Introduction

This study is about the employment experiences and the family lives of married women in Taiwan's satellite factory system. It analyzes how Taiwan's "economic miracle" comes about in a local and daily way through the work and family lives of married women. From the theoretical perspective, it explores the intersections between capitalist logic and patriarchal practices, the interplay of class formation and gender stratification, and the linkage between the individual, family/factory, state, and global restructuring. The book's title, *Living Rooms as Factories (Keting Ji Kongchang)*, is taken from a slogan employed by the Taiwanese government in its developmental programs that promote homework and thereby foster married women's labor force participation. I use it to highlight the particularity of Taiwan's economic development, the special roles played in it by the state, and married women's significant contribution to it.

The satellite factory system is a concept constructed to study a hierarchical subcontracting manufacturing system that consists of numerous small-scale, family-centered, and export-oriented factories. Most of these factories are located in urban residential neighborhoods, at the fringes of urban-rural conjunctions, or in peasants' front yards that were formerly used to dry grain. Inside the factory, youngsters run around while their mothers are busy polishing, assembling, packing, and packaging. Often these women are planning what to make for dinner; many have their babies on their backs. These factories usually further contract work out to homeworkers whose living rooms are converted for factory production.

The word *satellite* is translated literally from the Chinese words 衛星 *(weixing)*. The Chinese emphasizes the interconnections among

these factories and their links with international markets. As part of a production system, a chain of several factories is involved to manufacture a single product, with individual factories producing parts only. By small-scale, I mean factories with fewer than thirty workers. The size is chosen on two grounds. First, under Taiwan's current Standard Labor Law, unionization is not allowed in factories with fewer than thirty workers. This prohibition is essential to my analysis of labor control on the shop floor and labor politics in the workplace. Second, even though the number thirty is not an exact cut off point, factories with a significantly greater number of employees are organized very differently, as far as production, management, and workforce composition are concerned.

Over the last three decades, Taiwan's widely recognized "economic miracle" has produced an average 9.1 percent annual growth in gross national product, as against an average of 6.9 percent for the United States (Wu and Chow 1992). Much of Taiwan's economic progress has been made by its export sector: in the early 1950s, only 8.6 percent of the gross national product (GNP) was contributed by exports; but by the mid-1970s, the export sector accounted for fully 54.3 percent of Taiwan's GNP. Even under the impact of protectionism in the 1980s, the export sector still contributed 41.4 percent of Taiwan's GNP (Wu and Chow 1992, 8–9). By 1990, Taiwan had become the thirteenth-largest trading nation in the world, with a US$88 billion trove of foreign reserves (*Time*, 1992, September 7). The GNP per capita increased from US$154 in 1960 to US$7,332 in 1990, bringing Taiwan out of the so-called underdeveloped category.

Taiwan's economic growth ran parallel to the restructuring of the international market. The market, once dominated by the mass production of the First World, has gradually been seized by the newly established factories of Third World countries.[1] In 1965 the United States had a trade surplus of approximately US$1.9 billion with the developing countries. By 1988 this had been converted into a trade deficit of more than US$45 billion dollars. The reliance of the First World upon the Third World for manufactured goods, and the structural shift from exporter/supplier to importer/buyer has been categorized as global restructuring (Ward, 1990). In this restructuring, the so-called Four Dragons—that is, South Korea, Taiwan, Hong Kong, and Singapore—have played vital roles. In 1965 less than 7 percent of U.S. imports from the developing countries came from the Four Dragons. By 1988 these four countries supplied about 41 percent of U.S. imports from the same

TABLE 1.1
Sources of Imports to the United States, Selected Years (billion U.S. dollars)

	1965	1970	1975	1980	1985	1988
Taiwan	93	549	1,946	6,854	16,396	24,804
Hong Kong	343	944	1,573	4,739	8,396	10,243
South Korea	54	370	1,442	4,147	10,013	20,189
Singapore	—	81	553	1,921	4,260	7,996
Total	490	1,944	5,514	24,515	39,065	63,232
Third World	7,145	10,442	39,311	117,025	116,161	153,127

SOURCE: *Statistical Abstract of the United States*, various years.

category (see Table 1.1). Among the Four Dragons, Taiwan has become the largest supplier, accounting for 16 percent of American imports from the Third World in 1988, and enjoyed a trade surplus of $13.9 billion in 1989.

Many developing countries, in the process of industrialization, have experienced an influx of foreign capital, the establishment of large multinational corporations in export processing zones sponsored by the state, and the inflow of young single girls to work in the new factories. What sets Taiwan apart from most of the others is a remarkable reliance upon numerous small-scale, family-centered, and export-oriented subcontracting factories outside the export processing zones.[2] In fact, over the last two decades, about 85 percent of the factories in Taiwan's manufacturing sector had fewer than thirty workers. Hence, it is not too much to claim that Taiwan's satellite factories have been at the core of the country's "economic miracle."

However, our current understanding of Taiwan's export-led economy and its effects on women have mainly derived from the literature concerning women's labor force participation. Studies analyzing statistical data identify either the recent increases in female labor force participation (Liu 1984; Y. Liu 1985; Chiang and Ku 1985; Tsay 1985, Liu and Hwang 1987), the overall difference in patterns of labor force participation between men and women (Greenhalgh 1985; B. Chou 1989), or factors contributing to that difference. Other case studies complement the quantitative figures by bringing women's voices into the picture. In order to find out how paid employment affects women, researchers have

focused on the work experiences and family status of young single women who were recruited by newly established large factories in the 1970s (Arrigo 1980, 1984; Diamond 1979; Kung 1976, 1983, 1984). They were mainly interested in discovering under what conditions these young women are hired, how much money they send back to their families, and how much say they have in whom they marry.

The focus of these studies on young single women in the large newly established factories may be due to the fact that they were conducted in the 1970s when the influx of young single women was at its height.[3] As a result, we know very little about workers in the majority of Taiwain's factories, that is, those with fewer than thirty workers. Nor do we know what happened to the first cohort of Taiwanese factory daughters when they married. My effort to fill this void first started in the last years of my graduate studies when I became interested in the work, marriage, and family experiences of Taiwan's first cohort of factory girls.

At the beginning, I encountered two different pictures. On the one hand, some studies document that most of the factory girls were forced to resign when they married (Kung 1983; Lu 1984). This conclusion is confirmed by Hill Gates' pioneering work on class formation in Taiwan's economic development process. Gates uses the term "part-time proletarians" to emphasize that workers in Taiwan only spend a few years of their lives working in the factory. Once married, both men and women look for opportunities outside the factory system (Gates, 1979). On the other hand, a few reports did record the existence of a large number of married women in the small factories (Niehoff 1987; Stites 1982, 1985). Their observations were supported by what I had witnessed as a junior school teacher in a fishing village in the central part of Taiwan in the mid-1970s. On regular visits to my students' families, I saw that toys, plastic flowers, and Christmas ornaments were made by my female students, their aunts, and their mothers. "These are for the Americans," I was told. My hunch then was that, after they were married, Taiwan's first cohort of factory girls might have moved from the large factories to small ones in their neighborhoods or worked as homeworkers for these satellite factories on a piece-rate basis.

My intellectual interest in resolving the contradictory reports intersected with my personal trajectory as a Chinese feminist. As an indigenous Chinese researcher, I have many advantages. Knowing the language, ecological environment, and cultural norms and practices in

Taiwan put me on a par with my Chinese colleagues. At the same time, as a researcher influenced by Western feminist scholarship, I viewed existing class and gender inequalities in Taiwan with a critical eye.[4]

Because I wanted to take a fresh look at what was going on in the factories, participant observation seemed to be the best approach. Before I began my fieldwork, I was warned that tensions between management and workers might create difficulties for me if I intended to cover both sides of the story. People suggested that I avoid possible disaster by studying the position of either the management or the workers. I decided to focus on the workers, if I had to choose between the two.

In the summer of 1989, I spent three months in satellite factories that made wooden jewelry boxes, working in six and visiting about thirty others. Most of them were located in the central part of Taiwan. In December 1989 and January 1990, I revisited the factories and talked to the people I had met on my first trip.

In the field, I was seen, treated, and approached simultaneously as an insider and an outsider. From the standpoint of people in the factory, my outsider status came from what I did (studying in the States), while my insider status came from who I was (an indigenous woman). Our shared experiences made it easy to get on a friendly footing in the factory. For example, during a break, an owner's mother, a widow in her midseventies, told me what types of odd jobs she had done to raise her children. When she described how hard it was to make straw hats at night under oil lights, I understood what she said because my family once lived in a remote mountain village where there was no electricity or running water. As a child, I did my homework by candlelight, and my sister and I used to carry water from a mountain spring an hour away from our home. On another occasion, I talked with several male factory owners about the games we used to play in the rice fields when there were no video games, no Ninja Turtles, and no high-rise buildings.

My coworkers' curiosity about my life and experiences in the United States allowed them to relate to me as both insider and outsider. The fact that I had to make extra efforts to get rice from Chinese grocery stores in Monterey Park, California, brought comments such as "We never realized it could be an issue" and "I could never live without rice." My coworkers were surprised but delighted to learn that, rather than beef steak, my favorite dish was bitter melon, a vegetable that is very popular in Taiwan but only available in a few Chinese grocery stores in the United States. I told a coworker in her early sixties that I once dreamed

of a bitter melon dish, "but because I was too excited, I woke up before I had a chance to taste it in my dream." The few times I was invited to her home after that, she made sure that there was bitter melon on the table. When she and I went to their garden patch in the middle of the rice field, to pick some herbs and dig out some sweet potatoes for a special soup I had not had since my family left that mountain village, I felt as if I had come home at last.

To me, working in the factory was like experiencing a life I had just luckily escaped by a small margin. Throughout the years, it has been clear to me that my continuing advancement in higher education owed less to my school performance and more to my father, who treasures his daughters as much as his sons, and to my mother, who believes that there is no way that her daughters are inferior to anyone's sons. By the time I got into university, many of my girlfriends from elementary school were married. As I move on to various stages of my life, I have never stopped wondering what would have happened if the girl sitting next to me in fifth grade had been given the same opportunity her brothers or I had, and what has happened to the female students I taught in the fishing village. When my coworkers told me stories about their work experiences and family lives, I felt as though my childhood girlfriends or my former students were telling me what had happened to them since I left.

Once in the field, despite the warnings I had been given, it soon became clear to me that covering both sides of the story was the only way to go. Because factories ranged in size from three to thirty workers, it was virtually impossible to get access to workers without the consent of their bosses. Not only was interacting with the bosses essential for my data-collection purposes; listening to them talking about their operating strategies also helped me to understand the structural constraints experienced by Third world exporters. Focusing exclusively on factory workers not only proved to be technically problematic, but would also have left me with an incomplete picture.

My entry to the factories was granted by the owners partly because of the identity they perceived us to share. I was welcomed as someone who recognized the contribution that the small-scale factories have made to Taiwan's export-led economy, as well as the hardships that they have endured along the way. My presence was further appreciated by the owners because I worked for free. One owner even tried to prolong my stay when I was preparing to move on to another factory. Another claimed, "If we were to pay you, you would feel obligated to work like

a real worker" (meaning to keep up with the same productivity level). The calculating manner in which the owners dealt with my labor was a source of tension throughout my fieldwork. In the last week of my stay, I learned indirectly that the reason one of the factory owners had acted aloof was that I was not willing to work in his factory for more than two weeks. According to my source of information, the owner would not talk to me in depth unless I agreed to work there for at least a month.

Because the factories were small, it did not take long for me to know every worker on the shop floor. I was quickly accepted as an insider by the workers and was frequently laughed at as being incapable of working as hard as they. My relationships with female coworkers were especially rewarding. One old lady in a factory started to tell others in the village that I was her daughter. Concerned about my future, she questioned whether I would ever be able to get a job simply by knowing how to read books. Before I left, she told me to call on her if I ever had trouble finding a job. She said, "We can always get you something here in the factory. Don't worry." Another female worker in her early sixties, who was still involved in matchmaking, taught me all the tricks one needed to become a popular and successful matchmaker, so that I would be able to surmount any future financial hardships. "I am sure even in America there are people who want to get married but don't know who is available. If you talk to people regularly, matchmaking is really easy," she said.

Along with this friendship and acceptance came the pressures that I felt after my coworkers learned about my personal background. They were very surprised that I did not have a child although I had been married for many years. Their instinctive response was "Have you seen a doctor?" On one occasion, a group of female homeworkers told me unanimously that I should have at least one son to perpetuate my husband's family name, since he is his parents' only son. On another occasion, a woman offered to tell me how to ensure that I get a son in my first pregnancy. The fact that I stayed in my parents' house, rather than with my in-laws, as also an issue of general concern. One female worker asked me whether I had gone back to my husband's family or my own family when I had first arrived in Taiwan. I learned later that her in-laws had granted her only two visits to her parents in the fourteen years of her marriage.

My efforts to cover the perspectives of both factory bosses and workers ran up against my political concern for the workers' welfare. In

order to capture and understand how workers in general, and female workers in particular, are perceived by their bosses, I had to subdue the feminist and political beliefs that had brought me there in the first place. Thus, instead of jumping to a quick conclusion, I calmly asked a male factory owner to explain why he believed that female homeworkers were "petty minded." As an indigenous feminist researcher, I was inspired by and drawn to my female coworkers' inner strength and their gutsy and determined personalities. My feminism and compassion put me in touch with the pain and triumph of my coworkers; but I had to hold back my impatient reaction to those who weren't taking any action. After carefully documenting women's actions and inactions, I came to see that battles that have never been fought tell as much about the system as battles that have been won. As I witnessed the government's power over workers in general, and working-class women in particular, I was led to explore the state policy on labor control and its "Living Rooms as Factories" program.

In the field I juggled two modes of self-presentation every day: a keen observer on the one hand and a vocal feminist on the other. Looking back, I realize that I was in constant negotiation with the very system, and the agents of that system—most of them men—that I had set out to study. This negotiation process gave me firsthand experience of patriarchal and capitalist control in Taiwan's satellite factory system. These personal experiences provided invaluable insights and eventually helped me to tease out both subtle and the not so subtle mechanisms that underlie class and gender relations in Taiwan's satellite factory system.

In the end, I came to question the dichotomous conceptualization of the power relationship between female ethnographers and female informants presented in recent discussions of feminist methodology (Patai 1991; Stacy 1991; Acker et al. 1991). These focus on the intrusion and intervention of the researcher into the lives of female informants, the appropriation of the informants' private emotions and stories by the researcher, and the dominant position of the researcher in presentation and representation of the researched. I challenge this model by pointing out the multidimensional power relationships, of which the patriarchal/capitalist system, individual agents of the system, female informants, and female feminist researchers are the key constituents. I argue that a multidimensional portrayal of power relationships provides a contextual framework in which the feminist researcher can best explore how power

structures are constructed and contested through everyday interaction between the dominator and the dominated (Hsiung, forthcoming).

Generally speaking, the ethnographic data on the organization of the satellite factory system, on its labor process, and on workers' resistance, come mainly from my first trip, when I worked in the factories. During my second trip I gathered information about how the factory, its workers, and the workers' families cope with the seasonal fluctuation of production. My interaction with workers in the factories was more relaxed during the second trip because winter is the slack season. However, my initial plan to conduct in-depth interviews with the married female workers whom I had met during the preceding summer proved unworkable because, upon arriving at the women's homes, I was often greeted by the women's husbands. Conversation was dominated by their husbands even though many of the female workers had proved very articulate when I talked with them in the workplace. As a result, when I sat down to analyze the ethnographic data, I realized that I could not talk about women's work and family lives without discussing their relationship with husbands and male coworkers. Nor is it possible to understand workers' employment experiences without taking their interaction with their employers into account. Therefore, although the book's main focus is on the family and working experiences of married women, I will also be referring throughout to men and employers to illustrate the interplay of gender and class in the satellite factory system.

In my analysis I treat patriarchy and capitalism as interlocking systems. Patriarchy mainly takes the form of institutional forces that define and sustain male domination and female subordination in household production. Capitalism here denotes means and mechanisms that ensure surplus labor appropriation in the satellite factory system.[5] Together, they form the material foundation and ideological parameters within which married female workers endure their everyday trials and achieve their triumphs.

My discussion of class and gender relations, although focused on Taiwan, has broader relevance and raises a number of interesting theoretical issues. For instance, the decline of the agricultural economy in the course of economic development, a prominent feature of the Taiwanese experience, has brought about similar changes in social structure and everyday life in many Third World countries. As the agricultural sector shrinks, peasant families begin to engage in commercial farming or mi-

grate to urban centers for newly available jobs in the manufacturing sector. In Taiwan small-scale manufacturing production was pursued by families as their survival strategy. Fathers often converted land and family treasure into capital, in order to set up small factories. In this way, they hoped to attract their sons back from the cities and keep the extended family together. "Machines, instead of land, became the new means of production and thus contributed to the cementing of father-son relations" (Hu 1984, 119). As small-scale factory production gradually extended into local communities, apartment dwellers in the inner city began to complain about the noise from the upstairs neighbors who had recently converted their living rooms into underground factories (Hsu, 1976). The family-centered aspects of these small-scale factories were not entirely new to working-class people in Taiwan. Small food stands on the street corner, barbershops in the village, or convenience stores in the neighborhood are normally run by a couple with help from their children (Gates, 1987). What is new, however, is that these small local factories form a socioeconomic system that generates and mobilizes local resources to serve international demand. Studying the dynamic of macro and micro forces in Taiwan during its transformation from an agricultural into an export-oriented manufacturing economy can thus shed light on the phenomenon of economic development more generally. Similarly, by analyzing the interrelationship between women and the state in a particular developing economy, my book makes a contribution to the broader topic of women and development.

Inspired by feminist research on women's productive and reproductive labor, this study also looks at the gender division of labor within the family and factory. Married women in Taiwan's satellite factory system are not alone as they seek to carve out a niche at the intersections of capitalist logic and patriarchal practices. The lace makers in Narsapur, India, skillfully carry out both their productive and reproductive responsibilities. As housewives, they spend most of their morning hours on household chores. As workers producing for the world market, they put in an additional six to eight hours every day doing homework (Mies 1982). It has also been well documented that married women caring for young children either withdraw from formal employment temporarily or engage in part-time, informal work through subcontracting. Therefore, as one looks into women's work experiences, it becomes clear that the issue is not so much whether or not they have ever been integrated into the labor market. Rather, one needs to ask how these women reconcile

their "work" with their domestic duties. Thus, although I rely on narratives of Taiwanese women to unravel the intertwined productive and reproductive labor of women, my findings have implications for women elsewhere.

The oppressive conditions found in Taiwan's satellite factory system—low wages, poor working environment, severe labor control—are common to many developing countries. Even in the United States, with its highly developed economy, numerous sweatshops continue to operate under similar conditions (Beneria and Roldan 1987; Sassen-Koob 1989; Stepick 1989; Fernandez-Kelly and Garcia 1989). The garment industry in large cities such as Miami, Los Angeles, and New York is notorious for taking advantage of female illegal workers and recent immigrants. Scholars therefore no longer conceptualize the unregulated and decentralized economic activities in the informal sector as transitory phenomena confined to the Third World (Portes, Castells, and Benton 1989; Beneria and Roldan 1987; Portes and Sassen-Koob 1987). Instead, these conditions are viewed as the by-products of capital accumulation on a global scale. For example, Mies (1988) showed that, after the Third World was integrated into the global economy, women were pushed into low-wage or nonwage labor, while Bennholdt-Thomsen (1988) demonstrated the importance of unwaged labor to the global economy. According to Bennholdt-Thomsen, surplus value from wage labor constitutes only a very small segment of capital accumulation globally. As capitalism advances, workers are incorporated into the system as unwaged laborers through a process of "housewifization." Similarly, Werlhof (1988) maintained that proletarian labor is increasingly replaced by labor that "bears the characteristics of housework, . . . labor not protected by trade unions or labor laws, that is available at any time, for any price." These new trends of deregulation, informalization, and feminization have enabled an increasing number of factories to reduce their reliance on permanent full-time wage workers as more and more casual and piece-rate workers are hired through subcontracting (Standing, 1989). Thus the everyday struggles between bosses and workers in Taiwanese factories I visited undoubtedly resemble what goes on in workplaces around the world, wherever informal and unregulated labor is the norm.

Against this general background, I intend to address three specific questions: first, how an "economic miracle" based on the principle of "living rooms as factories" comes about at the local and everyday level; second, how these factories survive and stay competitive in the global

context; and third, what it means to men and women to be incorporated into a productive system that is small in scale, family centered, and export oriented.

Women and Development in Taiwan

My initial curiosity about the lives of the first cohort of Taiwan's factory daughters after they are married took me to small factories in rice fields, sweatshops on the back streets and alleys, and families' living rooms. There, I found that a significant number of this first cohort of factory daughters continued to work in the manufacturing sector after marriage. Until recently, however, this phenomenon has received very little scholarly attention. For many older women, moreover, working for these factories was their first nonagricultural employment. As the project unfolded, I became increasingly convinced that it is essential to include married women's experiences in the satellite factory system as part of any research directed toward women and economic development in Taiwan. Most factories in Taiwan's export sector are very small, and since the 1970s the rate of increase in married women's labor-force participation has been higher than that of single women. Our understanding of women and development in Taiwan is therefore incomplete without careful analysis of married women's experiences in the satellite factory system.

When I looked closely at changes in women's everyday lives brought about by Taiwan's industrialization, I was struck by the fact that patriarchal norms and practices tended to emerge in a new guise. One such change was reported in 1984 by Tai-Li Hu, an anthropologist who thought nothing would surprise her anymore after staying in New York City for several years. Hu was shocked by what she saw in her mother-in-law's village in central Taiwan. It took her a while to figure out how it could be that "a boy of nineteen slept with his girlfriend at his home, and his parents did not say a word" (Hu 1984, 121). Apparently premarital chastity, once highly valued in Chinese society, becomes relatively less important when the groom's family can get a better bride price if a pregnant bride is involved. Having the wedding on a specific "good day" chosen by a geomancer is negotiable, if by delaying the marriage the bride's family can get several more months of their daughter's wages (Hu, 1984). Likewise, what women in the field told me about their first years of marriage gave a very different picture from that described in Margery

Wolf's work on women and family in rural Taiwan during the late 1950s and early 1960s.

In an agricultural economy, the primary responsibility of a daughter-in-law was to bear a new generation, especially sons, for her husband's family. This is probably why women's procreative capacity plays such a critical role in Wolf's analytical framework of the uterine family. According to Wolf, Taiwanese women could only manipulate the patrilineal, patrilocal, and patriarchal family system by creating their own uterine families, in which their sons, and daughters to a lesser extent, are the immediate members. A woman's intimate ties with members of her uterine family ensured her financial and emotional security in an otherwise hostile familial environment. Perhaps for this reason, married women's roles in the *productive* sphere appeared to be less important, if not nonexistent, in Wolf's study of rural women in Taiwan (M. Wolf, 1972).[6]

As industrialization proceeded, even though women continued to be molded into dutiful wives, mothers, and daughters-in-law at marriage, they were now simultaneously transformed into productive laborers (paid or unpaid) by and in Taiwan's satellite factory system. Women are now expected to produce another generation of laborers while acting as workers themselves. The narratives I heard about women's first years of marriage illustrate the continued viability of patriarchal norms during very rapid industrial transformation. The expectations men have about their wives suggest that the satellite factory system represents the latest version of the Chinese family—a locus where capitalist logic and patriarchal practices intersect.

My call for an amended notion of the "uterine family" finds an echo with Ellen Oxfeld's recent work on family enterprise among the ethnic Chinese in Calcutta, India (Oxfeld, 1993). Oxfeld argues that married women employ means other than close emotional bonds to cement the "uterine family" and thereby enhance their well-being in the family. In an urban entrepreneurial context, married women's productive labor serves multiple purposes. According to Oxfeld, family members and local communities praise married women who are active and diligent in the family business. Such a reputation is essential as it ensures a married woman's status in her husband's family. Besides, the sacrifices of a hardworking mother are often essential to secure her son's loyalty and support. In other words, in the nonagricultural economy, close emo-

tional bonds with their sons are no longer sufficient to guarantee the financial well-being of married women.

Married women's new roles in the productive and reproductive spheres also led me to explore several theoretical issues that have not been studied previously. The fist set of these issues concerns how women of different social classes interact and to what extent their experiences overlap and diverge. The existing literature on women in Taiwan focuses either on working-class women (Arrigo 1980, 1984; Kung 1976; R. Gallin 1984a, 1984b) or the professional and middle classes (Diamond 1973a, 1973b, 1975; T.-K. Hsu 1989, 1992; Yao 1981; *Zhongguo Luntan* 1989). The satellite factory system turns out to be an ideal arena to study tensions among women across class lines, as some women achieve higher status as the owner's wives while others remain simply homeworkers and wage workers. Based on women's position in relation to the productive system, I examine the conditions under which women of different groups are pitted against one another. I also show where and how women's experiences overlap regardless of their differing social positions. From the theoretical perspective, the experiences of the owners' wives allow me to disentangle the tension between women's class and gender identities.

Women, the State, and Taiwan's Economic Development

Throughout the years, economists and political scientists interested in Taiwan's economic accomplishments have paid much attention to the contributing factors at the macro level (Myers 1986; Lau 1990; Ranis 1979; Fei et al 1979). In the area of state and economic development, for example, the main emphasis has been on the state's strategic guidance and intervention roles in finance, infrastructure, and the domestic market (Deyo 1987; Henderson and Appelbaum 1992; Gereffi 1989; Castells 1992). This approach, although valuable, fails to examine the implications of state policies at the micro level. Nor does it take into account the sacrifices and contributions of individual men and women as they carry out these policies.

To remedy these failings, I employ statistical as well as ethnographic data to analyze the relationship of macro and micro forces in a period of dramatic socioeconomic change. In order to disentangle the relationship among gender, state, and Taiwan's economic development, I examine the implications of state policies for class formation and gender

stratification. My analysis has its origin in existing studies of the relationship between women and the state.

Based on empirical data, scholars have argued that the Nationalist Party (the Kuomintang, hereafter KMT) has actively fostered women's subordination. Women's status in Taiwan is not simply a continuation of traditional values and culture. Instead, it is a product of patriarchal capitalism, by which the interests of the capitalist, the state, and the international market are served (Gates 1979). Because of the KMT's conservative position, younger women of the middle class who grew up under the KMT regime were less likely to hold paid employment after marriage than women of the older generation who developed their identity in the 1930s when liberalism was prominent (Diamond 1973a, 1973b, 1975).[7] Since the state allocates a large share of its budget to military expenses, it has failed to provide adequate welfare services for working-class families. This lack of services has meant that unless younger women can find child care support, they cannot take advantage of new opportunities to achieve autonomy through labor-force participation. For their part, older women often shoulder household chores and child-care responsibilities in exchange for the daily care needed in their old age (R. Gallin 1984a, 1985b).

This body of literature, along with my fieldwork observations, inspired me to go further and examine the dilemmas posed by the need to reconcile the potential conflict between the capitalists' interest in having plenty of cheap labor and the patriarchal demand for the unconditional service of full-time housewives in the home. I will address this topic in Chapter 2 where I analyze the "Living Rooms as Factories" program and the "Mothers Workshops," two major campaigns of the KMT's Community Development Program that attempted to incorporate married women into productive labor while instructing them to remain morally obligated to contribute to Taiwan's economic development through fulfillment of their traditional duties in the family as wives, mothers, and caretakers.

At the theoretical level, my inquiry echoes Hill Gates' effort to understand the origin of Chinese capitalism in the Sung dynasty (960–1279 A.D.) (Gates 1989). In her analysis Gates proposes two distinguishable but interacting modes of production. The tributary mode of production (hereafter, TMP) functioned to generate revenues from the commoners for the state, which consisted of the emperor and his functionaires. The petty capitalist mode of production (hereafter PCMP) operated to extract surplus values from propertyless households for the ben-

efit of households that owned private means of production. According to Gates, the relationship between TMP and PCMP was paradoxical. On the one hand, the TMP and PCMP stood in conflict because unlimited expansion of the latter could become a fertile ground for powerful clans that could challenge the official state. On the other hand, the TMP and PCMP were interrelated because both drew on neo-Confucianism to define and maintain a hierarchal sociopolitical order. The hierarchal order was critical because it enabled the emperor to extract labor, taxes, and services from his subjects. For the PCMP, neo-Confucianism not only taught the propertyless to accept their subordination, but its doctrine on gender relations also legitimized women's subordination, and hence capital accumulation, through the appropriation of women's productive and reproductive labor.

Although Gates' work deals with the emergence of capitalism in premodern China, it is pertinent to our understanding of Taiwan's economic development in the 20th century. First of all, it is fruitful to articulate the state and the petty capitalist as operating in separate but interrelated domains. In contemporary Taiwan, the tension between the state and independent petty capitalists appears to be less prominent than it was in premodern China. By the time the KMT state launched the export-oriented economic program, it had virtually no potential rival on the island.[8] Besides, as rightly pointed out by a number of scholars, the KMT state has a stake in the expansion of small manufacturing production because its political legitimacy is based upon Taiwan's economic prosperity (Amsden 1979; Gates 1981; Myers 1986). Thus relations between the state and the petty capitalist class are fairly close. Indeed, the KMT has adopted a number of procapitalist strategies to ensure a thriving petty capitalist class. My analysis of the nature of procapitalist strategies adopted by the KMT state takes into account the historic specifics of Taiwan's economic development.

Second, in premodern China, although women's subordinate position was essential to capital accumulation by the petty capitalists, gender stratification served no direct function in the TMP. The development of capitalism in contemporary Taiwan tells a different story. The state's political fate is directly linked to the success of an export-oriented economy, which relies heavily on women's labor. Thus the political aspect of developmental programs such as "Living Rooms as Factories" and "Mothers' Workshops" is as significant as its material function. In effect, I argue, the satellite factory system is a showcase of the joint interest in women's subordination between the state and the petty capitalists. Besides, as Lucie

Cheng and I have demonstrated in our earlier work, Taiwanese women, like women in other developing countries, are expected to satisfy the sexual appetites of local male customers and international tourists. The KMT state accumulates a substantial amount of capital by tapping into the ever-growing sex industry. The profits of women's sexual labor are seized by the state through taxation and through license fees paid by brothels and by legalized prostitutes (Cheng and Hsiung 1992). Therefore, one must treat the KMT state as a gendered construct, rather than a gender-neutral system as economists and political scientists tend to do.

Third, Gates is right in maintaining that the mode of production involves not only production practices, but also sets of political, social, and ideological relationships that underline the transfer of surpluses from the ruled to the rulers and from the dominated to the dominators. In the case of Taiwan, the KMT state has not only adopted developmental programs to expand the potential labor pool for Taiwan's satellite factories. It has further implemented labor policies that orchestrate a superficially "harmonious" but institutionally oppressive labor regime. Legally, the state has deprived workers in factories with fewer than thirty employees of the right to unionize. Politically, the state gives priority to Taiwan's economic growth over workers' welfare and therefore identifies with the capitalist interest during periods of worker unrest. One significant analytical implication of these policies is that, to capture labor politics in Taiwan's satellite factory system, one needs to go beyond the domain of the conventional, organized, large-scale labor movement. Therefore, in Chapter 6, I draw on ethnographic data to demonstrate the tactics employed by workers to defy the owners' control. I eventually derive sociological concepts from the data that better render the essence of worker resistance.

Finally, and most intriguing, individual households formed the backbone of capitalist development both in premodern China and in postwar Taiwan. This suggests that it is not a historical coincidence that the satellite factory system has figured conspicuously in Taiwan's economic development.

Class, Gender, and the Satellite Factory System

As I mentioned earlier, the significance of the satellite factory system was not recognized until recent years. Richard Stites' and Stevan Harrell's work on Taiwan's small factories is quite exceptional in this regard. In their first glance at these factories, these researchers were struck

by the absence of an organized Taiwanese labor movement and by the diligence of workers in Taiwan under exploitative conditions (Stites 1982, 1985; Harrell 1985). As Stites says, "[Taiwanese] workers viewed extraordinary demands [placed on them by the employers] with an equanimity that would have been embarrassing to an American unionist" (Stites 1985, 234). Harrell records that the families and their hired workers in his field setting "worked from 9:00 or 10:00 in the morning until after midnight" (Harrell 1985, 204). To interpret the exploitative aspects of the small-scale factory operation, researchers have resorted to the notion of entrepreneurship. Stites uses the concept "entrepreneurial strategy" to explain why factory workers in Taiwan are willing to submit to extraordinary demands, including low pay, long working hours, and hazardous working conditions. According to Stites, workers in Taiwan usually consider their factory employment as a transitional stage to becoming employers themselves. "To eschew the opportunity to work overtime, for example, would be to condemn oneself to a longer term of factory employment" (Stites 1985, 242). Harrell, along the same lines, argues that the image of the tireless Chinese should be understood in the context of a family economy that underlines the so-called "entrepreneurial ethic." According to him, Chinese people will work hard if they perceive long-term benefits in terms of improved material conditions or security for their families (Harrell 1985).[9]

By focusing on the industrious and exploitative aspects of the satellite factory, these researchers initiated the attempt to analyze the unique features of Taiwan's economic development. However, their explanations are based on problematic assumptions. First, Stites' analytical framework makes no distinction between the opportunity the satellite factory system presents to the male workers and that open to female workers. It simply assumes that men and women workers in the small factories endure the hardships for the same reason: to be able to open up their own factory businesses in time. Second, Harrell treats the small factory as a socioeconomic unit and implies that its workforce constitutes a homogeneous group with shared interests. His analysis fails to differentiate the bosses from the workers. Finally, and most important, these studies use the family as the primary unit of analysis without considering its analytical limitations. To a certain extent, employing the family as the basic unit of analysis is fruitful because Chinese society as a whole rests on a family and kinship structure. However, this approach, as represented by the class theorists, fails to recognize, and then to incorporate, gender

inequality into its analytical framework.[10] Ignoring possible conflict between the individual and the family, it assumes that individual family members have equal access to resources, equal opportunity to pursue personal interests, and equal power in decision making.

In Chinese society the welfare of individual men and women is closely connected to the socioeconomic position of their families. Because the labor of individual men and women has had its principle value as supporting and maintaining the family, one or two individualistically oriented family members can jeopardize the chances for family mobility (Gates 1987). However, studies that pierce through the mask of a united family find that daughters in Taiwan are frequently sent to the factory to support their brother's continuing education, and that the infanticide rate in China is much higher for females than for males (M. Wolf 1972; Greenhalgh 1985; Aird 1990).

The situation in Taiwan's satellite factory system calls for a dialectical approach in analyzing the relationships between the family and individuals in the family. The traditional household structure remained very strong even in the midst of Taiwan's rapid industrialization, as indicated by the persistence of the stem family (household units consisting of parents, their unmarried children, and one married son with his wife and children) (Freedman et al. 1978; Freedman, Chang, and Sun 1982). Preexisting household structures and kinship networks served instrumental functions that facilitated Taiwan's industrialization and rapid economic growth. The start-up capital of small business relies extensively on family savings and on capital generated through informal networks (Greenhalgh 1988; Weng 1985). Family members, relatives, and others recruited through family and kinship networks form the core labor in small factories (Hu 1982, 1984). Large extended households continue to exist because they turn out to be more successful than small nuclear families in exploring nonagricultural opportunities. For example, in a village in south Taiwan, Cohen found that, by the mid-1960s, 68 percent of the joint families had developed nonagricultural enterprises, while only 36 percent of the stem units had done so (Cohen 1976). Rita Gallin found that there was actually a revival of the traditional extended family in a township in central Taiwan. About 34 percent of the local households were stem or joint families in 1959. By 1979, after industrialization had taken hold in this previously agricultural community, the total of stem and joint families had increased to 55 percent (R. Gallin 1984a).

The extended family is upheld because sharing of some of the

household chores by mothers-in-law makes it easier for their daughters-in-law to engage in newly available paid employment in the local community (R. Gallin 1984a, 1984b). Family division is postponed because potential conflicts among conjugal units are mitigated by allowing daughters-in-law to keep their independent earnings (R. Gallin 1984a, 1984b). Married women use their extra income to supplement their husband's income, to buy toys, books, or sweets, or to pay tutorial fees for their children. Many women join an informal rotation credit unit. Their savings are used to renovate the house, to help the husband to start his own business, or to buy large items such as a scooter or stereo set. To them, employment opportunities in the satellite factory system represent the paradox of exploitative multiple responsibilities and liberating potential.

In order to capture the familial basis of the satellite factory system while avoiding the pitfalls of the class theorist's failure to recognize gender inequality, this study treats family and individual as a single unit of analysis. Throughout my research, I constantly shift my emphasis back and forth between the individual woman and the family to which she belongs. I compare and contrast the trajectory of possible upward mobilities between men and women, as well as the ways in which the labor of men and women is utilized to achieve or sustain the socioeconomic status of the family.

My effort to simultaneously explore class formation, gender inequality, and the interplay of class and gender structures distinguishes this project from two recent studies that also focus on the importance of small-scale manufacturers in Taiwan's export industry. Gwo-Shyong Shieh's "Manufacturing 'Bosses': Subcontracting Networks under Dependent Capitalism in Taiwan" (1990) explores the production mechanism of subcontracting networks among Taiwan's satellite factories. Shieh demonstrates how subcontracting is used by entrepreneurs to cut costs, transmit risk, activate the massive reserve labor in local communities, and, ultimately, make Taiwan's export industry competitive in the global market. In meticulous detail he delineates the ways in which the labor of homeworkers is recruited, extracted, and employed by contractors and subcontractors at various levels of the subcontracting chain. His systematic analysis confirms a speculation of previous studies, namely, that the upward and downward mobility between bosses and workers in Taiwan's small-scale business has been relatively fluid (Gates 1987). Shieh argues that the satellite factory system generates "opportunities for workers to set up their own manufacturing workshops" and so reduces the

confrontational clashes between bosses and wage workers on the shop floor (Shieh 1990, 2).

Jie-Xuan Chen's "The Economic Structure and Social Characteristics of Taiwan's Small and Medium-Size Enterprises" (1991) explores the interorganizational relationships of Taiwan's small and medium-size enterprises. These enterprises are said to relate to one another on the basis of personal ties, semifamilial bonds, and profit-driven incentives. When setting up their own shops, former workers use their personal connections with previous employers as social capital to secure work orders, while these former employers expand their own businesses by capitalizing on large pools of labor activated by the proliferation of small shops.

The strength of Shieh's study lies in the fact that its analytical insights are grounded on ethnographic data. Chen's work, like that of many sinologists, tends to dwell on the Chineseness of the socioeconomic phenomena investigated. Although the work of Shieh and Chen has advanced our understanding of Taiwan's economic development, it presents a number of problems. First, in spite of their painstaking effort to identify the socioeconomic basis of Taiwan's economic development, these authors, like others before them, fail to analyze the gender dimension of a productive system that has heavily exploited gender inequality to its own advantage. Shieh's work suffers from gender blindness by failing to differentiate between the "opportunities" Taiwan's satellite factory system offers to men and those accorded to women. It does not recognize that although most male skilled workers may have the option for "exit" to become their own bosses, many married women are destined to become the unwaged family workers whose labor is crucial in assisting their husbands to set up a small business (Shieh 1990). In addition, to employ terms such as *boss, plant manager, subcontracting head,* and *homeworker* is to gloss over the reality that most of the bosses, plant managers, and subcontracting heads are men whereas the majority of the homeworkers are married women. Shieh fails to point out that homeworkers' "consent" is manufactured on the basis of capitalist oppression as well as on that of patriarchal coercion. Chen likewise makes no attempt to conceptualize patriarchal norms and practices as one significant dimension of business culture among small and medium-size enterprises in Taiwan. The brotherhood bonds that sustain interunit relationships among business owners and managers, as accurately depicted by Chen, in effect perpetuate job segregation along gender lines. Paternalistic management styles institutionalize the abuses and the arbitrariness that impinge daily

on employed workers. Failing to recognize that patriarchal norms and practices have been employed by business owners and managers to consolidate their control over workers in general, and married women in particular, is a major flaw of Chen's study.

The picture these authors present perpetuates the intellectual tradition of making women's experiences virtually invisible by ignoring or marginalizing their existence. Their work is also marred by a defective sampling frame, due in part at least to a failure to recognize its embedded biases. All of Jie-Xuan Chen's 114 informants are men with positions above the managerial level. More than 60 percent of them are presidents, general managers, or chairmen of boards of directors or trustees (J.-X. Chen 1991, 166–68). Shieh gathered data from 48 men and 27 women. While most of the men were owners, partners, or managers, most of the women were workers, homeworkers, or owners' wives (Shieh 1990, 334–36). Pictures relying on data gathered from a disproportionate number of men in managerial positions inevitably present the system as it is seen from the "top" and "center." To rectify the biases embedded in such a presentation, my study interweaves the views of bosses with those of ordinary workers, the experiences of men with those of women, and the struggles between persons at the "center" and those at the "margin." I emphasize the ways in which structural inequality along class and gender lines is transformed and perpetuated. I will take up these issues one by one in the later part of this book. Before then, however, it is necessary for readers to acquire a general understanding of Taiwan's historical, political, and economic background.