Chapter 2
Taiwan's Higher Education System in Context

The chapters that follow engage in analysis of the four dimensions of the ranking phenomenon in relation to higher education policy and reform in Taiwan. This chapter therefore aims to provide some necessary context for those chapters. The society of Taiwan underwent rapid changes during the 1980s and 1990s. These changes have significantly transformed the social context in which the higher education reform was launched. This chapter contextualises higher education reform through delineating and analysing the social transformation in Taiwan over the last few decades, particularly in the 1990s, when the Taiwanese society experienced a process of situating Taiwanese identities. This social context shows how Taiwan views itself and finds a position in the international community. This is especially important in terms of examining the geographic dimension of the impact of the ranking phenomenon on Taiwan's higher education system.

Given the strong connection between the widespread push toward world-class status for universities and the prevalence of global university rankings, in the later sections of the chapter the particular content of higher education policies and reforms is revealed so as to sketch the quest for world-class excellence in higher education and the related government responses since the 1990s in Taiwan.

2.1 Social Transformation in Taiwan

Table 2.1 shows the basic geographical, demographic and economic data for today's Taiwan. Although the island-state is quite small by international standards, the economic data indicate that it should be seen as a wealthy, developed society. However, Taiwan actually took several decades to transform itself from an agricultural economy under authoritarian rule to an economy with a large service and high-tech industrial sector under democracy.

Taiwan had been a Japanese colony for 50 years (1895–1945). It was geared to serving the economic needs of the imperial power until the surrender of Japanese forces at the end of the Second World War (WWII) in 1945. After WWII, the island was returned to the Republic of China (ROC) under the rule of the Kuomintang

W. Y. W. Lo, *University Rankings*, DOI 10.1007/978-981-4560-35-1_2,

Table 2.1 Basic geographical, demographic and economic data for Taiwan, 2013. (Source: CIA (2013); DGBAS (2013))

Geographical	
Area (square km)	35,980
Agricultural land (%)	25
Demographic	
Population (million)	23.3
Age structure: 0–14 (%)	14.3
Age structure: 15–64 (%)	74.1
Age structure: 65+(%)	11.6
Population growth (%)	0.27
Literacy rate (%)	96.1
Indigenous population (%)	2
Economic	
GDP (NT$ 100 million, PPP)	143,849
GDP per capita (NT$, PPP)	616,215
Agricultural sector in economy (%)	2
Industrial sector in economy (%)	29.8
Service sector in economy (%)	68.2

(KMT). In 1949, after the Communist victory in the civil war in mainland China, the KMT fled to the island, to which it moved its seat and quickly established control. From that time, the island was under a single-party, authoritarian rule until the democratisation in the 1990s.

While establishing rigid control over political freedoms, the KMT saw economic development as the route to legitimation of its authority. Indeed, Taiwan has enjoyed uninterrupted economic growth since the mid-1970s and created an economic miracle, which is founded on various smooth intersectoral structural transformations (Thorbecke and Wan 2007). In the early phase of Taiwan's development, agriculture played an important role by providing an agricultural surplus to finance incipient industrialisation. In the 1950s, given the initial conditions prevailed (i.e. after land reform), the state needed to generate a reliable and continuous flow of net resources from agriculture into the rest of the economy. Thus, a strategy of import substitution was adopted during this period. In the 1960s, the economy of Taiwan was gradually transformed to focus on developing a labour-intensive manufacturing industry. These early industries played a crucial role in absorbing labour released from agricultural production. This smoothly functioning labour market made Taiwan immune from the phenomenon of massive rural-to-urban migration resulting in large-scale under- and unemployment and squatters' settlement around the large metropolitan area, which many developing countries have experienced. In the 1970s, the state refined its strategy to move in favour of machine-tools industries. While the government helped establish successful subcontracting networks, those domestic relatively small firms made their products competitive in the international market through cost control, punctuality of delivery, and readiness to adapt to the vagaries of the market. This helped Taiwan's economy turn to export-oriented successfully (Thorbecke and Wan 2007, pp. 62–67).

From the 1980s, Taiwan started to move to service and technology industries. This round of transformation was initiated by the restructuring of global production

systems, in which foreign direct investment is highly mobile and non-knowledge inputs (e.g. cheap labour) have lost the country-specific characteristics that they once possessed. Developing knowledge-based industries hence became a key to the future economic success of the island-state (Chen 2004). In this transition to a knowledge-based economy, Taiwan was tremendously successful in developing high-tech industries. For instance, the Ministry of Economic Affairs sponsored the establishment of several public and semi-public think tanks to serve as the research arms of the planning agencies on research and development (R&D) issues during the 1980s. The NSC also made substantial investments to advance basic research, while it was entrusted to develop and manage a number of industrial and science parks that aimed to provide easy access to the R&D facilities of public-funded research organisations and national laboratories, the brainpower of major universities, and finance from the state-owned development bank and semi-venture capital for investors (Chu 2007). As a result of these efforts, Taiwan has currently become one of the leading manufacturers in the global semiconductor industry and Taiwanese companies have established close partnerships with brand leaders in the USA, Japan and Europe (Chung et al. 2004). In sum, during the past half-century, Taiwan was in the transition to a market-oriented, high-tech economy. Yet, in the transition, the government played an active role in guiding the development of the economy through interventions in different sectors and levels (Smith 2000; Thorbecke and Wan 2007).

Despite economic success, Taiwan has suffered from a lack of consensus on national identity at home and a lack of recognition in the international community. Internationally, Taiwan does not have diplomatic ties with most nations of the world. Though for many years the ROC claimed itself to be the legitimate government of China,[1] the People's Republic of China (PRC) considers the island to be a province and would not maintain diplomatic relations with countries that have official ties to Taiwan. Therefore, most countries have chosen to establish diplomatic relations with the PRC rather than with Taiwan. As of November 2009, only 23 countries have diplomatic relations with Taiwan (MOFA 2009). In addition, Taiwan has no right to play an independent role in world affairs. Since the PRC was admitted to the United Nations and most related organisations in 1971 and the USA switched diplomatic recognition to the PRC in 1979, Taiwan was forced to withdraw from many international organisations, although it was able to join the Asia-Pacific Economic Cooperation (APEC) dialogue as an "economy" and the World Trade Organisation (WTO) as a "customs territory" with name "Chinese Taipei" (Parker 2005).

As for the struggle for national identity, the issue is linked to the sub-ethnic and provincial tensions between mainlanders (*waishengren*) and native Taiwanese (*benshengren*). The former refers to people who either moved to Taiwan themselves or whose parents moved to Taiwan with the KMT between 1945 and early 1950s. The latter are those who or whose ancestors migrated to Taiwan before 1945 (Law 2003; Tsang 2007). Native Taiwanese are the dominant group of Taiwanese people,

[1] Before democratisation in the late 1980s, the authoritarian and uninterrupted KMT rule was based on a constitution and political system that was devised before 1949 and the claim that the ROC government was the government of the whole of China (Tsang 2007).

comprising 84% of the total population and regarding themselves as very different from mainlanders.[2] This ethnic and provincial difference has led to the rise of Taiwanese nationalism, which views Taiwan as a historically and culturally distinct community and considers the KMT authority as one of the external, invading forces.[3] This causes conflict with pan-Chinese nationalism that describes Taiwan as an affiliated part of pre-1949 China whose "territory is temporarily reduced to Taiwan but is expected to resume its original territory after the recovery of the Chinese mainland from the Communist Party of China" (Law 2003, p. 85; also see Schubert 2004). These domestic and international circumstances together with the history of foreign invasions have made Taiwan to be a "part country" facing credible internal and external threats, in which Taiwanese live with uncertainty about their future (Wade 1995, p. 129).

To resist both external and internal pressures, the political elites in Taiwan opted for the direction of democratisation in the late 1980s (Tsang 2007, pp. 177–182). Since then, the KMT stopped suppressing opposition forces (*dangwai*) in society. This resulted in the establishment of the Democratic Progressive Party (DPP) in 1986. The revocation of martial law in 1987 was another important sign of democratisation. Under martial law, the ideologies of people and many aspects of public life (e.g. the mass media and immigration) were subject to tight controls. The revocation led to a more relaxed political atmosphere, in which the DPP grew to be a legitimate opposition party and a significant political force that the general public accepted to be an effective check on or even a viable potential alternative to the political domination of the KMT. In the 1990s, the island-state gradually made the transition to a democratic, multi-party political system. In 1989, direct elections were introduced for the first time for local councils and the Legislative Yuan (the legislative branch), and also for executive posts at various levels (including county magistrates and city mayors). Direct elections for the Taiwan provincial governor and the mayors of two municipalities, Taipei and Kaohsiung, were introduced in 1994, and for the President in 1996. In 2000, the KMT's ruling position was replaced by the DPP, who remained in power until the KMT regained the presidency in 2008. In this sense, the process of political democratisation has been successfully completed in Taiwan, even though it has often been linked to the infiltration of gangsters and corruption in the electoral process (Tsang 2007, pp. 188–189).

It is noteworthy that the democratisation process is not only driven by socio-political factors including the growth of a civil society and of an undercurrent of dissent led by political elites (Tsang 2007), but also by socio-economic conditions, such as "successful economic development; the demand of entrepreneurs, business people and professionals for more autonomy; the rise of the middle class; the increased literacy and education levels of people; exposure to democratic values through trading and interaction with the outside world, particularly Western countries; and a Western-trained bureaucratic elite" (Law 2002, p. 64).

[2] Both mainlanders and native Taiwanese are Han Chinese. Mainlanders account for 14% of the total population, with the remainder consisting of nine major indigenous peoples.

[3] Taiwan was conquered by the Portuguese, the Spanish, imperial China and Japan in the past 400 years.

Nevertheless, the tension between the two main sub-ethnic groups has not decreased, despite the success of democratisation. In contrast, it is often reignited, particularly in political elections. To build up a new national identity, the KMT authority under the leadership of President Lee Teng-hui abandoned the pan-Chinese nationalism insisted on by President Chiang Kai-shek and President Chiang Ching-kuo and advocated the notion of "new Taiwanese", "implying a fresh, and shared 'national' identity for those living in Taiwan who are willing to strive and sacrifice for the ROC regardless of when they or their ancestors arrived, and their provincial heritage or native tongue" (Law 2002, p. 66). Popular acceptance of the idea represents the emergence of a "new Taiwanese consciousness". This brought the policy of self-limitation, under which the Taiwanese government gave up its constitutional legitimacy (*fatong*) over the whole of China. This implied the recognition of the legitimacy of the Communist rule in the Chinese mainland. Meanwhile, it started to promote Taiwan and the PRC as "two political entities" with "special state-to-state relations" in the international community (Schubert 2004). Such a policy was continued and reinforced under the leadership of President Chen Shui-bian of the DPP (see Chu 2004; Kao 2004 for detail).

This notion of "new Taiwanese" has also brought about the policy of "de-sinification" or "Taiwanisation" at the domestic level. For example, the Government of Taiwan Province was abolished in 1999 to remove the notion of Taiwan as a province of China and to reinforce the notion of Taiwan as a state. Another example of the efforts for de-sinification is the emphasis on Taiwan as a collectivity in, by and for itself through education. As a consequence, homeland studies and homeland languages were introduced to replace the sino-centric curriculum that emphasised knowledge about China. The idea of Taiwan as the ultimate home mastered by Taiwanese people is also promoted in education (Law 2002). All these primarily aim to cultivate a sense of "Taiwanese subjectivity" (*Taiwan zhutixing*), as anti-Chinese nationalists believe that Taiwanese perspectives were peripheralised in the past (Lynch 2004; Schubert 2004). At the same time, signs of affiliation with the Chinese Mainland are removed or reduced (Law 2002).

Summing up, in the post-1949 era, the Taiwan-centric notion that serves as a self-conscious project of collective identity construction and nation-building has come together with economic success to Taiwan, although politically the island has not declared independence and still holds ties with the Chinese mainland. Within this context of social transformation, the following section turns to describe the general picture of higher education in Taiwan.

2.2 A General Picture of Higher Education in Taiwan

2.2.1 History and Basic Orientation

The modern education system in Taiwan was founded during the period of the Japanese occupation. The Japanese colonial government imposed Western-style education systems with a main objective of assimilating the island and integrating

it into Japan. The education system was started with the establishment of an elementary education sector that aimed to equip the masses with basic knowledge and modern skills and to educate people in political obedience. The higher education system in Taiwan commenced with four institutions (one university and three colleges) during the late 1920s (Tsai and Shavit 2007). At that time, the system had only one university, Taihoku Imperial University, which was established in 1928 by the Japanese colonial regime, largely owing to Japan's ambition of expanding in south China and the South Pacific. Taiwan was considered to be a suitable place to conduct the research and to train the manpower that the Japanese colonisers needed (Wu et al. 1989, pp. 257–263). In fact, the Taiwanese who aspired to higher education were carefully channelled into the professions that the Japanese colonial government wanted to promote among the population. Despite the fact that the education system was founded with strong political and economic intentions, when the Japanese left Taiwan in 1945, Taiwan was one of the most literate populations in Asia (Woo 1991).

During the early period of the KMT rule in Taiwan, the number of institutions slightly increased to one university and four colleges. This was because the immediate educational goal of the KMT government at that time was to clear Japanese influence and to establish the national identity of China. Therefore, in 1945, Taihoku Imperial University was renamed National Taiwan University, and many institutions were renamed and reorganised (Wu et al. 1989, pp. 263–264; Zhang 2003). In the 1960s, in response to the global trend of higher education expansion, there was the first round of higher education growth in the island-state (Schofer and Meyer 2005; Wang 2003). During this period, the number of HEIs in Taiwan increased from 27 in 1960 to 91 in 1969. The number of students also grew rapidly from 34,623 in 1960 to 182,221 in 1969. However, the newly established institutions in this round of higher education expansion were mainly junior colleges (*zhuanke xuexiao*). Their number increased from 12 to 69 in a decade. This was because the expansion primarily aimed at providing more skilled technicians for economic development. Meanwhile, the private sector replaced the public sector, forming the majority of junior colleges through this round of expansion. Accordingly, the percentage of private junior colleges rose from 36.2 % in 1960 to 73.1 % in 1969 (Wang 2003, pp. 262–263). From the 1970s to the mid 1980s, the expansion of the higher education system slowed down. The private sector was also not allowed to establish any new institutions during this time. As a consequence, the number of HEIs only increased from 92 in 1970 to 105 in 1985. However, the growth rate of the number of students was low but steady during this period. The number of tertiary students increased from 201,178 in 1970 to 416,158 in 1985 (Wang 2003, pp. 263–265).

2.2.2 Regulation

Despite the fact that the private junior colleges had become the majority, the state still played a dominant role in running universities and colleges (*duli xueyuan*) before the mid-1980s because higher education was seen as an important way to

impose ideological control over the people. In fact, the KMT government adopted a highly centralised model to govern the higher education sector. At the top of the pyramid chart, the Executive Yuan (cabinet) had the responsibility to administer the social, economic, military, judicial, educational and policy-planning needs of Taiwan. The Ministry of Education (MOE) was the executive department that deals directly with universities and colleges under the Executive Yuan (Smith 1977).

Before the implementation of the policy of educational decentralisation in the late 1980s, education policy-making power was retained in the hands of the government, with the dominant role played by the MOE. The Ministry strictly controlled almost all aspects of the curriculum and administration. It had final say on numerous matters, including hiring, promotion and dismissal of faculty, admission and graduation of students, design of curricula, size of departments, and so on. As an ideological control, all academic publications were assessed and screened by the National Institute for Compilation and Translation of the MOE. Students had to take compulsory political ideology courses, such as the thought of Dr. Sun Yat-sen, in order to shape students' values and behaviours into those expected by the KMT and its leaders (Lo and Weng 2005; Smith 1977; Zhang 2003). Rigid control over the higher education sector has been released since the democratisation and the following educational decentralisation. This has brought significant effects on university governance in Taiwan. This point will be further elaborated later in this chapter.

Another important agency in higher education administration in Taiwan is the National Science Council (NSC). The Council was established in 1959, serving as the highest government agency responsible for promoting the development of science and technology under the Executive Yuan. One major function of the NSC, which appreciably influences the higher education sector, is its role of funding academic research projects. The Council is responsible for granting research funds to HEIs and research institutions to conduct research. According to the NSC's website, "proposed research projects must pass through two stringent rounds of review; if approved, projects can receive financing from the Council for research personnel, equipment, books and information, consumable materials and overseas travel expenses" (NSC 2010). There are seven types of research grant that provide financial support for academic research, industry and university cooperation and application of R&D results. It is noteworthy that the NSC is the agency financing the Programme for Aiming for Top University. This is a programme that draws a lot of attention from the academic community in Taiwan and will be discussed later in this chapter and in Chap. 5.

2.2.3 Funding

The government is an important funding source in Taiwan's higher education system, although the government is no longer the sole funder for education with the rise of private provision. Generally speaking, the government fund consists of two components: the recurrent component that provides financial support for the daily operation of HEIs, and the programme-based component that sponsors

Table 2.2 Higher education funding allocation in Taiwan, 2008–2010 (Unit: %). (Source: MOE (2011, p. 22))

	Recurrent component			Programme-based component			Fund raised by public HEIs
	Recurrent fund to public HEIs	Subsidies to private HEIs	General cost	Top University Programme	Teaching Excellence Programme	Other[a]	
2008	35	14	2	4	2	/	43
2009	32	13	2	3	3	12	35
2010	35	13	2	5	2	5	38

[a] Other refers to the Programme for Infrastructure Expansion and Economic Revitalization that is an intermediate response to the 2008 financial crisis. It is a special grant that aims to provide university graduates of 2006 and 2007 with job opportunities

specific areas of higher education on a project-by-project basis. Table 2.2 shows the allocation of funding from 2008 to 2010. The programme-based component (referring to the fund for the Programme for Aiming for Top University and the Programme for Encouraging Teaching Excellence in Universities only) makes up a significant proportion of the resources, which indicates an increasing degree of competition for funding in recent years. More importantly, as will be examined below, public universities have been granted more financial autonomy through reforming the funding system. As a consequence, as shown in the table, 35–40 % of public university income in the last three years income has come from fund-raising activities. In fact, universities have been searching for non-government sources of income, such as tuition fees, income from partnerships with the business sector and social donation. For instance, universities have been permitted to decide the level of tuition fees themselves since 1999. However, there has been public criticism that the financial reforms have increased the financial burden of university costs on students and their parents.

2.2.4 Provision

In Taiwan, as previously noted, the private sector played a significant role in the increase of education provision in junior colleges during the 1960s. Beginning in the mid-1980s, the Taiwanese government began another round of expansion for higher education. In 2000, the number of HEIs increased to 150 and the number of students reached 1,008,241. Importantly, many of the newly established institutions were universities and colleges during this period. In fact, the number of universities and colleges increased from 28 in 1986 to 127 in 2000, while there was a drop in the number of junior colleges (from 77 to 23) during the same period of time (MOE, various years). It is important to note that there was a growth in the number of both public and private universities in this round of expansion. Since 1999, the number of private universities has exceeded that of public universities.

The rationale for the rapid increase of universities and colleges is that after political democratization, the Taiwanese government can no longer merely consider

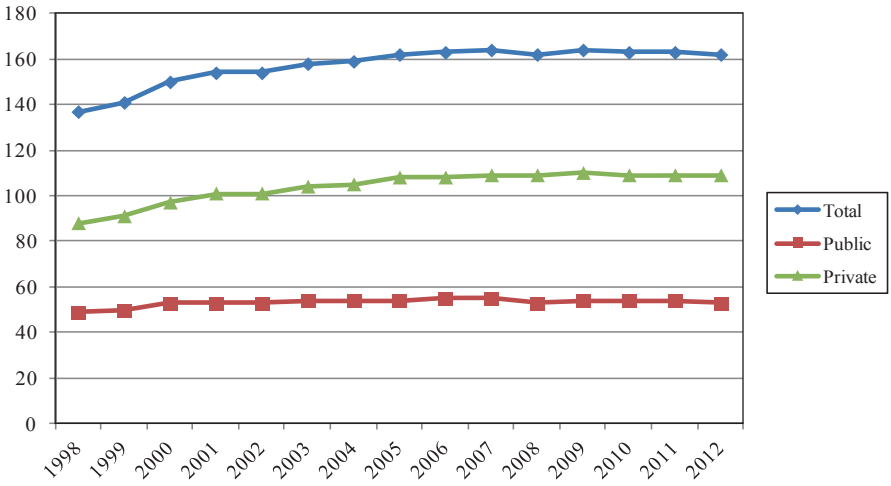

Fig. 2.1 The number of higher education institutions in Taiwan, 1998–2012. (Source: MOE (various years))

manpower development, but needs to take public voice into account when it is planning its higher education policy. In response to demands in the society, providing more university places became an important strategy for developing the higher education system (Wang 2003). However, in addition to the local political factors, Taiwan's awareness of the global economic trend and the associated transition to a knowledge-based economy should not be neglected in explaining the expansion of higher education in the 1990s (Lo and Weng 2005). Indeed, as analysed by Schofer and Meyer (2005), economic development produces the global discourses of pro-educational culture and the scientisation of society that have become important factors affecting the Taiwanese government's decisions on higher education expansion. As a result, Taiwan has accomplished the massification of higher education through the second round of higher education expansion in the 1990s (Trow 1974; Wang 2003). In 1998, there were 173 HEIs (39 universities, 45 colleges and 53 junior colleges), enrolling 915,921 students at various levels of tertiary education. In 2010, there were 163 HEIs (112 universities, 36 colleges, 15 junior colleges) enrolling 1,343,603 students at various levels of tertiary education. 67% (109 institutions) of the institutions are private ones (MOE, various years).

After Taiwan successfully achieved the transition from elite to mass higher education, the major concern over higher education has shifted from quantitative expansion to qualitative consolidation since the late 1990s. In fact, as illustrated in Figs. 2.1 and 2.2, higher education expansion has slowed down since 2000 and the number of HEIs has slightly decreased in recent years. Some universities and colleges even have difficulty recruiting students owing to the rapid decline of the birth rate and increasing competition between institutions. Furthermore, Taiwan's entry into the WTO in 2002 and the increasing mobility of students and higher education

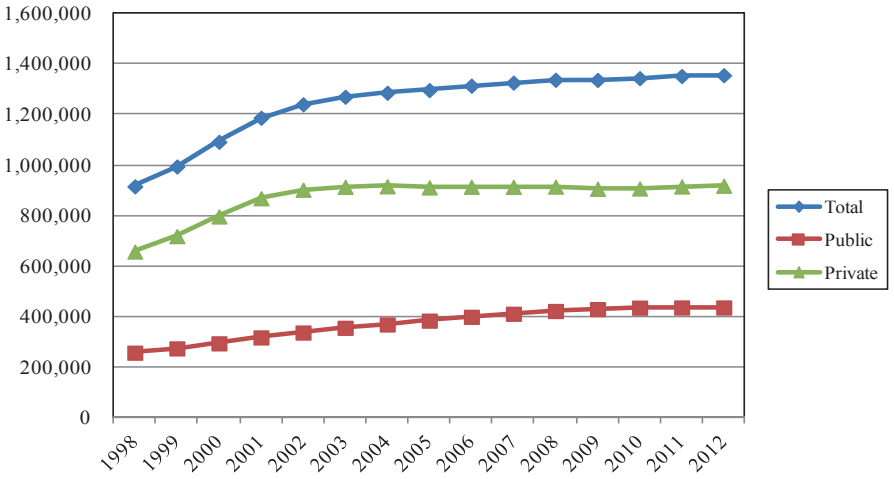

Fig. 2.2 The number of tertiary students in Taiwan, 1998–2012. (Source: MOE (various years))

providers have also contributed to the increased competition that HEIs in Taiwan are now facing (Chen and Lo 2007). As a result, the Taiwanese government has launched a series of reforms and policies that aim to promote excellence in higher education in the last two decades.

2.3 Reforms and Transitions Since the 1990s

The quest for building world-class universities has become a trend of higher education development in several East Asian countries where the massification of higher education has been accomplished. This formulated a "world-class" movement that represents an enforcement of catch-up strategies in higher education within the context of transition toward a post-industrial, knowledge-based economy. In fact, as captioned in Chap. 1, China, Japan, South Korea and Malaysia have clearly stated their goal of building world-class universities in their territories, whilst Hong Kong and Singapore have taken the pursuit of world-class excellence in higher education as a slogan for their policy of developing themselves to be regional education hubs (Mok 2008). This world-class movement is closely related to the rapid growth of influence of university rankings in East Asia because the league tables provide a clear and simple goal for both governments and individual HEIs (Deem et al. 2008). Taiwan is not immune from this trend and started its pursuit of world-class excellence after its accomplishment of the massification of higher education. In this regard, the following sections will delineate the policy initiatives and attempts made by the Taiwanese government under the general theme of enhancing higher education quality since the 1990s.

http://www.springer.com/978-981-4560-34-4

University Rankings
Implications for Higher Education in Taiwan
Lo, W.Y.
2014, XXI, 179 p. 8 illus., Hardcover
ISBN: 978-981-4560-34-4