

1988

In 1987, Taiwan emerged from thirty-eight years of martial law and initiated a democratic transition. At the same time, workers began to agitate for their rights and better protection. This essay reviews the trajectory of Taiwan's labour movement since this political watershed. Taiwan's working class was formed under authoritarian industrialisation, and workers adopted a wide array of hidden resistance strategies under the façade of docile conformism. The termination of martial law lifted the prohibition on strikes and demonstrations, setting forth a wave of grassroots militancy, which was aligned with the political opposition. In the 1990s, the labour movement adopted a more institutional approach by making use of the national legislature and the local administrations controlled by the opposition party, thus significantly improving the legal framework for labour protection. The essay ends with a discussion of the multiple challenges in the new century.

The Lifting of Martial Law and the Rise of Taiwan's Independent Labour Movement

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In July 1987, Taiwan terminated thirty-eight years of martial law. In February the following year, the first Lunar New Year holidays after the thaw witnessed a spontaneous strike wave among Taiwanese workers demanding a higher year-end bonus (年終獎金). This unexpected insurgency marked the beginning of Taiwan's labour movement—a long-overdue development considering that by then the island had experienced high-speed growth for nearly three decades with a concomitant process of proletarianisation that saw the children of farmers leave their home villages to become urban wage labourers.

Taiwan under martial law was an inhospitable environment for labour activism. Besides curtailing freedom of speech and the press, the government outlawed strikes, political parties and unauthorised gatherings of more than ten people. The generals were in charge of managing protests and military rather than civilian police were deployed when needed. While these features of 'political exclusion of the working class' were also common among other newly industrialised countries in East Asia,¹ Taiwan's case was particular in that its ruling Nationalist Party (hereinafter, Guomindang or GMD) was able to implement a series of preemptive measures to control labour prior to the economic transformation that began in the 1960s, when Taiwan became an export-oriented economy by exploiting its cheap labour. Reflecting on its defeat in mainland China, the GMD installed party-state structures—that is party branches and loyal unions—in state-owned and large enterprises.² In addition, by adopting a state corporatist arrangement, the GMD fostered a cohort of pro-regime labour union leaders to make sure that workers were represented in decision-making processes in a politically safe manner.³ In light of all this, martial law-era Taiwan did not see the emergence of labour protests until the mid-1980s. Yet, the lack of ostensible conflict should not be seen as an outcome of the inherent docility or conformism of the Taiwanese working class. Deprived of political freedom, workers

dealt with their grievances through private and individualised strategies, such as moonlighting, frequent turnover, operating their own small businesses, and so on.

This essay will examine the nascent labour movement's explosive rise and precipitous decline in the interval between political liberalisation and democratisation. Let me begin with an episode of the 1988 spring strike for a fuller understanding of workers' situation after the lifting of martial law.

The Taoyuan Bus Strike

Since 1947, the Taoyuan Bus Company (桃園汽車客運公司) had been granted exclusive rights to operate some routes in Taoyuan County (now Taoyuan City). Like many regional monopolies, the company belonged to a powerful local family of GMD politicians, the Wus. The Wu family also owned businesses in the financial and health sectors at the local level, for which government permits were required. While the bus company was lucrative, its 700 bus drivers were mistreated. Their hourly overtime rate was barely NT\$20 (roughly US\$0.70) and they received a daily allowance of NT\$100 (US\$3.30) for working during the holidays. In spite of personal threats from gangsters, in 1987, bus drivers organised a labour union. As the Lunar New Year approached, drivers advanced three demands: four days of rest per month; a daily allowance of NT\$1,000 (US\$33) for working during the holidays; and a fairer distribution of the year-end bonus, as they knew the company was making record profits. After several rounds of negotiation, the management only agreed to increase the extra holiday payment to NT\$300 (US\$10). Humiliated by such a meagre offer, the drivers launched an unprecedented five-day strike starting on 14 February 1988.

Technically, this was a wildcat strike, as it did not fulfil the legal procedures for an official stoppage. Many bus drivers punched in for duty but did not drive their route or called in sick. Although the right to strike had been recently restored after the lifting of martial law, the requirements were nearly impossible to meet since the law demanded that unions hold a meeting of their members at which at least half of the participants had to vote in favour of going on strike. A platoon of armed military police deliberately marched around one bus station to intimidate workers. On the second day, the local government issued an emergency order citing

the National Mobilisation Law to demand the bus drivers return to work. It was no light threat: the wartime legislation could put violators in prison for up to seven years.

Why did an industrial dispute invite such high-handed intervention by the military and the government? At that time, Wu Po-hsiung, the scion of the local political clan, was the Minister of the Interior and Zheng Shuizhi, who had served as the general manager of Taoyuan Bus Company for more than a decade, was the Commissioner of the Labour Affairs Council—the top labour administrative organ, created in 1987. In other words, activists in the nascent labour movement were facing a formidably interconnected web of power and wealth—a situation that was not uncommon in Taiwan's large enterprises. Nevertheless, largely thanks to the courageous leadership of a driver named Ceng Maoxing, the management conceded to pay extra year-end bonuses to drivers and promised not to punish the strike participants. This successful strike led to a wave of bus driver activism throughout the country.

In many ways, Ceng's biography exemplifies the profile of Taiwan's first generation of labour leaders. Born into an impoverished Hakka peasant family in 1941, Ceng had to give up his study after finishing junior high school. Before becoming a professional driver, he worked in a state-owned construction company and volunteered in a harbour project in Saudi Arabia for extra money, gaining experience and skill in operating construction machinery. He first encountered political trouble when he refused to wear the mourning symbol after Chiang Kai-shek's death in 1975, eventually leading to his departure from the company. Partly because of this incident, Ceng was a staunch supporter of the political opposition, highly critical of the GMD and vocally supportive of Taiwanese independence, long before his involvement in the labour movement.

Other political changes in the mid-1980s laid the foundations for organised labour activism, including the campaign launched by Ceng and his fellow workers. In 1984, the *Labour Standards Act* (勞動基準法) was enacted, largely due to pressure from the United States, which had grown increasingly uneasy with the way Taiwan exploited cheap labour to grow its trade surplus. Although this was the first comprehensive legislation on working hours, overtime, minimum wages and other labour protection measures, the Act did not immediately improve the conditions of rank-and-file workers as neither the government nor businesses were eager to implement the new rules. However, the gap between what was legally

promised and what workers actually received provided activists with a powerful discursive tool to persuade workers to join their movement. After bringing the strike to a successful end, Ceng launched another campaign to demand from the company compensation for all underpaid overtime since 1984.

The bus drivers were also supported by several of the newly established civil society organisations. On May Day 1984, when the legislative review of the *Labour Standards Act* was about to be completed, a group of human rights activists and lawyers formed the Taiwan Labour Legal Support Association (台灣勞工法律支援協會). This intellectual-led organisation was part of the political opposition, and many of its early participants later became politicians in the Democratic Progressive Party (民進黨, DPP). During the strike, Ceng Maoxing constantly availed himself of their legal advice and members of the organisation also recorded the mobilisation on film as it developed. In addition to opposition intellectuals, Ceng was also supported by a local Catholic labour centre directed by Father Neil Magill. Hailing from an Irish family with a background in the republican movement, Magill had originally worked in South Korea until he was expelled by the government. In 1984, Magill established an outreach centre in Taoyuan to assist distressed workers, which provided the meeting space for Ceng and his union associates.

Finally, the Taoyuan bus drivers' strike was also symptomatic of how workers' grievances accumulated in Taiwan. Even though the ban on political parties was still enforced, in 1986, the DPP was established and obtained the tacit recognition of the government. Before the 1992 legislative election, a portion of seats were reserved for workers, farmers, schoolteachers and other occupational groups. The legislature's functional representative design was a part of the GMD's state corporatist ideal, and, as expected, these seats were easily won by the ruling party. In the legislative election at the end of 1986, one GMD labour union incumbent was unexpectedly defeated and his seat went to a rather obscure DPP candidate. Since the legislators for the worker group were elected by workers, the incident revealed the existence of widespread labour discontent and its potential political reverberations.

The Rise of an Independent Labour Movement

In the late 1980s, the end of authoritarian rule brought about a flourishing of labour activism in the context of what was generally referred to

as an ‘independent labour movement’ (自主勞工運動). The name did not indicate nonpartisanship or political neutrality—in fact, as Ceng Maoxing’s case indicates, many of the earliest participants embraced an anti-GMD outlook. The emphasis on independence highlighted the necessity of challenging the system of labour control built by the GMD over the previous several decades.

One of the first battles was for control of the labour unions at the company level. Typically, in state-owned and large private enterprises, there were preexisting labour unions, often managed by GMD cadres or management. To gain control of these entities, dissident workers coalesced to participate in union elections, in which they often competed against the GMD-sponsored candidates. For instance, in March 1988, barely one month after the conclusion of the Taoyuan bus drivers’ strike, workers at the state-owned China Petroleum Corporation elected their first non-GMD union president. It is highly suggestive that the new president was the younger brother of veteran DPP politician Kang Ning-hsiang. In other words, the GMD’s grip on the existing labour unions was swiftly collapsing. In addition to these developments, an organising drive was set in motion in workplaces where workers were not represented by a labour union.

The salient feature of Taiwan’s young labour movement was grassroots initiatives pertaining to company-level issues, such as overtime, working hours, union representation, and so on. In many cases, rank-and-file workers initiated their protests with little or no assistance from outside. Wildcat strikes and work stoppages were weapons typically adopted by discontented workers in this period. On May Day 1988, more than 1,000 railroad workers collectively took leave, resulting in a nationwide shutdown of railroad transportation. Soon, newly forged militant unions began to build broader alliances across regions and industries. At the end of 1988, the Alliance of Independent Labour Unions (自主工聯) was formed, with Ceng Maoxing elected as its first president. Since these groups did not seek legal recognition as union federations, they were largely free to operate drawing from their own resources.

As Taiwan’s political transition opened up more legislative seats for competition, elections emerged as another arena for participation for Taiwan’s independent labour movement. Opposition intellectuals already involved with labour issues became the conduits through which labour activists joined the DPP. But there were also some labour activists who rejected the DPP’s middle-class liberalism and chose to set up new parties,

including the Workers' Party (工黨) in 1987 and Labour Party (勞動黨) in 1989. The 1989 legislative election saw intensified competition among these new contenders, particularly for the five worker-group seats. In the end, the GMD obtained three seats and the DPP two. After this defeat, the two parties that claimed to represent the working class became less active.

The focus on elections was also related to the ruling party's attempt to revise existing laws. In 1988, the government proposed amendments to the *Labour Union Act* (工會法) and the *Act for the Settlement of Labour-Management Disputes* (勞資爭議處理法) in the hope of containing the labour offensive—a particularly urgent task considering threats from the business community to cease investing in Taiwan. Later, officials claimed that the 1984 *Labour Standards Act* was excessively generous and thus drafted a proposed amendment. In light of these initiatives, the legislative arena became another battleground for the independent labour movement.

In short, Taiwan's first postwar wave of labour activism shared many features with the so-called social movement unionism of other democratising countries, such as Brazil, South Korea and South Africa.⁴ As in other countries, in Taiwan, labour grievances were an integral part of social problems that had emerged under prolonged authoritarian rule. It was immediately clear that labour exploitation was a result of political domination and not vice versa. Union leaders were willing to take militant action to improve the working conditions of their members, but also saw themselves as an integral part of a broader campaign for justice, including democratisation. In such a context, the fact that Taiwan's early flourishing of labour protests became politicised and partisan was to be expected.

The Decline of Grassroots Militancy

By the time Taiwan's first full legislative election was held in 1992, the militant ethos of the Taiwanese working class appeared to be a spent force. The labour movement continued, but its focus shifted away from workplace organising and strikes to policy lobbying, which required less rank-and-file participation. There are several reasons for this shift.

First, the GMD government took an increasingly hostile attitude to grassroots militancy. In May 1988, workers of the Far Eastern Chemical Fibre Company launched a strike to protest the dismissal of a union leader. Riot police were sent in to break the picket line and many participants later faced criminal prosecution. Three months later, workers at the Maoli Bus Company went on strike to demand better pay. In response,

the government coordinated a boycott by mobilising buses and drivers from neighbouring regions, until Maoli bus drivers were forced to end their three-week strike empty-handed.

Second, employers grew less tolerant of labour activists, summarily discharging many of them. Since company unions were the building blocks of Taiwan's independent labour movement, the edifice collapsed when their leaders were removed. Some union leaders decided to resort to the legal system, but by the time they won their lengthy lawsuits, they faced an entirely new workforce that no longer welcomed them or their activism.

This phase of Ceng Maoxing's trajectory serves as an illuminating case of the repressive collusion between government and business. After leading the successful strike at the Taoyuan Bus Company in early 1988, Ceng was fired. In 1991, after receiving a two-month prison sentence for his involvement in the Far Eastern Chemical Fibre Company strike, he decided not to appeal and thus became the first labour movement leader to be jailed in the post-martial law era. Until his death in 2007, Ceng remained active in the labour movement through his leadership of the Alliance of Independent Labour Unions, but he was never able to obtain another full-time job and hence return to being a grassroots union leader.

Lastly, Taiwan's political transition away from martial law and authoritarianism took place in the context of a rapid process of post-industrialisation. From the late 1980s, semi-skilled manufacturing jobs were offshored to mainland China and Southeast Asia, and the subsequent shrinkage of the manufacturing workforce made it difficult for the Taiwanese labour movement to expand. The service industry workers who became numerically dominant in the early 1990s were notoriously difficult to unionise. As the predominantly male leadership failed to pay enough attention to gender discrimination and sexual harassment in the workplace, women service workers did not find unionism a solution to their grievances. High-tech industry workers grew in numbers in tandem with Taiwan's transition to a knowledge-based economy, but they were reluctant to unionise because of profit-sharing schemes that tied them closely to management.⁵

As a result of these converging dynamics, the organising drive stimulated by the end of martial law quickly came to an end. According to official statistics, Taiwan's enterprise unions—then misleadingly called 'industrial unions' (產業工會)—started to grow in the mid-1980s and peaked in 1989 with 1,354 unions and 700,000 members. Thereafter, there was a

persistent decline for two decades. By the time the Taiwanese people finally elected a non-GMD government, in 2000, workers who enjoyed the protection of active labour unions had become a shrinking minority, typically concentrated in state-owned enterprises, recently privatised enterprises or large private enterprises.

A Brief Awakening

The rise of Taiwan's independent labour movement represented a moment of awakening for the Taiwanese working class after a prolonged silence. The wave of strikes caught the government and businesses off guard and helped secure better pay and protection for workers. As workers became more conscious of their rights and entitlements, employers could no longer violate labour laws without consequence. In addition, as authoritarianism was so entrenched, workplace struggles were not only a manifestation of class politics, but also a critical battleground for democratisation. However, grassroots militancy was short-lived and, after the first few years after the end of martial law, labour activists found themselves unable to expand their organisational base.

To be sure, the labour movement did not vanish in Taiwan. In the 1990s and beyond, Taiwan's progressive democratisation opened more arenas of engagement for labour advocates, including the legislature, the courts, local labour administrations and tripartite decision-making channels. Nevertheless, the narrow focus of the post-1980s labour movement remained apparent even in the following decades, as unions relied on mostly male full-time workers in the manufacturing and transportation sectors. Until now, gender equality, discrimination against migrant workers, the plight of dispatch workers and youth poverty have seldom emerged on the agenda of Taiwan's mainstream labour unions, relegated to a wide variety of contentious politics engaged in by actors other than unions.