Democratization and the Environment: Entrepreneurial Politics and Interest Representation in Taiwan*

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How does democratization affect environmental politics and policy? While some scholars have cited empirical evidence showing that democratic countries tend to have better environmental records than their authoritarian counterparts,[1] others have debated the compatibility between democracy and sustainable environmental management.[2] One may, for example, note that many environmental problems involve large numbers of individuals who suffer from spill-over effects of actions by small numbers of individuals or firms. Many serious water and air pollution problems, for instance, are caused by a few industrial plants, yet their effects are suffered by many people. Although popularly elected officials may have an incentive to develop policies to protect the environmental welfare of the many, these officials may also be influenced by a few polluters who are better organized and more resourceful in pressing their case in the policy process. Following this logic, one cannot definitely predict, at least in the short term, that democratization will help improve the environment.

Such an indeterminate conclusion mirrors a scholarly debate in the democratization literature about how institutional change affects the representation of interests in the policy process.[3] On the one hand, democratic transitions, by definition, involve the establishment of free elections and formal rights of association. Such new institutions provide opportunities for the representation of categories of interests – labour, women, consumers, environmentalists – that consist of large numbers of dispersed and unorganized individuals who were disadvantaged in the previous authoritarian era. On the other hand, there is no guarantee that

*The research for this article is supported in part by a grant from the Chiang Ching-Kuo Foundation for International Scholarly Exchange.

1. Roger Congleton, "Political institutions and pollution control," *The Review of Economics and Statistics*, Vol. 74, No. 3 (1992), pp. 412–421; Eduardo Silva, "Democracy, market economics, and environmental policy in Chile," *Journal of Inter American Studies and World Affairs*, Vol. 38, No. 4 (1997), pp. 1–33.

2. Some authors argue that environmental interests may not be well represented in a representative democracy. For example, there is a lack of representation for future generations in inter-temporal allocation of natural resources. Collective action problems also create difficulties for diffuse environmental interests to be effectively represented in policy making. See William Lafferty and James Meadowcroft (eds.), *Democracy and the Environment* (Brookfield: Edward Elgar, 1996); Wouter Achterberg, "Sustainability, community and democracy," in Brian Doherty and Marius de Geus (eds.), *Democracy and Green Political Thought* (New York: Routledge, 1996); Daniel Fiorino, "Environmental risk and democratic process," *Columbia Journal of Environmental Law*, Vol. 14 (1989), pp. 501–544; Rodger A. Payne, "Freedom and the environment," *Journal of Democracy*, Vol. 6, No. 3 (July 1995), pp. 41–55.

3. Adam Przeworski *et al.*, *Sustainable Democracy* (New York: Cambridge University Press, 1995); Philippe C. Schmitter, "The consolidation of democracy and representation of social groups," *American Behavioral Scientist*, Vol. 35 (1992), pp. 422–449.

these dispersed interests can effectively take advantage of the new channels of representation. In some cases, the privileged groups – industrialists, real estate developers – tend to be more concentrated and better organized, and are better able to exploit the new channels of representation.

To prevent "capture" of government policy by privileged groups, mature democracies have developed various institutional arrangements to ensure the transparency and accountability of the policy process. This ranges from provisions that facilitate citizen participation in administrative rule-making to legal arrangements that facilitate legal challenges to administrative discretion. Although such arrangements may not entirely preclude the possible dominance of special interests in policy making and implementation, they do facilitate the representation of diffuse interests in the process.[4]

In countries that have recently departed from their authoritarian past, many institutional arrangements that facilitate citizen participation in the policy process are yet to be developed. Even though competitive elections and freedom of association are in place, there is still a lack of institutionalized channels for groups representing diffuse interests to challenge policy and administrative decisions effectively. Privileged groups continue to exercise disproportionate influence through various political clientele networks.[5]

Thus, in order to understand the impact of democratization on environmental policy, one must examine how configurations of institutional arrangements, new and old, create various channels for both diffuse and concentrated interests to influence policy making and implementation. This article examines this issue in the context of a newly democratized polity, Taiwan. Praised by some scholars as a "political miracle" for its smooth democratic transition and consolidation in the past decade,[6] Taiwan demonstrates how democratization has created both opportunities and obstacles for groups representing diffuse interests to influence environmental policy.

The democratization process in Taiwan began in the mid-1980s when the ruling party KMT (Kuomintang) took steps to introduce democratic institutions and processes to the island. The process began with the formation of opposition parties in 1986, followed by the lifting of martial law in 1987, open elections of the entire National Assembly and Legislative Yuan in 1991 and 1992, respectively, and the direct elections of the provincial governor in 1995 and president in 1996. During the period, the ruling regime has also lifted most of its control on the media and

4. James Q. Wilson, *Political Organization* (Princeton: Princeton University Press, 1995); John Thibaut and Laurens Walker, "A theory of procedure," *California Law Review*, Vol. 6, No. 3 (1978), pp. 541–566.

5. See, for example, Guillermo O'Donnell, "On the state, democratization and some conceptual problems: a Latin American view with glances at some post-Communist countries," *World Development*, Vol. 21, No. 8 (1993), pp. 1355–69.

6. Linda Chao and Ramon H. Myers, "The first Chinese democracy," *Asian Survey*, Vol. 34, No. 5 (May 1994), pp. 213–230.

abandoned most unfair practices that enabled the KMT to manipulate election results.[7] As noted by Tien and Cheng, this series of political reforms has "cleared nearly all the roadblocks to fair, open and full elections."[8] After a number of these open elections the KMT still maintains its power at the central level, but it has lost elections to opposition parties in many county and city races.[9]

Coinciding with the development of the democratization process, the environmental protest movement emerged. In the early 1980s, during its initial phase, the environmental protest movement was mostly localized: residents organizing sporadic protests against such local polluting sources as petrochemical factories and rubbish dumps. As they were technically illegal under the martial law in effect at that time, these activities were usually small in scale, and only rarely was the central government a target. The number of environmental protests increased dramatically in the second half of the 1980s as the democratization process intensified. This was especially the case after the abolition of martial law in 1987 which drastically reduced the marginal costs for individuals to participate in protests as the threat of prosecution diminished.[10] Many of these protests were then not just targeted at local governments and private businesses, but also the central government and its state enterprises. As discussed by Tang and Tang, many of the environmental protests in the 1980s were initiated by local leaders who mobilized residents by promising them such exclusive benefits as monetary compensation from owners of pollution sources.[11] Once monetary compensation was secured, leaders and protesters lost their interest in actually improving the environmental condition of the community.

The character of the environmental movement began to change when membership-based environmental organizations started to spread after the abolition of martial law in 1987. As these organizations grew larger after the end of the 1980s, they were able not only to support and co-ordinate local environmental protests but also to turn the nation's attention to larger ecological issues such as wildlife, forest and water resource

7. In the past, for example, the KMT could directly channel government resources to support its candidates in elections and send pro-KMT soldiers to their home towns to vote for its candidates.

8. Hung-Mao Tien and Tun-Jen Cheng, "Crafting democratic institutions in Taiwan," *The China Journal*, Vol. 37 (1997), p. 13.

9. After its overwhelming wins in local magistrial and mayoral elections in 1997, the Democratic Progressive Party has, for the first time in history, ruled more than half local jurisdictions in Taiwan.

10. According to Hsiao, between 1980 and 1987 there were an average of 13.75 environmental conflicts per year; the average increased to 31.33 protests per year between 1988 and 1990 and to 258 in 1991 alone. After 1991, the number of protests began to decrease. See Hsiao Hsin-huang, "Taiwan difang huan-bao kangzheng de xingge yu zhuanbian: 1980–1991" ("The characteristics and change of Taiwan's grassroots environmental protest movement: 1980–1991"), in Taiwan yanjiu jijin (Taiwan Research Foundation) (ed.), *Huanjing baohu yu chanye zhengce* (*Environmental Protection and Industrial Policy*) (Taipei: Chien-wei Publication, 1994).

11. Shui-Yan Tang and Ching-Ping Tang, "Democratization and environmental politics in Taiwan," *Asian Survey*, Vol. 37, No. 3 (March, 1997), pp. 281–294.

preservation.[12] Instead of limiting their role to raising the public's environmental awareness, these organizations have been actively trying to influence policy making, for example, by organizing nation-wide demonstrations against nuclear power, by lobbying legislators and by campaigning on behalf of candidates for political offices.[13] Many of these activities represent the rise of what Wilson called "entrepreneurial politics" – promoting policies that benefit the general public in opposition to the interests of concentrated and organized groups.[14]

To what extent have these entrepreneurial politics been able to further the environmental cause of Taiwan? The record so far has been mixed. On the one hand, the environmental movement has induced the central government to introduce many new policy measures aimed at preventing and reducing pollution, preserving natural resources and resolving environmental disputes.[15] Some local governments have also begun to take initiatives to improve the environmental conditions of their residents by committing resources to pollution clean-ups,[16] by rejecting heavily polluting industry[17] and by enforcing environmental regulations more vigorously. On the other hand, the political system has shown to be resistant to some major demands by nation-wide environmental groups, especially when their demands conflicted with the central government's economic development plans or with vested interests of powerful coalitions be-

12. According to a recent count by the Environmental Protection Association for Enterprises, there are more than 200 registered environmental organizations in Taiwan.

13. These organizations differ from one another in objectives and strategies. For example, the New Environment Foundation focuses on social education and is less active in politics. The Environmental Protection Association for Enterprises is supported by enterprises to promote communication among environmental groups, policy makers and enterprises. The Taiwan Environmental Protection Union vigorously supported local protests against pollution in the past, and has gradually shifted its limited resources to represent diffuse interests in such issues as ecological preservation, the anti-golf movement and the anti-nuclear movement. Also see Huang Jun-Ying, "Huan-bao xitong zhong zhongjie tuanti juese zhi yanjiu" ("A study on the role of intermediary groups in environmental protection action"), an EPA sponsored Research Report of National Chung-shan University, Taiwan (1988); and Jeh Jiunn-Rong, "Huan-bao tuanti de zhuanxing" ("The transformation of environmental groups"), *Huan-bao yu jingji* (*Environmental Protection and Economy*), Vol. 31 (1992), Taipei, pp. 36–40.

14. Wilson, *Political Organization.*

15. For a discussion on the evolution and special problems of Taiwan's environmental regulations, see Chiou Chang-Tay, *Taiwan huanjing guanzhi zhengce* (*Taiwan's Environmental Control Policy*) (Taipei: Shu-hsin Publication, 1995). For the dynamics between political liberalization, economic development, and environmental protection in Taiwan, see Jiunn-Rong Yeh, "Institutional capacity-building toward sustainable development: Taiwan's environmental protection in the climate of economic development and political liberalization," *Duke Journal of Comparative and International Law*, Vol. 6 (1996), pp. 229–272.

16. One may cite the examples of Ilan county and Kaohsiung city governments, which have been successful in cleaning up the Tungshan River and the Ai River respectively.

17. For example, Ilan county rejected the investment project of the Sixth Naphtha Cracker Plant by Formosa Plastic Groups. See Chang Shih-Hsien, "Huan-bao xietiao guocheng zhi yanjiu" ("Period structures and developments in negotiation of environmental protection: case study of the 6th Naphtha Cracker in Ilan 1986–1988"), *Zhongguo xingzheng pinglun* (*The Chinese Public Administration Review*), Vol. 2, No. 3 (1993), Taipei, pp. 39–66; and Huang Shih-I "Liuqing, zhengfu, minzhong, changshang" ("The Sixth Naphtha Cracker, government, citizens and enterprises"), Master's thesis, Chinese Culture University, Taiwan, 1991.

tween politicians and businesses. One noticeable example concerns the development of nuclear power. Despite numerous rounds of public protests organized by environmental groups in the past decade, the central government has remained insistent on further developing nuclear power on the island.[18]

This article examines two cases. The first one – the anti-golf movement – shows how groups representing concentrated business interests eclipsed those representing diffuse environmental interests in the policy process. The second one – the Kuantu Nature Park – shows the opposite. A comparison of these two cases is used to analyse how two major institutional changes in Taiwan's political system – open elections and dispersion of political power – have affected patterns of interest representation in environmental politics.

The Anti-Golf Movement

Golf has always been a favourite sport among the rich and powerful in Taiwan. As the economy blooms, the demand for golf courses increases. With one of the highest population densities in the world, there has always been a shortage of land in Taiwan for golf course development or expansion. Despite this shortage, dozens of new golf courses have still been constructed and old ones expanded in the past decade. Yet it was not fully revealed to the public until late 1993 that many of these developments were undertaken by private developers on public land and, in most cases, without government approval. Furthermore, many of the courses, especially those located upstream of major rivers or in water conservation areas, create serious environmental problems. As pointed out by many environmental scientists, when forests in the mountains are replaced by golf courses, soil erosion intensifies, the chances of flood increase, groundwater levels decline and the life-spans of downstream dams shorten. In addition, heavy uses of fertilizer and pesticides in the golf courses pollute soil and water, thus endangering the health of many downstream water users.[19]

When the illegal practices of golf course developments were revealed to the public in late 1993, one would have expected a government crackdown. Instead, the central government tried to legalize the practices retroactively by, for example, selling the developers the public land. Outraged by such a government position, several environmental groups – Taiwan Environmental Protection Union, New Environment Foundation,

18. For example, see Lin Pi-Yao, "Taiwan de fanhe yundong" ("Taiwan's anti-nuclear movement"), in Cheng Hsien-Yu (ed.), *Hesi juece gaocheng yu fushe shanghai* (*The Policy Process of the Fourth Nuclear Power Plant and Radiation Harm*) (Taipei: Chien-wei Publication, 1994).

19. Chen Yu-Feng, *Shengtai Taiwan* (*Taiwan's Ecology*) (Taipei: Ch'en-hsing Publisher Inc., 1996); Kuo Chen-Tai, "Gao'erfu qiuchang dui shuiwen yu shuizhi zhi yingxiang" ("The impacts of golf courses on water ecology and water quality"), *New Environment*, Vol. 107 (1995), Taipei, pp. 14–18; and Liao Yi-Mei, "Taiwan buke chengshou de xiao bai qiu" ("A 'little-white-ball' that cannot be tolerated by Taiwan"), *New Environment* Vol. 109 (1995), Taipei, pp. 8–9.

Greenpeace (Taiwan) – joined together to organize a series of protests. In 1994, these groups formed the Anti-Golf Action Union in an attempt to unify their efforts. They also initiated other campaigns such as "reject golf, save water," aimed at raising the public's awareness of the issue.[20] Besides launching legal challenges against the illegal golf courses and the responsible government officials, these groups also requested an impeachment motion in the Control Yuan (the highest ombudsman office of the central government) against officials in the National Property Bureau which rented and later sold public lands to golf course owners at below-market prices or with questionable procedures.[21]

Partly because of these strong reactions from the environmental groups, mid-level government officials initially took a pretty strong stance against the golf course developers, threatening to cancel their operating licences unless they took steps to correct their past acts.[22] Nevertheless, as the president and the prime minister were reported to be still playing games on some of these illegal courses,[23] senior government officials at both the central and local levels appeared to be under pressure to announce various relief measures for the developers. The Executive Yuan, for example, bluntly changed its public land sales policy to enable developers to procure their neighbouring public lands for golf course expansion.[24] The Ministry of Education enacted the Golf Administration Ordinance to legalize some ongoing illegal practices by golf course owners.[25] The National Property Bureau proposed the Agreement on Co-Development to legalize the invasion of public lands on a case-by-case basis. The magistrate of Tao Yuan county automatically extended the deadline for developers to file retroactive applications for construction permits. These measures as a whole enabled the developers to solve their legal problems by paying some form of "compensation fees" that were well below the market values of the public lands they had appropriated.

How can one explain the favourable treatment received by the golf course developers? One might credit the developers' own publicity campaigns. For example, Cheng Chung-Kuang, the chairman of the National Golf Association, orchestrated a "ten thousand people demonstration" by sending golf course employees and their families on to the streets to fight for their "rights to work." The developers also tried to boost their reputation by organizing well-publicized master tournaments

20. Shih Hsin-Min, "Taiwan huanjing baohu yundong huigu" ("A review of Taiwan's environmental protection movement"), *Taiwan Environment* Vol. 81 (1995), Taipei, pp. 8–13.

21. Huang Wen-Hsia, "Ni zhidao ma? Hongxi gao'erfu qiuchang yi ping zhi yao yue zu wu maoqian!" ("Do you know? The monthly rent for Hung-Hsi golf courses is only fifty cents per 'ping' "), *Xin xinwen* (*New News Magazine*) (1996), pp. 32–33.

22. *Zhongguo shibao* (*China Daily News*), Taipei, 27 December 1994.

23. For example, the Hung-si-ta-hsi Club, owned by the same developer as President Lee's villa, is one of those courses the president played in.

24. Yang Ai-Li and Chen Shen-Ching, "Sifa tiaozhan zheng-shang guanxi" ("Judicial challenges against politico-business relationships"), *Common Wealth*, Vol. 167 (1995).

25. Since golf is a type of sport, operating licences of golf courses were issued by the Ministry of Education which administered all sports and athletic tournaments before the establishment of the Physical Education Committee in the Executive Yuan in 1997.

and by stressing golf courses as an arena for Taiwan leaders to interact with foreign dignitaries. They even filed libel charges against some prominent environmentalists as a way to divert their energy from protest activities.

It is, however, hard to believe that these public relations efforts were the real reason behind the favourable treatment the developers received. Instead, one should note the financial resources and political influence they possessed. In Taiwan, membership of a famous golf club can cost more than NT$2 million (about US$70,000) and is still in short supply. Since golf courses are regulated by many central and local agencies, only a handful of individuals with strong networks throughout the entire political system are able to clear all the bureaucratic hurdles in the development process.[26] These individuals can attract billions of dollars of cash just by proposing a golf course project and by selling memberships in advance.[27] With large amounts of cash at their disposal, developers can engage not only in high-return speculation in the stock and real-estate markets, but also in building even more connections with the politically powerful. In addition, golf itself is popular among high-ranking government officials and much political networking can be done informally during a game. Golf club memberships become a valuable commodity among the politically ambitious. Thus golf club developers can potentially wield great political influence by allocating valuable memberships to those who are politically well connected or by lobbying personally with high government officials during games.

The logic of neo-mercantilism.[28] In addition to this popular understanding about the power and influence of golf course developers, one may go deeper into Taiwan's emerging system of neo-mercantilism to understand the channels in which these highly concentrated interests are represented in the policy process.

During the authoritarian era in Taiwan, Chiang Kai-shek and Chiang Ching-kuo were the undisputed leaders of the ruling KMT. Through the KMT party machinery, both of them were able to exercise authoritarian power without relying on financial resources from capitalists. Indeed, both insisted on excluding capitalists from the centre of power.[29] Some

26. An application for golf course construction involves 36 specific laws, requires approval from more than 30 agencies and is evaluated by more than 2,000 officers (i.e. 2,000 stamps or signatures). See Yang Ai-Li and Cheng Shen-Ching "Judicial challenges," pp. 209 and 212.

27. Li Yi-Chung, "Taiwan diqu fangao'erfuqiu yundong zhi lishi jiegou – minjian-shehuili guandian" ("The historical structure of the anti-golf movement in the Taiwan area – a perspective of civil-societal forces"), Master's thesis, National Taiwan University, Taiwan, 1996.

28. For the usage of this term to describe Taiwan's political development, see Hsiao Chuan-Cheng, *Taiwan diqu de xinzhongshangzhuyi* (*The neo-mercantilism of the Taiwan area*) (Taipei: Kuochia chengts'e yienchiu chunghsin, 1989).

29. Cheng Tung-Sheng, *Jinquan chengshi* (*The City of Money Power*) (Taipei: Chu-Liu Publisher Inc., 1995).

scholars have credited this as the foundation for the "strong state" that helped create the "economic miracle" in Taiwan.[30]

After the death of Chiang Ching-kuo, Lee Teng-hui emerged as the new leader. Without firm control of the military, the administrative system or the KMT party machinery, Lee was faced with numerous challenges from other senior cadres in the KMT. Initially, he succeeded in manoeuvring through this political landscape by forming various political coalitions within the party, and by reshuffling his supporters and challengers among various government positions.[31] Yet, to ensure his long-term survival as the party leader, Lee found it necessary to recruit his own supporters and resources into the political networks.[32]

Politically ambitious capitalists, for the first time in Taiwan's history, began to find convenient access points to the top political echelon on the island. Numerous anecdotal reports exist about various golf partnerships between top political leaders and major capitalists – the "Teng-hui Open" consisting of President Lee Teng-hui and some major capitalists, the "Dachong dui" (Big-worm Team) consisting of Song Chu-Yü (Taiwan provincial governor) and Hsiao Wan-Chang (the new Prime Minister) and other politicians and merchants of a younger generation, and the "Yung-Lien Association" (which means supporting Lien) consisting of Lien Chan (vice-president) and other capitalists.[33] When top political leaders are closely associated with the capitalists to secure their political careers, it is fairly easy to understand why golf course developers dared to begin construction on public lands without prior approval, why they could continue to assure their membership holders of their continuing operation in spite of the Ministry of Education's ultimatum to cancel their operating licences, and why they boldly rejected any compromise schemes proposed by government agencies.

Not every merchant has a chance to play golf with the president, the prime minister or the provincial governors. For those who don't there are other channels for them to influence policy. One is the election system – a pillar of democratization in Taiwan. Elections at both the central and local levels have become extremely competitive. According to Tien and Cheng, "election expenses on a per capita basis in Taiwan were among

30. Chalmers Johnson, "Political institutions and economic performance: the government-business relationship in Japan, South Korea, and Taiwan," in F. Deyo (ed.), *The Political Economy of the New Asian Industrialism* (Ithaca: Cornell University Press, 1987); Ronald Findlay, "The new political economy: its explanatory power for LDCs," *Economics and Politics*, Vol. 2 (1990), pp. 193–221; and Robert Wade, *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization* (Princeton: Princeton University Press, 1990).

31. For a general discussion on the change of power structure and the political struggles for leadership succession, see Michael Ying-mao Kau, "The power structure in Taiwan's political economy," *Asian Survey* Vol. 36, No. 3 (March 1996), pp. 287–305; For specific strategies that Lee used in power struggles, see Chuo Yu-Ko, *Li Denghui de yiqian tian* (*Lee Teng-hui's One Thousand Days*) (Taipei: Mai-t'ien Publisher Inc., 1993).

32. The business community and local factions are two main sources of his new allies. See Tse-Min Lin, Yun-Han Chu and Melvin Hinich, "Conflict displacement and regime transition in Taiwan – a spatial analysis," *World Politics*, Vol. 48 (July 1996), pp. 453–481.

33. For related reports, see *Jingji ribao* (*Economic Daily News*), 23 February 1993; *Lianhe bao* (*United News*), Taipei, 13 and 18 February 1993.

the highest in the world."[34] It has become increasingly difficult for candidates to run a campaign without huge financial resources. With no effective rules governing political and campaign contributions, merchants and business groups can gain enormous political influence over elected officials through their financial contributions to their campaigns.[35] Some powerful business groups even got several representatives, including the groups' own leaders, elected to the Legislative Yuan, the Provincial Assembly, and various city and county councils. Some of these individuals went on to secure seats in lucrative committees in these representative bodies.[36]

Rent seeking in land-use projects. The golf course scandal illustrates a subtle but convenient way for elected officials to reward their mercantile sponsors: by helping developers in their development projects, government officials can transfer huge amounts of economic rent to them, with minimal political and legal risks. First, land-use regulations in Taiwan are vague and complicated enough to allow government officials much leeway in evaluating development applications with minimal public scrutiny. Depending on how they interpret the regulations, government officials can potentially award huge economic rents to individuals or groups by approving lucrative projects like golf course development. Secondly, while urban zoning plans are supposed to be kept strictly confidential to prevent speculative activities, valuable insider information may be made available to merchants about forthcoming changes in zoning plans. The most direct way to do this is for merchants to have their representatives appointed by the magistrate or mayor to the urban planning committee which evaluates all zoning changes. Such a scenario is, however, less likely in cities with plenty of urban planning specialists or professionals.[37] Thirdly, the social costs created by perverse land use are borne by the diffuse public, who, in most cases, are not organized to be threatening to the officials who are responsible. Fourthly, most land development projects can be claimed as part of a normal process of economic growth and tend to be well received by the general public. Finally, in the whole process, many third parties also benefit as land prices escalate, and these parties can easily be part of a coalition to support the land-use change.[38]

For such reasons, more than 50 out of 84 existing golf courses in

34. Hung-Mao Tien and Tun-Jen Cheng, "Crafting democratic institutions," p. 14.

35. Michael Yin-mao Kau, "The power structure."

36. For example, Wong Ta-Ming, as head of the Hua-long Conglomerate, was elected legislator and secured a seat in the powerful Finance Committee in the Legislative Yuan. See Wong Jenn-Hwan, *Shui tongzhi Taiwan? (Who Governs Taiwan?)* (Taipei: Chu-liu Publisher Inc., 1996). For a general discussion on the emerging influence of the business groups, see Hsiao Hsin-Huang, "Formation and transformation of Taiwan's state–business relations: a critical analysis," *Bulletin of Institute of Ethnology, Academia Sinica*, Vol. 74 (1993), Taipei, pp. 1–32.

37. Personal interview with an official in the Department of Urban Development, Taipei city.

38. For an elaboration of some of these points, see Chen Tung-Sheng, *The City of Money Power*.

Taiwan were built between 1988 and 1991, the period in which real-estate speculation reached its peak.[39] During the period, developers and their agents, through various means, "persuaded" many local government officials to issue construction permits for them to build golf courses in otherwise conserved areas. While many environmental protests at that time were focused on such easily identified targets as petrochemical plants and rubbish dumps, no essential objection was openly raised against the lovely golf courses which helped to increase the property values of nearby communities.

Who cares about the environmentalists? In contrast to the political efficacy of mercantile interests, the anti-golf movement has never attracted enough support from the voting public to threaten the electoral prospects of politicians. In most nation-wide elections, the public has been much more concerned about such major national issues as the president's trip to the United States and military threats from mainland China than golf course scandals. As a result, President Lee's insistence on playing golf on illegal courses did not prevent him from being elected in the first national presidential election in 1996.

There was also a lack of viable channels for the environmental groups to press their case. Although democratization had increased the possibility for the legislature and the courts to get involved in major policy disputes, the bureaucracy remained the major arena in which issues about golf course development were administered. Although environmental groups could gain sympathy from a few legislators who could raise the issues in legislative meetings, civil servants were still protected by the traditional administrative procedures. As long as they refrained from doing anything clearly illegal, it was difficult for the legislature to challenge administrative discretion by the bureaucrats, who in most cases were in tune with their KMT bosses.

Legal channels available to the environmental groups were quite limited. For example, although environmental organizations tried to request an "impeachment" motion against officials in the National Property Bureau for favouring special business interests, the motion was eventually downgraded to a "correction" motion against the Bureau's mismanagement of the issue, thus turning it from being a major political scandal into a matter of low-level bureaucratic procedure.[40] The legal system in Taiwan also limited the extent to which environmental groups could challenge administrative decisions in the courts as a means of addressing environmental injustices. For example, a legal case could be brought only if there was evidence suggesting official malfeasance or misconduct or if particular victims of an official act could be identified. No general provisions existed for environmental groups to file class-

39. Chen Yu-Feng, *Taiwan's Ecology*.

40. A "correction" motion in the Control Yuan is an investigative motion against an "event," while an "impeachment" motion is against specific "officials," political appointees or not, who are involved in major scandals.

action lawsuits, as is possible in the United States.[41] In some cases, even though lawsuits were successfully filed by public prosecutors advocating judicial reform,[42] judges tended to take a more conservative position, and in many famous cases the defendants were acquitted.[43] As a result, the anti-golf movement gradually faded away as the media finally lost its interest in reporting what the public began to feel as boring.

Kuantu Nature Park

In contrast to the anti-golf movement, environmental groups were successful in promoting the establishment of the Kuantu Nature Park in Taipei City. Long regarded as the "Last Shangri-la" close to the Taipei metropolitan area, Kuantu is the natural habitat of a variety of wild birds, domestic or migratory. However, being so close to the metropolitan area, it has for some time been targeted by real-estate developers for high-density developments. In view of such a threat, environmental groups began in the mid-1980s to launch a campaign to turn parts of Kuantu into a wild bird preservation area.

This campaign represents a case of diffuse interests clashing with concentrated ones. On the one hand, a park would potentially benefit millions of residents in the Taipei metropolitan area who can enjoy the fresh air[44] and visit it for recreational purposes.[45] On the other hand, the plan for the park ran against the interests of a group of wealthy developers who had bought land in the location and tried to develop it into high-density commercial districts. These developers controlled about 40 per cent of the land. Around 10,000 farmers who owned about 60 per cent of the land would also receive a windfall from the land appreciation resulting from a rezoning of agricultural lands into industrial or commercial ones.

The major promoter of the park was the Taipei chapter of the Wild Bird Society of the Republic of China, whose membership consisted

41. Dennis Tang, "Wo guo huanjing fa yu zhengce de xiankuang ji zhanwang" ("The state and future of our country's environmental law and policy"), in Editorial Committee (eds.), *Dangdai gongfa lilun* (*Theory of Contemporary Public Law*) (Taipei: Yueh-tan Publisher Inc., 1993); Yen Jiunn-Rong, "Minzhong canyu huan-bao faling zhi zhixing" ("Civic participation in the enforcement of environmental regulations), in *Huanjing zhengce yu falü* (*Environmental Policy and Law*) (Taipei: Yueh-tan Publication, 1993); and Hwang Jiin-Tarng, "Taiwan diqu huanjing fa zhi jiantao" ("A critical review of the environmental laws in the Taiwan area"), in *Taiwan diqu huanjing fa zhi yanjiu* (*Research on the Environmental Law in the Taiwan Area*) (Taiwan: Yueh-tan Publication, 1994).

42. For in-depth reports on the efforts of these public prosecutors to challenge the political-economic celebrities, see Yang Ai-Li and Cheng Shen-Ching, "Judicial challenges"; and a special report in *Global Views Monthly*, Vol. 127 (1996).

43. *Zili zaobao* (*Tzuli Morning News*), Taipei, 8 January 1996; *Zhongguo shibao*, Taipei, 30 January 1996.

44. According to specialists' opinion, Kuantu is a natural ventilator for smog in the Taipei Basin. *Zili zaobao*, Taipei, 25 March 1990.

45. The developers argued that high-density developments would also benefit the general public by providing affordable housing to the lower middle class. However, Park advocates countered that a nature park would benefit a wider range of diffuse interests – rich and poor, present and future generations.

mostly of doctors, teachers and other white-collar professionals. Although the Society claimed to be the largest environmental organization in Taiwan, it had only ten full-time employees and about 1,500 members. With a narrow membership base, it relied mostly on financial donations from enterprises such as DHL that are interested in ecological conservation. How could such a small organization representing the diffuse interests of millions of people succeed in overcoming resistance from a compact group of developers who had billions of dollars of property value at stake? The Wild Bird Society did several things. First, it organized many well-publicized weekend bird observation trips, in which volunteers introduced participants to varieties of migratory birds. Through these trips, the Society gained considerable attention from the media, which helped to educate the public about the ecological value of the park. The Society was later able to collect 10,000 citizen signatures and mobilize 300 enterprises to support the establishment of the Kuantu Park. Coincidentally, all these activities were undertaken during a time when Taiwan was blamed and sanctioned by the international community for its poor records in ecological preservation in general and wild animal protection in particular.[46] A national sentiment was emerging that Taiwan as a whole needed to do better in ecological preservation. According to one public survey at the time, about 90 per cent of the citizens surveyed in Taipei agreed with the park's establishment.[47]

Secondly, the Society entered into strategic coalitions with other environmental groups advocating compatible goals. One example was its coalition with the Taiwan Environmental Protection Union in the campaign to clean up the Tanshui River, which runs through the Taipei metropolitan area and beside the Kuantu Nature Park. The Tanshui River campaign had encountered numerous obstacles as it involved numerous objectives ranging from upstream water preservation to midstream sewerage treatment and downstream clean-up. In contrast to the complexity associated with the Tanshui River campaign, the Kuantu Nature Park campaign provided a concrete objective on which all the parties could focus their efforts.

Thirdly, the Society also directly participated in public policy making by sending volunteers to various public hearings and city council meetings to lobby on behalf of the park. In the opinion of a city official, most of these lobbying activities are of high quality in terms of their ability to provide knowledge-based information, conduct rational discussions with officials and represent the will of the public.[48] Through various public

46. At that time Taiwan was sanctioned by the U.S. under the Pelly Amendment for uncontrolled smuggling and selling of rhinoceros horn and ivory. Another incident was that a famous German journal, *Der Spiegel*, reported Taiwan's ecology conditions under the title "Wir leben im Schweinestall" ("We are living in a pig stall"). Liu Wen-Chao, "Women shenghuo zai zhushe li?" ("Are we living in a pig stall?") *New Environment*, Vol. 125 (1995), pp. 3–4.

47. Cheng Yi-Ching, "Yuan fei yu yue Taipei yidianyuan" ("The hawk flies and the fish leaps in Taipei's Eden"), *Common Wealth*, Vol. 181 (1996), Taipei, pp. 240–42.

48. See Cheng Yi-Ching's report on the opinions of Lin Feng-Chin, head of the Construction Bureau of Taipei City, *ibid.* p. 41

opinion surveys and media publicity, the Society was able to get all three major candidates for the mayoral elections of 1994 to endorse the project.

Although the movement to establish the park eventually gained full support from both the general public and government officials, more than a decade elapsed between the movement's initiation in the mid-1980s and the approval of a budget for the park in January 1996. The delay was caused mostly by the high amount of compensation demanded by landowners. Property values appreciated more than ten-fold in the decade, so it became increasingly difficult for the government to come up with the budget for land acquisition as time went on. The project was further delayed as the city government tried but failed to get the central government and neighbouring counties to share the financial burden. In early 1996, after the real-estate market had experienced a period of depression, the city council finally reached a settlement with the land owners and approved a budget to buy their lands at 110 per cent of current prices for a total price of NT$15 billion,[49] an amount equal to about 10 per cent of the city's annual budget.[50] Given that the developers could have earned many times more profit on their lands if high-density development were allowed, the fact that the park was finally established does illustrate the triumph of diffuse interests over concentrated ones.

The Two Cases Compared

The above two cases are similar in that both involved nation-wide, membership-based and ideologically driven environmental organizations seeking to represent some form of diffuse public interest. The competitors of these organizations were concentrated groups of landowners and developers who were pursuing tangible, monetary interests. Yet how can one explain why the outcomes of the two are so different – one involving the victory of concentrated interests and the other the victory of diffuse ones? A clue to the question is the new institutional settings – competitive elections and dispersion of political power – created by the decade-long democratization.

First, democratization has triggered a gradual dispersion of power from the central to local levels. As demonstrated by the emergence of civil environmentalism in the United States,[51] it is at the local political arena

49. *Zhongguo shibao*, Taipei, 17 November 1995.

50. The big land owners appeared to understand the popularity of the nature park and the political difficulties of reversing the decision to establish it. Since they held the lands for speculative purposes, they preferred to cash in on them as soon as possible. Instead of engaging further in an already prolonged political battle, they gave up their high density development plans and focused on seeking higher compensation from the government. Experiencing the depression period in the early 1990s, they finally accepted an offer of almost twice their purchase prices ten years ago. For them, this was an acceptable way to get out of their financial predicament.

51. Peter May, Raymond Burby, Neil Ericksen, John Handmer, Jennifer Dixon, Sarah Michaels and D. Ingle Smith, *Environmental Management and Governance* (New York: Routledge, 1995); Helen Ingram, David Colnic and Dean Mann, "Interest groups and environmental policy," in James Lester (ed.), *Environmental Politics and Policy: Theories and Evidence*, 2nd ed. (Durham: Duke University Press, 1995).

that environmental organizations are likely to have the most influence in policy making. It is, for example, much easier for environmental organizations representing diffuse interests, using face-to-face contact to mobilize sufficient people to make a difference to the electoral prospects of local elected representatives than to affect those at the national level. In the Kuantu Park case, the environmental organization was able to collect 10,000 supporting signatures for its cause, while a city council member can normally get elected by having around 15,000 votes. Thus it was difficult for council members in Taipei city openly to oppose the park when they believed it was going to be an important campaign issue. In contrast, even if the anti-golf movements were able to attract ten times more signatures, political candidates for national offices would hardly see its impact on electoral outcomes. Furthermore, in national level elections, the media and the public tend to focus more on issues such as national defence and foreign relations. In contrast to the missile threat from mainland China and the following stock market slump, the golf scandals seemed not much more than gossip during the presidential campaign of 1996.

Another institutional factor relates to the branch of government that is involved in making policy decisions. As a legacy of the authoritarian era, administrative agencies are still protected by various civil service and secrecy laws. Without a legal framework that facilitates public challenges to administrative decisions, it is hard for environmental organizations representing diffuse public interests to have much influence on issues that fall within the jurisdiction of specific government agencies. In the case of the anti-golf movement, for example, environmental organizations were unable to place the blame squarely on high-level political executives, who maintained that the illegal practices by the golf course developers were merely legal technicalities that could be sufficiently handled by the administrative agencies. With a legal system that favours administrative discretion, environmental organizations were unable to nullify the favourable treatments administrative agencies offered to the developers.

Political dynamics change considerably if the legislature is the main arena for resolving a policy issue. When an issue involves the legislature, more open debates will ensue. Legislators often have a hard time hiding their positions on the specific issue when confronted by criticisms by colleagues from other parties and intensive questioning by media reporters. If the issue has gained much public attention, legislators have an incentive to support whatever is favoured by the public sentiment. This was the case with the Kuantu Nature Park, in which environmental organizations successfully convinced city council members that the Park was supported by the majority of their constituencies.

Discussion and Conclusion

The two cases examined in this article illustrate the mixed effects of democratization on environmental politics. On the one hand, electoral competition, together with a political struggle for the leadership succes-

sion within the ruling party, has led to the emergence of a "conservative alliance" among the government, the ruling party and big businesses.[52] Through such an alliance, business interests have gained more influence than before in policy making.[53] On the other hand, democratization has also enabled and encouraged groups representing the environmental interests of the diffuse public to battle against concentrated economic interests by bringing freedom of association and more open political processes to Taiwan. By fostering an egalitarian pluralism, these entrepreneurial groups help to cure the bias created by a policy-making system that favours the rich.[54]

In the battles against concentrated interests, environmental groups are more likely to win if they can mobilize sufficient support from the general public and press their cause through political channels that are more open to the public's scrutiny, as in the case of the Kuantu Nature Park. In that case the Taipei City Council was the main battlefield between the environmentalists and the real-estate developers. What makes public support and scrutiny central to politicians' concerns is the competitive electoral process created during democratization. The victory of environmental groups is, however, far from certain. They are likely to be less effective when the general public lacks information about the nature of the particular environmental problem; concentrated business groups wield great influence through their close connections with politicians; and there is a lack of institutionalized channels to challenge government decisions. These reasons partly explain the failure of the anti-golf movement.

Taiwan's experiences are compatible with some well-known models of democratic policy making,[55] which suggest that when deciding on their policy positions, legislators often have to balance between the sentiment of their own constituencies and potential campaign contributions from groups whose interests are at odds with those of the constituencies. For example, the importance of campaign contributions from business conglomerates differs depending on the types of votes political candidates rely on for their elections. In Taiwan, those who rely heavily on votes generated through traditional clientele networks are more dependent on financial contributions from businesses. Those who rely on votes by the

52. For a discussion about the characteristics of such an alliance, including why the KMT is different from the Liberal Democratic Party in Japan and the Democratic Liberal Party in South Korea, see Yun-Han Chu, "The realignment of business–government relations and regime transition in Taiwan," in Andrew MacIntyre (ed.), *Business and Government in Industrializing Asia* (Ithaca: Cornell University Press, 1994).

53. For such pro-business attitude of high-level officials, one may cite Chiang Ping-Kun's (the Committee Chairman of Economic Development) speech which urged the bureaucrats to consider enterprises as their clients and to improve bureaucratic efficiency in attracting investment. *Ziyou shibao* (*Chinese LA Daily News*), Los Angeles, 12 May 1997.

54. See Joshua Cohen and Joel Rogers, "Secondary associations and democratic governance," *Politics and Society*, Vol. 20, No. 4 (December 1992), pp. 393–472.

55. Sam Peltzman, "Toward a more general theory of regulation," *Journal of Law and Economics*, Vol. 19 (1976), pp. 211–240; Arthur Denzau and Michael C. Munger, "Legislators and interest groups: how unorganized interests get represented," *American Political Science Review*, Vol. 80, No. 1 (1986), pp. 89–106.

urban middle class are less dependent on these contributions because they tend to mobilize support through ideological appeals, volunteers and word-of-mouth publicity.[56]

Furthermore, the saliency of a policy as a potentially important campaign issue may also affect the position of an elected official. If the majority of the constituency have very limited information about an environmental issue or if they consider it less important than other pressing policy issues, elected officials may find it less compelling to spend time on it. Instead, they will side with whatever groups can provide them with financial support. Thus one cannot assume that elected officials will naturally work to further the environmental interests of the general public. Much depends on the continual work by political entrepreneurs who can effectively organize these diffuse interests in their battles against concentrated economic interests.

Some scholars pessimistically argue that "Taiwan's over-active and over-mobilized civil society may overload its newly created democracy."[57] Such pessimism might be justified when one considers the spate of protests that emerged in the 1980s, many of which were not seeking environmental improvement for the general public but monetary compensations for concentrated groups.[58] Yet, in the 1990s, this type of environmental protest has significantly declined and has been replaced by a more ideologically oriented movement in which membership-based organizations attempt to promote the environmental interests of the general public. Observing such a transformation, Wang argues that the environmental movement in Taiwan has moved from a "nascent period" to one of "formal organization," with the membership base changing from deprived groups to environmentalists.[59] Besides enhancing environmental awareness and practices by mobilizing grassroots resources, these organizations actively participate in various stages of the policy process: monitoring policy formation and implementation, providing information to policy stakeholders, and mediating disputes.[60] While the achievements of these entrepreneurial organizations have so far been quite limited, their activities are far from unhealthy from a democratic point of view. An important question for the democratic future of Taiwan is how such entrepreneurial politics can be strengthened.

A key to the question is the structure of power in the political system. As argued by Wilson,[61] the more dispersed political power is, the more likely that political entrepreneurs can influence policy making by exploit-

56. See Wong Jenn-Hwan, *Who Governs Taiwan?*

57. Hung-Mao Tien and Tun-Jen Cheng, "Crafting democratic institutions," p. 25.

58. Shui-Yan Tang and Ching-Ping Tang, "Democratization and environmental politics."

59. This argument is similar to Inglehart's discussions on patterns of culture shift in Western countries. Ronald Inglehart, *Culture Shift* (Princeton: Princeton University Press, 1990).

60. Wang Li-Jung, "Minjian huan-bao zuzhi zai shequ huan-bao yundong zhong de juese he gongneng" ("The roles and functions of non-governmental environmental organizations in the community environmental movement"), in *Shequ fazhan jikan* (*Community Development Quarterly*), Vol. 56 (December 1991), Taipei, pp. 127–131.

61. Wilson, *Political Organization.*

ing various access points in the political system. As illustrated by the two case studies, environmental groups can often organize political action more effectively at the local than at the national level. The more local governments are given resources and powers in designing solutions to their own problems, the more likely that environmental groups representing diffuse public interests can advance their cause in the policy process.

The development of entrepreneurial politics at the local level is also a way of correcting some of the corrupt practices associated with the clientele networks remaining from the authoritarian era.[62] Increased activities by entrepreneurial groups can help to enhance the transparency and accountability of policy processes at the local level, thus reducing the opportunities for political corruption.[63] This argument is compatible with Diamond's argument that democratization of local government goes hand in hand with the development of civil society.[64]

Hence, we argue that Taiwan's political system will be overloaded only if every policy issue is decided entirely at the central level. What constitutes a healthy democracy is a system of political institutions that allow for the resolution of conflicts at multiple levels.[65] Although the major turning points in Taiwan's democratization – legalizing opposition parties, open election for the president and so on – were made at the top of the political system, to consolidate democracy in Taiwan requires a bottom-up approach in which divergent political channels at different levels of the political system are created to facilitate the political participation and representation of diffuse interests in policy processes. Such an approach to democratization is compatible with the environmental literature that emphasizes the role of local governments and communities in solving a wide array of environmental problems.[66]

Furthermore, at each level of government, institutionalized channels need to be created to provide opportunities for citizen groups to challenge government decisions at various stages of the policy process. In Taiwan, for example, the legal system needs to be reformed to give environmental groups a more realistic chance of challenging arbitrary bureaucratic decisions in regulatory enforcement. One may expect a further development of entrepreneurial politics in Taiwan if political power on the island becomes more dispersed, both vertically and horizontally.

62. For discussions on the characteristics of these clientele networks, see Michael Ying-mao Kau, "The power structure"; Chao Yung-Mau, "Local politics on Taiwan: continuity and change," in Denis F. Simon (ed.), *Taiwan Beyond the Economic Miracle* (Armonk: M.E. Sharpe, 1992); and Shui-Yan Tang and Ching-Ping Tang, "Democratization and environmental politics."

63. This suggestion sets us apart from many scholars and politicians in Taiwan who advocate centralization as the best way to eliminate political corruption at the local level.

64. Larry Diamond, "Toward democratic consolidation," in L. Diamond and M. Plattner (eds.), *The Global Resurgence of Democracy* (Baltimore: The Johns Hopkins University Press, 1996).

65. Vincent Ostrom, *The Meaning of Democracy and the Vulnerability of Democracies: A Response to Tocqueville's Challenge* (Ann Arbor: University of Michigan Press, 1997).

66. Elinor Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action* (New York: Cambridge University Press, 1990); May *et al.*, *Environmental Management*; Shui-Yan Tang, *Institutions and Collective Action: Self-Governance in Irrigation* (San Francisco: ICS Press, 1992).