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SUBJECT: POST NORMALIZATION TAIWAN

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FOLLOWING IS PART TWO OF A FIVE-PART SERIES. PART TWO IS ENTITLED "IMPACT OF NORMALIZATION ON THE POWER STRUCTURE".

- II. IMPACT OF NORMALIZATION ON THE POWER STRUCTURE
- A. IMPACT ON THE POWER CENTER, PRESIDENT CHIANG

32. PRESIDENT CHIANG CHING-KUO, WHO IS THE CENTER OF POWER ON TAIWAN, IS AT THE APEX OF AND DOMINATES EACH ELEMENT OF THE POWER STRUCTURE. THERE IS NO COMPETITION FOR SUCH POWER, NOR EVEN ANY EFFECTIVE ORGANIZATIONAL OPPOSITION TO HIS WILL. WHILE HE MOVES WITH CAUTION, IT IS NOT BECAUSE ANYONE IS POWERFUL ENOUGH TO BLOCK HIM ONCE HE HAD MADE A DECISION. HE PLAYS A PREEMINENT ROLE IN THE DAY TO DAY OPERATION OF TAIWAN IN A WAY HIS FATHER NEVER DID OR REALLY ATTEMPTED TO DO. NO ONE IN CCK'S GOVERNMENT PLAYS A ROLE IN SPECIFIC

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AREAS COMPARABLE TO THAT WHICH HIS FATHER PERMITTED SOME OF HIS TRUSTED COLLABORATORS. IT IS DOUBTFUL THAT ANY IMPORTANT DECISION AFFECTING TAIWAN IS MADE WITHOUT REFERENCE TO CCK, AND IT SEEMS THAT CCK HAS AN ACTIVE ROLE IN MOULDING THE FORM OF SUCH DECISIONS, EVEN TECHNICAL ONES.

33. CCK WAS NOT CATAPULTED TO POWER AT AN EARLY AGE; HIS FATHER MADE HIM PUT IN A LONG AND FRUSTRATING

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APPRENTICESHIP. CCK USED THIS SLOW ASCENT TO MAKE SURE THAT HE LEARNED MORE ABOUT ALL KEY AREAS OF GOVERNMENT THAN HIS FATHER EVER BOTHERED TO LEARN. HIS EXPERIENCE ILLUSTRATED THE NECESSITY OF EXERCISING CONTROL AT THE TOP AND OF USING A VARIETY OF CHANNELS GOING DOWN TO LEVELS OF EXPERTISE IN VARIOUS SECTORS IN ORDER TO ASSURE THAT HE IS WELL INFORMED--AND NOT AT THE MERCY OF HIS TOP COLLABORATORS. WHILE AUTHORITARIAN, CCK HAS ENCOURAGED A CONSULTATIVE SYSTEM WHICH PROVIDES A VARIETY OF INPUTS WHICH SERVE TO COUNTER ANY TENDENCY TO ARBITRARINESS. CCK HAD THE CHANCE DURING HIS LONG APPRENTICESHIP AND DURING THE LAST FEW YEARS OF HIS FATHER'S LIFE (WHEN HE ACTUALLY GOVERNED) TO FORM THE REAL GOVERNMENTAL SYSTEM, AS OPPOSED TO THE CONSTITUTIONAL FACADE, AND TO MAKE KEY PERSONNEL ASSIGNMENTS SO THAT HE INDEED PUT HIS STAMP ON THE GOVERNMENT.

34. NORMALIZATION WAS INEVITABLY SOMEWHAT OF A BLOW TO CCK'S PRESTIGE. CCK HAD YEARS BEFORE DECIDED THAT HIS REFUSAL TO DO ANYTHING EXCEPT WORK AGAINST NORMALIZATION WAS THE ONLY POSSIBLE TACTIC; NOTHING COULD BE DONE TO SOFTEN THE BLOW -- NORMALIZATION WITHOUT HASTENING IT OR APPEARING TO CONDONE IT. CCK CLEARLY DID

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FEEL THAT THE MANNER OF NORMALIZATION WITH SUCH SHORT WARNING, SHOWED LITTLE CONSIDERATION FOR HIM PERSONALLY, AND HE MAY HAVE WONDERED WHETHER THE U.S. MIGHT BE TRYING TO UNDERMINE HIS POSITION. HE ATTEMPTED TO PUT THE BLAME FOR ALL CONSEQUENCES ON THE USG, AND CLAIMED CONTINUING SUPPORT FOR HIMSELF AND HIS GOVERNMENT FROM THE U.S. PEOPLE AND THEIR REPRESENTATIVES. HE LIMITED BLAME ON THE TAIWAN SIDE TO THE PRO FORMA ACCEPTANCE OF RESPONSIBILITY BY THE FOREIGN MINISTER, WHO SUBMITTED HIS RESIGNATION.

35. HOWEVER, SINCE CCK HAS ALL THE REINS OF POWER IN HIS HANDS, MANY HELD THAT HE WAS ULTIMATELY RESPONSIBLE FOR MANAGING THE AMERICAN CONNECTION. MAINLANDERS, AS WELL AS TAIWANESE DO NOT ALL SHARE CCK'S VIEW OF THE "ONLY STRATEGY" TO HAVE FOLLOWED. SOME HOLD THAT IF CCK HAD NOT TAKEN STUBBORN POSITIONS ON THE UN AND THE NATURE OF U.S. REPRESENTATION, TAIWAN WOULD STILL BE IN THE UN GENERAL ASSEMBLY, AND THE U.S. WOULD HAVE A LIAISON OFFICE IN TAIPEI. FROM THIS CRITICISM MANY GO ON TO CHALLENGE CCK'S WHOLE HANDLING OF FOREIGN AFFAIRS AND CITE "LIMITED EDUCATION" AND "MEDIocre MIND" AS MAKING FOR A FOREIGN POLICY WHICH IS NOT UP TO THE CHALLENGES FACING TAIWAN.

36. HOWEVER, SUCH CRITICS WERE GENERALLY OF THIS OPINION BEFORE NORMALIZATION, AND IT IS DOUBTFUL THAT NORMALIZATION CHANGED MANY MINDS ABOUT THE PERSONAL EFFECTIVENESS OF CCK AS PRESIDENT. MOST BELIEVE THAT CCK'S PREEMINENT ROLE WAS BASICALLY UNAFFECTED.

- B. IMPACT ON THE ELEMENTS OF THE POWER STRUCTURE

37. THREE PRINCIPAL ELEMENTS OF THE POWER STRUCTURE (OFTEN CALLED BY THE CHINESE HERE THE THREE "LEGS" OF POWER) ARE THE SECURITY APPARATUS, THE ARMED FORCES,

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AND THE PARTY. A FOURTH ELEMENT, THE TECHNOCRATIC BUR-

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EAUCRACY, IS CONSIDERED BY MANY MERELY THE EXECUTOR OF DECISIONS, BUT INCREASINGLY THE TECHNOCRATS, THROUGH THEIR COMPETENCE, HAVE AN IMPORTANT INFLUENCE UPON THE PRESIDENT IN THE DECISION PROCESS AND IN EXECUTION OF POLICY, WHICH IN EFFECT HAS MADE THEM AN ELEMENT OF THE POWER STRUCTURE. CCK CAN BE EXPECTED TO BE INCREASINGLY CONCERNED ABOUT EFFECTIVENESS IN MEETING THE NEW CHALLENGES, AND PERSONNEL SHIFTS WILL REFLECT HIS DESIRE TO IMPROVE PERFORMANCE. COMPETING ELEMENTS OF THE POWER STRUCTURE (OR IMPORTANT FIGURES WITHIN AN ELEMENT) MAY CALL INTO QUESTION THE SUBSTANCE OF OPPOSING ARGUMENTS AND THE COMPETENCE AND

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PERHAPS EVEN THE LOYALTY OF THOSE OPPOSING THEM. HOWEVER, TOP FIGURES IN ALL AREAS OF THE POWER STRUCTURE ARE ALL LOYAL TO CCK, AND MOST HAVE BEEN HIS CLOSE ACQUAINTANCES FOR YEARS. IN ADDITION, CCK IS AN OLD HAND AT SUCH INTRIGUES AND CAN BE EXPECTED TO HANDLE THEM SMOOTHLY UNLESS HEALTH PROBLEMS IMPAIR HIS JUDGMENT. IN SUM, WE EXPECT CCK WILL KEEP EACH ELEMENT OF THE POWER STRUCTURE NOT ONLY RESPONSIVE TO HIMSELF, BUT ALSO EVOLVING ALONG LINES WHICH HE WILL PRESCRIBE. AS NOTED BELOW, WE BELIEVE THAT, IN THE LONG RUN, THIS EVOLUTION WILL RESULT IN A NEW BALANCE WITHIN THE POWER STRUCTURE AND CCK APPARENTLY VIEWS

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THE NEW BALANCE TO BE HIS ANSWER TO THE SUCCESSION QUESTION.

1. SECURITY SERVICES

38. A FULL LIST OF THE VARIOUS INTELLIGENCE AND SECURITY FORCES ON TAIWAN IS LONG AND THE "FLOW CHART" DIFFICULT TO ANALYZE, BUT IT IS CLEAR THAT THE PRESIDENT HAS A VARIETY OF INTELLIGENCE SOURCES AND OF SECURITY INSTRUMENTS IN HIS OWN OFFICE AND IN A NUMBER OF MINISTRIES. CCK, AS AN OLD SECURITY AGENT DATING BACK TO THE 1930'S AND FORMER HEAD OF SEVERAL SECURITY ORGANS, HAS TRIED HARD AND FOR THE MOST PART SUCCESSFULLY TO DIVEST HIMSELF OF THE SECURITY IMAGE. BUT HE HAS CERTAINLY NOT LOST HIS INTEREST IN AND RESPECT FOR GOOD SECURITY ORGANIZATIONS, AND HE KEEPS THE DETEN COMPETING SERVICES UNDER HIS CLOSE CONTROL. THE NATIONAL SECURITY BUREAU, WITH WHICH CCK HAS BEEN CLOSELY ASSOCIATED EVER SINCE HE WAS DEPUTY SECRETARY GENERAL OF THE NATIONAL SECURITY COUNCIL IN 1952) HAS COORDINATING FUNCTIONS FOR SECURITY AS WELL AS INTELLIGENCE MATTERS, AND ITS CURRENT DIRECTOR IS INDEED A VERY POWERFUL FIGURE. NONETHELESS, CCK FEELS FREE TO WORK DIRECTLY WITH THE HEADS OF VARIOUS ASPECTS OF THE INTELLIGENCE/SECURITY SERVICES, AND MANY OF THEM HAVE A PERSONAL OR LONG-STANDING WORKING RELATIONSHIP WHICH PERMITS THEM TO HAVE DIRECT ACCESS TO CCK.

39. THE PRESIDENT'S ORDERS FOR AN OPEN, HONEST, AND FAIR ELECTION WERE VIEWED WITH DISMAY BY SOME IN THE SECURITY SERVICES WHO HAVE LITTLE CONFIDENCE IN ANY POLITICAL ACTIVITY WHICH IS "UNCONTROLLED." IN PARTICULAR THERE WERE REPORTS THAT SOME WERE NOT HAPPY WHEN

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THEY WERE TOLD NOT TO INFLUENCE THE VOTING OF THE MILITARY AND THEIR DEPENDENTS IN FAVOR OF KMT CANDIDATES, AND TO STOP THE HARASSMENT OF THE OPPOSITIONISTS FOLLOWING THE DISTURBANCE WHICH "FREEDOM FIGHTER" AGENTS CAUSED AT ONE OF THE FIRST BIG OPPOSITIONIST RALLIES IN DECEMBER 1978. IMMEDIATELY FOLLOWING THE ANNOUNCEMENT OF NORMALIZATION AND THE POSTPONEMENT OF ELECTIONS, SOME OF THE SECURITY OFFICIALS CAME OUT WITH THEIR LISTS OF PERSONS WHO SHOULD BE ROUNDED UP, MANY ON THE BASIS OF THEIR OUTSPOKENNESS DURING THE ELECTORAL CAMPAIGN. AT THAT TIME CCK BEHAVED CAUTIOUSLY AND VETOED SUCH PROPOSALS. HE NO DOUBT NOTED THE NUMBER OF AMERICAN JOURNALISTS IN TOWN AND WAS AWARE THAT THE REASONS FOR SUCH A ROUND-UP WOULD NOT BE ONES WHICH WOULD SERVE HIS INTERESTS WHEN PUBLISHED ABROAD. HE SAW NO PRESSING NEED TO DO ANY MORE THAN INCREASE SURVEILLANCE. THE SECURITY OFFICIALS WERE LATER ABLE TO PERSUADE CCK TO ACCEPT A CRACKDOWN AS NECESSARY IN ORDER TO MAINTAIN ORDER UNDER CURRENT DIFFICULT CIRCUMSTANCES; THEY PROCEEDED WITH THE TRIAL OF A COMMUNIST AGENT AND EXECUTED HIM, THEY SENTENCED A PROMINENT OLD SOUTHERN POLITICIAN TO PRISON AND DISMISSED HIS APPEAL, AND THEY RELIEVED A GADFLY COUNTY MAGISTRATE FROM HIS OFFICE.

40. FOR THE MOST PART THE SECURITY SERVICES, BY THE NATURE OF THE PROFESSION, BELIEVE IN A FIRM RESPONSE TO OPPOSITIONIST "EXCESSES" IN PUBLICATIONS OR POLITICAL RALLIES. THEY ARE QUICK TO CLAIM ANYTHING LESS THAN FIRMFESS WILL BE INTERPRETED AS WEAKNESS. HOWEVER, SOME OF THE TOP SECURITY FIGURES ARE INCREASINGLY SOPHISTICATED AND DESIRE THE VELVET GLOVE TO BE MORE OBVIOUS THAN THE IRON FIST. NO DOUBT THEY ARE TAKING THEIR LEAD FROM CCK WHO APPOINTED THEM. AT ALL EVENTS RECENTLY CCK HAS ADOPTED A MORE MODERATE APPROACH,

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PERHAPS BASED ON THE VIEWS OF THE MORE MODERATE ELEMENTS IN THE SECURITY SERVICES. SUCH ADVICE IS CERTAINLY GIVEN BY IMPORTANT TECHNOCRATS AND MODERATE KMT LEADERS WHO DOWNPLAY THE THREAT FROM DISORGANIZED OPPOSITIONISTS. RECENTLY CCK HAS LET HIMSELF BE KNOWN AS PERSONALLY PUSHING A POLICY OF DIALOGUE WITH THE OPPOSITIONISTS AND AS OPPOSED TO CONFRONTATION. HE HAS STRESSED "THE RULE OF LAW" SHOULD MEAN THAT IF THE OPPOSITIONISTS FOLLOW THE RULES THEY SHOULD BE PROTECTED. IN A RECENT INCIDENT THE FORCES OF THE REDOUBTABLE TAIWAN GARRISON GENERAL HEADQUARTERS FOUND THEMSELVES IN THE ANOMALOUS POSITION OF HOLDING BACK EXTREMIST "FREEDOM FIGHTERS" (DEFECTORS FROM THE PRC) FROM INTERFERING WITH A LEGAL RECEPTION ORGANIZED BY AN OPPOSITIONIST PUBLICATION.

41. SOME SECURITY SERVICE LEADERS MAY FIND IT DIFFICULT TO IMPLEMENT "SOFT" POLICIES WHICH THEY FIND DISTASTEFUL, AND SOME MAY ATTEMPT TO CONVINCING CCK THAT HE MUST RESUME TOUGHER TACTICS OR THE OPPOSITION WILL ESCALATE ITS CHALLENGE. HOWEVER, CCK HAS A FIRM HAND ON ALL OF THEM, AND THE POLICY WHICH HE DECIDES ON WILL BE IMPLEMENTED. SO LONG AS CCK KEEPS HIS WIDE-RANGING ACCESS TO A VARIETY OF OPINIONS ON THE LOCAL SCENE, THE SECURITY

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SERVICES WILL NOT BE ABLE TO SHUT HIM OFF FROM OTHER, OPPOSING OPINIONS. NEVERTHELESS, AS A FORMER SECURITY FIGURE, CCK WILL CONTINUE TO BE INCLINED TO GIVE GREAT WEIGHT TO THE SECURITY SERVICES, PARTICULARLY WHEN THEY AGREE AMONG THEMSELVES.

42. IN SUM, DESPITE ANY INTERNAL RIVALRIES, THOSE IN THE SECURITY SERVICES CAN IN GENERAL BE EXPECTED TO BE THE MOST CONCERNED ABOUT OPPOSITIONIST POLITICS AND READY TO IMPLEMENT A CRACKDOWN DESPITE THE RISK OF MAKING POLITICS MORE CONFRONTATIONAL. THEY WILL ARGUE THAT THE NEGATIVE IMPACT ON RELATIONS WITH THE U.S. OVER HUMAN RIGHTS VIOLATIONS IS A SMALL PRICE TO PAY FOR KEEPING A FIRM SEAT ON THE TIGER. HARDLINERS CAN BE EXPECTED TO TRY TO COUNTER OPPOSING ADVICE COMING FROM THE TECHNOCRATS AND THE EMERGING GROUP OF LIBERALS IN THE PARTY.

- 2. MILITARY FORCES

43. THE ARMED FORCES ON TAIWAN ARE A SOMEWHAT HYBRID PHENOMENON. THE AIR FORCE AND NAVY ARE CLEARLY DESIGNED TO MEET AN EXTERNAL THREAT, BUT THE TGGH IS EQUALLY CLEARLY DEVOTED TO MAINTAINING INTERNAL ORDER. THE ARMY, THE LARGEST SERVICE WITH SOME 70 PER CENT OF THE TOTAL FORCES, IS THE PRINCIPAL INDOCTRINATING SCHOOL WITHIN THE GONT COMPULSORY MILITARY TRAINING PROGRAM. IN ADDITION, THE ARMY IS THE ULTIMATE INTERNAL SECURITY FORCE. THE ARMED FORCES HAVE HAD A TRADITION OF POLITIZATION, FROM THE TWENTIES ON, AND WITH THE LONG CAREER OF CCK IN THE POLITICAL INDOCTRINATION AND SECURITY FIELD, IT IS NOT SURPRISING THAT THE GENERAL POLITICAL WARFARE DEPARTMENT (GPWD, OF WHICH CCK WAS HEAD FROM [REDACTED] [REDACTED]

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1950 TO 1954) AND THE INTELLIGENCE BUREAU OF THE MINISTRY OF NATIONAL DEFENSE (IBMND) REMAIN AWESOME IF NOT HIGHLY PUBLICIZED. MINISTER OF DEFENSE KAO AND WANG SHENG (CURRENT HEAD OF GPWD) ARE KEY FIGURES IN THE SECURITY ASPECT OF THE MND.

44. ANOTHER ASPECT OF THE MILITARY IS THE TECHNOCRATIC "PROFESSIONAL SOLDIER" WHO HAS EMERGED UNDER THE INFLUENCE OF THE U.S. AND IN RESPONSE TO THE NEED TO KNOW HOW TO USE SOPHISTICATED EQUIPMENT AND BE CONVERSANT WITH MODERN MILITARY SCIENCE. WHILE IT WOULD BE AN EXAGGERATION TO SAY THAT THERE IS A SHARP DIVISION BETWEEN THE "PROFESSIONALS" AND THE "POLITICOS", IN GENERAL THE DIVISION OF FUNCTION IS DISCERNIBLE. THE PROFESSIONAL MILITARY ARE LOYAL MEMBERS OF THE KMT AND ARE ACCORDED POSITIONS ON THE CENTRAL COMMITTEE OR CENTRAL ADVISORY COMMITTEE BECAUSE OF THEIR MILITARY POSITION; THE POLITICAL GENERALS HAVE A PARTY STATUS WHICH DOES NOT DEPEND UPON THE MILITARY POSITION.

45. THE POLITICAL MILITARY ARE IN EFFECT PART OF THE SECURITY APPARATUS AND SHARE FOR THE MOST PART CONCERNS OF THE SECURITY GROUP. THEY SEE THE PRINCIPAL DANGERS AS BEING FROM INTERNAL POLITICAL OPPOSITION AND COMMUNIST SUBVERSION IN A CONTINUING CIVIL WAR SITUATION. THEY SEE MAINTENANCE OF "UNITY" THROUGH THE "TIME-PROVEN" MEANS OF INDOCTRINATION AND FIRM SANCTIONS AS A KEY TASK OF THE MILITARY. PROFESSIONAL MILITARY ARE MORE INCLINED TO BELIEVE THE BASIC LOYALTY OF THE POPULATION CAN BE TAKEN FOR GRANTED IN ANY CONFLICT WITH AN "EXTERNAL ENEMY" AND TO HOLD THAT MAINTAINING AN EFFECTIVE FORCE WITH UP-TO-DATE MILITARY EQUIPMENT AND GOOD TECHNICAL TRAINING IS OF PRIMARY IMPORTANCE. TO THE FORMER, THE U.S. INFLUENCE CAN BE

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DANGEROUSLY CORROSIVE; TO THE LATTER, U.S. EQUIPMENT, TECHNOLOGY AND TRAINING ARE ESSENTIAL. WHILE BOTH

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ASPECTS OF THE MILITARY HAVE LITTLE PATIENCE WITH POLITICAL DISSIDENCE, THE PROFESSIONAL MILITARY, WITH THEIR CONCERN ABOUT U.S. MILITARY EQUIPMENT, TECHNOLOGY, TRAINING, AND, HOPEFULLY, DIRECT ASSISTANCE IN A COMBAT SITUATION, ARE INCLINED TO SEE POLITICAL OPPOSITION AND HUMAN RIGHTS PROBLEMS AS A STIMULUS FOR GONT REPRESSION (WHICH HARMS THEIR RELATIONS WITH THE U.S.), RATHER THAN AS A DANGEROUS CANCER WHOSE REMOVAL IS WORTH ANY EXTERNAL PROBLEMS.

46. U.S. NORMALIZATION HAS NOT CHANGED THE BASIC NATURE OF THE ROLE OF THE TWO ASPECTS OF THE ARMED FORCES. TAIWAN CONTINUES TO NEED SOPHISTICATED MILITARY EQUIPMENT FROM THE U.S. AND MUST THEREFORE AVOID GIVING GROUNDS FOR DENIAL BECAUSE OF HUMAN RIGHTS VIOLATIONS. ON THE OTHER HAND, U.S. NORMALIZATION CHALLENGED THE LEGITIMACY OF CCK AND THE KMT AND MORE RESTRICTIVE GUIDELINES APPEARED NECESSARY TO KEEP DISSIDENTS IN LINE. AS IN THE PAST, CCK HARMONISED THE TWO CONSTITUENCIES: THE TOP LEADERSHIP OF THE GENERAL STAFF WAS RETAINED AND CHARGED WITH RETAINING THE BEST POSSIBLE RELATIONSHIP WITH THE U.S. THE TOP

MND/SECURITY LEADERSHIP WAS ALSO RETAINED, AND ITS
ADVICE FOR A MORE ORDERED SOCIETY WAS ALSO TAKEN.

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POPULAR TELEVISION ENTERTAINMENT AS WELL AS NEWS AND
HISTORICAL PROGRAMS EMPHASIZED AN INCREASED COMMU-
NIST THREAT BECAUSE OF THE CHANGE IN U.S. RELATIONS
AND THE IMPENDING END OF THE MUTUAL DEFENSE TREATY.
THE DANGER OF ATTACK WAS USED TO REINFORCE THE CALLS
FOR UNITY AND THE HUNTING DOWN OF SUBVERSIVES.
SUCH STIMULATION OF ANXIETY WAS COUPLED WITH REASSUR-
ANCES ABOUT THE STRENGTH OF THE MILITARY AND THE
INCREASING SELF-SUFFICIENCY OF ARMS PRODUCTION.

47. THERE WAS NO BLATANT ASSOCIATION OF ANY MILITARY
FIGURE, NOR THE PRESIDENT, WITH THE EMPHASIS ON THE
ARMED FORCES. TOP FIGURES SUCH AS ADMIRAL SOONG,
CHIEF OF THE GENERAL STAFF, GENERAL WANG SHENG, DIR-
ECTOR OF THE GENERAL POLITICAL WARFARE DEPARTMENT WANG
CHING-HSU, COMMANDER OF THE TGGH, HAVE ALL BEEN OCCA-
SIONALLY FEATURED, BUT THERE WAS NO STAR.

48. WE DO NOT THINK THAT CCK SEES A NEED TO MAKE
STRUCTURAL OR MAJOR PERSONNEL CHANGES IN THE ARMED
FORCES AT THIS TIME. LEADERS OF EACH TEAM ARE PERSON-
ALLY LOYAL TO HIM, THEY ARE COMPETENT FOR THEIR DIF-
FERENT JOBS, AND EVEN THE END OF THE MDT AND INTERNAL
POLITICAL EVOLUTION WILL NOT ALTER THE TWO BASIC
MISSIONS. IF LATER CCK DECIDES TO REPLACE ADMIRAL
SOONG OR MINISTER OF DEFENSE KAO, FOR EXAMPLE, THEY
WILL PROBABLY BE REPLACED BY PERSONS WHO ARE EXPECTED
TO KEEP UP THE DIVISION OF LABOR WHICH HAS PREVAILED
UP TO NOW. FOR EXAMPLE, IF CCK DECIDES THAT AFTER
THE TERMINATION OF THE MDT A MORE MILITANT
FIGURE THAN THE COURTLY ADMIRAL SOONG IS NEEDED AS
CHIEF OF THE GENERAL STAFF, HE COULD, FOR EXAMPLE,
PICK AIR FORCE CHIEF, WU YUEH, SINCE WU IS ALSO

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FROM THE TECHNOCRATIC SIDE OF THE MILITARY WITH A LONG
HISTORY OF WORKING WITH AMERICANS.

3. THE PARTY

49. THE KMT HAS COMPLICATED ORIGINS AND A RATHER
AMBIGUOUS ROLE. ITS TOP LEADERSHIP CONSTITUTES AN
EXCLUSIVE CLUB. ITS FULL MEMBERSHIP IS THE LARGEST

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MASS ORGANIZATION ON TAIWAN, WITH OVER 1.8 MILLION MEMBERS. ITS APPARATUS INCLUDES AN ISLAND-WIDE ORGANIZATION DESIGNED NOT ONLY TO WIN ELECTIONS BUT ALSO TO CONTROL ASPECTS OF THE GOVERNMENT, TO PROVIDE YET ANOTHER SOURCE OF INFORMATION FOR THE CENTRAL, AND TO DISTRIBUTE SINECURES TO THE FAITHFUL AND FINANCIAL REWARDS TO THE OBEDIENT.

50. ALL TOP LEADERS OF THE GOVERNMENT AND MILITARY ARE

IN THE KMT AND FOR THE MOST PART THEY HAVE A RECOGNIZED IMPORTANCE IN THE PARTY IN THAT MOST ARE INCLUDED IN THE CENTRAL COMMITTEE OR THE CENTRAL ADVISORY COMMITTEE. SOME OF THE SECURITY LEADERS ARE MEMBERS OF THE SECOND LEVEL CENTRAL ADVISORY COMMITTEE BECAUSE OF CCK'S DESIRE TO KEEP THEM LESS IN THE LIMELIGHT--AND PERHAPS ALSO TO KEEP AMBITIONS IN CHECK. NONETHELESS, THE TOP LEADERSHIP FOR THE MOST PART BELONGS TO THE TOP LEVEL OF THE KMT WHICH CONSTITUTES AN EXCLUSIVE BUT UNAVOWED CLUB. OLD AND NOW INACTIVE CLUB MEMBERS RETAIN PRESTIGIOUS TITLES IN THE PARTY BUT THE "CLUB" IS COMPOSED OF THE WORKING ELITE. THIS "CLUB" SHOULD NOT BE CONFUSED WITH FORMAL PARTY ORGANIZATIONS SUCH AS THE CENTRAL STANDING COMMITTEE (WHICH

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CONTAINS A NUMBER OF NOW UNIMPORTANT OLDTIMERS) OR THE PARTY ORGANIZATION, THE DEPARTMENTS AND COMMITTEES.

51. THE PRESIDENT, AS CHAIRMAN OF THE KMT, IS AS MUCH THE DOMINANT FACTOR IN THAT ORGANIZATION AS HE IS IN

THE OTHERS, AND HE CAN CALL FOR ADVICE FROM PARTY MEMBERS REGARDLESS OF THEIR PLACE IN THE PARTY. AS FOR EXECUTION OF CCK'S INSTRUCTIONS, THE KMT'S ROLE IS PRIMARILY IN GUIDING THE MEDIA, AND THE UNIVERSITIES AND IN ORGANIZING ELECTIONS. FOR YEARS THE PRESIDENT HAS IMPLEMENTED THE PARTY'S MILITARY CONCERNS DIRECTLY THROUGH TOP MILITARY LEADERS IN THE PARTY AND THE GPWD. EVEN CCK'S CONTROL OVER THE TECHNOCRACY, PARTICULARLY THE ECONOMIC LEADERSHIP IS EXERCISED THROUGH CONTACTS DIRECTLY WITH TOP ECONOMIC LEADERS (WHO ARE ALSO HIGH PARTY OFFICIALS, SUCH AS YU KUO-HUA AND K.T. LI) WITHIN THE TECHNOCRATIC FRAMEWORK AND INDEPENDENTLY OF THE SECRETARY GENERAL AND THE ORGANIZATIONAL AFFAIRS DEPARTMENT. (IN FACT SOME CLAIM THAT FORMER DIRECTOR OF ORGANIZATIONAL AFFAIRS LI HUN'S DOWNFALL WAS AS MUCH DUE TO HIS EFFORTS TO EXPAND HIS CONTROL OVER THE TECHNOCRATIC ESTABLISHMENT AT THE EXPENSE OF YU AND LI AS

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TO THE PROBLEM OF THE 1977 ELECTIONS.)

52. IN PREPARATION FOR THE DECEMBER 1978 ELECTION CCK HAD GIVEN ORDERS TO THE FAITHFUL, BUT RELUCTANT, CHANG PAO-SHU TO CONDUCT HONEST ELECTIONS. MANY OF THE OLDTIMERS WERE PUZZLED AND DISTRESSED BY SUCH ELECTION GUIDELINES WHICH WOULD CLEARLY HAVE RESULTED IN OPPOSITIONIST GAINS. THEY WERE HAPPIER WITH THE POSTPONEMENT OF THE ELECTIONS AND THE INDICATIONS THAT OUTSPOKEN CRITICISM OF THE KMT WAS NOT ENCOURAGED, AND WOULD PROBABLY BE CURTAILED IN FUTURE ELECTIONS.

53. FAIRLY SOON AFTER NORMALIZATION AND THE CANCELLATION OF THE ELECTIONS, CCK NAMED A NEW YOUNG TEAM TO SOME OF THE KEY POSITIONS IN THE KMT ORGANIZATION. CH'EN LU-AN, SON OF THE LATE FORMER VICE PRESIDENT CH'EN CHENG, HAD HAD A SHARP DISPUTE WITH GENERAL WANG SHENG AND OTHER PARTY OLDTIMERS OVER HOW THE PARTY COULD OBTAIN GREATER POPULAR SUPPORT THROUGH REFORM AND LIBERAL POLICIES. HE WAS MADE DIRECTOR OF THE KEY DEPARTMENT OF ORGANIZATIONAL AFFAIRS AS A WAY OF SAYING THAT HE SHOULD SHOW WHAT HE COULD DO RATHER THAN MERELY CRITICIZE THE ACTIONS OF OTHERS. ONE OF THE DEPUTY SECRETARY GENERALS OF THE POLICY COORDINATION COMMITTEE WAS SIMILARLY SELECTED FROM THE YOUNGER, FOREIGN-TRAINED TECHNOCRATS TO ATTEMPT TO ESTABLISH BETTER RELATIONS WITH THE TWO APPROVED MINORITY PARTIES AND WITH THE OPPOSITIONISTS, POLITICAL AND SOCIAL, SUCH AS THE PRESBYTERIANS. THESE YOUNG MEN WERE CHOSEN BECAUSE OF THEIR INTELLIGENCE, EDUCATION, AND REPUTATION FOR BEING POLITICAL LIBERALS AND MODERNISTS NOT FOR ANY BACKGROUND

IN PARTY HACK-WORK OR IN-~~TEREST~~ THEY ARE REPORTEDLY FRUSTRATED BECAUSE THEY FEEL THEY ARE CONSIDERED WINDOW

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DRESSING, AND THE NUMEROUS STUDIES THEY HAVE MADE GATHER DUST ON THE DESKS OF THE OLD PARTY FIGURES WHO RETAIN A MONOPOLY ON POWER. THEY FEAR THAT, LIKE MANY OF THE OTHER EXERCISES HERE, THEIR PARTY WORK MAY BE DESIGNED FOR "PUBLIC RELATIONS," AND REAL DECISIONS WILL BE ARRIVED AT BY AD HOC MEETINGS OF TOP PARTY FIGURES. HOWEVER, THEY ARE APPARENTLY GETTING JUST ENOUGH ENCOURAGEMENT FROM THE PRESIDENT AND SEE JUST ENOUGH INDICATIONS THAT HE INDEED WISHES SOME DIALOGUE TO KEEP THEM GOING.

54. NDRMALIZATION MAY ACTUALLY HAVE SPEEDED UP THE TRANS- FUSION OF THE "NEW BLOOD" INTO THE KMT. WITH THE POSTPONE- MENT OF ELECTIONS, CCK APPARENTLY FELT IT NECESSARY TO MOVE FORWARD ON OTHER FRONTS IN DEALING WITH THE TAIWANESE, AND HE CHOSE THE KMT AS ONE OF THE INSTRUMENTS. TAIWANESE OF ALL PERSUASIONS ARE FINDING A SYMPATHETIC EAR WHERE IN THE PAST THEY LEAST EXPECTED IT, THE PARTY. THIS APPARATUS, HOWEVER, IS WELL AWARE THAT EVEN IF A MORE FLEXIBLE AND DYNAMIC SECRETARY GENERAL IS APPOINTED, THE KMT (APART FROM THE CLUB AT THE TOP) IS CHARGED ONLY WITH A LIMITED ROLE IN RUNNING TAIWAN. CCK HAS OTHER STRINGS TO HIS BOW, AND HE IS WELL AWARE THAT GIVEN THE WEIGHT OF THE OLD-TIMERS WITHIN THE KMT (AND SUCH KMT-RELATED ORGANIZATIONS AS THE NATIONAL ASSEMBLY, LEGISLATIVE YUAN, AND CONTROL YUAN), IT IS NOT AN ORGANIZATION EASILY MADE EFFECTIVE IN HANDLING THE PROBLEMS OF TODAY, MUCH LESS THE FUTURE.

4. TECHNOLOGY

55. THE TECHNOCRATS, WHO HANDLE SO MUCH OF THE GOVERNMENT, PARTICULARLY THE ECONOMY AND FOREIGN AFFAIRS, ARE SOMETIMES CALLED THE FOURTH LEG OF THE POWER STRUCTURE. THIS ELITE COMES MOSTLY FROM GOOD MAINLAND FAMILIES, AND THEIR EDUCA- TION INCLUDES STUDY ABROAD, USUALLY OFTEN IN THE U.S. THEY OFTEN HAVE ACADEMIC AS WELL AS BUREAUCRATIC FUNCTIONS, OR

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AT LEAST PRETENTIONS, AND LIKE TO BE CALLED DOCTOR. THEY ARE RELUCTANT TO BELIEVE THAT ANYONE OUTSIDE THE MANDARIN-ATE HAS MUCH COMPETENCE, AND THEY HAVE NEVER BEEN HAPPY WITH THE POWER ENJOYED BY THE SECURITY SERVICES AND THE MILITARY NOR WITH THE TENDENCY OF THE KMT TO PREFER THE OLD PARTY FAITHFUL TO THE ACADEMICALLY QUALIFIED.

56. BY FORMATION THEY ARE "LIBERAL" AND PRAGMATIC, SUSPICIOUS OF THE IDEOLOGICAL PREOCCUPATIONS OF THE OLD-TIMERS IN THE KMT. THEY CONSIDER A SECURITY FORCE CRACKDOWN COUNTER-PRODUCTIVE NOT ONLY FOR RELATIONS WITH THE U.S., BUT ALSO IN CREATING POPULAR AND HENCE LABOR UNREST. THEY BELIEVE THE STRENGTH OF THE ECONOMY IS AS ESSENTIAL TO THE PROTECTION OF TAIWAN AS MILITARY STRENGTH. THEY ARE ALSO INCLINED TO SEE NO VALID ALTERNATIVE TO THE CLOSEST POSSIBLE COOPERATION WITH THE U.S. WHILE THEY DO NOT HAVE A MAJOR POWER BASE, THE TECHNOCRATS ARE IMPORTANT ADVISORS OF THE PRESIDENT AND THE IMPLEMENTERS OF THE ECONOMIC POLICIES ON WHICH THE PROSPERITY AND STABILITY OF TAIWAN REST. THEY ARE THEREFORE PROTECTED BY THE PRESIDENT FROM PRESSURE FROM THE OTHER SECTORS OF THE POWER STRUCTURE AND ARE PLAYING AN INCREASINGLY IMPORTANT ROLE. NORMALIZATION HAS NOT SLOWED THEIR GROWING IMPORTANCE EVEN THOUGH SOME THOUGHT SOME OF THEM, PARTICULARLY THOSE HANDLING THE AMERICAN

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CONNECTION, MIGHT HAVE SUFFERED FOR FAILURE TO PREVENT NORMALIZATION.

57. WHILE YEARS AGO THIS GROUP COULD BE SCORNE AS A POWER FACTOR, IT IS NOW CLEAR TO ALL BUT THE MOST BENIGHTED MILITARY OR PARTY FIGURES THAT THE TAIWAN OF 1979 IS NOT THE TAIWAN OF THE EARLY 1950'S WHICH WAS DOMINATED BY THE INCOMPETENT PARTY HACKS AND THE MILITARY. IT IS EVIDENT THAT THE COMPLEX ECONOMY OF TAIWAN NEEDS SUCH A TECHNOCRACY TO FUNCTION; SECURITY, PROPAGANDA, AND IDEOLOGICAL EXPERTISE IS NO LONGER SUFFICIENT TO GOVERN WHAT TAIWAN HAS NOW BECOME. ALSO THE PRESTIGE OF THE TECHNOCRACY HAS INCREASED AS THE TAIWAN ECONOMIC "MIRACLE" HAS UNFOLDED SINCE IT IS

CLEAR THAT THIS GROUP HAD PROPOSED AND IMPLEMENTED THIS POLICY OVER THE OBJECTIONS OF MANY IN THE KMT WHO ORIGINALLY ARGUED THE POLITICAL DANGERS OF THE POLICY -- THE RESULTING TAIWANESE BOURGEOISIE WOULD ACQUIRE A POWER BASE SEPARATE FROM THE KMT. THE TECHNOCRATS NOW HAVE THE CONSIDERATION WHICH COMES FROM HAVING BEEN RIGHT. EVEN CCK HAS FOUND IT USEFUL TO ASSOCIATE HIMSELF WITH THE ACCOMPLISHMENTS OF THIS GROUP. THE ROLE OF THE TECHNOCRACY IS SO PERVASIVE AND SO ESSENTIAL THAT IT WOULD BE A HARDY MILITARY/SECURITY SOUL WHO WOULD DECIDE THAT HE WOULD TACKLE THE GROUP HEAD-ON. AND EVEN CCK IS AWARE THAT HE MUST BE SENSITIVE TO THE VIEWS OF TECHNOCRATIC LEADERS SINCE DISREGARD OF INDIVIDUALS COULD DIMINISH THE COOPERATION OF THE GROUP.

58. CCK SEES NO POWER THREAT FROM THIS GROUP, AND APPARENTLY OVER THE YEARS HE HAS COME TO RESPECT ITS MEMBERS. PERHAPS MORE THAN THE SECURITY LEADERS WHOM HE KNOWS EVEN BETTER. CERTAINLY WHEN CCK'S POSSIBLE INTENTIONS CONCERNING SUCCESSION ARE DISCUSSED, MANY SAY CCK INTENDS THE

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CENTRAL FIGURE TO BE ONE OF THE TECHNOCRACY. IT IS CERTAINLY THE TECHNOCRACY WHICH HAS INCREASED ITS POWER GREATLY OVER THE PAST TWENTY YEARS AND WHICH STANDS TO HAVE CLEARER POWER ROLE WHENEVER THE DISAPPEARANCE OF CCK PERMITS THE ELEMENTS OF THE POWER STRUCTURE TO FLEX THEIR MUSCLES IN A POLITICAL COMPETITION. IN FACT, THE TECHNOCRACY AS SUCH IS INCREASINGLY ACQUIRING ALLIES IN THE KMT AND EVEN AMONG THE CAREER MILITARY AS A RESULT OF CCK'S PERSONNEL POLICIES.

- 5. PRIVATE BUSINESS

59. WHILE MANY CHALLENGE THE RIGHT OF THE TECHNOCRACY TO BE CONSIDERED PART OF THE POWER STRUCTURE, MANY MORE WOULD DENY THAT EVEN IN THE FORESEEABLE FUTURE PRIVATE BUSINESS WILL HAVE ANY CLAIM TO BEING PART OF THE ESTABLISHMENT. FOR THE MOST PART THE BUSINESSMEN WHO HAVE HAD THE GREATEST SUCCESS ARE TAIWANESE, NOT MAINLANDER. WHILE NOT LACKING IN EDUCATION, THEY ARE GENERALLY CONSIDERED THE INTELLECTUAL AND SOCIAL INFERIORS OF THE TECHNOCRACY. THE ESTABLISHMENT CERTAINLY CONSIDERS THAT THE USE OF ADMINISTRATIVE, PARTY, AND ULTIMATELY SECURITY/MILITARY POWER CAN TAME ANY INDIVIDUAL OR GROUP OF BUSINESSMEN. HOWEVER, AS A GROUP WHICH ALSO CONSIDERS ITSELF RESPONSIBLE FOR TAIWAN'S ECONOMIC MIRACLE, THESE BUSINESSMEN BELIEVE THAT THEY HAVE MUCH TO TEACH THE BUREAUCRACY AND DESERVE A NATIONAL ROLE. MANY WHO HAVE CONSIDERABLE EXPERIENCE OF JAPAN BELIEVE THAT BUSINESS SHOULD BE BROUGHT INTO THE KIND OF PARTNERSHIP

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WITH GOVERNMENT WHICH BUSINESS AND THE LDP HAVE IN JAPAN.
THE CURRENT GENERATION OF BUSINESS LEADERS IS OFTEN TONGUE-

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TIED THROUGH LINGUISTIC PROBLEMS (THEIR MANDARIN IS OFTEN
RUDIMENTARY) OR THROUGH TIMIDITY (OFTEN BECAUSE OF IN-
DEBTEDNESS TO THE KMT), BUT THE YOUNGER GENERATION IS MORE
SELF-CONFIDENT. SOON IT WILL BE DEMANDING MORE CONSIDERA-
TION, AND IF NOT FORTHCOMING FROM THE KMT/GONT, THEY WILL
BE WILLING TO PLAY MORE OPENLY WITH THE OPPOSITIONISTS.

60. NORMALIZATION WAS A BLOW TO THE BUSINESS GROUP, WHOSE
TIES REMAIN PRIMARILY WITH THE UNITED STATES AND JAPAN.
THEY WILL CONTINUE TO LOOK TO THE U.S. TO PROVIDE THE
STABLE SECURITY SITUATION WHICH WILL ENCOURAGE INVESTMENT
AND PRODUCTION. FOR THIS GROUP AS WELL AS THE TECHNOLOGI-
CAL ELITE, THE U.S. IS THE FAVORED COUNTRY FOR EDUCATION OF
THEIR CHILDREN, AND ALSO THE PLACE TO WHICH MOST WOULD
EXPECT TO GO TO IF, CONTRARY TO THEIR CURRENT EXPECTATIONS
THE SITUATION IN TAIWAN DRASTICALLY DETERIORATES. CER-
TAINLY NORMALIZATION HAS STIMULATED THEIR CONCERN NOT TO
HAVE ALL THEIR EGGS IN THE TAIWAN BASKET, AND THE U.S. IS
WHERE MOST WILL BE PUTTING A MARGINALLY GREATER NUMBER OF
SUCH EGGS EACH YEAR. AT THE SAME TIME NORMALIZATION HAS
STIMULATED THEIR INTEREST IN HAVING A GREATER ROLE IN
NATIONAL POLICY MAKING IN ORDER TO REDUCE THE DANGER OF
THEIR HAVING TO LEAVE TAIWAN.

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