that broke out on the island after Nixon's visit to China, and the middle-class intellectuals began to unite to protest and query the legitimacy of the Kuomintang's one-party dictatorship of the martial law system. What's more, the Taiwanese opposition leaders established the Democratic Progressive Party in 1986, which means the upsurge of opposition forces made the KMT's authoritarian rule face a great challenge, and the KMT had to carefully consider whether to continue its own dictatorship or move towards the path of political reforms at this time[8].

### 4.2. The Response

In the face of continuous demands for political reform by opposition forces, the response of the top leaders of the Taiwan authorities has profoundly influenced the direction of Taiwan society. Taiwan's democratization began with the lifting of martial law at the end of Chiang Ching-kuo's term of office, and was completed with the sweeping election changes during the Lee Teng-hui era and the 2000 political party rotation. The two leaders had different attitudes towards democratization. Chiang Ching-kuo's attitude towards democratization was to "delay it again and again", and during his term of office, the "Kaohsiung Incident" broke out, in which external party activists who demanded democracy and freedom as well as an end to the martial law system faced military trials, and the commander-in-chief of the party, Shih Ming-teh, was sentenced to death, which was converted to life imprisonment under the good offices of the U.S. government. In contrast to Chiang Ching-kuo, during his term of office, Lee Teng-hui embarked on and implemented various matters of democratization, including direct presidential elections and reelections of National Assembly. A series of major reforms were carried out peacefully, and Lee himself was hailed as Mr. Democracy. Both leaders had to consider how to consolidate their dominance in the face of social transformation. For

Chiang Ching-kuo, maintaining power in a non-democratic authoritarian system came from the control of the military and the mechanism of benefits that he held for himself, utilizing his connections to gain the military's allegiance to the leader, and utilizing the distribution of benefits to gather and attract talents to maintain his position. Lee Teng-hui, on the other hand, obviously did not have these kinds of qualifications and political power. From his perspective, the implementation of democratization with the help of the power of Taiwanese people helps to withstand the pressure of political opponents, the liberalization of party bans with the help of opposition parties helps to resist dissent within the party, and the amendment of the Constitution allows for consolidation of one's own power, so it can be said that the combination of the huge opposition forces in Taiwan society and the leader's need to consolidate his personal power and position has pushed forward the transition to democratization[9].

## 5. Identity and claims to Taiwan independence

### 5.1. The Stimulus

Since the KMT regime lost its international legitimacy as the representative of China, it has been faced with the constant impacts and challenges of Taiwanese elite under the banner of "Taiwan identity". The "Taiwan identity" was initially formed in response to the Japanese colonial rule. However, when the KMT regime clashed with the local inhabitants during its takeover of Taiwan, coupled with the loss of the Nationalist-Communist civil war, the KMT, a "foreign regime" in the eyes of the Taiwanese, had to implement a policy of "Sinicization" of the whole island, and the dichotomy of the "Taiwan consciousness" and the "China identity" has been in the making ever since[10]. The "China identity" education practiced by the KMT after its retreat to Taiwan has had a profound impact on the entire Taiwanese society, which has maintained the legitimacy of its own regime under the call of the basic national policy of "opposing the Communist Party and restoring the country", and the Taiwanese society was inextricably linked to the "China identity"[11]. However, in the context of the economic take-off of the Taiwanese middle-class political elite into the center of power, the Democratic Progressive Party in the 1990s continued to speculate on the theory of "Taiwan's emerging nation", the crisis of Taiwanese identity coupled with the speculation of ethnic consciousness put the KMT into the political arena, and made the issue of unification and independence the first issue to be resolved in Taiwan's political arena[12]. Provincial conflicts and the loss of international status have plunged Taiwanese into an identity dilemma, and in this environment, the "Taiwan independence" advocacy of the local elites came into being, and became an important issue in the future dispute between the KMT and DPP parties.

### 5.2. The Response

During the transition period, the "non-party" forces represented by the DPP took advantage of ethnic differences in provincial origin and dialect to divide Taiwanese into "Native Han Taiwanese" and "Mainlanders," and to portray the "Native Han Taiwanese" as representatives of "disadvantaged ethnic groups," while at the same time polarizing their political identities. The "Native Han Taiwanese" is portrayed as the representative of the

"disadvantaged ethnic groups," and their political identities are divided at the same time. The linkage between provincial identity and "unification and independence identity" played an important role in political polarization, and ultimately dismantled the KMT's authoritarian rule[13]. After the transition to democratization, Taiwan's political figures did not bridge the gap between the identity of Taiwanese people, but instead continued to speculate on provincial conflicts for their own political interests, worsening the public's anger at the KMT's White Terrorist Rule into a catharsis of hatred against mainlanders, which has led them to fall into the populism of "identifying with Taiwan"[14].

## 6. Conclusion

Taiwan's democratization transition cannot be separated from the promotion of the emerging middle class. On the one hand, the emerging middle class was not satisfied with the situation in which they had to bear the main responsibility for the economic growth while had limited channels for political expression, so it was inevitable that they challenged the KMT's authoritarian system of one-party dominance. On the other hand, since most of the middle-class elites are Taiwanese, in the process of democratization in Taiwan, what the elites oppose is the Kuomintang government, which practiced authoritarian rule in the name of "China", and in this process, the slogan of "Taiwan identity" is more appealing, and the mobilization of the middle-class elites' ethnicity has become the impetus for democratization, and in this way, after the success of the transformation of Taiwan's society, the call for "Taiwan's independence" will surely become a tool for the consolidation of the personal interests of the politicians.

In short, Taiwan's democratization is an institutional transformation resulting from the growth of the middle class under the economic boom and the interaction between the Taiwan authorities and the opposition forces. As the issue of the conflict over provincial nationality has been speculated and distorted in the process of democratization, the political elites of the middle class of Taiwanese origin, in view of the fact that the Republic of China (ROC) has not been recognized by the international community, naturally search for an international identity based on the "Taiwan identity" or the "independence of Taiwan", and in this way it is difficult to isolate the linkage between Taiwan's democratization, which is promoted by the elites of the middle class, and the claim for the independence of Taiwan, which is parasitically embedded in the transformation process of democratization.

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