

Local Self-Governance and Constitutional Reform

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Local self-governance is the bedrock of democracy, but Taiwan's progress in this area has stagnated, rendering local self-governance more a matter of style than of content. While emphasis is placed on election campaigns, little respect is afforded to actual governance. The central government strengthens itself at the expense of local governments, a situation that has yet to be ameliorated. With local governments lacking both personnel and funds, "self-governance" continues to lose substance.

National policy planning that bears on local governments' autonomous powers frequently fails to give local self-governing bodies appropriate opportunities to participate in the process. The result is an inequitable situation where the central government calls the shots while local governments foot the bill. A deficit in integrated national plans for development has precipitated the continuous upgrade of certain urban areas to special municipality status. A stark wealth gap has thus emerged between prosperous metropolitan areas and poor counties. This situation has generated a chasm between urban and rural areas as well as exacerbated class divides; consequently, provincial municipalities are experiencing an increasingly serious problem of population outflow.

Nearly seven years under the Ma Ying-jeou administration has left local self-governing systems in further disarray. The increasingly unfair distribution of benefits has reached an untenable level where only an overhaul could address the iniquity. We should seize this

rare opportunity for constitutional reform to strengthen the guarantee of local self-governance and to consolidate and deepen democracy. Constitutional reforms should include the following provisions:

1. Right of local self-governing bodies to participate in the legislative process

Local self-governing bodies are the foundation of democracy, but guarantees of their participation in vital national policy are sorely lacking. For instance, in Interpretation No. 550 on the issue of government subsidies toward National Health Insurance premiums, the Judicial Yuan found that, under the National Health Insurance Act, where local governments are required to share the cost and expenses for the implementation of a law, they must also be afforded the opportunity to participate "in the course of formulation of the law." In drafting such laws, administrative agencies "must discuss and consult with local governments" to avoid arbitrary decisions resulting in unreasonable outcomes and to "work out sound preplanning of the financial resources required for implementation of the law." When the legislature undertakes revisions to any such laws, representatives of local governments must be allowed to be present as observers during the process and be given an opportunity to express their opinions.

Taiwan is not a federal state, and has no upper chamber in parliament. Legislators are elected by and exercise the legislative authority of the people; they are not representatives of

local self-governing bodies. As such, the will of local governments is not a decisive factor in the legislative process. Therefore, the right of local self-governing bodies to participate in legislative processes should be guaranteed in the constitution.

2. Abrogation of the provincial government, the Provincial Consultative Council, and other ineffectual agencies

Revisions to the constitution in 1997 effectively “froze” the Taiwan provincial government, terminating its ability to self-govern while preserving it along with the Taiwan Provincial Consultative Council as symbolic vestigial institutions that only serve to provide sinecures. The recent Kuo Kuan-ying retirement affair, in which the disgraced former secretary of the now defunct Government Information Office in Toronto, Canada was appointed to the position of foreign affairs secretary of the provincial government, highlights the absurdity of these institutions. Only through the complete abrogation of the provincial system can Taiwan’s democracy be consolidated.

3. Standards for the status, function, and boundary readjustment of special municipalities

In terms of national land management, local governance, and the distribution of resources, the institution of six special municipalities has distorted the functioning of local self-governance, causing a concentration of population and resources within special municipalities, effectively leaving provincial municipalities depleted of human and other assets. Without systematic reviews to the status, function, and boundaries of special municipalities, local self-governance will be unsustainable.

4. Local electoral system reform

The entrenchment of “black money” at the local level currently poses the gravest issue for local self-governance. Violence and vote buying dominate local election results so that bad money drives out good, and potential candidates genuinely concerned with local public affairs either lack resources to compete or face mafia threats. Therefore, this round of constitutional reform must address local electoral system reform. Particularly, a proportional representation system should be applied to local council elections to better diversify participation and thereby mitigate the adverse effects of “black money” politics.

5. Constitutional guarantees of fiscal allocation and proportional revenue sharing to assure local financial autonomy

Inadequate guarantees related to local finance are the major cause of the difficulty in local self-governance. Legislation concerning allocation of government revenues and expenditures as well as relevant subsidies is all established by the central government, making it very difficult to realize local fiscal autonomy. This is especially the case for poor provincial municipalities that rely solely on central government subsidies for survival. In such instances, “local self-governance” exists in name only. It is therefore necessary to include guarantees of basic financial viability for local self-governing bodies in constitutional reform. The principle of allocation and the enumeration of tax sources and their apportioning should all be stipulated in the constitution to ensure the fiscal foundation of local self-governance. **BT**

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