

## Capitalist scheme hurts the nation

Written by Liao Pen-chuan 廖正興  
Monday, 30 December 2013 22:49

---

The nation's economic development has come at the expense of the government's prolonged pandering to capitalists. It has given them preferential tax benefits and exemptions as well as inexpensive water and electricity, together with relaxed land-use restrictions. It has handed capitalists the whole country on a platter, which has allowed them to exploit cheap labor, grab land and national parks, destroy the ecology and the environment, pollute crops, endanger health and pass the costs on to the vulnerable and the disadvantaged elements of society and to the public as a whole.

The government has done this to lower production costs and maximize competition through mass production and low unit prices so that Taiwan could become a global manufacturing powerhouse.

The nation said good-bye to the Statute for Prizes, Awards and Investments (獎懲條例) in 1991, but major capitalists were not weaned: The government immediately followed that legislative sustenance with the Statute for Upgrading Industries (SUI, 產業升級條例). Not yet satiated and not yet grown big and strong into a robust, self-sufficient industries equipped to compete in the world, they were put onto the Act for Industrial Innovation (產業創新條例) in 2010, about the same time the president withdrew the SUI from their expectant mouths.

This string of deregulation turned the state into an eternal maternal figure, continuing to breastfeed insatiable capitalists, who even after all this time have not yet learned to strike out on their own.

The 1990s saw Taiwan embark upon the road to neoliberalism. To come up with the membership fee for the exclusive club of liberalized economies, the government cleared all obstacles and relaxed all restrictions on behalf of the capitalists. In the process, the land policy disintegrated — land-use planning became thoroughly distorted into little more than a tool for economic development, or a way to deal with successive crises of capitalism. Among this capitalist feeding orgy, the land, the environment and the public were all offered up as lambs to the slaughter.

Since the 1990s, the government has been relaxing its hold on state-owned land, selling off national assets in return for hard cash to make up for the gaping hole in state coffers. In 2000, amendments to the Agricultural Development Act (農地開發條例) deregulated land initially reserved

## Capitalist scheme hurts the nation

Written by Liao Pen-chuan 廖正興

Monday, 30 December 2013 22:49

---

for agricultural use, opening the way for it to be bought and sold, and for farmhouses to be built upon it with fewer restrictions.

In addition, with the relaxation of land-use restrictions, powerful people in the political and business worlds have been able to appropriate lands previously zoned for other purposes and to develop land in sensitive areas. In some cases they have even tweaked the regulations to allow illegal construction of plants, temples, scenic areas and hot springs.

In 2002, the government halved the land value increment tax to help capitalists get into real estate, which resulted in a land speculation frenzy and an explosion in land prices, which has continued to today. This led to the arrogance of capitalists, who do not think that NT\$750,000 per square meter is expensive.

The government has been aiding and abetting capitalists, who have been commandeering and developing land and who have been engaged in land speculation. This kind of market deregulation facilitates a system that allows the strong to bully the weak, as we have seen with the state violence played out in the recent spate of expropriations and forced evictions.

There are many examples: the Miramar Resort Hotel in Taitung County; the Yoho Beach Resort in Pingtung County's Kenting National Park; Taipei's Huaguang Community (華光社區) and the evictions of the Wenlin Yuan (文林苑) urban renewal project; the forced demolitions in Miaoli County's Dapu Borough (大埔); the illegally operating guest houses in Nantou County's Cingjing (清境) and the toxic leaks from an Advanced Semiconductor Engineering factory in Greater Kaohsiung. These are examples of big businesses destroying areas of the country, polluting the environment, laying waste to natural habitats and trampling on human rights. These cases are the result of the relaxation of land restrictions and they are only the tip of the iceberg.

Those who stand to benefit are politicians and big businesses. They are in it together and they are in it for themselves: the tycoons, the unscrupulous politicians, the local factions and the influential academics are tied together with umbilical cords made of money and power.

This has formed a pernicious political landscape, which extends from the central government to local authorities.

## Capitalist scheme hurts the nation

Written by Liao Pen-chuan 廖正興

Monday, 30 December 2013 22:49

---

This year, the government has been promoting a new scheme — free economic pilot zones — and is pushing to sign a cross-strait service trade agreement. This is another form of deregulation an extension of what has been discussed above. It will allow China to come out from behind the veil with an evil corporate alliance set to bring in more money and power, promising economic development while putting everything that still remains in the nation in jeopardy.

A recent article argued that further deregulation was Taiwan's "only way out" of its current predicament. Enough is enough. The Taiwanese have been under the sway of deregulation for so long now, and what has it achieved?

The sad tale told by Chi Po-lin (齊柏林) in his documentary, *Beyond Beauty: Taiwan From Above* (齊柏林的台灣), is testament to the tragic price Taiwan has paid for being sold down the river.

*Liao Pen-chuan is an associate professor at National Taipei University's Department of Real Estate and Built Environment and chairman of Citizens of the Earth Taiwan.*

Translated by Paul Cooper

Source: [Taipei Times - Editorials 2013/12/30](#)