

# Limited Coercive Power: How to Complete Taiwan's Land Reform under the Authoritarian System

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**Abstract.** In transforming modernization in developing countries and regions, the primary problem is social integration, and the key to integration is land reform. This paper uses the process tracking method to explore the land reform in Taiwan after the war. In terms of initial conditions, Taiwan belongs to the agricultural society. After the war, it got rid of Japan's colonial rule and then embarked on the authoritarian development modeled by the Chiang Kai-shek government. The Kuomintang regime in Taiwan began to institutionalize as early as the mainland period. After returning to Taiwan, the government can maintain high independence and establish a systematic communication channel with the grassroots society, with the landlord as the leading class. In the reform process, the Kuomintang regime had a strong ability to act and promote cooperation between landlords and finally achieved a more thorough land reform. Therefore, for developing countries, because the situation they are facing is different from that of the previously developed countries, having solid political authority and further improving the level of institutionalization on this basis is an essential condition for successful land reform.

**Keywords:** Land reform, Authoritarian system, Political independence, Grassroots society.

## 1. Introduction

After the Second World War, various countries suffered losses to varying degrees. After acquiring sovereign independence, how to quickly recover the post-war economy has become the top priority of all nations and the focus of academic discussion. Among them, land, as an essential production factor, is considered a vital strategic resource in the agricultural society. The land can grow grain and cash crops, and the traditional labor-intensive industry can absorb many residents relying on the land to achieve social stability. In the twentieth Century, with the rapid development of capitalism, land was given the color of financialization. However, in many countries and regions after World War II, the land was still in the hands of the big landlords, and the land ownership system of the feudal landlords was implemented. As far as China is concerned, the core of the land issue is the ownership and the social and economic problems caused by the right. Since the end of the nineteenth century, when China began the transformation of the modern state, it has brought solving the land problem into the political field. Until the founding of the People's Republic of China, the land revolution successfully solved the problem of land ownership and then realized the transformation of traditional countries to modern ones. In practice and exploration, the Communist Party of China solved the land problem for thousands of years through the land revolution. It opened up large-scale modernization and a unique Chinese development model. Most third-world countries and regions were once colonies of Western countries. After gaining national independence, the land system largely followed the colonial tradition, so the social structure of these countries and regions showed more traditional characteristics. The opening of modernization means that the social network with the land system as the core should be reformed first, and then industrialization and modernization will be gradually realized. From the perspective of the historical development process in the Twentieth Century, only a few countries and regions in the Third World have successfully achieved industrialization and modernization through land system reform. Many colonial countries and regions took many detours in this process, and the land problem was not fundamentally solved for a long time, which slowed down the modernization process to a large extent. So we can't help asking why some countries and

regions could complete land reform in the Twentieth Century and why some countries and regions failed land reform repeatedly, eventually leading to different development processes.

This paper attempts to discuss the "first land reform" (1,949-1,953) in the Taiwan region of China to analyze how Taiwan, under the authoritarian system, can achieve limited control of the force. Even today, the land issue remains the main problem many developing countries and regions face. The critical factor of this problem is not the agricultural modernization benefits brought by the successful land reform itself but the realization of the overall change of social structure.

## 2. Literature Review

Scholars on both sides of the Strait have discussed the issue of land reform in post-war Taiwan, and the research on this issue is relatively early. Land reform covers a wide range. Whether it is the political history, economic history, or social history of Taiwan, as well as other studies of Taiwan society, will involve the post-war land reform. From the perspective of land reform policies and processes, the relevant studies on both sides of the Taiwan Strait involve three stages of land reform: the earliest "375 rent reduction", the subsequent "public land," and the most core land reform. "The rights of the farmer.". For example, Liu Qing analyzed the main characteristics of the land reform process, believing that it mainly reflected the stage of reform, which was conducive to smooth progress. The reform process considers all parties' interests and has an apparent reform nature. At the same time, it is also conducive to stabilizing agricultural production.

Regarding the background of Taiwan's land reform, some scholars analyzed it from the international relations perspective [1]. Land reform was a political movement serving the Cold War in the United States. To prevent the expansion of communism, the United States changed its opposition to land reform to support land reform. To curb communism, the United States needed to implement land reform in East Asia, so Taiwan's land reform was incorporated into the Cold War policy of the United States. Wang Kan [2] analyzed the background of the land reform and thought that during the Japanese occupation, the exploitation of farmers by landlords in Taiwan was severe. After the withdrawal of the Kuomintang from Taiwan, the exploitation was more potent than before. As a result, anti-rent and interest movements broke out frequently in Taiwan. The contradiction between tenants and tenants cannot be reconciled. Moreover, Taiwan landlords themselves were also a threat to the Kuomintang. They occupy more than half of Taiwan's land and control half of the agricultural population. Many landlords supported the "Taiwan independence" elements and Taiwanese politicians of their economic strength, forcing the Kuomintang to carry out land reform.

"For the reasons for the success of Taiwan's land reform, mainland scholars have also provided many explanations. The main point is that there is no direct connection between the Kuomintang and the landlords in Taiwan, and the landlords are not the social foundation. In addition, the Kuomintang made the" February 28th. " The incident provided a background for attacking Taiwan's local political elites. Finally, the Kuomintang could effectively attack Taiwan's local political elites. Abolish the 100-year rental system in Taiwan [3]. Regarding the impact of the land reform, some scholars believe that although it has promoted the development of Taiwan's agriculture, it has also planted the cancer of "Taiwan independence." The compensation received by landlords in the reform and the actual price of land, they think their interests have been seriously damaged. Therefore, they held a grudge against the Kuomintang regime, believing that the practice of the Kuomintang was that people from other provinces bullied the local people, resulting in many landlord children turning to "Taiwan independence.". Many DPP politicians were born into landlord families, and they vigorously promoted the process of "Taiwan independence" after the 1,980s. Cai Jiarui [4] believes that land reform has fundamentally changed the nature of land ownership, and the landlord's private property has become the small farmer's personal property. The landlord farmers became the middle force of rural society, leading the political order in rural areas, and became the social foundation of the Kuomintang rule. Wang Chieh [5] analyzed the impact of land reform from an economic perspective, believing that the reform has achieved the land goal of farmers, and used financial data to show that

agricultural productivity has been further improved, further promoting the government to increase agricultural investment. To a certain extent, it announced the development of industry and trade, thus providing capital accumulation. But others believe that land reform is replaceable, and simple land distribution can't change the backwardness of agriculture, more importantly, the improvement of technology.

### **3. Reconciling the Relationship Between the Landlord and the Peasant: The Basis of Land Reform in the Period of the Jiang Government**

At the beginning of 1949, Chen Cheng was appointed chairman of the Taiwan provincial government and proposed that "people first, people's livelihood first" be the highest principle of Taiwan's governance. "We should not only strive to increase production but also strive to make distribution reasonable." In February of the same year, Chen Cheng held an administrative meeting in Taipei. One of the central bills was to implement the land reform policy. According to the bill, Taiwan's public land accounts for more than 70% of the total arable land area of the province, which has a good foundation for land reform. It should be strictly planned and carried out with efforts to achieve the goal of land for the tiller gradually. The land situation in Taiwan was the same as that in mainland China at that time. The landlord owned most of the private land except for public land, and most of the farmers had no land or little land, so they had to endure high rent exploitation. According to statistics, at the time of Chiang Kai-shek's defeat in Taiwan, Taiwan had 816,300 hectares of arable land. The landlords only accounted for 11.69% of the rural population, but their land possession was as high as 56.01%. Although the farmers accounted for 88.31% of the rural population, their land possession was only 21.57%. The rental rate of farmers to landlords is generally more than 50%, and some are as high as 70%. In addition, there are also the so-called "Gu rent"[6] (regardless of natural disasters) or "collateral rent" and other items. This unreasonable situation naturally has to be changed. However, Chen Cheng accepted Sun Yat-sen's "peaceful solution." He divided the land reform in Taiwan into three steps: "375 rent reduction", public land release, and "land to the tiller."

The "375 rent reduction" is developed from the "25 rent reduction". In October 1926, the Central Committee of the Kuomintang held a joint meeting of the Central Committee and various provinces in Guangzhou. There were 34 members of the Central Committee, 52 representatives of different areas and regions, more than 1/4 of the left wing of the Kuomintang, 1/4 of the cross-party members with the identity of both the Kuomintang and the Communist Party, and Wu Yuzhang, Mao Zedong and other Communists attended the meeting. There are also some semi-leftists; only a few are from the middle and right. The meeting passed the recent political platform and decided to "reduce the rent of tenant farmland by twenty-five percent" [7]. Since then, "25 rent reduction" has become the policy of the Nationalist Government. It means that within the total yield of the favorable products, 25% of the complete work should be returned to the tenants, and the remaining 75% should be divided between the landowners and the tenants. For example, the total harvest of the favorable products of a tenant was one hundred loads of rice. First, it was proposed that twenty-five loads should belong to the tenant, and the remaining seventy-five loads should be divided into two parts. The landlord had thirty-seven loads of five, and the tenant had sixty-two loads of five. So "25 rent reduction" is also "375 rent reduction". According to this distribution ratio, the tenants get the big heads, and the landlords get the tiny chairs. Chen Cheng believes implementing this policy can "avoid the brutal struggle of communism," "reconcile the relationship between the landlord and the farmer, and gradually achieve the purpose of people's livelihood."

#### **4. The Compromise Between the Kuomintang and the Landlord: How to Effectively Realize the Land Reform Under the Rule of the Military Government**

After the completion of the release of public land, the reform entered the third stage: farmers have their land. The landlord's land is returned to the government and then distributed to farmers for cultivation. Land for the tiller has always been the political program promised by the Kuomintang government, and it has been determined as an essential task of social reform since the Sun Yat-Sen period. Although the first two stages carried out a certain degree of land reform, winning the trust and support of farmers, the land occupied by the landlord is the majority. To truly realize the policy of supporting self-employed farmers, the core is to transfer the landowners' land ownership to farmers [8]. The Kuomintang regime has been against the radical revolution, so it needs to support the self-employed farmers and adequately take care of the landlords' interests to reduce the landlord class's resistance and obstruction. In the reform process, the KMT always took the government as the main body to promote reform and firmly grasped the political agenda. At the same time, the provincial Provisional Senate public opinion institutions and coordination institutions at all levels were used to provide a specific negotiation channel for the land class to reduce the landlords' resistance. The reform at this stage was a Kuomintang-led way of cooperation, with moderate compromise while vigorously promoting the agenda.

First of all, the Central Committee of the Kuomintang vigorously promoted reform. In 1950, Chiang Kai-shek carried out a comprehensive party transformation and established the Transformation Committee as a new Central Committee of the party. The Reform Commission expelled the old veterans of the mainland period, especially those with landlord background, from the power center and, at the same time, excluded the people from Taiwan. It became a powerful reform institution of the Kuomintang regime. The central Reform Commission is leading in establishing the basic policy [9]. The first step in the reform is to promote the purchase of landlord land, that is, the acquisition of landlord land by economic means. At that time, the number of landlords who needed to carry out reforms was large, and the land was two hundred and six thousand a. If the government buys all of them, it needs more funds. Therefore, the Kuomintang issued land bonds by setting up a land bank guaranteed by the government credit and forced the landlord to accept part of the bonds as compensation. In addition, after the restoration of Taiwan, the Kuomintang government received assets during the Japanese occupation, and after several years of development, some large public enterprises were restored. There are five major companies: Taiwan Cement Corporation, Paper Co, agricultural and forestry company, industrial and mining company, and fertilizer company.

The Kuomintang government used some shares of these significant public institutions as land price compensation to alleviate the lack of fiscal funds. On the other hand, farmers need to buy land. The Kuomintang government formulated a ten-year repayment plan to ensure farmers obtain property rights. Farmers get the land ownership in advance and then use ten years to repay it in cash or business. At the same time, it also stipulates that the land bank provides farmers with production loan funds to ensure that farmers will retain their land ownership again due to capital problems. In formulating the relevant draft led by the Kuomintang and submitted to the "Executive Yuan" for examination and approval [10], various stakeholders can put forward their opinions through the Senate and other ways after the primary agenda and principles are stipulated. Therefore, the landlord elites in the province tried to fight for more interests in the reform plan through proposals and even direct participation in political consultation. The landlord elite made full use of the political system of the Kuomintang to express their demands and reach a compromise with the Kuomintang government to a certain extent. Later, in January 1953, the Kuomintang Legislative Yuan officially passed the "Regulations on the Implementation of Land to the Tiller." In the process of promoting the implementation, the Kuomintang government separated the farmers from the landlords, avoiding direct transactions between the two sides to avoid losses to the farmers, and at the same time, split the link between the land acquisition of the landlords and the land release of farmers.

Subsequently, all institutions involved in land reform were required to participate in the implementation, from the central Ministry of Interior to the provincial Land and Political Bureau, county and municipal governments, and township offices. In supervision and performance, the landlords must hand in the arable land certificates first and then receive compensation, while farmers receive arable land through the local government. Then, the land bank was used as a financial intermediary to provide landlords with land bonds and stocks of the four state-owned companies, and farmers paid debts through the land bank. The smooth transfer of arable land ownership was promoted through government and financial institutions' two-tier operation. At the end of 1953, the land acquisition and release task was completed, and the "land for the tiller" goal was achieved. In a word, the successful implementation of this stage lies in the powerful control ability of the Kuomintang government. Initially, he could dominate the political agenda and was relatively clear about the goal-setting and reform strategy. To ease the pressure of reform and open up, the landlord elite group can participate in the political agenda to achieve cooperation. Later, the Kuomintang government used its vast land administration organization to promote land reform.

## **5. The Shortcomings and Risks of the Land Reform of the Kuomintang Government**

On the relationship between the landlord and the government, the Kuomintang government and the landlord reached a partial compromise and cooperated. This kind of compromise and cooperation is based on the interests of the landlord class, which can reduce the resistance to land reform. Although the political agenda for land reform was established by the senior level of the Kuomintang, the corresponding channel was reserved for the landlords in Taiwan. The landlords could express their policy demands and obtain a specific bargaining chip [11]. Although the Kuomintang government led the reform direction with its political and military forces in the land reform, there was still room for game and cooperation among the landlords. But although the land reform promoted the development of Taiwan's agriculture, it buried the cancer of "Taiwan independence." The compensation received by landlords in the reform and the actual price of land, they think their interests have been seriously damaged. Therefore, they held a grudge against the Kuomintang regime, believing that the practice of the Kuomintang was that people from other provinces bullied the local people, resulting in many landlord children turning to "Taiwan independence." Many DPP politicians were born into landlord families, and they vigorously promoted the process of "Taiwan independence" after the 1,980s.

## **6. Conclusion**

Through the analysis and summary of the land reform in Taiwan after the war, we can generally demonstrate the views and analysis framework proposed in this paper. For developing countries and regions to achieve moderate and effective land reform without violent revolution, the level of institutionalization under authoritarian politics is an essential factor affecting the results of land reform.

Countries and regions with high political independence during social change are less affected by the interference of socially dominant classes. They can maintain a certain degree of freedom, representing society's interests. The higher autonomy of the political power is further transformed into a strong government capacity in social change, which can maintain social order, control the instability brought about by reform, and vigorously promote the reform process. In the case of post-war Taiwan, it can be seen that after the Kuomintang regime retreated from Taiwan, its autonomy further improved. The intense survival pressure brought by the Communist Party of China made Chiang Kai-shek authorities eager to establish a foothold in Taiwan and obtain the support of the broad peasantry. The civil war and the Party consolidation movement in the early stage of the withdrawal from Taiwan made the internal cohesion and consensus of the Kuomintang rise. It could

overcome the internal division in the mainland period to a certain extent. Moreover, as the ruling class of Taiwan society, the landlords in the province could not lead the Kuomintang's upper politics due to the lack of internal relations with the Kuomintang regime due to Japanese colonial rule, so they could not become a dominant class. While carrying out the land reform, the Kuomintang regime avoided obstructing the landlord class from the land reform. It led the whole land reform process with its robust political mobilization and implementation ability under the authoritarian system.

The analysis of this paper omits the influence of the United States as an international factor. Taiwan region was at the forefront of the Cold War between the United States and the Soviet Union after the war, and the United States also played an essential role in the internal affairs of Taiwan. To simplify the relevant variables, the U.S. factor is not included in the analysis framework so that we can work in this direction in the follow-up research.

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