

Jan 2, 2026

School Club

Presented by Lydian

INTERNATIONAL AFFAIRS STUDY CLUB

Lecture 4 : Taiwanese Disease

Leaders | Trade and exchange rates

The hidden risks in Taiwan's boom

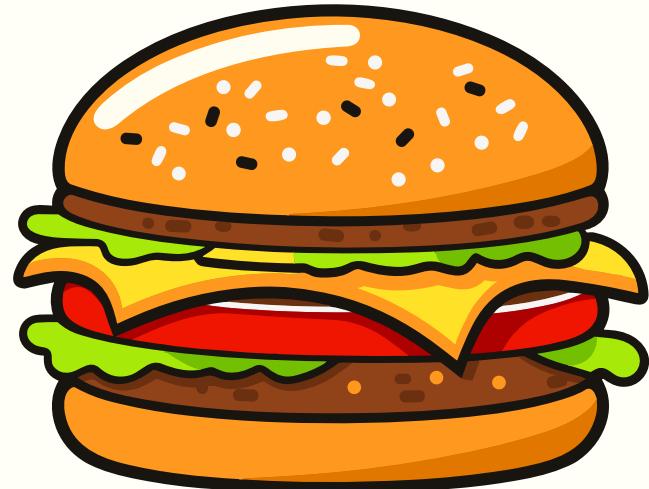
A weak-currency policy is punishing
consumers and storing up financial risk

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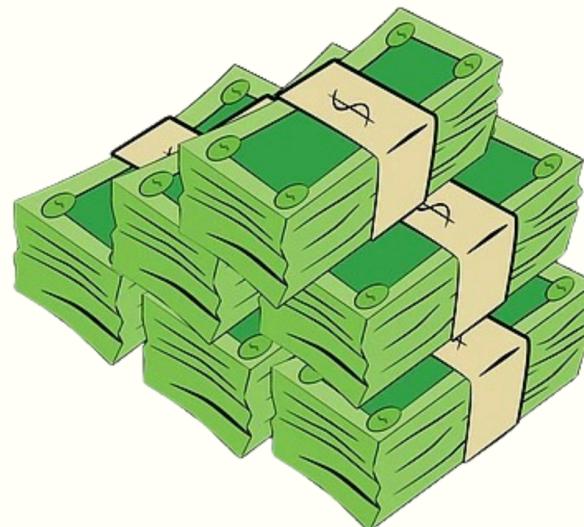


經濟學人 The Economist :



The problem of an undervalued TWD:

- The central bank suppresses the exchange rate to protect export competitiveness.
- According to the Big Mac Index, the New Taiwan Dollar is undervalued by 55%.



A low TWD causes three major negative effects:

- Consumers face an implicit tax that reduces purchasing power
- Housing prices soar 4-fold
- Excessive foreign exchange reserves



Dutch Disease

[*'dəch di-'zēz*]

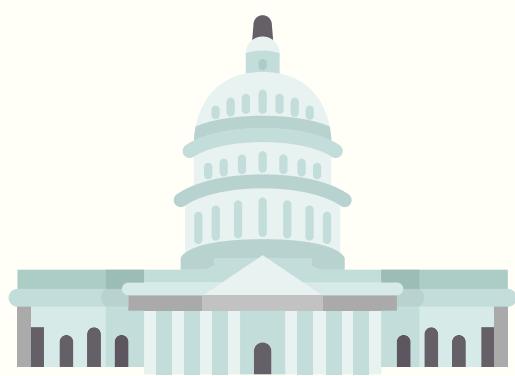
The negative consequences that can arise from a spike in the value of a nation's currency.

Dutch Disease

In the 1960s, the Netherlands suddenly discovered large natural gas reserves in the North Sea and began extraction, but the result ended up hurting the domestic manufacturing sector's export competitiveness.



荷蘭病 Dutch Disease



- Small countries
- Domestic demand is limited
- They mainly rely on manufacturing exports for economic support

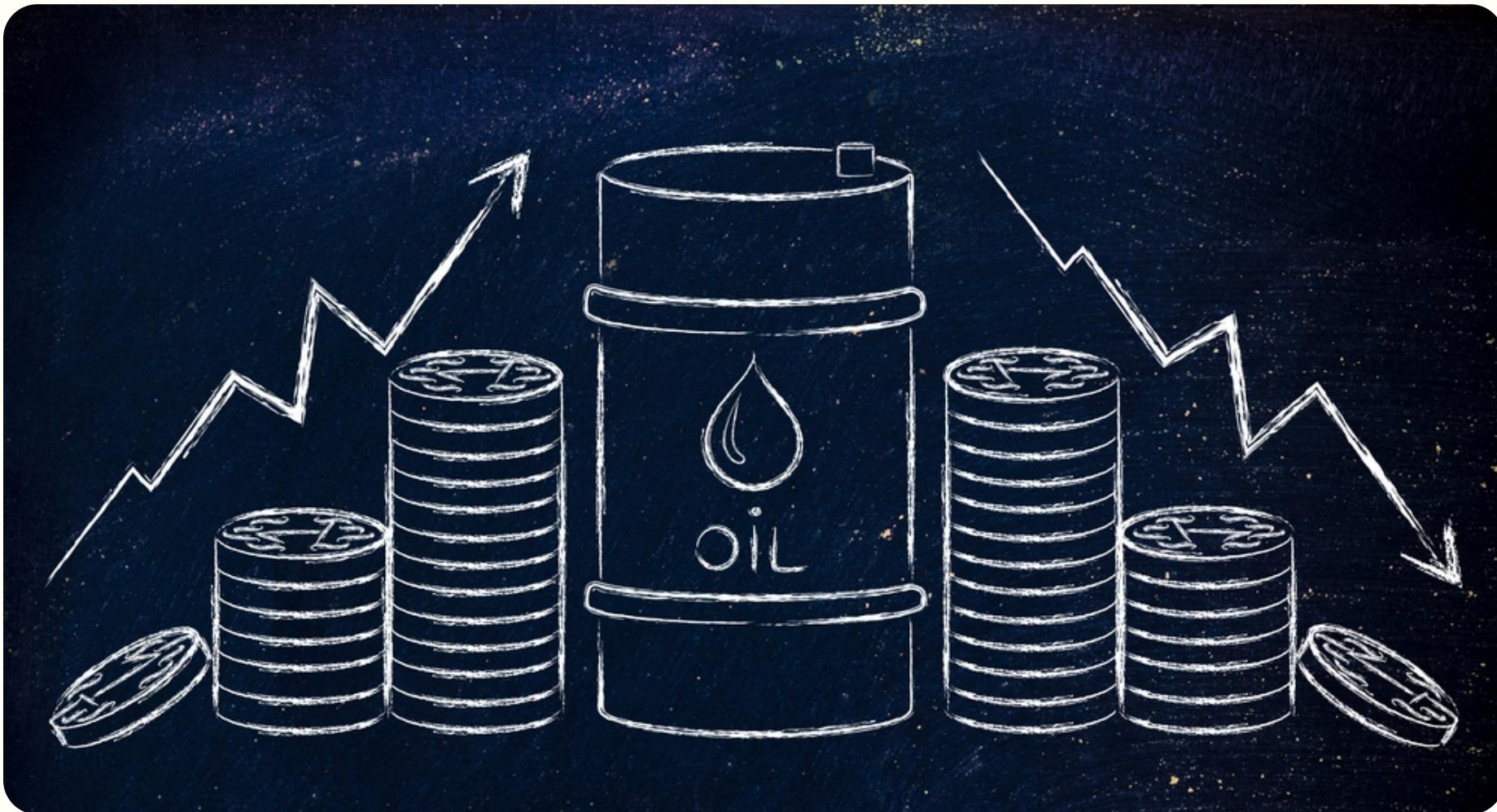
With strong government support, the natural gas industry developed rapidly

Export-oriented manufacturing suffers damage

- Increased demand for labor → labor costs rise
- Natural gas trade surplus → Dutch guilder appreciates
- Currency appreciation → massive imports of foreign goods → continued pressure on manufacturing

Dutch Disease

The phenomenon in some small- and medium-sized economies where the sudden growth of a primary industry leads to the decline of other industries



Suddenly gaining a windfall can lead one to neglect their main business, which is detrimental in the long run.

Why these three negative effects?



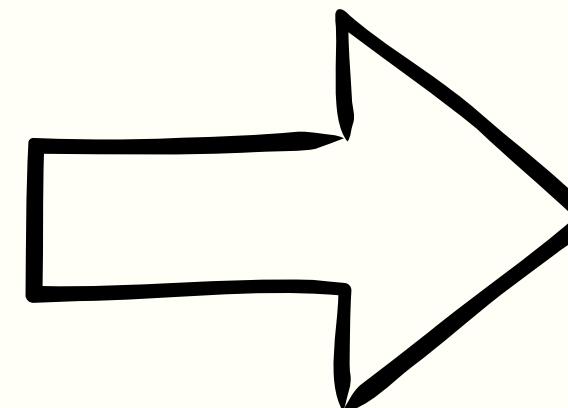
1. 隱形稅與購買力下降

匯率偏低意味著台幣相對於外幣「不值錢」

- **進口成本增加**：台灣高度依賴進口能源、原物料及民生物資。台幣匯率低，購買這些物資需要支付更多，導致國內物價上升
- 出口利潤留在企業主手中，但一般民衆卻得承受更高的進口物價



原本花100元可以買到的東西



匯率被壓低
物價上升



現在要花 110 元，這中間消失的 10 元
購買力被稱為「隱形稅」

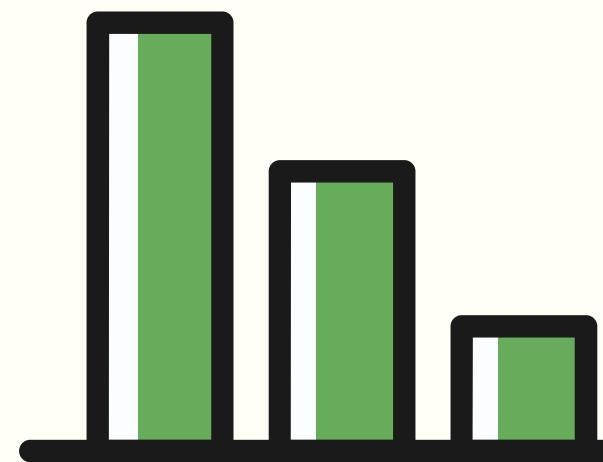
台幣偏為什麼會有這三個負面影響？



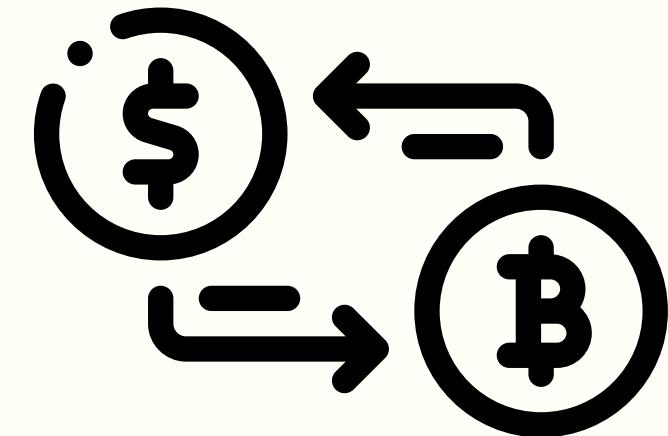
2. 房價飆漲

為了壓低匯率，央行進入市場「賣台幣、買美金」，同時防止資金回流推升匯率，央行長期維持**低利率政策**，導致：

- 熱錢大量湧入房地產與股市
- 為了保值，**更傾向將資金投入不動產**，進一步墊高房價



壓低匯率
「賣台幣、買美金」



如果台灣的利率很高，全球的
投資人就會想把錢換成台幣，
存進台灣的銀行賺利息



台幣的需求增加，
匯率又上升

台幣偏高為什麼會有這三個負面影響？



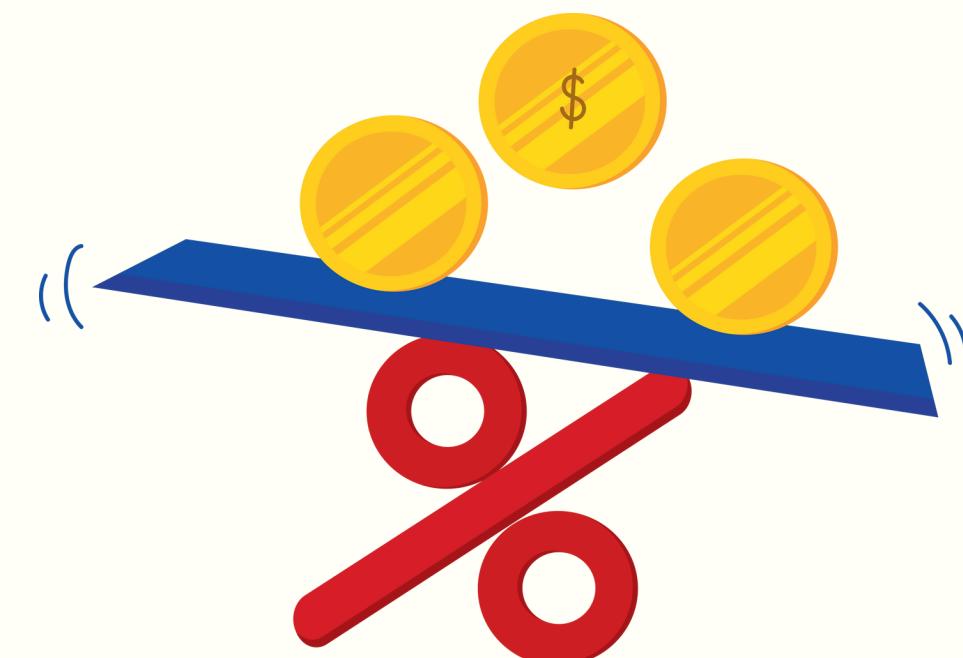
3. 外匯存底過多

為了壓低匯率，央行「賣台幣、買美金」，外匯存底已突破 6,000 億美元

- **大多投資於低收益的外國公債**，而非投入國內建設或產業升級
- 若未來台幣被迫升值，央行將面臨鉅額的匯兌損失



內部：為了買外匯，導致國內
台幣太多



因為持有太多外幣資產，導致央行與金融
體系都變成了「台幣升值的受害者」

台幣偏高為什麼會有這三個負面影響？



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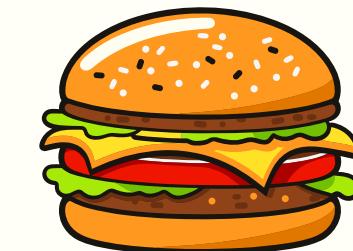
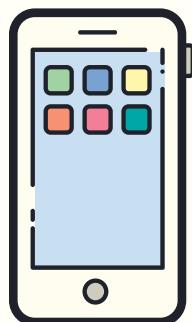
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Central Bank Response



- The Big Mac Index suggests the TWD is undervalued by 55%, but if we use the “iPhone Index” to consider the purchasing power for tech products, the New Taiwan Dollar is actually overvalued by 17.1%.
- Exchange rates are no longer determined by the purchasing power parity (PPP) of a “basket of goods,” but are dominated by massive cross-border capital flows.



Central Bank’s Conclusion: Since the diagnostic tool (Big Mac Index) is unscientific, the claims about the negative effects of “Taiwan’s disease” are also “unfounded.”



Discussion Topic: Taiwan's Future Blueprint

Taiwan's Future Blueprint



To help everyone think from different perspectives, the discussion will be conducted through role-playing.

Groups and Roles

- Four roles: Government (Central Bank), Leading Tech Company, Traditional SME, Ordinary Worker

Discussion Procedure, Two rounds in total:

- **Round 1**: 8 minutes of discussion. Afterward, each group presents their position on stage for 3 minutes. They can also ask questions or make requests to other roles.
- **Round 2**: Based on each role's position, 8 minutes of discussion on the previous points, expressing agreement or disagreement. Then each group has 3 minutes to respond and reiterate their stance.

題目：面對「台灣病」，我們的核心訴求是什麼？

願意做什麼樣的讓步來換取利益？希望台灣的未來是什麼樣子？提出的可能解方是什麼？

政府（央行）

社會穩定

匯率要穩定、利率要慢慢調，不要讓經濟波動太大

科技業龍頭

全球競爭

給我們穩定的電力、土地與研發補助，
匯率請保持低檔

傳產中小企業

存亡保衛

千萬不能讓台幣升值！
救救我們這些養活數十萬人的工廠

一般上班族

生活品質

房價要降！台幣要升值增加購買力！
別只顧著保護大老闆

Summary



There is no “perfect” policy; the economy is like a balance scale.

The high housing prices and low wages you feel now are all backed by a complex economic logic!

Although The Economist criticizes the central bank, the real problem is that Taiwan cannot rely on just one pillar!