A New Chinese Civilization: The Evolution of the Republic of China on Taiwan*

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In 1994 one commentator described Taiwan's people as having "been nurtured and cultivated to acquire the characteristics of an ocean. Their former conservative character, like that of traditional China's, has been remoulded into another only concerned with goals and caring nothing about principles."[1] Another commentator has depicted the island's "break toward an independent existence of its own – neither Chinese, Japanese, or American but thriving on the synergism generated by all three – [is] partly due to its location, its strong economy, its strong defences, and its status as a world trader."[2] Unlike the Chinese people of mainland China, then, Taiwan's people have closely interacted with other peoples and civilizations.

Beginning in 1683 and continuing for some 200 years, imperial Taiwan was a colony of China, which in 1885 made Taiwan a province of the Qing empire. From 1895 until 1945 Taiwan was again a colony under imperial Japan, which "Japanized" much of its elite and promoted modern agriculture and industry. From 1950 until today, the United States first influenced Republic of China on Taiwan (ROCOT) government policies, later created a vast emporium for Taiwan's products, and continually attracted, through its beckoning ivory tower of academe, the elite and ordinary people to American culture and ideas.[3]

Taiwan's society today somewhat resembles those of Japan and the West in that it is dependent on inanimate sources of energy and modern technology; has more than 90 per cent of its population in cities; is a high-income status country (US$10,852 in 1993, just below New Zealand's US$12,600); and enjoys a modern lifestyle, freedom and civil liberties, and a political democracy. Although Taiwan has avoided the social pathologies widespread in the West, some incipient forms are now emerging: youth alienation; some crime but not random killings; a small drug culture; rising divorce rates and more single-parent families; and trends toward unequal wealth and income distribution.

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1. Su You-chi, "Hai yang" ("The sea"), in Zhou Huiqing (ed.), *Qianzhan Taiwan: xin dingwei* (*A Glance at Taiwan's Future: A New Position*) (Taipei: Tianxia zazhi, 1994), p. 14.

2. Gary Klintworth, *New Taiwan, New China: Taiwan's Changing Role in the Asia-Pacific Region* (New York: Longmans/St. Martin's Press, 1995), p. 3.

3. Tens of thousands of young people left Taiwan for higher education in the United States over the past 45 years. For examples of how U.S. officials pressured Taiwan government officials in the early 1950s to expand free enterprise, see Thomas Gold, *State and Society in the Taiwan Miracle* (Armonk, NY: M. E. Sharpe, 1986), p. 73 and pp. 76–77.

Taiwan also evolved differently from Singapore, Hong Kong and Macau, and mainland China, not to mention the modern nations of the West.[4] Although its people have not achieved the per capita income levels of Hong Kong and Singapore, it had to spend much more on security than those societies (it should also be noted that Hong Kong's budding democracy is now stalled and that Singapore prefers a different style of governance). Taiwan's process of building a civil society and democracy both from the top down and the bottom up made it more free, open and vibrant with political party competition than either those Chinese communities or mainland China. Today, not only is the ROCOT wealthy, but democracy has replaced authoritarianism; yet its voters have still not rejected the old ruling party, the Kuomintang (KMT) that imposed authoritarian rule in the first place. To understand Taiwan's success, it is necessary to examine three distinct patterns that made Taiwan a very different Chinese society from its neighbours and itself half a century ago.

First, an evolutionary political market process helped the ROCOT establish sovereignty over Taiwan and its offshore islands. Within this context of asserting its national sovereignty, the ROCOT initiated local elections in 1950 and supplementary quota elections for national representatives in 1969. By the 1970s a small political opposition movement had formed that challenged the KMT regime to practise real democracy and on 28 September 1986 created an illegal political party, which the Kuomintang tolerated. Thereafter, Taiwan's ruling and opposition elites continued to interact to promote political reform and amend the 1947 constitution, which enabled voters to elect their national representatives and, on 23 March 1996, a president and vice-president. At first, claiming to represent "one China" as well as the Chinese mainland, the ROCOT's leaders denied the existence of two Chinas. Before 1971 most countries recognized the ROCOT as "China"; now only around 30 do so. The People's Republic of China (PRC) also claims to represent "China," insists it has sovereignty over Taiwan, but is willing to allow Taiwan's people to retain their "system" as a "special administrative area" (province) of "China." Then in the summer of 1994 the ROCOT government asserted that, although "one China" still existed, two political entities made up that China. Cross-Strait relations improved after 1987. In June 1995, however, tension between them again increased.

4. I avoid using the term *modernization* because it has become a misunderstood and confusing concept. Consider the modernization paradigm of the 1950s and 1960s, which consisted of seven political attributes, eight social attributes, ten economic attributes and eight intellectual characteristics. See John Whitney Hall, "Changing conceptions of the modernization of Japan," in Marius B. Jansen (ed.), *Changing Japanese Attitudes toward Modernization* (Princeton: Princeton University Press, 1965), pp. 20–23. Written over 30 years ago and based on a conference in Hakone, Japan, this described the difficulties of getting U.S. and Japanese scholars to agree on the meaning of *modernization*. When Japanese scholars questioned the American participants as to why their concept of modernization did not include democracy, the American side had no response. I am indebted to Mark Peattie for this reference.

A second process was state intervention in an economic market process that facilitated the emergence of large-scale, capital-rich enterprises and small to medium-sized labour-intensive enterprises that operated under very competitive conditions. This intervention took the form of redistributing property rights, fixing certain prices, controlling the money supply, and regulating the allocation of public investment funds. Taiwan's mixture of large and small to medium-sized enterprises produced an economic development process replicated by few countries since the Second World War.

The third pattern was the evolution of a civil society containing private organizations and an emerging ideological market process that articulated the interests of diverse social strata and allowed for the interplay of Confucianist humanism, Western liberalism, official Sunist doctrine, the ideology of the Taiwan Independence Movement, and a mixture of religious and petit bourgeois orientations. Western thinkers have defined civil society in different ways,[5] but the term is used here to include both an ideological market process and private organizations that share an adjusted political culture. These three evolutionary market processes helped ROCOT leaders and elites evaluate their goals and gave them the means to achieve them.

National Leaders, Indigenous Elites and Reference Societies

When, in the late 19th century, the Western nations and Japan tried to project their power on to weaker nations and empires such as China, the elites in those threatened areas realized that they could achieve a superior, moral society, shaped by their culture and ideas of the past, if they utilized the concepts and techniques of their enemies' military and economic power. These elites received their education abroad, and their experiences and knowledge, derived from what Reinhard Bendix call a "reference society," produced the inspiration to transform their own societies when the opportunities arose[6] but also resonated and mixed with indigenous values and ideas to create cognitive and psychological tensions.[7] These tensions grew out of concerns over whether their societies could ever conform to the shared ideals and goals of their cultural values and ideas. In China, in one generation after another from the late 19th to the late 20th century, these tensions nurtured a powerful impulse to reform Chinese society. In mainland China they created a radical, transformative way of thinking that resulted in Marxism in the 1920s. But on Taiwan the elite thinking was very different.

5 I am indebted to Thomas A. Metzger, "The Western concept of the civil society in the context of Chinese history," in Sudipta Kaviraj and Sunil Khilnani (eds), *Civil Society: History and Possibilities* (Cambridge: Cambridge University Press, 1997).

6. Reinhard Bendix, "Tradition and modernity reconsidered," *Comparative Studies in Society and History*, Vol. 9, No. 3 (April 1967), p. 334.

7. Alexander Gerschenkron, *Economic Backwardness in Historical Perspective: A Book of Essays* (New York: Praeger, 1965), p. 8; and particularly Thomas A. Metzger, *Escape from Predicament* (New York: Columbia University Press, 1977), ch. 5.

Chiang Kai-shek and his son and successor, Chiang Ching-kuo, took China as their reference society but also believed in the doctrine developed by Sun Yat-sen, whose reference societies had included America, Britain and certain European states. Both father and son made Sun's Three Principles of the People the official doctrine of the ROCOT. By 1952, Chiang Kai-shek had reorganized the Kuomintang and defined its sacred mission as recovering mainland China from Communist rule. Believing that the Communist Party would destroy Chinese civilization and was already threatening the "free world," Chiang and the KMT wanted Taiwan to become a sovereign nation that one day would represent a unified China; to have a prosperous economy with a fair income distribution and without selfish interest groups; and to have a perfect democracy governed by a virtuous elite, elected and removed by popular will. Chiang exhorted his party members to overcome their shame of defeat by the Communists by using "that triumph [building a Sunist society] to comfort our leader, Sun Yat-sen, and those martyrs who died and are in heaven."[8]

In the 1950s liberal elites like Lei Chen, Yin Hai-kuan, Hu Shih and others argued that unless the KMT promoted true democracy it would fail, just as it had on the mainland before 1949. Seeing Japan, the United States and Britain as their reference societies, these elites advocated that the KMT separate from the military and the government and establish a multi-party competition. In 1960, however, the government arrested Lei Chen on sedition charges after he tried to establish the Chinese Democratic Party, an action the KMT could not tolerate; not until the late 1970s did the liberal elite dare to challenge KMT rule. Thus during the next two decades another generation of intellectuals and politicians, mainly Taiwanese, viewing the United States and Britain as their reference societies, once again tried to establish democracy in Taiwan. Politicians such as Huang Hsin-chieh, Hsu Hsin-liang, Shih Ming-teh, Kang Ning-hsiang and many others, presenting themselves as candidates outside the party (*dangwai*), began challenging the KMT in local and central government elections.

In the late 1970s and 1980s Chiang Ching-kuo began redefining the KMT's mission to build a perfectly moral, democratic Taiwan that mainland China's leaders and elite eventually might adopt. In March 1986 he outlined these new goals:

> Our party advocates practising the spirit of making our present world a perfect moral order (*tianxia weigong*) and to carry our ROCOT constitution to the mainland to initiate a democratic, constitutional government; do away with dictatorship and class warfare; really implement a way for our people to determine their destiny; return political power to the people; and to make them entirely equal before the law.[9]

8. *Zhongyang ribao*, 11 October 1952, p. 1.
9. Jiang Jingguo [Chiang Ching-kuo], "Zhongguo zhi tongyi yu shije heping" ("The unification of China and world peace"), *Lianhe bao*, 30 March 1986, p. 3.

Chiang Ching-kuo's death on 13 January 1988, brought to power his Taiwanese vice-president, Lee Teng-hui. More cosmopolitan than preceding leaders, Lee's reference societies were Japan and the United States. Like Chiang Ching-kuo, Lee advocated democracy as the means to unify China but redefined how to accomplish it. Arguing that his administration "first must take into account Taiwan's security as the top priority," he said that he would "pursue unification with patience" but that there must be "mutual respect and the mutual realization that we can become a single family within the international order, and that we really help each other to build friendship."[10]

After redefining the one China principle to mean there is "one China and two political entities" (*yige Zhongguo, liange tizhi*) and arguing that the PRC must recognize ROCOT sovereignty over Taiwan and permit the ROCOT to normalize relations with other countries and enter world organizations, Lee denied that he was creating an "independent" Taiwan and outlined how China could be unified:

> To promote our international standing today is not to have two Chinas or one China and one Taiwan. The fact is that the ROC has existed for 84 years, and it has been in Taiwan for over 40 years.... It is clear that our Outline for National Unification (*tongyi gangling*) exists. Therefore, how can we be accused of working for Taiwan's independence? To achieve China's unification, three conditions must be fulfilled: there must be democracy, freedom and a fairly equal distribution of wealth.[11]

Combining Western political concepts and Confucian precepts, on 23 April 1994 Lee declared that he saw the ideal democracy as "sovereignty residing in the people" (*zhuquan zai min*), an expression never before uttered by a KMT leader.[12] According to Lee, the ancients had said that "the people are the primary concern of government" (*minben sixiang*) and "government for the people," but for today's Taiwan that should mean "government for the people and by the people."[13] Lee further elaborated that the people of Taiwan should "regain their free will and strive to become individuals capable of improving Taiwan's legal, educational, and political system." Thus today's Taiwan elites refer to new world trends (*shijie jiaoliu*) as their reference society. They want Taiwan to become a powerful, advanced financial-information-service economy equal to no other. They insist that Taiwan's polity be respected by all the nations of the world and be given the same dignity that legitimate states reserve for each other. They hope that Taiwan's democracy will "reflect the will of the people (*minyi*)" and the people will choose by fair elections their most capable leaders to manage society's problems according to the people's will. These elite judge Taiwan's new society accord-

10. Wu Xuansan, "Li zongtong di quan fanwei jiguo limian" ("President Lee's comprehensive ideas about our nation's management"), in Zhongshi wenhua, *Yumin tongxin* (*To Walk With the People*) (Taipei: Zhongshi wenhua gongsi, 1995), p. 56.

11. Li I, "Li Denghui yuan zou huahang fei wang Beijing" ("Lee Teng-hui would like to fly to Beijing on China Airlines"), *Jiushi niandai*, August 1995, p. 36.

12. Li Denghui [Lee Teng-hui], "Bixu zhuquan zai min" ("It is necessary that sovereignty reside with the people"), *Zhongyang ribao*, 23 April 1994, p. 1.

13. Li I, "Li Denghui," p. 36.

ing to its economic growth, democracy, quality of life, social justice and relations with mainland China, and give it a poor to failing score.[14]

From Chiang Kai-shek to Lee Teng-hui, from the KMT liberals of the 1950s through the *dangwai* of later decades and the DPP of today, and from elites of the past until the present, new experiences, ideas and knowledge, derived from various reference societies, helped redefine their goals and the means to achieve them. For this reason, Taiwan's leaders and the elites close to the centre of power have been sufficiently reform-minded to promote the following patterns of evolutionary change.

An Evolving Political Market Process

Taiwan's evolving political market process began by power being concentrated in an "inhibited political centre" and then, after 1986, being dispersed through a "subordinated political centre" as constitutional reform, political party competition, elections for national representatives and leaders, and a civil society evolved.[15] This evolving political market process was characterized by complex elite interactions: the KMT initiated a top-down process of democracy guidance while showing tolerance of political opposition, and a political opposition initiated a bottom-up process of promoting democracy by learning to comply with certain political rules while challenging the KMT to improve its democracy.

At the KMT's Seventh Party Congress in October 1952, its 220,000 loyal members agreed on a grand mission to save China from Communism. To achieve that mission, the KMT, controlling the military, security forces and levers of political power, used a mixture of harsh, coercive means to crush criticism and activities aimed at delegitimizing its authority with nurturing a "limited democracy" by encouraging local elections for city and provincial representatives and leaders, allowing households to operate in the marketplace, and permitting community religious and professional groups to form. Unlike the Communist Party, the KMT permitted party intellectuals to evaluate and criticize the political centre's political behaviour, such as the publishing of a journal in the 1950s called the *Free China Review*, edited by Lei Chen, but martial law, which had been imposed on 19 May 1949, empowered the regime to prevent any criticism, public assembly or political groups judged as threatening public order. KMT control over Taiwan's inhibited political centre was based on

14. Gao Xizhun, "'Hou Taiwan jingyan yu xin Taiwan ren" ("The post Taiwan experience and the new Taiwanese"), *Yuanjian zazhi*, No. 103 (15 December 1994), pp. 22–24. For intellectual mobilization in the transformation of societies from aristocracy and monarchy to political parties representing the people, see Reinhard Bendix, *King or People: Power and the Mandate to Rule* (Berkeley: University of California Press, 1978).

15. For more discussion of these concepts, see the introduction written by Metzger and Myers in Ramon H. Myers (ed.), *Two Societies in Opposition: The Republic of China and the People's Republic of China after Forty Years* (Stanford: Hoover Institution Press, 1991). These concepts were developed by Metzger, as well as the framework of the three marketplaces (which I have recast as "three market processes"), which is an organizing principle in this essay.

four implicit rules that the political opposition eventually turned to its advantage[16]:

- Adhere to the 1947 constitution with adjustments for the political realities of Taiwan province.
- Preserve KMT rule and rebuff any efforts to organize competing political parties.
- Promote elections for local representatives and leaders; after 1969 allow limited numbers of national representatives to be elected.
- Permit an ideological market process to evolve without Marxism, Leninism and socialist thought and ban any criticism of the ROCOT, the KMT, and leaders and national representatives.

The mainlander leadership, which had "frozen" the 1947 constitution on 18 April 1948, added amendments granting the Nationalist government's president enormous executive powers, which Chiang Kai-shek and his son did not hesitate to use. These amendments, the Temporary Provisions Effective During the Period of Communist Rebellion, were periodically amended and finally abolished on 1 May 1991 by President Lee, acting on behalf of the First National Assembly. In the intervening years, the ROCOT government passed laws enabling the central government representatives, who had been elected on the mainland before 1949, to retain their positions indefinitely. These were mainly KMT members, and dominated the First National Assembly, Legislative Yuan and Control Yuan, electing a president and vice-president every six years. But after two decades, because of death, illness and resignations, they had to be replaced; thus in 1969 the KMT initiated elections to fill those vacancies with the stipulation that candidates must be from Taiwan. Politicians opposing KMT policies and behaviour could compete in these local and national representative elections but not as part of an organized party.

Responding to new educational opportunities, a prospering economy and the open, free election process, many Taiwanese began to form an opposition movement. They found businessmen eager to finance their magazines, which borrowed the format and rhetoric of the *Free China Review*. The *dangwai* held discussion forums (*zuotanhui*) that evaluated how closely the democracy espoused by the KMT approximated the democratic ideals of school texts published by the Ministry of Education. These *dangwai* developed a political platform in local and national elections that challenged the KMT and championed the people's interests. In 1980, 1983 and 1986 voters elected a small number of *dangwai* to public office, the Legislative Yuan and the First National Assembly.

Careful to avoid forming a political party and thus risk arrest and imprisonment, which had happened to some opposition politicians who

16. See Linda Chao and Ramon H. Myers, "The first Chinese democracy: political development of the Republic of China on Taiwan, 1986–1994," *Asian Survey*, Vol. 34, No. 3 (March 1994), pp. 213–230.

had held a rally in Kaohsiung city in late December 1979, these *dangwai* instead campaigned in elections, published magazines criticizing the KMT and the government, and mobilized young activists to expand their network. On 28 September 1986, a courageous core of *dangwai* formed the Democratic Progressive Party (DPP) at Taipei's Grand Hotel. President Chiang Ching-kuo, however, had already decided that the era of martial law must end and had instructed his party to reactivate the 1947 constitution, allow political parties to form and expand the election process. Moreover, Chiang Ching-kuo had begun to tolerate the political opposition, as long as it played by the rules, and did not try to overturn the constitution or establish a political regime opposed to the unification of China. Chiang did not arrest the founding fathers of the DPP, and his action moved his vice-president, Lee Teng-hui, to tell journalists later that "I think the president is indeed a great and outstanding leader."[17]

Although still powerful, on the eve of political liberalization in 1986 the KMT and state faced challenges similar to those of other third-wave democratizing countries as described by Samuel P. Huntington.[18] Country after country had broken diplomatic ties with the ROCOT. Financial and political scandals as well as a leadership succession crisis in 1983–84 had weakened the KMT. Taiwan's economic growth rate had slipped to 8 per cent in the 1980s, and the United States was pressuring the ROCOT to liberalize Taiwan's economy. Although the island had experienced no religious upheaval, the United States demanded that Taipei improve its human rights record. After successfully forging a détente with the United States, the PRC had challenged Taiwan's leaders to unify with China using the Hong Kong "one country, two systems" formula. In early 1986 many small urban demonstrations erupted.

These conditions alone, however, do not explain why Chiang Ching-kuo instructed his party to plan for democratization in spring 1986, for as early as 1980–81 he had conceived of a plan to democratize Taiwan.[19] Understanding that democracy is based on free, routine national elections, in November 1986 Chiang informed the KMT Central Committee that "elections are a way of making democracy work, and the progress of democracy [on Taiwan] requires an infusion of elections."[20] Chiang repeatedly argued that the Three Principles of the People must be the

17. "Zhengdang zhengzhi yijing maiqu zhenggong diyi da bu" ("Pluralistic political parties already have taken one greatly successful step"), *Zhongyang ribao*, 2 December 1993, p. 1.

18. Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991), pp. 46–106. These conditions, in brief, are the following: declining legitimacy and performance of the regime; economic development and economic crisis; religious change; new policies of external factors; demonstrations and a global tidal wave of democratic change.

19. This interpretation as well as others below are based on Linda Chao and Ramon H. Myers, *The First Chinese Democracy: Political Life in the Republic of China on Taiwan* (Baltimore: The Johns Hopkins University Press, 1997).

20. Jiang Jingguo [Chiang Ching-kuo], "Shoufa shoufen shouji yiguojia liyi wei zhong" ("To focus on our nation's best interests, we must uphold the law, have self-control, and exercise self-discipline"), in Jiang Jingguo xiansheng quanji bianji weiyuanhui (Editorial Committee for the Collected Works of Chiang Ching-kuo), *Jiang Jingguo xiansheng quanji*

means to unify China (*yi sanminzhuyi wei tongyi Zhongguo*) and that Taiwan's democratization would inspire the Chinese mainland to follow suit.

After Chiang selected Lee Teng-hui, a Taiwanese, to be his vice-presidential running mate in February 1984, and after both were elected by the National Assembly in March, Chiang confided to Lee his plan for political liberalization and sent his vice-president to every sector of the government to learn the art of statecraft. In March 1986, Chiang ordered six committees to study political reform and in October 1986 announced that martial law would soon be lifted if conditions improved (Chiang had wanted to liberalize sooner but was prevented by KMT scandals). On 15 July 1987 martial law ended and a new era commenced. But the task of realizing true democracy fell to Lee Teng-hui, who became president and KMT chairman after Chiang's sudden death on 13 January 1988.

Between 1988 and 1996 Taiwan's democracy developed rapidly, with Lee providing astute leadership. In the spring of 1990 he nudged his party toward reconciliation with the DPP by convening a national affairs conference to discuss the nation's political problems and future. His party began collaborating with the DPP in the Legislative Yuañ to pass laws that would retire all national representatives. Chairman Lee and the KMT persuaded the First National Assembly to abolish the Temporary Provisions, amend the constitution and permit the election of a Second National Assembly on 21 December 1991.

Frightening many voters by its appeal for Taiwan's independence, the DPP won fewer than 25 per cent of the seats in the Second National Assembly, but still decided to participate in the process of constitutional revision. In March 1992, Lee Teng-hui shocked his party by insisting that the central committee debate whether the party should propose popular direct election of the president and vice-president or indirect election by the national assembly. It seemed that the KMT would endorse indirect elections, an approach favoured by many party elders and conservatives, but after Lee's intervention the KMT decided to allow the Second National Assembly to make that decision. In July 1994 the assembly amended the constitution so that direct presidential elections could be held on 23 March 1996. In effect, the KMT instituted a political reform long advocated by the DPP.

Between 2 December 1992 and 23 March 1996 a series of elections reduced the KMT's dominance over the polity. On 2 December 1992 voters elected a new Legislative Yuan, with the KMT legislators winning 96 of 161 seats, but on 2 December 1995, when voters elected the Third Legislative Yuan, the KMT only won 85 of 164 seats. The KMT must now engage in coalition politics to influence the passage of laws and the budget. In the 3 December 1994 election for Taiwan's governor and the

footnote continued

(*Collected Works of Chiang Ching-kuo*), Vol. 20 (Taipei: Government Information Office, 1991), p. 44, a speech to the KMT's Central Committee in November 1986 on expanding the quota for electing central government representatives.

mayors of Kaohsiung and Taipei, the KMT won the governorship and the Kaohsiung mayorship, but the DPP candidate, Chen Shui-bian, was elected Taipei's mayor. In the four-team race for president and vice-president on 23 March 1996, the KMT team of Lee Teng-hui and Lien Chan captured 54 per cent of the votes, with the DPP team of Peng Min-ming and Hsieh Chang-ting winning 21 per cent, Lin Yang-kang and Hau Pei-tsun (backed by the New Party) winning 15 per cent, and the independent team of Chen Lu-an and Wang Ching-feng winning 10 per cent. With this election, ROCOT elections for national leaders and representatives had become institutionalized.

Taiwan's democratic transition differed from Huntington's third wave democratizing nations in several ways. First, liberal reformers in the KMT never distanced themselves from their party but continued to serve it, except for a small group who disliked the KMT chairman. Secondly, the voters never repudiated the KMT, in spite of its authoritarian rule for over three decades, and continued to elect most of its candidates. Thirdly, the ruling party tried to atone for past violence against its citizens, as illustrated by the famous 28 February 1947 uprising. President Lee established a commission to assess the government's role in that uprising, which reported that the government shared some responsibility. The government co-operated with the Legislative Yuan to pass a law allowing for the building of a monument to the victims and compensation for their families. Finally, neither rural nor urban middle class groups publicly demonstrated in large numbers for democracy, but various private groups did so to demand that the government take action to meet their needs.

By the summer of 1993, nearly all the 50-odd parties that registered in 1988–89 had vanished, leaving the DPP and the KMT as the only competing parties with the organization, resources and appeal to attract voters. But in August 1993 at the KMT's 14th Party Congress, a group of angry members left and established the New Party, whose membership at first was mainly of mainlander Chinese with serious doubts about President Lee's leadership. Tensions with the KMT continued, and on 15 November 1995 KMT elders Lin Yang-kang and former commander-in-chief and premier Hau Pei-tsun decided to support New Party candidates for the Third Legislative Yuan race and form a presidential team supported by the New Party. Their decision, along with worsening relations between Taiwan and mainland China since summer 1995, finalized the KMT split and helped the New Party to win 21 seats in the Third Legislative Yuan contest compared to the three seats they once held.

Although voters and elite now fear the KMT has aligned with criminal and rich elements who are corrupting Taiwan politics, they gave President Lee a mandate to lead in the 23 March 1996 election that should enable him to govern strongly for at least another two to three years. After that, the politics of electing a president in 2000 will initiate a struggle among KMT leaders to win their party's nomination bid for the presidency and weaken President Lee's governance.

At least four factions now struggle for power within the DPP, a party that currently lacks a strong leader. Having only about 80,000 members

and limited resources, the DPP seems unable to win more than 30 per cent of voter support. The New Party has a supportive, disciplined following, but its voting base is very small. These are the parties that must now deal with the nation's severe challenges, which include finding common ground for a détente between the PRC and the ROCOT, revising the constitution to prevent government gridlock should the legislature reject the president's choice of a premier, and practising coalition politics while providing effective leadership for the country. If the elections of the recent past are any measure of the future, Taiwan's people will continue to disagree on how to resolve these challenges but will remain committed to improving and preserving their democracy. Meanwhile, there are two irreconcilable visions of how Taiwan's democracy should develop in the future: one sees democracy as a means to unify Taiwan and mainland China; the other sees it as a means to establish a Republic of Taiwan with a new constitution and system of governance. How the evolving political market process will reconcile these visions is not at all clear.

The Economic Market Process

During the 1930s the Nationalist government controlled the banks and state-owned enterprises so as to mobilize and allocate resources to China's expanding industry, infrastructure and military. Rather than encouraging free economic markets by removing those impediments to the flow and efficient, creative use of resources, the government tried to plan and regulate the economy.[21] That predatory intervention unleashed hyperinflation and demoralization, with devastating results on Chinese society.

After fleeing to Taiwan, KMT leaders and state officials adopted a new mentality that viewed markets as instruments to facilitate the efficient and creative use of resources.[22] The KMT's challenge was how to encourage private enterprise to produce the wealth the nation's leaders believed vital to Taiwan's destiny. This new attitude called for a strategy of ad hoc policy decisions produced by high leadership discussions that also included specific advice from young economists such as S. C. Tsiang and well-educated, experienced technocrats such as Yu Kuo-hua, Li Kwoh-ting, Yin Chung-jung and others.[23] Party and government policies enhanced incentives to increase savings and investment, and encouraged more production for domestic and foreign markets; redistributed and assigned new property rights to promote a more equal distribution of income, and

21. Markets perform both "allocative" and "creative" functions, an important distinction stressed by Heinz W. Arndt, " 'Market failures' and underdevelopment," *World Development*, Vol. 16, No. 2 (1988), pp. 219–229.

22. For a good discussion of "instrumental rationality" see Wolfgang Mommsen, *The Political and Social Theory of Max Weber* (Chicago: University of Chicago Press, 1989), p. 154.

23. For a brief discussion of some of these technocrats, see Lawrence J. Lau (ed.), *Models of Development: A Comparative Study of Economic Growth in South Korea and Taiwan* (San Francisco: Institute for Contemporary Studies Press, 1990), pp. 245–47. See also Gold, *State and Society*, p. 68.

manage resources more efficiently and creatively; reduced supply scarcities that hindered private enterprises from expanding production for the market; prevented inflation and excessive wage increases; and promoted market competition. Some examples follow.

Between 1950 and 1953, banks offered high interest rates on saving deposits to encourage less spending and more saving.[24] Inflation declined, and the saving–income ratio gradually rose. Between 1952 and 1955, land reform changed the bimodal farming system of tenant-labourer and owner-landlord households into a unimodal family farming system. With households now having more assets, many began establishing small to medium-sized enterprises (SMEs) that soon began producing for the market and expanding employment. These farm families also increased their consumption, thus expanding SMEs' sales and profits.[25] In 1951 the government began providing free primary education, low-cost middle and high school education, and one to two years of technical training to young people. In the mid-1950s the government began encouraging entrepreneurs like Wang Yung-ching to start manufacturing plastic materials and products for both domestic and foreign markets. In 1958–59, the government reformed the dual foreign exchange rate into a single rate and provided businesses with tax relief and low-cost loans to enable more enterprises to increase exports.[26] In every decade the government expanded the supply of energy and improved port facilities, airline terminals, railways, roads and telecommunications, thus reducing costs for businesses and consumers. The government adhered to a pay-as-you-go budget, avoiding deficit spending until the mid-1990s, encouraged foreign enterprises to locate in Taiwan, created free trade zones for local firms and encouraged businesses to produce for export, thus fostering market competition.[27] Such market-intervening policies produced the economic growth that must occur if a poor, backward economy is to become a middle- or high-income country.[28] The three ideal types of interacting economic processes that lead to such growth are the following:

24. Fu-chih Liu, *Essays on Monetary Development in Taiwan* (Taipei: China Committee for Publication Aid and Prize Awards, 1970), pp. 37–39.

25. Albert Park and Bruce Johnston, "Rural development and dynamic externalities in Taiwan's structural transformation," *Economic Development and Cultural Change*, Vol. 44, No. 1 (October 1995), pp. 181–208.

26. Ching-yuan Lin, *Industrialization in Taiwan, 1946–1972: Import-Substitution Policies for Developing Countries* (New York: Praeger, 1973), ch. 5.

27. For the best account on the role of foreign investment and enterprise in enhancing Taiwan's competitiveness, see Chi Schive, *The Foreign Factor: The Multinational Corporation's Contribution to the Economic Modernization of the Republic of China* (Stanford: Hoover Institution Press, 1990). For how the role of export zones and government policies enhanced Taiwan's economic competitiveness, see Ramon H. Myers, "The economic transformation of the Republic of China on Taiwan," *The China Quarterly*, No. 99 (September 1984), pp. 500–528; for the role of government, see Robert Wade, *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization* (Princeton: Princeton University Press, 1990); Alioe H. Amsden, "Taiwan's economic history: a case of *étatisme* and a challenge to dependency theory," in Robert H. Bates (ed.), *Toward a Political Economic of Development: A Rational Choice Perspective* (Berkeley: University of California Press, 1988), pp. 142–175.

28. These three processes are described in Ellis Chenery and T. N. Srinivasan (eds.), *Handbook of Development Economics*, Vols. 1–2 (Amsterdam: North-Holland, 1988–89).

- A virtuous circle of four interacting economic activities: a more equal distribution of income; a rise in market demand for goods and services; a rise in savings as a share of GDP from 3–5 to 10 per cent and above; and more resources invested in physical and human capital.
- Avoiding large wage increases that exceed labour productivity and inflation.
- A long-term shift – at least a decade – away from reliance on the domestic market to greater dependence on foreign markets to reflect the integration of domestic and foreign markets.

By closely replicating these economic processes, Taiwan achieved one of the best economic growth performances of any developing country since the mid 20th century. Taiwan's gross domestic product (GDP) per capita doubled in only 14 years (from 1952 to 1966), only slightly longer than it took China (between 1977 and 1987).[29] In 1993 Taiwan's GDP per capita (US$10,852), was ranked 25th in the world, just below that of New Zealand.[30] Between 1951 and 1993, Taiwan's GDP grew at an annual rate of 8.6 per cent; in 1994 its gross national savings of GDP was 26.5 per cent. Its foreign exchange reserves in early 1995 were around US$100 billion. Taiwan is the world's 14th-largest trading nation and is ranked sixth in investing abroad. Although its population grew from 8.1 million in 1952 to 21.1 million in 1994, almost trebling over the period, Taiwan escaped the Malthusian trap that many other countries have fallen into. Moreover, the ROCOT allocated between 8 and 10 per cent of GDP and around 40 per cent of its national budget for national security in the first three decades; that military burden is still high today, around 5–6 per cent of GDP.

Traditional Confucianism is critical of economic markets and the way in which they create and distribute wealth. Japanese colonial rule, however, forced Taiwan's population to adopt modern technology and adjust to market changes. Thus, although emphasizing Chinese culture, the ROCOT's educational system promoted a utilitarian education compatible with modern technology and the economics of the market. Having

footnote continued

They are elegantly explicated in Albert Fishlow, "Review of *Handbook of Development Economics*," *Journal of Economic Literature*, No. 29 (December 1991), pp. 1728–37.

29. The United Kingdom first doubled output per person between 1780 and 1838; the United States between 1839 and 1886; Japan between 1885 and 1919; the Republic of Korea between 1966 and 1977; and China between 1977 and 1987. See The World Bank, *World Development Report, 1991: The Challenges of Development* (Oxford: Oxford University Press, 1991), pp. 12–13. Between 1952 and 1967, Taiwan's gross national product increased from NT$21,435 to NT$45,594 in 1991 prices, more than doubling in 15 years.

30. See The World Bank, *World Development Report, 1995: Workers in an Integrating World* (Oxford: Oxford University Press, 1995), p. 163, for an international ranking of countries. Because Taiwan is not a member of the World Bank, data for Taiwan for appropriate years can be found in Council for Economic Planning and Development, Republic of China, *Taiwan Statistical Data Book, 1995* (Taipei: Council for Economic Planning and Development, 1995), p. 32. The best study for Taiwan's economic growth during the 1940s and 1950s is by Simon Kuznets, ch. 1 in Walter Galenson (ed.), *Economic Growth and Structural Change in Taiwan* (Ithaca, NY: Cornell University Press, 1979).

accepted and accommodated the economic market process, Taiwan's people now worry about income inequality.

By the 1990s, the island's economic structure consisted of several hundred thousand SMEs, some 500 large-scale enterprises (*jituan*) and numerous state-owned enterprises. In this curious mix of diffused and concentrated productive wealth, the private sector steadily outstripped the public sector in wealth creation. Such a trimodal enterprise structure, mixed with foreign multinational enterprises, encouraged market competition rather than stifling it. In 1989 a survey revealed that the SMEs produced 43.56 per cent of GNP, the large-scale enterprises 37.88 per cent and the state enterprises 18.56 per cent.[31] In fact, the percentage of GNP produced by the top 500 large-scale enterprises expanded from 19.21 per cent in 1971 to nearly 40 per cent in 1989. The top 100 *jituan*, only 0.1 per cent of all Taiwan enterprises, produced 23.06 per cent of GNP, or nearly one-quarter of the island's market-valued wealth. The *jituan* not only had overseas networks but were integrated with SMEs through competitive markets. Whereas the SMEs relied on networks and the marketplace to reduce their transaction costs, the *jituan* employed professional expertise to do the same.

Between 1952 and 1994 agriculture's contribution to GDP declined from 32.2 to 3.0 per cent. Because agriculture used few resources and earned a low rate of return, the state avoided excessive protection of its farmers compared with other developed and developing countries such as South Korea.[32] Agriculture now depends on imports to keep its "livestock, flour-milling, and export-oriented industries of textile and leather goods in operation."[33] Rising farm imports from the United States also reduced the bilateral trade imbalance in Taiwan's favour.

An Emerging Civil Society

A modern society with a free, competitive market process requires a civil society open to the outer world and tolerant of a legal political opposition. Could Chinese culture and the various ideologies on Taiwan be compatible with such a society? The question has little to do with whether Chinese culture promoted instrumental rationality rather than value rationality (a dichotomy that Max Weber used to argue a causal connection between an emerging rationalism and the modernization of Europe) but rather whether there were enough different ideas and orientations in Taiwan's ideological markets after the 1950s to make Chinese values and thought compatible with the evolution of Taiwan's market processes.

31. See Anchi Lin, "Social and cultural bases of corporate expansion: the formation of business groups (*jituan*) in Taiwan," Ph.D. thesis, Harvard University, 1995, p. 6. This thesis describes the activities and organizational style of large-scale corporations (*jituan*).

32. Sophia Wu Huang, "Structural change in Taiwan's agricultural economy," *Economic Development and Cultural Change*, Vol. 42, No. 1 (October 1993), p. 59. In 1989 the average producer subsidy equivalents for agriculture showed 72 for Japan and 88 for South Korea, 29 for Taiwan, 30 for Canada and 18 for the United States.

33. *Ibid.* p. 33.

Before the Second World War four major ideologies competed in China: Sun Yat-sen's doctrine; Western liberalism as represented by Hu Shih, Ting Wen-chiang and others; Marxism; and finally modern Confucian humanism.[34] By the late 1940s, a majority of the elite and intellectuals had embraced the Chinese variant of Marxism as developed by Mao Zedong, Chen Boda and others. On Taiwan, however, five ideological orientations that emerged in the 1950s competed vigorously to influence the way the elite thought and felt about the society's transformation.[35] These five orientations did not eliminate traditional Chinese thinking but did filter new ideas and attitudes into the Chinese mentality that were strong enough to help the elite and ordinary people accept a capitalist market economy and a political market process.[36]

The official doctrine, based on the writings of Sun Yat-sen and his followers, defined society's grand mission as individuals adhering to high moral standards and working on behalf of China's salvation and unification, a message embodied in primary school texts and official statements. The second ideology, shared by Taiwanese voters, represented the outlook of the petit bourgeois, who believed in the virtues of the free market, strived for material improvement and shared a Buddhist-Confucian sense of morality. The third ideology, modern Confucian humanism, was advocated by famous scholars like T'ang Chün-i, Mo Tseng-san, Hsü Fu-kuan and the American academic Yü Ying-shih. Their writings stressed the compatibility between Confucian virtues (moral autonomy, rationality), the three market processes and some Western values. The fourth ideology, Chinese liberalism, originated in Western liberal philosophy and political doctrine. Finally, a fifth ideology, that of the Taiwanese Independence Movement (TIM), had its roots in Taiwan's elites' struggle against Japanese colonialism and the 28 February 1947 uprising. The TIM's first leaders, who had been educated under Japanese rule and strongly influenced by Western liberalism, were contemptuous of Chinese backwardness and customs. They embraced not only Western liberal theory but Marxism and socialism and wanted to transform Taiwan into a constitutional republic without special ties to mainland China.

Embedded in these five clusters of thinking is a complex teleological vision, with various elements that all Chinese elite, according to Thomas A. Metzger, share to some degree. That is, they believe in the Confucian ideas that China has been and ought to have "centrality in world affairs"; that knowledge is easy to obtain about "all the major moral and factual aspects of human life"; that history moves through stages to an ideal

34. For a brief discussion of the competition of these four ideologies and the primacy of Sunist doctrine in Taiwan, see Julie Lee Wei, Ramon H. Myers and Donald G. Gillin (eds.), *Prescriptions for Saving China: Selected Writings of Sun Yat-sen* (Stanford: Hoover Institution Press, 1994), p. xxvi. Thomas A. Metzger first alerted me to the competition of these four ideologies in mainland China.

35. See Thomas A. Metzger, "The Chinese reconciliation of moral-sacred values with modern pluralism," in Myers, *Societies in Opposition*, pp. 10–26.

36. *Ibid.* pp. 26–37. The following paragraphs are based on Metzger's analysis of Taiwan's five ideological orientations.

society such as democracy, in which there would be an equal distribution of wealth and income and where individuals did not behave selfishly; that world forces or trends move as a teleological "tide"; that China is still in a deep predicament, afflicted by crises and inadequate leadership;[37] and that only a single force (such as political party, intellectuals) can move China in concert with the world tide to achieve that "ideal" historical stage. This powerful vision permeates the thinking of Taiwan's elite, although their ideas differ about the ideal last stage. Some, particularly the KMT elders and conservative intellectuals, envisage a unified China, a dream they have not abandoned even as democracy has expanded. Others, including the "radical" leaders and elite of the DPP, believe in a democratic Republic of Taiwan, affirmed and made possible by the will of the people through a national plebiscite, and still others, elites of the KMT and the NP, dream of a perfect democracy without selfishness and corruption.

Meanwhile, in the mid-1990s, many intellectuals still feel a "strong sense of Taiwan's predicament," despite the island's remarkable social changes and peaceful democratization.[38] These critics complain of fraudulent elections, condemn as "golden oxen" (*jinniu*) those who spend lavishly on their election campaigns, and criticize their leaders as severely flawed. (Most of those leaders hold high academic degrees from foreign universities, giving Taiwan's government the highest percentage of doctoral and master's degree holding officials of any modern government in the world.)[39]

The competition among these five orientations has softened the utopianism, Manichaeism and miscreance toward those in authority that have typically dominated the elites' way of thinking. Moreover, the ordinary voters and business people have far less of the "sense of predicament" than the intellectuals and elite, are happy in their new prosperity, and have more "life chances," as Ralf Dahrendorf describes opportunities in contemporary Western societies. Most KMT elites are now tolerant of a political opposition and have begun to endorse personal liberties. Tao Pai-chüan, Yang Kuo-shu and others have long urged the KMT to accept such positions as well as to tolerate free speech, and establish checks and balances in government. Even advocates of Taiwanese independence have learned to play by the rules of democracy. For example, the DPP participated in the Second National Assembly, a government organ it universally condemned before the 21 December 1991 Second National Assembly election. To win key elections, DPP candidates such as Chen Shui-bian, who ran for the Taipei mayorship in November 1994 and won,

37. For Taiwanese elites' sense of predicament, see Gao Xizhun, "Hou Taiwan jingyan yu xin Taiwan ren," pp. 22–24. Thomas A. Metzger first introduced this concept in his classic *The Escape from Predicament* (New York: Columbia University Press, 1977).

38. Zhongguo luntan bianweihui (The Committee for the China Forum) (ed.), *Zhishifenzi yu Taiwan fazhan* (*The Intellectuals and Taiwan's Development*) (Taipei: Lianjing chubanshe, 1989), p. 133.

39. A recent survey of Taiwan's top civil servants revealed that 70% hold doctorates or master's degrees, a higher educational level than their counterparts around the world. See Allen Pun, "Officials among best educated," *Free China Journal*, 28 June 1995, p. 4.

refused to speak out on behalf of Taiwan "independence," although many DPP members yearn for it in their hearts.

The KMT's endorsement of Sun Yat-sen's Three Principles of the People also helped nurture an elite and popular acceptance of the market process. Sun's concept of promoting the people's welfare (*minsheng*) was neither Marxist nor anti-capitalist and stressed social harmony rather than class warfare. *Minsheng* also tolerated an expanding capitalist economy and affirmed the role of the economic process whereby people create wealth. Sun's concept of national sovereignty (*minzi*) emphasized elevating China's international status and restoring national pride. His concept of people's rights (*minquan*) affirmed national and local elections for society's leaders and legitimated political party competition. As one pundit put it, the Three Principles of the People, which the KMT propounded for many decades, "was very modern. Either as a theory of people's rights or of the people's livelihood, it was a vital essence that motivated the country to gather its strength to develop concrete forms of national reconstruction."[40]

Unlike Western and Japanese societies, Taiwan's authoritarian leaders had at first suppressed Marxism and socialism in favour of a powerful, elite-shared teleological vision that has only recently diminished in force. The elites still share a "sense of predicament," which coexists with what Thomas A. Metzger describes as "epistemological optimism." Moreover, as Metzger has perceptively pointed out, the Chinese elite initially preferred the Rousseau strain of democratic theory to that of Millsian democracy. But for Taiwan's democracy to have evolved smoothly, leaders and elite alike had to become more tolerant of selfish interests. Such cultural adjustments had occurred in the martial law era and continued thereafter to enable more elites to reject Rousseauist democracy in favour of Millsian democracy.[41]

As Taiwan became a sovereign nation and developed a capitalist market economy, a democratic, constitutional republic and a free market for information and ideas, private organizations sprang up to challenge and monitor the state. These organizations insisted on greater transparency in state decisions and conduct and pressed for accountability of state actions. Examples of this are presented in other articles in this volume.

Another important development was how civil society, overlapping the three market processes described above, helped facilitate significant changes in those values, attitudes and orientations that influence

40. Zhongguo luntan bianweihui, *Zhishifenzi yu Taiwan fazhan*, p. 134.

41. Millsian democracy means that a society has liberty for its individuals, the people have the right to elect their representatives, and finally – a characteristic not often referred to today – these representatives constitute an elite wise in the art of governance and somewhat insulated from their constituents. See Geraint L. Williams (ed.), *John Stuart Mill on Politics and Society* (London: Fontana, 1976), pp. 177–185 in particular. The very different Rousseau concept of democracy refers to empowering the people through representatives who will reflect the people's general will, thus creating a form of "unlimited democracy" that, contrary to Rousseau's theory, will enhance government power. See Donald A. Cress (trans. and ed.), *Jean-Jacques Rousseau: Basic Political Writings* (Indianapolis: Hackett Publishing Co., 1987).

individual and social behaviour.[42] Thus Taiwan's evolving ideological market process facilitated ideological and social change. As people acquired more life chances and experienced new social interactions, they learned new values, attitudes and orientations that endorsed democracy as a way to resolve disagreements and affirmed a tolerance for differences of opinion.

For example, under the limited democracy of the martial law era, participants in political life became more tolerant of their political opponents as they learned to debate and communicate with them. During Taiwan's democratic transition after martial law was lifted, bitterly opposed politicians learned to disagree with less rancour. Party voters learned to tolerate other voters who had cast their ballots for opposition candidates and vice versa. Defeated candidates learned how to be dignified in defeat and people in general became more tolerant of one another. Secondly, many people lowered their expectations of their leaders, although they may continue to criticize them relentlessly. Opinion polls suggest, however, that the majority of Taiwan's people, realizing that their leaders cannot be accountable for everything that goes wrong, view only a few problems as key – national security and the safety, prosperity, and tranquillity of citizens. Thirdly, Taiwan's citizens have become aware that their resources are finite and must be allocated and used efficiently and fairly. There is a growing awareness that Taiwan's environment has been severely polluted and that a clean environment is as important for health and the quality of life as individuals being able to produce and purchase more consumer goods and services. Finally, there is an emerging sense of citizenship and its obligations and a growing concern for nation and community. When hundreds of thousands of families relocated to the cities during the 1960s and 1970s, they came to realize that city life worked towards community if citizens embraced and practised certain rules: queuing for buses, not spitting in public places, removing piles of litter and rubbish, holding only a ROCOT citizenship, and so on.

Conclusion

Tensions had periodically afflicted the Taiwan Strait since 1949. But from 1987, hostilities had eased, partly as a result of an evolving economic integration. By the summer of 1995 the ROCOT's national sovereignty was in peril, giving rise to the possibility of errors and misjudgment that could lead to conflict between mainland China and Taiwan. Beijing's leaders, misunderstanding Taiwan's democratization, had begun to believe that Taiwan's leaders, especially President Lee, intended to establish a Republic of Taiwan independent of mainland China. During the Cold War the United States protected the world's

42. The ideas expressed in this section owe much to ongoing discussions with Thomas A. Metzger about Taiwan's social transformation and how and why it differs from that of so many other countries.

democratic camp from the proverbial totalitarian Communist empire; in Huntington's third wave of democratizing countries, few nations worried about another nation undermining its society or threatening its sovereignty. For the ROCOT, however, the problem is more complex.

The ROCOT lacks a security treaty with the United States or membership in the major international organizations of the world, and hence is solely dependent on its diplomatic skills, economic power and military capabilities to defend itself against a formidable giant across the Taiwan Strait that is becoming steadily stronger and more nationalistic. In the past few years the ROCOT has tried to improve relations with the PRC while gradually re-entering the world order of nations, but it has been a risky and difficult balancing act. The PRC's unwillingness to acknowledge ROCOT sovereignty on the one hand while building co-operative links with this fledgling democratic republic on the other is the main reason for the revival of cross-Strait tensions.

As the 21st century approaches, both the PRC and the ROCOT are evolving according to their different historical patterns of economic, political and ideological market processes and civil society development. If these different patterns of evolution can coexist without the tensions across the Taiwan Strait producing war, the leaders and elites of these two Chinese societies should somehow be able to agree to disagree while finding the means to co-operate and create some kind of new political framework. For the well-being, peace and prosperity of both societies, if such a framework, perhaps of the commonwealth type, can be created, a new and greater China could form in the next century, a vision for all Chinese to adhere to. Such a China would not be regarded as a threat by its neighbours and the world would welcome it. Therefore, the new Chinese civilization on Taiwan may hold the key to China's future. But whether *fortuna*, good luck and favour, and *virtus*, the skill, courage, energy and spirit of political leaders, will allow that to happen is another matter.