

Old Constraints and Future Possibilities in the Development of Taiwan's Independent Labor Movement

*Yubin Chiu*¹

According to official labor statistics, union density in Taiwan was 37.8 percent in 2009 (see Figure 1). At first glance this seems impressive, whether compared with Western or newly democratic countries, and it appears to indicate a strong labor movement. However, as is often the case in authoritarian regimes and post-authoritarian societies, the official figure is misleading and cannot be used for cross-national comparison without further scrutiny and adjustment. The main reason is that this 37.8 percent includes a segment of the labor force that is organized by a (peculiarly Taiwanese) form of boss-controlled labor union: the “occupational union.” To get a more realistic sense of trade union density and the strength of the labor movement, we need to look at the figure for “industrial unions.” It was within this segment that the struggle for trade union rights and autonomy was fought out during the transition to democracy and where the independent labor movement is found today. Yet even the official figure of 15.4 percent for industrial unions is problematic, because schoolteachers and public servants are banned from joining or forming unions. If we adjust for this exclusion and account for cross-national comparison (members of “industrial unions”/employed + self-employed), the figure is around 5.3 percent. In other words, only about one in 20 workers receives protection from an effective trade union.

¹ This article draws on research for my Ph.D. thesis: “Haunted by the Past, Organizing the Future: Independent Labor Movements in Hong Kong and Taiwan,” Department of Sociology, University of Essex. It is also informed by my experience in the independent labor movement as the head of the organizing and education department in the Chung-hwa Telecom Workers’ Union (1997-2000) and General Secretary of the Taiwan Confederation of Trade Unions (2000-2001).

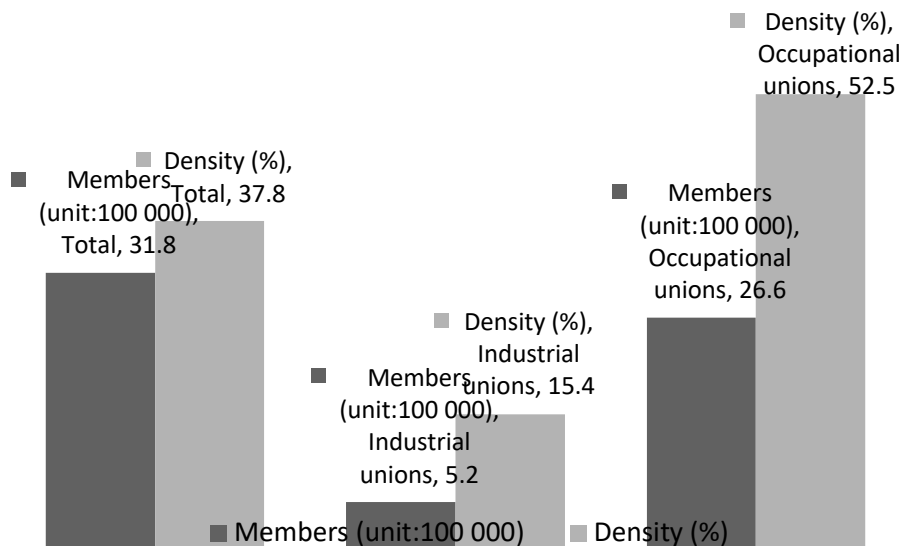


Figure 1: Official Statistics on Union Density in Taiwan in 2009

Source: *Annual Labor Statistics*, Council of Labor Affairs, Executive Yuan.

If my estimate of 5.3 percent reveals the current weakness of Taiwan’s labor movement, the trends in Figure 2 give a sense of the movement’s decline. Taking the figures for “industrial” unions as a rough (albeit inflated) proxy, the proportion of workers in active trade unions halved between 1990 and 2009. In absolute terms (despite an increase in workforce size and the consolidation of democracy), both the number of active trade unions and their memberships decreased: from 1,345 unions with 698,118 members in 1990, to 947 unions with 518,073 members in 2009. The reality behind these figures is that the vigorous, independent labor movement that emerged in the mid-1980s and played a pivotal role among burgeoning social forces in Taiwan’s democratic transition has gradually turned into a fragmented set of inward-looking interest groups. The movement has lost its militancy, social penetration, and political significance. It has failed to react to the numerous challenges posed by neoliberal globalization and shown a lack of imagination in relation to new strategies—such as robust alliances with environmental movements—which have proved invaluable in other countries.

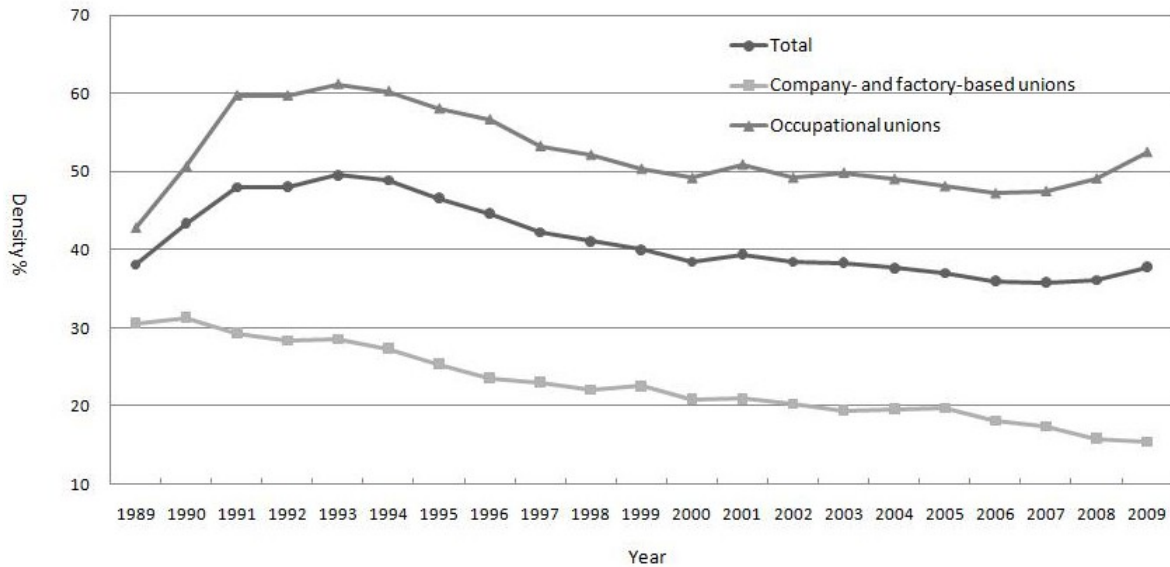


Figure 2: Trends in Union Density 1989-2009

Source: Annual Labor Statistics, Council of Labor Affairs, Executive Yuan

This decline confounds common-sense expectations that democratization will enable social movements to flourish as the systematic suppression and high risks of dissent characteristic of authoritarian regimes recede. Yet to attribute the weakness and decline of Taiwan’s labor movement to industrial restructuring in the context of an increasingly globalized, competitive, and fragmented market is also insufficient. This explanation, common among scholars of industrial relations in East Asia (e.g., Deyo 1995, 1998, and 2001; Frenkel 1995; Frenkel and Peetz 1998), overlooks national contexts of movement formation and the specific trajectories of movements. It also induces an attitude of passive resignation in the face of economic globalization, which is little help in the urgent task of revitalizing independent labor movements. In contrast, this article provides a historical and institutional explanation for the independent labor movement’s failure to respond to the challenges of neoliberal globalization and identifies strategies for reform. By exploring the institutional legacy of the Kuomintang’s (KMT) nearly 40 years of authoritarian rule, we will have a better understanding of why the movement has failed to tackle critical problems such as capital relocation, privatization, and deregulation, as well as to organize and speak for the unorganized, in particular the growing number of workers in increasingly unstable employment situations.²

² As in the U.S., there is a growing trend in Taiwan for third-party companies, known in the U.S. as temporary employment agencies and in Taiwan as human resource dispatching companies, to contract with employers to provide workers. The workers do not receive are sent on assignments that can last for a day or a week to several months. These positions tend to be poorly paid, and workers do not have the security or benefits that come with direct full-time employment.

The Emergence of Independent Labor Unions

Industrial relations in Taiwan during Martial Law were organized through a top-down system of state corporatism³ based on clientelism, surveillance, and coercion (including the memory of the White Terror⁴ in the 1950s). Control over labor was tight and exercised through three main features of this system. First, workers were organized under strict state regulation: only two types of labor unions were allowed, unions' daily operations were regulated, and all unions had to join the only legal national confederation, the China Federation of Labor (CFL). Second, leaders of the CFL were carefully chosen and appointed by the KMT and incorporated into party and political structures either as members of the KMT standing committee or as legislators. Third, all negotiations on working terms and conditions had to be conducted under KMT supervision, and major changes in labor policies were often decided in the KMT's standing committee, which included at least one CFL official as well as other business leaders. While this type of corporatist labor structure was not particularly unusual in authoritarian regimes at the time, it is important to highlight the legalist (rather than arbitrary) character of the KMT regime.

Generally, laws were carefully devised to define the parameters of legitimate behavior and strictly enforced. In this sense, they were preemptive and induced conformity. In the case of the Labor Union Law, which was enacted in 1927 (during nationalist rule in mainland China) and amended shortly before the KMT fled to Taiwan in 1949, there were a number of provisions designed to minimize dissent and collective action. Perhaps the most important were the specifications around the two forms of lawful union: the "occupational" and "industrial" unions. As Box 1 shows, this division not only segmented the workforce, the way "industrial union" was defined (despite the literal meaning of the term) prevented the establishment of industry-wide unions. The principle underpinning recognition was territorial, and the basic organizational unit was the workplace. In theory, the law allowed company-wide unions, but if a company had various separate factories, they were directed to organize a union in each. (Hence I use the term company-factory union). Put differently, the law operated as a mechanism of

³ For discussion of KMT state corporatism, see Hsu (1988), Wong (1994), and Huang (1997 & 1999).

⁴ The period of White Terror refers to the nearly four decades of Martial Law that began on May 19, 1949. During this period, the KMT arrested, tortured, and killed tens of thousands of people who were suspected of being Communist sympathizers or dissidents against KMT rule. Many of those killed were the island's intellectual and social elite (Huang, 2005).

divide and rule, and the fragmentation of labor it was designed to produce (exacerbated by the dispersed character of Taiwan's industries and enterprises) facilitated control by bosses and the KMT. The effectiveness of their control is evident in the fact that (as Liu this volume stresses) between 1970 and the end of Martial Law, open defiance in the big corporations was rare, and most labor disputes involved very few workers in small enterprises.

Box 1: Basic Types and Characteristics of Labor Unions in Taiwan (1949-2009)

Legal Framework: Labor Union Law (1929 and subsequent amendments)

Basic organizing principle underpinning union: territorial (i.e., workplace).

Restrictions and Exclusions

- ❖ Types of unions not allowed by law: industry-wide unions; geographical area-based unions; miscellaneous unions.
- ❖ Excluded from joining or forming unions by law: public servants; teachers in private and public education.
- ❖ De facto exclusion from union membership: migrant workers.

"Occupational" Unions

- ❖ For workers in the same occupation in the same city or county: e.g., Taipei City Hairdressers' Occupational Union; Kaohsiung County Butchers' Occupational Union.
- ❖ Mainly for self-employed workers, employees in, and owners of, small businesses with fewer than five employees.
- ❖ Developed as insurance agents for the National Labor Insurance Scheme (providing medical care, industrial accident insurance, and pensions). In enterprises/workplaces with more than five employees, the enterprise is the agent, and the employer/management does the administrative work for their employees.

Under Martial Law, affiliation to the KMT-controlled CFL was compulsory, and most have continued this affiliation since democratization.

"Industrial" (company-factory) Unions

During Martial Law

- ❖ "Industrial" unions referred to unions organized by a company or factory with more than 30

employees.

- ❖ Mainly restricted to strategic industries and manufacturing sector.
- ❖ Compulsory affiliation to the CFL.

Since Democratization

- ❖ Many new independent unions formed in this category, and many formerly controlled by employers/KMT have become independent.
- ❖ New unions have been allowed in other (mainly service) sectors.
- ❖ Government instructions to workers submitting applications to form a new union have
 - Encouraged separate factory-based unions in companies with several factories; and
 - Allowed workers in small-to-medium-sized enterprises and the service sector to organize a company-based union.

The appearance of independent trade unions in Taiwan was related to two factors that helped workers turn long-term grievances into collective action. The first was the enactment of the new Labor Standards Act in 1984 after pressure from the U.S.; the second was the wider process of political liberalization that started to gain momentum from the mid-1980s onwards. While the new law provided a legal foundation for expressing grievances and articulating demands, liberalization generated a new political opportunity structure. The two years after the end of Martial Law in July 1987 were marked by a wave of serial disputes unprecedented in Taiwan's post-war industrial relations, as workers around the country seized their new freedoms and embarked on workplace action. In 1988 and 1989, strikes, go-slows, petitions, and protests were organized by workers in transport, the chemical and petrochemical industries, manufacturing, and, to a lesser extent, the service sector. Their main demands were higher wages, overtime pay, annual bonuses, and reasonable labor-management relations. As in the case of South Korea, these actions triggered the emergence of independent unions. At the company or factory level, workers took over and transformed inactive management-controlled unions; or in unorganized workplaces, they created new unions. In 1989, the number of company-factory unions increased by 104, and union membership recorded a net increase of nearly 30,000 (Council of Labor Affairs 1989).

During the labor uprising, the official Chinese Labor Federation (CFL), and most of its affiliated (mainly occupational) unions stood by the KMT regime. But it is notable that the new unions did not reject the union structure left by the KMT outright. In fact, some elements of the authoritarian labor regime benefited from the emergence and daily operation of independent unions. The division between occupational unions and "industrial" (company-factory) unions in the Labor Union Law enabled workers in disputes to build new unions without interference from pro-KMT unions. Additionally,

the principles of “singular union” and “compulsory membership” saved energy and resources in terms of member recruitment and internal conflicts, while statutory paid leave for senior union officials and the customary government and company subsidies for labor education and welfare facilitated daily operations. In the context of wider social unrest, the KMT government lacked the legitimacy to deny independent unionists these benefits, which had been used as inducements to control docile unionists under Martial Law. However, the fact that independent unions were reluctant to challenge the KMT union structure had long-term consequences for the strength of Taiwan’s labor movement and undoubtedly favored the interests of capital.

Nevertheless, the appearance of a range of new labor organizations in the late 1980s—such as the Kaohsiung Union Cadres Society, the Brotherhood of Trade Unions in Tao-Chu-Miao Area, the Federation of Independent Unions, and the Alliance of Unions at Taoyuan Airport—shows that activists understood the limitations of factory-based unionism. Moreover, they did not confine themselves to their own workplaces or narrow definitions of members’ interests. A common aim was to encourage and help unorganized workers in other factories build new unions (Wong 1995), and the political role of unions as intermediaries between workers and wider reforms was emphasized. Slogans from the time underscore this point: “Trade Unions + Workers = Democratization!”⁵ “Workers Support Trade Unions so that Trade Unions can Transform Society!,” and “The Trade Union Movement is the Vanguard of Social Reforms!”⁶

However, the unprecedented wave of industrial action soon produced a backlash from the state and capital. In early 1989 business leaders collectively pressured then President Lee Teng-hui to regain control and remove the “barricade to investment” (i.e., the labor and environmental movements). Leaders of industrial and business associations publicly condemned the government’s failure to tackle the social turmoil, and the Formosa Plastic Group, Taiwan’s largest manufacturer, threatened to halt further investment and the employment it would generate. President Lee, who was also facing threats of revolt within the KMT,⁷ could not afford to ignore the anger of the capitalist class. Special meetings to discuss the problem were held between core branches of the state and government, including the Ministry of Justice, the Ministry of the Interior, the National Police, the Judicial Yuan, the Taiwan High Prosecutors Office, and the Taiwan High Court. Their solution was unambiguous: from early 1989 onwards several strikes

⁵ This was the title of a worker education seminar series organized by the Taiwan Labor Legal Aid Association in 1987.

⁶ One interviewee recalled banners with these slogans hung around his union’s meeting hall in 1990.

⁷ Lee had been Vice-President to Chiang Ching-kuo who died in January 1988.

were crushed by riot police, backed by local government and the Executive Yuan, while sackings and prosecutions of independent leaders and activists became common. Between 1989 and 1993, around 300 trade unionists were unlawfully fired, and dozens received criminal sentences.

From an international perspective, the persecution of Taiwan’s independent labor movement between 1989 and 1991 was not particularly brutal. For example, no trade unionists were tortured or assassinated. Yet of all the social and political movements that emerged after the end of Martial Law, the independent labor movement suffered the most severe attack from the state. Moreover, the “counter-attack from the empire” (Wu and Liao 1991) proved effective. From 1991 onwards, Taiwanese society witnessed a sharp drop in labor unrest (TLLAA, 1992). After the removal of radical leaders and activists, many unions collapsed or lost their militancy, and leaders who remained withdrew from the national labor movement. Oppression does not necessarily lead to the retreat of labor movements; sometimes it provokes greater militancy, as cases from South Korea and the Philippines show. In Taiwan, however, the fundamental weakness of company-factory unions was their size. Averaging 519 members in 1990, they were too small to resist the joint assault from the state and capital, maintain their organizational momentum, or sustain their militancy. Institutionally segregated by the boundary of company or factory, solidarity from outsiders provided nothing more than moral support when unions came under attack.

Box 2: Taiwan’s Three Most Important Labor Movement Organizations in the 1990s

	Taiwan Labor Front (TLF)	Workers’ Legislating Action Committee (CALL)	Labor Rights Association (LRA)
Founding Year	1984 (as Taiwan Labor Legal Aid Association)	1992 (initially an alliance of LMOs, after splits, became LMO itself)	1989 (by activists who broke away from TLLAA)
Ideology	Social Democratic	Socialist	Socialist
Position on Independence/Unification	Taiwan independence	Neutral: workers should not get involved in the issue of independence/ unification.	Unification with China
Party connections	Pro-DPP	Anti-DPP Cooperated with the KMT between 1998—2002.	Anti-DPP Close links & personnel overlap with the Labor Party. Cooperated with the KMT & CFL 2000—2004.
Relations with unions and active area	SOEs & large private unions; Kaohsiung, Tainan, Taipei	Private sector unions; Taipei, Keelung	Private sector unions; Hsin-Chu County

In the wake of the repression, as active unions retreated to their factories, it was the labor movement organizations (LMOs) that assumed leadership of the national labor

movement. The three most important in the 1990s, as Box 2 shows, were the Taiwan Labor Front (TLF), the Labor Rights Association (LRA), and the Committee for Action for Labor Legislation (CALL). Most had been set up by veteran trade unionists, intellectuals, and activists to support independent unions with professional skills, legal advice, labor education, and research. Now they also took the lead in setting the movement's agenda. These LMOs were responsible for instituting national events such as the annual Labor Day and Autumn Struggle Day demonstrations. But they also grasped the vulnerability and limits of company-factory unionism and the strategic importance of enlarging the movement beyond the "blue collar, male, manufacturing industries." One strategy was organizing bodies that cut across union boundaries, like the Female Workers Solidarity Assembly (formed in 1991 and then affiliated to the CALL) and the White-Collar Workers' Solidarity Organization (set up by the TLF in 1994). But such attempts at alternative organizing neither succeeded in attracting significant numbers of new members nor creating strong linkages between unions in the same industry. Other initiatives bypassed rather than confronted the impasse of company-factory unionism. This was the case of the "Socializing the Labor Movement," a TLF initiative launched in 1993 to inform and mobilize ordinary workers on general social issues like the campaign for national health insurance. The most obvious explanation for the LMOs' failure to confront the divisions and segmentation of the labor regime is that they lacked the necessary resources. Most had fewer than ten full-time staff, who were invariably over-stretched by the job of supporting disputes and campaigns. They simply could not afford the high costs of strategic organizational innovation. This demanding task would have involved challenging legal regulations, reallocating organizational resources, developing new skills, and above all, challenging the mindset of union leaders who were becoming comfortably entrenched in their positions.

If the LMOs played an important caretaker role at the front of the national independent labor movement in the early 1990s, as the decade proceeded, competition among them became more intense. Despite some ideological differences (especially on Taiwan's relation to China), they differed little in terms of movement strategies, campaign tactics, and organizing activities. But in the organizational competition with limited resources, each LMO sought to enlarge its sphere of influence. They competed for the lead role in national events (e.g., May Day demonstrations) and campaigns (e.g., national health insurance and the reform of labor laws). They also competed to provide services and develop close links with individual unions, and to support workers in disputes that might open up opportunities for creating new unions. In this way, LMOs gradually "territorialized" unions. In retrospect, it is clear that competition between them unintentionally reinforced the format of company-factory unionism—and by doing so,

the weakness of the labor movement.

The Entrenchment of Company-factory Unionism

From the mid-1990s, with the consolidation of democracy, the government could no longer resort to systematic repression, not least because electoral competition gave mainstream political parties incentives to compete for workers' votes. Two key actors took over the leadership of the independent labor movement: labor union federations and unions in state-owned enterprises (SOEs). Independent unions had been challenging the legitimacy of official union federations at city and county levels since the late 1980s, and after the repression, there was consensus that the weakness of independent company-factory unionism might be overcome by solidarity among unions. In 1994, the first independent local union federation (local CTU), the Taipei County Confederation of Trade Unions, was formed by 49 company-factory unions representing about 12,000 members. It aimed to use collective power and resources to both solve the problems of member unions and influence local governments. In the following nine years, another ten CTUs were established in Taiwan's main industrial districts.⁸ Despite central government disapproval, city and county authorities generally recognized local CTUs, because local politicians did not want to be accused of "not taking care of labor." To some extent, these local CTUs relieved the difficulties of individual unions through mutual aid and their growing influence in local politics. The second force, independent unions in the large SOEs, emerged as a reaction to the KMT's adoption of privatization policies. The threat of deteriorating working conditions and the fact that many privatization packages favored KMT-owned/allied enterprises provoked real anger among workers, which in turn, enabled activists to defeat incumbent pro-KMT and pro-government leaders. Privatization policies enjoyed strong social consensus at this time, so they were very difficult to challenge in any fundamental way. But these SOE unions, with their vast memberships,⁹ managed to pressure government ministries to enter dialogue and negotiate with employees.

Compared to the generation of activists in the fledgling labor movement during authoritarian rule, the leaders of local CTUs and SOE unions (although not all new faces) were much more pragmatic. Their priorities were union survival and members' immediate interests. As the political opportunity structure changed with the

⁸ These were Tainan County, Hsinchu County, Miaoli County, Ilan County, Taipei City, Kaohsiung City, Kaohsiung County, Taichung City, Changhwa County, and Taiyuan County.

⁹ In 1996 the largest company-based union in Taiwan was the Chung-hwa Telecom Workers' Union with 36,000 members. The ten largest company-factory unions are all SOE or former SOE unions.

consolidation of democracy, industrial action such as strikes and go-slows gradually gave way to more routinized political activities. Street demonstrations were still common. But the target of campaigns shifted from private capital to the state, and union leaders tended to adopt conciliatory strategies, such as lobbying politicians and political parties, establishing friendly relations with legislators, and holding press conferences and public hearings in the Legislative Yuan. However, these strategies provided little assistance to workers in the private sector experiencing sudden factory closures, mass redundancies, and casualization, the shift to employment by labor dispatch companies rather than direct employment. The large, well-resourced SOE unions often signed joint statements of support, donated money, and sent delegates to attend protests or sit-ins by newly unemployed workers. But they found it difficult to mobilize members in support of small, dispersed private unions. Without cross-sectional solidarity, protests lacked leverage and were rarely effective.

Networking between SOE unions and CTUs in the second half of the 1990s was more successful in changing some aspects of national labor policies. Combining street protests and political lobbying, the independent labor movement successfully forced the government to accept two major demands. The first was the extension of the Labor Standards Act from manufacturing to all sectors in 1996. This benefitted about 4 million workers (mainly in the service sector), establishing maximum working hours, minimum wages, and overtime pay. The second was the provisional establishment of the unemployed benefit in 1999 (which became law in 2002), entitling redundant workers to six months benefits at 60 percent of their wages. Furthermore, it was the convergence of the local CTUs and SOE unions assisted by the LMOs that eventually precipitated the challenge to the pro-KMT national labor federation, the CFL. On May 1, 2000, shortly after the Democratic Progressive Party (DPP) entered government, sixteen independent union organizations with a combined membership of 280,000 founded the Taiwan Confederation of Trade Unions (TCTU).¹⁰ Five months later, DPP President Chen Shui-bian recognized the legality of the new national federation, ending the CFL's legal monopoly of labor representation, and several new national union federations were recognized the following year. Despite this achievement, the TCTU was based on the same company-factory unionism that had proved so flawed. Several proposals for an alternative union structure were discussed during the preparatory period, including encouraging unions in the same industry to form an industrial union federation or directly organizing workers by industry where union density was low. However, strategic proposals soon succumbed to the concrete demands of member unions as leaders came

¹⁰ The founding members of the TCTU comprised eight local CTUs and eight nationwide company-based unions, seven of which were SOE unions.

under pressure from their members. As a result, rather than strategic planning, coordination, and agenda-setting, the TCTU's main function became providing services to member unions.

This trend was reinforced in 2002 when the TCTU leadership invited several privatized SOE unions affiliated to local CTUs or industrial union federations to join the TCTU directly. This move ended the possibility of recruiting existent industry-based union federations and gave SOE unions disproportionate weight within the TCTU, which quickly became a source of conflict. Local CTUs, whose affiliated unions were mainly in the private sector, soon began to complain that the TCTU was too focused on SOE issues and was neglecting the disastrous trend of casualization. A second source of internal conflict was the TCTU's relationship with the DPP government. There had been a strong affinity between the independent labor movement and the DPP during the transition. But this quickly dissipated when it became clear that the new government had no intention of abandoning neoliberal labor policies.¹¹ Then in 2003, replicating KMT political behavior, the DPP government intervened in TCTU elections to ensure a pro-DPP leadership. Once in their positions, rather than pressure the government to change its neoliberal labor policies, these new leaders used their DPP connections to advance their own political careers¹² and facilitate communication between SOE unions and relevant ministries. This episode seriously damaged the TCTU, and although new leaders who stressed their political independence took over in 2006, the organization has still not recovered.

As a result of these internal conflicts, in 2005 a number of local CTUs left the TCTU and in 2007 formed a loose alliance with smaller, unaffiliated union federations: the Solidarity of Labor Unions. Working with some industrial union federations¹³ and LMOs, the Solidarity of Labor Unions has paid more attention to irregular employment issues, including casualization, labor dispatch, and outsourcing. But, their efforts have mainly been restricted to campaigns to expose a particular issue. Progress in organizing nonunionized workers has been hampered by the company-factory union format, which excludes casual workers and makes organizing the unorganized extremely difficult. In order to succeed in organizing this sector, new unions in small companies or companies with scattered workplaces must be created. A severe challenge is the fact that small new

¹¹ The DPP government's continuation of neoliberal labor policies became clear in 2001 when the ad hoc "Committee of Economic Development" loosened regulations on working hours and immigrant workers' salary schemes, and rejected the labor movement's proposal for reforming pension funds.

¹² Both the President and Vice President of the TCTU elected in 2003 were recruited into the DPP government before the end of their three-year term.

¹³ E.g., the National Federation of Bank Employees Unions and the Union Federation of Formosa Plastic Group.

unions are notoriously short-lived, because high employee turnover, illegal sackings, and union-busting depletes the membership of such unions, which then easily collapse.

In sum, it is clear that efforts to reach unorganized workers through issue campaigns and creating new small unions are no substitute for strategic campaigns directed at changing concepts of union identity and boundaries. The importance of industry-wide unions that link workers in large and small workplaces is obvious: the wider the union base, the more easily a union can exercise leverage and absorb the impact of capital relocation. Divisions within the TCTU and the national movement are a major obstacle to this. But a deeper problem is that most independent labor leaders have become confined in the union structure left by the authoritarian period and lack imagination and vision. As the following statement by a veteran SOE unionist shows, company-factory unionism has shaped the mindset of the current generation.

What we can do [to help private sector unions] is something like “moral support,” which I understand is not enough. But the mandate from my members does not allow me to do more. If our members often complained about what I have done for other workers, I wouldn’t think our union was successful. . . . For me, the priority is very clear: members. (Interviewee tw01, author interview, Taipei 2003.)

Red-Green Alliances

The fact that the independent labor movement in Taiwan has become trapped by company-factory unionism, which reduces the purpose of unions to fulfilling the immediate demands of members, has had significant effects on the movement’s relations with other social movements. Although social coalitions and alliances contributed to trade union success in early democracies and have played crucial roles in the development of independent unions in many recently democratizing countries (Lambert 1990; Seidman 1994; Ranadald 2002; Novelli 2007), since the consolidation of democracy in the early 1990s, Taiwanese unions’ involvement in wider social alliances has become increasingly superficial. Some leaders and activists do still link the labor movement to wider social reforms. But most independent unions and federations are guided by a narrow, insular perspective that shows little grasp of the value of wider social alliances or how they may contribute to revitalizing the independent labor movement. This is exemplified by the relationship with the environmental movement. Both at the international level and in most countries, in the face of deepening globalization, strategic alliances between labor and environmental movements have become much more

common and important over the last fifteen years. In Taiwan, however, they are notably absent.

Before democratization and the emergence of the independent unions, relations between labor and environmentalists were mainly shaped by anti-pollution disputes. In such disputes, which proliferated from the 1970s until the end of Martial Law, relations between workers and environmentalists were characterized by segregation and confrontation. The main demand of residents suffering from long-term pollution was usually the immediate shutdown of polluting factories. Lacking opportunities to unionize, under paternalistic management, and anxious about losing their jobs, workers had little choice but to side with factory bosses—even though they often suffered from pollution exposure themselves. However, participation in the struggle for democracy in the late 1980s brought some cooperation between independent unions and the environmental movement. LMO activists and environmentalists were often involved in the same pro-democracy campaigns and protests, which facilitated comradeship and personal networks. Additionally, some LMOs and independent unions participated in demonstrations led by the environmental movement against nuclear power plants. In the campaign against the CPC Corporation's fifth Naphtha Cracker Plant, for example, the company union developed a close relationship with residents near the CPC's industrial park, who were suffering ill health due to chronic pollution exposure. The union issued statements demanding that CPC management reduce pollution and constantly exchanged information with local environmentalists. Two factors contributed to the union's positive attitude towards this campaign. First, maladministration in the CPC was a primary target of both the union and local residents; and second, both unionists and active residents at the end of the 1980s were facing the same enemy: the KMT regime behind the CPC.

However, the solidarity derived from “facing the same enemy” disappeared as democratization proceeded in the 1990s, to be replaced by antagonism and mistrust. This was largely due to opposing views on privatization. From the late 1980s onwards, the opposition movement proposed market liberalization as a mechanism for dismantling KMT control over different sectors of the economy and society. Privatization of the KMT-controlled SOEs with their abundant resources and numerous employees was seen as especially important. The specific target of environmentalists was the state-owned Taiwan Power Company (TPC), which had a monopoly over the energy industry and had promoted nuclear power. Privatizing the TPC, they argued, was a means to end the nuclear program, and this became a core movement demand. However, as we have seen, when the KMT started promoting privatization from the early 1990s, it was strongly opposed by the independent labor movement. So from the TPC union's perspective, the

environmental movement became defined as an enemy, and this view was shared across the labor movement in the 1990s. Moreover, in the context of this antagonism, and reinforced by the factory-based union format, there were few attempts to engage with residents in anti-pollution disputes, and the old equation that “anti-pollution protest = factory closure + redundancy” persisted.

Since the end of the 1990s, however, the environmental movement has abandoned its pro-privatization position and has developed a critical understanding of capitalism and neoliberal policies. Environmentalists have realized that pollution and environmental degradation are not solved by the market, but are often exacerbated by the looser regulation and lack of accountability that typically accompany privatization, contracting out, and Build-Operate-Transfer schemes.¹⁴ Given that these have been primary targets of the labor movement, this change of position has the potential to create common ground. However, the legacies of a decade of estrangement are not easily overcome. Experiences from other countries show that networks between activists in different movements are crucial for the mutual understanding that will benefit further alliances (Frege, Heery, and Turner 2004; Suh 2007). Conversely, one obvious effect of the antagonism in the 1990s was to reduce such networks and mutual understanding. This, together with the retreat inside factories, means that many union leaders have little grasp of environmental issues, and they often underestimate levels of interest among members.

I experienced this personally when working as the head of organizing and labor education at the Chung-hwa Telecom Workers' Union in 1998. Senior officials were reluctant to approve my proposal for a course on “Taiwan: the beautiful, polluted island,” because they thought members would be bored. They were genuinely surprised by the positive feedback it received. This is not an isolated case, as a more recent example from the Formosa Plastic Group's Ren-wu factory shows. In 2008 union education officials had a real fight to get the executive committee to approve a talk by the director of Mercy on Earth (MOE), the most active environmental organization in southern Taiwan. Yet the talk was a great success: far from being uninterested, following the presentation workers asked all sorts of questions and the open-minded exchange of concerns culminated in loud applause for the speaker. Moreover, there's little doubt that this session laid the ground for cooperation between the union and environmentalists two years later, in 2010, when local residents protested against the waste solvents that had been polluting soil and groundwater for years. In place of the old scenario of open conflict between unions and environmentalists, the MOE statement demanding the

temporary closure of the factory also called on the Formosa Group to pay for health check-ups and compensation for employees, and the union's statement did not deny the pollution or attack the environmental groups. These two cases illustrate the potential of labor education programs for fostering mutual understanding and laying the groundwork for alliances between particular unions and environmentalists in specific disputes.

However, the estrangement between the two movements also reflects a failure of strategic leadership by larger unions and federations and their lack of engagement with the international labor movement. Despite Taiwan's obvious integration into regional and global markets, the TCTU and SOE unions have a very parochial outlook. They have shown no interest in issues related to neoliberal globalization at the top of the international labor movement's agenda, such as free trade and the World Trade Organization; the widening income gap and tax justice; or climate change and sustainable development. Nor do they have a grasp of how important strategic alliances with environmental movements have become in many other countries. Their insularity is exemplified by the Taiwanese response to the two-week forum and protests against the 2005 WTO Ministerial Conference in Hong Kong, which were attended by delegates representing labor, environmental, and other movements from all over Asia. Hong Kong is only a 70-minute flight from Taiwan, and the Hong Kong Confederation of Trade Unions (which hosted the campaign) sent personal invitations to Taiwanese unions and federations. But only two Taiwanese unions sent delegations.¹⁵ The other Taiwanese labor delegates were all from LMOs. The explanation by a senior official in the Chung-hwa Telecom Workers' Union typifies the prevailing attitude:

I know it is important, but unfortunately I am too busy to go....However, I don't think my other colleagues are interested in [the] WTO issue. It is a very remote issue for us. (Interviewee tw02, author interview, Taipei, 2005.)

Conversely, the potential of participation in such events for challenging narrow outlooks is evident from the way one union delegate who did attend the anti-WTO forum recalled his trip:

That was a very unique experience, different from other international activities that I have attended. In Hong Kong we did not have a banquet and cocktails in a big hotel, but endless protests and discussion. Protesting on the street with people from various organizations from different countries and seeing the cooperation between Korean farmers and workers made me realize that there must be something missing in our

¹⁵ One union sent a delegation of fifteen unionists, and the other sent ten unionists.

movement...In Taiwan, nobody cares about trade unions, and we don't care about others. That's something I started to feel was odd after that trip. (Interviewee tw03, author interview, Taipei, 2006)

International forums may be a starting point for broadening horizons, but TCTU and SOE union officials could also learn a great deal from their counterparts in neighboring countries. In January 2010, for example, the Hong Kong General Union of Construction Site Workers joined environmental groups in opposing the government's controversial high-speed railway project.¹⁶ The union's presence and its emphasis on sustainable, socially responsible construction were crucial to the campaign's success in debunking the government's claim about job creation. A second example is that of the Korean Confederation of Trade Unions and its affiliate, the Korean Metal Workers' Union, which joined forces with other labor and environmental groups in support of Samsun Semiconductor workers, who are suffering from leukemia and other work-related illnesses. In 2010, this coalition set up a special advocacy group, the Health and Rights for People in the Semiconductor Industry, and launched the International Samsung Accountability Campaign.

Conclusion

The fact that about nineteen out of 20 workers in Taiwan lack protection from an effective trade union reveals the current weakness and failures of the independent labor movement. It also demonstrates the urgent need for independent union leaders to engage in serious debate about how to revitalize the movement and extend its reach to the unprotected. A core priority should be re-organizing the union format inherited from the Martial Law period, which has continued to operate as a mechanism of divide-and-rule since the transition to democracy. It has not only continued to reproduce the segmentation of the workforce, leaving many workers in boss-controlled occupational unions, it has also reinforced divisions between workers in medium to large enterprises, and between the organized and unorganized. Moreover, the entrenchment of company-factory unionism has produced a narrow, parochial mindset among union and

¹⁶ The high-speed railway in Hong Kong will shorten the travel time between Hong Kong and Guangzhou from the current 90 minutes to 48 and is part of the Chinese national high-speed railway project. It is controversial because the Hong Kong government will pay US\$8.6 billion for a 26 kilometer high-speed railway, ten times the price of the high-speed railway construction in China. This inflated price equalled 25 percent of public expenditure of the Hong Kong government in 2009. The plan has also been criticized for benefiting the real estate business and expropriating too many farms (Chou, 2009). The Hong Kong government rejected a proposal by opponents that would save \$US4 billion and significantly mitigate the environmental impact on farmland. The Hong Kong government insists on going ahead with the project as proposed, arguing it will create jobs. The project is welcomed by the pro-Beijing conservative unions, but the job claims are denied by the General Union of Construction Site Workers (Chan, 2009).

movement leaders and a failure to engage in wider social coalitions with key potential allies, like the environmental movement, or learn from the experiments and joint campaigns pursued by independent trade unions and environmentalists in other countries.

However, there is nothing inexorable about the persistence of authoritarian legacies that promote isolation from other social movements. The retreat into factories, loss of radicalism, and the narrowing of the independent labor movement's agenda were a result of state repression at a crucial moment of the movement's formation. Arrest and imprisonment deprived the movement of radical leaders and served to discipline those who remained. Twenty years on, however, human rights and the rule of law are firmly established in Taiwan, and it is very unlikely that the state could use repression today. It is also over ten years since the major obstacle to a strategic alliance with the environmental movement—its support for privatization—disappeared, and workers' health and safety provides strong grounds for cooperation. Moreover, the 2010 Amendment to the Labor Union Law has removed the legal obstacles to industry-wide unions and thus presents an unprecedented opportunity for strategic organizational reform. Whether this amendment will be a catalyst for change remains to be seen. Industry-wide unions are an important solution to the impasse of company-factory unionism and much better suited to facing up to the challenges of neoliberal globalization. However, the scope of change in union identity and boundaries (e.g., from factory-based to industry-based) will depend on just how much energy and resources existing unions and federations inject into the task of union re-organization.

References

- Chan, B.G. 2009. We want greening and people-benefiting employment: A reply from Hong Kong construction workers [in Chinese], <http://www.coolloud.org.tw/node/49786>.
- Chou, C.H. 2009. Whose high-speed railway? *BBC Chinese*, December 15.
http://www.bbc.co.uk/zhongwen/trad/indepth/2009/12/091215_hkreview_guangshenhk_rail.shtml
- Council of Labor Affairs 1989. *Annual Labor Statistics*, Council of Labor Affairs, Executive Yuan.
- Deyo, F. 1995. Human resource strategies and industrial restructuring in Thailand. *Industrialization and labor relations: Contemporary research in seven countries*. S. Frenkel and J. Harrod, eds. Ithaca, NY: ILR Press.
- . 1998. Industrial flexibility, economic restructuring, and East Asian labor. *The four Asian tigers: Economic development and the global political economy*. E.M. Kim, ed. London:

- Academic Press.
- . 2001. The social construction of developmental labor systems: South-East Asian industrial restructuring. *The political economy of South-East Asia: Conflicts, crises, and change*, 2nd ed. (first published in 1997). G. Rodan, K. Hewison and R. Robison, eds. Oxford: Oxford University Press.
- Frege, C., E. Heery, and L. Turner. 2004. The new solidarity? Trade union coalition-building in five countries. *Varieties of unionism: Strategies for union revitalization in a globalizing economy*. C. Frege and J. Kelly, eds. Oxford: Oxford University Press.
- Frenkel, S. 1995. Workplace relations in the global corporation: A comparative analysis of subsidiaries in Malaysia and Taiwan. *Industrialization and labor relations: Contemporary research in seven countries*. S. Frenkel and J. Harrod, eds. Ithaca, NY: ILR Press.
- Frenkel, S. and D. Peetz. 1998. Globalization and industrial relations in East Asia: A three-country comparison. *Industrial Relations* 37(3): 282-309.
- Huang, C.L. 1997. In search of social solidarity or political partners-labor politics in the newly democratizing South Korea and Taiwan, published under the sponsorship of the American Political Science Association, Conference Group on Taiwan Studies.
- . 1999. Labor militancy and the neo-mercantilist development experience: South Korea and Taiwan in comparison. Ph.D. dissertation, Department of Political Science, University of Chicago.
- Huang, T.L. 2005. White Terror exhibit unveils part of the truth. *Taipei Times*. May 20.
- Hsu, C. 1988. Corporatist control and labor movement in Taiwan. Paper presented at the Conference on North-East Asia in the World Perspective, May, 1988, Taegu, Korea.
- Interviewee tw01 Interview conducted by author in Taipei in 2003.
- Interviewee tw02 Interview conducted by author in Taipei in 2005.
- Interviewee tw03 Interview conducted by author in Taipei in 2006.
- Johnston, P. 1994. *Success while others fail: Social movement unionism and the public workplace*. Ithaca, New York: ILR Press.
- Lambert, R. 1990. Kilusang Mayo Uno and the rise of social movement unionism in the Philippines. *Labor and industry* 3(2-3): 258-80.
- Lopez, S.H. 2004. *Reorganizing the rust belt: An inside study of the American labor movement*. Berkeley and Los Angeles: University of California Press.
- Moody, K. 1997. *Workers in a lean world*. New York and London: Verso.
- Novelli, M. 2007. Sintraemcali and social movement unionism: Trade union resistance to neoliberal globalization in Colombia. *Labor, the state, social movements and the challenge of Neoliberal globalization*, A. Gamble, S. Ludlam, A. Taylor, and S. Wood, eds. Manchester and New York: Manchester University Press.
- Ranald, P. 2002. Social movement unionism in East Asia? Regional and South Korea union responses to the crisis. *Reconfiguring East Asia: Regional institutions and*

- organizations after the crisis*. M. Beeson, ed. London: Curzon.
- Seidman, G. 1994. *Manufacturing militance: Workers' movements in Brazil and South Africa, 1970-1985*. Berkeley and Los Angeles: University of California Press.
- Suh, D. 2007. Korean labor in crisis. *Trade union revitalization: Trends and prospects in 34 countries*. C. Phelan, ed. Oxford: Peter Lang.
- TLLAA. 1992. *The Laborer* 53. Taipei: Taiwan Labor Legal Aid Association [In Chinese].
- Wong, C.H. 1995. *Class experiences and class consciousness: The first generation of union activists in Taiwan* [in Chinese]. MA thesis, Institute of Sociology, Tsing-hwa University.
- Wong, S.T. 1994. *The union organizations under the state corporatism: Corporatism in Taiwan* [in Chinese]. MA dissertation, Institute of Sociology, Tsing-hwa University.
- Wu, N.T. and J.K. Liao 1991. The counter-attack from the empire: Dismissal of union officials, the labor-management relations and class conflict [in Chinese], paper presented in Conference on Labor Market and Industrial Relations, Institute of Social Sciences, Academia Sinica, Taiwan, June 1991.