



Taiwan

This month, our attention turns to Taiwan located in Eastern Asia. Taiwan comprises islands bordering the East China Sea, Philippine Sea, South China Sea, and Taiwan Strait, north of the Philippines, off the south-eastern coast of China.

The official name for Taiwan is The Republic of China, not be confused with the People's Republic of China. To this day, the majority of countries in the world, including the PRC do not recognise Taiwan as an independent country. Taiwan was home to Han immigrants beginning in the late Ming Dynasty (17th century). In 1895 military defeat forced China to cede Taiwan to Japan who governed for 50 years. Taiwan came under Chinese Nationalist control after WWII. In the four years leading to the communist victory on the mainland in 1949, 2 million Nationalists fled to Taiwan and established a government under the 1947 constitution drawn up for all of China. Beginning in the late 1970s, the ruling authorities gradually democratized and incorporated the local population within the government structure. This process expanded rapidly in the 1980s with the founding of the first opposition party (The Democratic Progressive Party). Taiwan held its first presidential election in 1996 and in 2000, underwent its first peaceful transfer of power to the DPP. Throughout this period, the island prospered and became one of East Asia's economic "Tigers". The dominant political issues continue to be the management of sensitive relations between Taiwan and China, specifically its sovereignty, as well as domestic priorities for economic reform and growth.

Taiwan is densely populated and waves of immigration have resulted in a diverse population. There are 24 million people which equates to 642 inhabitants per square kilometre. The capital Taipei leads the way with a formidable 9,600/km². Compare this to the UK, where there is approximately 255/km² in the UK overall or 395/km² in England.

Mandarin Chinese is the official language on the island and is spoken by most people. Taiwanese, a Chinese dialect from Fujian Province in China, is spoken by 70% of the population. Also, due to 50 years of Japanese rule, lots of people born before 1940 are still fluent in Japanese.

Taiwan's religious environment is characterised by diversity and tolerance with people following a mixture of Buddhist and Taoist (93%), Christian (4.5%) and other (2.5%).

Taiwan has Chinese culture as its foundation but has been influenced by the Dutch, Portuguese, Japanese and Americans. Most people in Taiwan have traditional values based on Confucian ethics; however, pressures from industrialization are now challenging these values. Still, some traditional values remain strong, including piety toward parents, ancestor worship, a strong emphasis on education and work, and the importance of "face." Since industrialization, women enjoy greater freedom and a higher social status, individual creativity is regarded as equally important as social conformity and acquiring material goods and recognition is increasingly important.

The Taiwanese workplace is largely hierarchical, subordinates expect to be told what to do and the ideal boss is a benevolent autocrat. Taiwan is also a collectivistic society which means loyalty to your group (family/work colleagues) is paramount and may override rules and regulations. In collectivistic societies,

offence leads to shame and loss of face. Hiring and promotion may take account of the employee's in-group and 'management' is the management of groups.

A network of personal connections is very important. This is called guanxi. Little or no distinction is made between business and personal relationships. To succeed in Taiwan, you must establish close personal ties with your business colleagues. Respect and trust must be earned before people are comfortable to do business with you.

The Taiwanese have a high preference for avoiding uncertainty/risk. This means there is an emotional need for rules (even if the rules may not work), time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, change may be resisted and security is an important element in motivation.

Finally, the Taiwanese are a pragmatic, long-term orientation culture. They have an ability to adapt traditions to a modern context, a strong propensity to save and invest thriftiness and perseverance in achieving results.