

Vision for Taiwan: Local Self-Government Human Rights Guarantees, Community Self-Government, Meeting Local Needs

Taiwan began to implement local self-government in 1950 and has since gone through democratization and the first popular election of the president in the 1990s, as well as the direct expression of the will of the people through several referendums and two rounds of peaceful transfer of government power from one party to another. While local self-government may have been in place for some 60 years now, the fiscal autonomy of local governments is still limited due to the high concentration of “power” and “money” in the hands of the central government. Therefore the realization of local self-government remains difficult. The “five metropolises” framework, formed in late 2010, created Taiwan’s local political map composed of “five metropolises and 17 counties.” Following the freezing of Taiwan Province (as an administrative unit) in 1997, the new framework was another wide ranging transformation in the history of local government in Taiwan, which is bound to deeply affect the development of urban and rural areas, if not the entire country, in the future. Faced with the novel concept of “metropolitan special municipalities” not only citizens face an unprecedented new situation with regard to political participation, but national governance also encounters brand new challenges.

Since various political considerations were behind the “five metropolises, 17 counties” framework, the upgrading to special municipality status was carried out in a hurry, which does not necessarily bode well for Taiwan’s future development. First, the Legislative Yuan rushed through an amendment to the Local Government Act without thoroughly examining and solving various existing problems in local self-

government. On the contrary, it created even more foreseeable disputes such as: Instead of reforming the government hierarchy into a two-tier system as widely hoped for, it proceeded in the opposite direction. The ideal that there should be reasonable planning for state land remains invisible. A reform of the delineation of administrative borders has completely come to naught, and there is no visible adjustment to the rural-urban wealth gap. Even more important, since the Act Governing the Allocation of Government Revenues and Expenditures, which is supposed to strengthen local governments’ capacities for self-government and improve their fiscal autonomy, still waits to be amended, a fair way of allocating the nation’s fiscal resources is not yet in place. Equally, there is no comprehensive proposal for solving the long denounced fiscal problems of the local governments – instead a ticking time bomb was planted that could cause their fiscal bankruptcy at any time. The unsolved problems include the unequal allocation of fiscal resources caused by the preferential treatment of Taipei City and the fact that the central government took over the debt of the provincial government at the time of its downsizing. In order to limit and control the local governments’ in doing their job, the central government took advantage of the provincial downsizing to categorize certain local tax revenue as central government taxes, leaving local governments’ severely underfunded and with structural imbalances between revenues and expenditures. As a result, huge public debt has accumulated. Therefore, not only does the status elevation not amount to a “county government promotion,” it might even hamper local self-government and balanced regional development

due to underfunding and high debt. That's not all. Because of the thoughtless amendment of the Local Government Act in 2010, the right to organize of local self-governing bodies has been severely violated.

Therefore, future reform of local self-government should begin with the consideration of "human rights guarantees" and "self-government by local residents." Moreover, the differences between various places in terms of space and society must be heeded by adopting the concept of "meeting local needs." First of all local self-governing bodies must be given the full right to organize and set up the organizations that city governance requires. Taiwan Brain Trust (TBT) would like to make the following concrete proposals: Current regional planning should be completely overhauled, administrative powers must be redistributed between the central and local governments, local governments must be granted control over their personnel, local fiscal autonomy must be realized, the restructuring of local government organizations should be promoted and mechanisms for assistance and cooperation across regions should be established.

Only then can Taiwan achieve the goals of urgently needed improved city planning, an integrated government system, efficient governance and international competitiveness. On top of that we must not neglect the accompanying issue of intergovernmental relations. The five municipalities and the other regional governments need to strengthen mutual regional administrative cooperation to narrow the development gap between urban and rural areas. Capacities, powers and fiscal resources must be redistributed between the local governments and the central government. Local governments and the districts within their jurisdictions (villages, towns and cities that want

to implement self-government) will also face the tasks of rebuilding an efficient transfer of public services and establishing well-oiled dialogue mechanisms with the public. Only if these numerous and severe problems with regard to local governance and development are solved, can we foster Taiwan's sustainable development and raise national competitiveness. **TBT**