CO-OPTING SOCIAL TIES: HOW THE TAIWANESE PETROCHEMICAL INDUSTRY NEUTRALIZED ENVIRONMENTAL OPPOSITION*

Ming-sho Ho†

This article seeks to understand how social ties can be manipulated by industrial producers in such a way that local opposition to pollution is neutralized. Social movement researchers argue that mobilization cannot proceed without pre-existing social ties, and further reflection suggests the nature of social ties is tremendously consequential. Clientelist ties are characterized by mass dependence and cooperation as beneficiaries expect favors from above. Thus, when clientelist leaders are politically excluded, a strong community-based protest is likely to take place under their leadership. However, if clientelist leaders are incorporated to share the benefits of industrial development, the result is likely to be community acquiescence even though popular grievances are endemic. This paper analyzes Taiwan’s environmental politics since the late-1980s by focusing on how material compensations incorporated the previously excluded politicians. Elites thus played the role of redistributors and brokers, rather than protest leaders, and consequently, popular discontent over pollution was contained.

The observation that social movements are “complex and highly heterogeneous network structures” (Diani 2003: 1) has long been received wisdom. Since social movements are not reducible to contentious events or individual participants, the social ties that mediate between persons and their collective action naturally becomes the focus among researchers. In response to the assumption of undersocialized persons in collective behavior theory and rational choice theory, scholars seek to prove that pre-existing networks play a critical role in stimulating potential grievances into actual protests (Granovetter 1978: 1430; Tilly 1978: 63; Useem 1980). In particular, McAdam (1982: 45-50) theorizes two mobilizing functions of social ties. First, social ties bring about the so-called “solidarity incentive” such that individuals view their participation as psychologically rewarding. Networked individuals will be more easily motivated to join collective action, thus overcoming the free-rider dilemma. Second, social ties facilitate internal communication, and people are more likely to accept novel messages from within their own network. In other words, isolated individuals are self-regarding and uninformed; two hurdles social ties help overcome.

Clearly McAdam’s (1982) conceptualization assumes a relatively egalitarian social milieu where autonomous individuals are allowed to deliberate upon their collective goals. It is in this social situation where Putnam’s (1994) culture of “civic community” mostly prevails. Collective action is largely a consensual result of the general readiness to cooperate with others in an equal, trustful, and tolerant fashion. Cohen and Arato (1994) use the notion of “civil society” to elucidate the structural features of this social tie. A group of individuals is free to negotiate their common identity through open discussion and debate. A shared identity can give rise to a powerful movement only insofar as the communication within civil society

* This research is in part supported by Taiwan’s National Science Council (NSC-97-2410-H-110-052-MY3). The draft was originally presented in the 2008 Midwest Political Science Association Annual Conference. The author thanks Rory McVeigh and two anonymous reviewers for helpful comments, and Hui-ting Tsai, Sherry Huang, and Chun-hao Huang for research assistance.

† Ming-sho Ho is an Associate Professor in the Department of Sociology at National Taiwan University. Please direct all correspondence to the author at mingshoho@gmail.com.

Mobilization is generally free from the distorting influences of power and money, which often hinder people from genuinely speaking their minds (Cohen and Arato 1994: 440-42). Cohen and Arato (1994) contend that the contemporary structural differentiation of civil society from state and market makes possible an autonomous realm of identity formation.

Here the theory of “civic social ties” seemingly concurs with the mass society theory that was in vogue in the 1950s, for both argue that modernity is conducive to social movements. Yet a closer look reveals that they stand a world apart. Mass society theory holds that modernization disintegrates the existing social connections. Unattached individuals experience acute anxiety and alienation which propels them into social extremism that violently attacks the status quo (Kornhauser 1959). A psychologically unmoored individual has an impoverished self which can only find warmth in a totalitarian movement of whatever ideological strand (Hoffer 1951). On the other hand, the theory of “civic social ties” is free from the backward-looking nostalgia for traditional organizations. Notwithstanding its destructiveness, modernity creates the unconstrained space for interpersonal communication, where liberated individuals are allowed to form their identity and solidarity, which gives rise in turn to moderate and reformist movements.

While the “civic social tie” account offers a valid picture of the majority of contemporary social movements in democratic countries, less scholarly attention is devoted to the “clientelistic” variant of social ties. According to Kitschelt and Wilkinson (2007: 2), clientelism can be conceptualized as “the exchange of a citizen’s votes in return for direct payments or continuing access to employment, goods and services.” In other words, it is an inherently hierarchical relation in which mass compliance is rewarded with elites’ favors. Given the paramount importance of clientelistic leaders’ role, it is critical to take a closer look at how their attitude affects collective mobilization.

First, it is not true that clientelism uniformly gives rise to political acquiescence. As famously depicted in Banfield’s (1958) study of Sicilian society, the extreme situation of mutual suspicion and atomization, in which any collective action in the meaningful sense is nearly impossible, is only one probable outcome and need not be overgeneralized. To be sure, clientelism provides ready-made leadership structures, territorial bases, and clearly defined constituencies, which significantly lower the cost of mobilization. Gould (1996) demonstrates the potency of patron-client ties in his study of the Whiskey rebellion. When state building threatens the local elites’ entrenched positions, they are likely to rebel against political centralization.

Second, from the perspective of mass followers, clientelism is above all a “problem-solving network” by which impoverished people manage to meet their daily needs for survival (Auyero 2001). Thus, it is imperative for leaders to be capable of constantly generating exclusive goods for their constituencies. The inability to secure sufficient resources is likely to result in declining loyalty from the masses, hence endangering the leaders’ position. Here we come to the calculus of clientelistic elites’ decision making and its impact upon collective action. In facing an outside encroacher, be it political centralizers or industrial developers, local elites will be more likely to assume an oppositional gesture by mobilizing their constituencies if they are prevented from obtaining new benefits. The presence of a newcomer itself is alarming enough because it might lure away their followers with better endowments in resources. In addition, the collective advantages obtained by elite-led protests can be interpreted as an exclusive reward to mass loyalty, hence consolidating the clientelistic exchange. On the other hand, if local elites are invited to share the development dividends with outside encroachers, they are more likely to adopt an accommodative role. The availability of new resources transforms local clientelistic elites into brokers, who mediate between outsiders and grassroots individuals. In this situation, the pre-existing social ties are co-opted with the help of local collaborators, and the outsiders are granted a legitimate role in community life even though they are obliged to pay a certain amount of entrance fee. Thus, ceteris paribus, whether local elites are incorporated in the new configuration determines the
mobilizing function of pre-existing social ties. Excluded elites are expected to lead protest to defend their privileges, while included elites will demobilize their followers in order to maintain their brokerage.

RESEARCH CASE AND DESIGN

To illustrate the different functions of clientelistic ties, I use the case of Taiwan’s environmental movement. This article analyzes the evolution of antipollution protests in the Linyuan Petrochemical Industrial Zone in southern Taiwan. In an earlier period (1973-1988), state-led industrialization did not accommodate the interests of local elites. The popular discontents over pollution as well as the damage to their livelihoods were suppressed under authoritarianism and exploded as Taiwan began to liberalize in the mid-1980s. Led by local elites, a series of protests culminated in a 1988 barricade that disrupted the petrochemical industry on a national scale for three weeks and was finally resolved with an unprecedented compensation package of NT$ 1.3 billion (roughly US$ 40.6 million). Alarmed by the crisis, government and business began to implement a system of rewards (huikuei) to win public support and goodwill. The rewards consisted of cash subsidies, in-kind gifts, purchase contracts, and job opportunities that were used to neutralize the environmental opposition. As a result, though major industrial incidents were still met with spontaneous protest, these protests were largely contained and did not jeopardize industrial production.

With the post-1988 system of rewards, the local elites were no longer excluded from the fruits of petrochemical industrialization and their changed attitude helped to reduce the disruptiveness of environmental protests. Community grievances over pollution and popular protests persisted, but they became less system-threatening to industrial producers. Without the leadership of local politicians, protest movements were incapable of motivating victims to become participants. Since pre-existing social ties had been co-opted, environmental discontents could no longer generate mass protests. As a consequence local protestors were forced to seek the external assistance of urban-based NGOs. The final section of this report will analyze the rise and fall of a protest movement (2005-2008) to demonstrate the demobilizing effect of co-optation.

For research data, I conducted 26 interviews with politicians, residents, and officials in Linyuan Township of Kaohsiung County in 2007-2008. Since the issue of community rewards was by nature sensitive, I came to use social connections to sample my interviewees. Two sources I mostly relied on were (1) local labor union officers whom I became acquainted with in a previous study, and (2) local environmental leaders. Their presence helped me to secure specific and accurate data on rewards politics.

THE POLITICS OF TAIWAN’S ENVIRONMENTAL MOVEMENT

Before moving to a localized focus on Linyuan, I offer a quick overview of Taiwan’s environmental movement to provide background to analysis. Taiwan’s environmental consciousness emerged as the public became aware of the environmental degradation accompanying the rapid economic development in the postwar era (Williams 1992; Arrigo 1994; Chi 1994). The trajectory of its public expression largely followed the political transition from one-party authoritarianism to democracy. In contrast to more developed countries, where political democracy predated the advent of mass environmentalism, in the mid-1980s Taiwan witnessed the simultaneous rise of pro-democracy movements and environmental protests. As a result, the collective pursuit better environmental quality was inevitably affected by the dynamic of regime transition. Using the framework of political opportunity structure, Ho (forthcoming) argues that the environmental movement was closely synchronized with stages
in the transition to democracy. The period of soft authoritarianism (1980-1986) saw the incubation of the environmental movement even though the state remained repressive toward protests, political opposition was weak, and policy channels were nonexistent. The lifting of martial law ushered in the period of liberalization (1987-1992) that radicalized the nascent movement. Grassroots protests surged everywhere and were aided by the Democratic Progressive Party (DPP). The Kuomintang (KMT) government was alarmed by the spiraling protest wave and shifted from initial tolerance to repression in dealing with protest violence. The convocation of the popularly elected Legislative Yuan opened the era of democratization (1993-1999), in which institutions for electoral competition gradually took root. The fall of KMT hardliners brought an abrupt end to repressive policing, and procedural channels for decision making for environmental activists were somewhat broadened. It was in this period that environmentalism took an institutionalizing turn as its former ally, the DPP, came to adopt a more centrist stand in order to cultivate a better relationship with business. The DPP’s electoral victory in 2000 ended a political transition that brought about the first non-KMT government in postwar Taiwan. The DPP government allowed greater latitude in terms of policy participation that encouraged environmental activists to use conventional methods instead of street demonstration to achieve their goal. However, as environmentalists began to gain a quasi-insider status within the government, the DPP as a whole tilted toward a more pro-business orientation that frustrated environmentalists. As the DPP elites were unable to enjoy a parliamentary majority and to command the bureaucracy effectively, state autonomy was greatly reduced. During the DPP government period (2000-2008), environmental politics remained as contentious as before, and the conflict between business and environmentalists was internalized into the regime itself.

A political opportunity structure account of Taiwan’s environmentalism would predict a gradual transformation from street protests to more institutionalized forms of claim making as democracy matured and began to incorporate more societal interests. To a certain extent, this scenario applies to the case of Linyuan. In 1988, victimized residents stormed the petrochemical industrial zone and maintained a three-week barricade to demand compensations, whereas, in 2005-2008, they took part in a series of petitions, public hearings, and environmental impact assessment meetings to express their opposition to an upgrading project. Nevertheless, a purely national-level political focus cannot explain why the 1988 militancy was effective and the 2005-2008 protest failed. The limitations of such an approach are more noticeable when we consider that two decades of democratization brought about more tolerant and routinized policing of protests and increased state responsiveness to popular interests. In other words, if the change of political context were a valid explanation, we would have expected Linyuan activists to mount a successful protest in 2005-2008, rather than in 1988.

On the other hand, is it possible that Taiwan’s democratization stimulated the growth of professional environmental organizations, which in turn stifled and tamed the grassroots militancy in favor of more conventional political methods? Such a conjecture is plausible if policy channels for environmental activists progressively expanded over time, a development suggested by some scholars (Lii and Lin 2003). Theoretically, there is a “populist” school among social movement researchers that holds spontaneous mass defiance as the most effective way to obtain concessions from ruling elites, while organization-building efforts are largely belated and reactive. Organizations do not lead mass protest, but contain grassroots militancy in their pursuit of institutional politics, a situation that eventually leads to the movement’s collapse (Piven and Cloward 1977). Organizations possess resources, but they are not resourceful in terms of tactical innovation (Ganz 2000). Hence, the overtly sanguine expectation of resource mobilization theory is faulted for its attempt to “normalize social protest” (Piven and Cloward 1992). In labor studies, such a view is articulated by syndicalist scholars of the American labor movement (Kimeldorf 1988, 1999) who argue that rank-and-file workers follow the norm of a “culture of solidarity” (Fantasia 1988) and that a spontaneous strike is the most powerful weapon to promote class interest (Brecher 1972).
Neutralizing Environmental Opposition

In my judgment, the organization-control theory does not apply well in the context of the Taiwanese environmental movement. While the growth in number and social visibility of environmental NGOs is undeniable, their influence tends to be overestimated. In fact, the majority of Taiwanese NGOs are fragile both in their finances and in their organization, thus severely limiting their degree of professionalization. In a 1997 survey, there were only eight environmental NGOs that possessed more than 1,000 members and seven that had an annual budget over NT$ 10 million (US$ 0.3 million) (Hsiao 1997: 19-26). With such meager resources, it would be a surprise if environmental NGOs could manage to control local anti-pollution protests.

As argued by Kim (2000), Taiwanese environmentalism is conspicuously more contentious and politicized when compared with the Korean counterpart, which more frequently takes a moderate course led by middle-class urban professionals. As a matter of fact, Taiwan’s middle-class environmentalists have never developed a systematic method to work with their local allies in antipollution protests. While there are some successful cases of fruitful co-operation (Tang and Tang 2004; Tu 2007), urban-based environmentalists have a hard time winning the trust of local communities (Ho 2008). The Linyuan’s case proves no exception in this regard. During the 1988 three-week barricade, some outside environmentalists volunteered to mediate the conflict between angry residents and besieged producers, but their proposal was flatly rejected by local leaders (Yeh 1993: 35-74). Partly because of this unhappy incident, the issue of Linyuan’s pollution dropped from the concerns of most mainstream environmentalists in the years to come. Ironically, it was only when the local opposition to an upgrading project faced eroding community support almost twenty years later that it began to contact environmental NGOs for assistance. Therefore, the development of Taiwan’s environmental NGOs in no way constrains grassroots militancy.

To sum up, the national-level political explanation and organization-control theory fail to offer a satisfactory answer to the question why Linyuan protest is effective in 1988, but not so in 2008. To solve this puzzle, we need to take a more localized look at how social ties are organized then and now in order to understand the process of demobilization by co-optation.

STATE-LED INDUSTRIALIZATION AND THE EXCLUSION OF LOCAL ELITES

Starting in the 1970s, the Taiwanese state led the effort to expand the petrochemical industry. A series of government interventions, such as public investment and price subsidies, had stimulated the industry’s growth in a country that is not well-endowed with natural resources (Chu 2002: 1-36). With the adoption of “developmental state” strategies (Amsden 1989; Wade 1990), state technocrats enjoyed a strong degree of bureaucratic autonomy to engineer the planned economic changes (Johnson 1987: 156-58). The concentration of political powers brought about a weakened civil society that was powerless to challenge the elites’ decisions (Cumings 1987). The developmental state was a political arrangement that benefited national bureaucrats and a select group of large corporations and their core workers, but marginalized the local communities who had to shoulder the environmental cost of pollution. The pre-existing clientelistic network between local residents and their community leadership was also slighted since the latter was excluded from the decision-making process and unable to obtain benefits. The highhanded disregard for local sentiments exacerbated the community sense of victimization by pollution and planted the seed of mass insurgency in the late-1980s.

The Linyuan Petrochemical Industrial Zone (LPIZ) was planned in 1973 as the linchpin for the policy of industrial self-sufficiency in basic petrochemical materials. At that time, Taiwan had undergone more than a decade of export-led growth in light industry products and thus needed to overcome the bottleneck by investing in capital-intensive sectors that produced materials for downstream firms to process. Politically, a series of diplomatic setbacks required the Kuomintang government to make bold moves to boost its eroding legitimacy domestically
As a result, the LPIZ was included in the so-called “Ten Major Construction Projects,” which were heavily propagandized as Chiang Ching-kuo’s first political feat as he took office.

Given this political significance, the national government guided the process of developing the LPIZ from the very beginning. The Industry Development Bureau of the Ministry of Economic Affairs financed the project, while the state-funded Sinotec Engineering Consultant Incorporated was in charge of planning and another public company, the BES Engineering Corporation, was responsible for construction. The most important investor was the state-owned China Petroleum Company (CPC), whose naphtha-cracking facilities produced a variety of petrochemical materials for other processing companies. In 2006, there were twenty-two firms and the total investment amounted to NT$ 80 billion (US$ 2.5 billion) (China Petroleum Company 2006: 190).

The LPIZ, which developed into the largest base of petrochemical production in Taiwan, was located in the southern part of the island. It occupied around 400 hectares, roughly one-fourth of the usable land of Linyuan Township (Linyuan Township Office 2006: 1). Most of the land came from state-owned farmland, and only a small portion of it was obtained through purchase. Since the government offered a reasonable price, local owners were willing to sell their land. At first, the Linyuan people were excited about the LPIZ project. Farmers and fishermen were looking forward to giving up their traditional ways of living for a stable factory job. Many Linyuan people later felt embarrassed about their initial enthusiasm. They claimed to be uninformed about the reality of the petrochemical industry. The prospect of steady and less trying jobs soon became illusory. When constructing the LPIZ, most of the workers were recruited from other places. The sudden influx of outside workers brought many urban vices to this hitherto isolated area. Crime, gambling, and prostitution scandalized the more traditional locals, according to the local elders.

Undoubtedly, pollution and the threat it posed to local livelihoods proved to be the most central concern. Before petrochemical industrialization, underground water was vital for irrigation, but the LPIZ rerouted the water passage so that agricultural production was greatly reduced. Furthermore, the wastewater discharged from the LPIZ harmed the aquaculture business. In many instances, the local aquacultural produce was rejected by the wholesalers because of the excessive benzene content. Fishermen complained that they needed to sail further in order to catch fish since the immediate offshore area was already heavily contaminated. It has become an open secret that many fishermen now relied on smuggling or reselling the subsidized fuel to make a living.

Besides the negative impact of pollution, did the Linyuan people benefit from the state-led industrialization? Most local residents were of the opinion that their sacrifice far exceeded their rewards. In the LPIZ, the state-owned CPC offered the most sought-after jobs, while other private companies’ opportunities were less favorable in terms of wages, benefits, and security. For workers in the LPIZ, switching jobs from private companies to the CPC represented a significant advancement in their career. But as the LPIZ began its operation in the late 1970s, local people saw that the CPC bused their employees from the company residency in Kaohsiung City on a daily basis without hiring Linyuan people.

With weaker political support, private companies, on the other hand, were more willing to accept the practice of local recruitment in order to win the goodwill of the community. A number of workers were hired upon the recommendation of Linyuan politicians who used this resource as a favor to obtain the political support from their constituencies. As analyzed below, this favor-for-loyalty mechanism constituted the core exchange in the local clientelist network. Some private businesses were also willing to offer outsourcing contracts for the local notables. A former deputy-speaker of Kaohsiung County Council, whose political family was based in Linyuan, owned a company that hauled industrial waste ever since the LPIZ began operation. But his customers were limited to private companies, and before the 1988 insurgency he was persistently unable to conduct business with the CPC.
The neglect of community sentiments was the prevalent practice among public sector actors before the lifting of martial law in 1987. The LPIZ was managed directly by the national government and did not acknowledge the supervisory power of local authorities. Before the 1988 incident, Kaohsiung City’s Environmental Protection Bureau fined the LPIZ for discharging wastewater illegally many times, and the amount of the penalties was more than NT$ 20 million (US$ 0.6 million). But the LPIZ refused to improve its wastewater treatment and the penalties were later annulled by the national government (Yeh 1993: 169-193). In addition, political centralization—a legacy of the martial-law authoritarianism—deprived local governments of the power to regulate industrial producers. That explained why a former Koahsiung County magistrate (1986-1993) claimed that she could only clean up the mess of pollution disputes because the industrial zones were beyond her jurisdiction even though they were located within her administrative area (Yu 1996: 259).

From the local perspective, the national government behaved as if establishing the LPIZ itself was already a graceful gift that Linyuan people should have appreciated. Local residents were outraged when they heard that CPC officials refused to hire local graduates because the “cultural level” of Linyuan Township was said to be far below the national average (Chan 2006: 27). In other words, by viewing the local community as inherently inferior, the LPIZ did not appear to ever consider inviting local leaders to share the growth dividends.3

In Taiwan’s local politics, ideology was not important (Bosco 1994a: 57). A politician’s career depended upon dispensing patronage in the form of a variety of “services,” such as jobs, local improvements, and solving bureaucratic problems (Bosco 1994b: 119). A politician was always obliged to attend weddings, funerals, and other social occasions with handsome gifts (Tsai 1998: 95). To consolidate their positions, local elites needed to create a group of permanently indebted constituencies whose loyalty they could always mobilize. Given the logic of clientelistic exchange, it was not a surprise that local elites (county councilors, township representatives, and village heads) adopted a largely negative attitude toward the LPIZ. The majority of them failed to receive any benefits from the state-led industrialization. In the political calculus of Linyuan elites, leading antipollution protests was more rewarding because compensation money was easier to obtain than jobs and contracts. Between 1980 and 1988 there were fourteen protest, mostly local politicians leading angry victims who sought compensation from polluting firms. In a 1985 negotiation meeting, politicians of different factions even broke into a nasty brawl over the amount of compensation.

In 1987, the KMT government lifted the martial law that had been in effect for more than thirty-eight years. With this sign of political liberalization, pollution victims all over Taiwan began to voice their grievances, thus giving rise to a wave of environmental protests (Hsiao 1999; Tang and Tang 1999; Kim 2000; Terao 2002; Ho and Su 2008). On September 23, 1988, Linyuan fishermen discovered that their harbor was contaminated with wastewater and dead fish. Enraged by repeated incidents of pollution, the fisherman stormed the LPIZ and forcibly shut down the wastewater treatment facility and the whole production came to an abrupt halt. For three weeks, the LPIZ was barricaded as fishermen sought to pressure the government. Since the LPIZ was the most significant producer of the industrial materials for downstream firms, the conflict evolved into a severe crisis for Taiwan’s petrochemical industry. During the three weeks of negotiation, economic officials constantly threatened to use police force to disperse the blockade. After the government and companies agreed to pay the unprecedented compensation of NT$ 1.3 billion (US$ 40.6 million) to local victims, the crisis was finally relieved (Shih 2006: 1, 183-186).

In hindsight, the Linyuan incident was a watershed in Taiwan’s environmentalism as the government intervention essentially backtracked on its previously tolerant approach to the LPIZ. But to understand why a local pollution dispute erupted into a national crisis, it is necessary to look at the behavior of local elites. During the three-week blockade, politicians of all factions united to reject the intervention of middle-class environmental organizations since they were determined to take credit for winning concessions from the LPIZ. Further-
more, the negotiation was prolonged because more and more local politicians were getting involved in order to produce windfalls for their constituencies. Initially, it was the seaside fishermen that spearheaded the protest, yet other villages adjacent to the LPIZ joined the bandwagon and eventually nonadjacent villages in Linyuan also claimed their share of the compensation. In the end, the settlement contained three packages of compensation: (1) the registered residents in the five coastal villages received NT$ 80,000 (US$ 2,500) per person; (2) the registered residents in the three adjacent villages received NT$ 50,000 (US$ 1,563) per person; and (3) other villages in Linyuan Township received NT$ 10 million (US$ 0.3 million) per village. Once the popular grievances erupted into a system-threatening crisis, local elites rushed in and utilized this opportunity to reward their loyal supporters, which was the essence of clientelistic transaction.

After the incident, public opinion was largely critical of the Linyuan people, who were viewed as greedy and irresponsible (Environmental Protection Administration 1994: 40). Even professional environmental movement organizations were unsympathetic because they were a frustrated bystander during the whole blockade. Nevertheless, these comments and reactions failed to take notice of the distorted relationship between the national government and the local community. By failing to incorporate local clientelism, the LPIZ invited mass rebellion as well as politician-led claims for compensation when authoritarian control waned.

CO-OPTING THROUGH CLIENTELISTIC NETWORK

The 1988 incident revealed the vulnerability of disembedded industrial producers, and therefore, the government and business took efforts to build community relationships. It was a established consensus among the Linyuan people that they were entitled to material compensations, given the fact that they had endured the impact of pollution for more than a decade. Nevertheless, local elites played a dominant role in determining the way these rewards were allocated. More often than not, Linyuan politicians did not shy from using these resources to fatten their purses or remunerate their supporters. In Linyuan, the reward systems were too complicated for average residents. For a clearer picture, I itemize them in the following way.

CPC’s Rewards Fund

In the early 1990s, there was a widespread wave of demands for rewards from state-owned enterprises all over Taiwan. In 1994, Linyuan won the concession from the CPC, which agreed to offer NT$ 500 million (US$ 15.6 million) as a rewards fund. The township office set up a steering committee to oversee the use of its annual proceeds. The committee decided to give every registered resident one canister of liquefied petroleum gas (or LPG, which was mainly used as cooking fuel in Taiwan) every year. The LPG took up a fairly large portion of the CPC’s fund, and there was a period of time when the interest rate was too low to underwrite its cost so that the township office had to pay the deficit. Few Linyuan people understood why the CPC’s concession became their can of LPG, and they generally assumed that the CPC was its producer, which was actually not the case. In fact, this decision was due to the fact that the township mayor at that time had family members who monopolized the local LPG business.

The LPIZ Management Center’s Good Neighbor Fund

In the past, the LPIZ Management Center paid little attention to local needs since it was supervised by the national government’s Industry Development Bureau (IDB). Since 1991, all private firms and the IDB earmarked NT$ 24 million (US$ 0.8 million) annually to form the Special Good Neighbor (mulin) Fund. The LPIZ Management Center decided how the money
was used. According to an interviewed official, this Special Fund financed speeches, festival events, sport games, workshops, and the activities of civil associations.

**The CPC’s Subsidy for Local Construction**

Taiwan’s township offices usually had a tight budget and were not able to finance the microconstruction projects desired by village heads. Usually when village heads wanted to get something done they went to the county government to seek the magistrate’s approval. Linyuan was exceptional in that the CPC contributed NT$ 20 million (US$ 0.6 million) annually to the township office for construction purposes. Linyuan had twenty-four villages, and that meant each village head had nearly NT$ 1 million (US$ 31,000) at his/her discretion. As a result, Linyuan’s pavilions, activity centers, and sewers were always painted with the words “Subsidized by the CPC.”

Though Linyuan residents wanted a more livable hometown, the quality of these microconstruction projects remained questionable. In an interview, a former township mayor asserted that corruption was rampant. By his estimate, more than 70 percent of the budget disappeared into private hands. In addition, how this money was distributed among twenty-four villages was a contested political issue. As a village head revealed, if one was a friend to the township mayor, s/he was more likely to have the request approved.

**The LPIZ’s Subsidy for Community Activities**

Taiwan’s community organizations were rarely self-sufficient in finance and had to rely on public subsidies. In recent years, the public sector put forward programs for community organizations to apply for funding, which were usually granted upon the recommendation of external committees. However, Linyuan community organizations had an additional channel. The CPC was the most important source of funding; its local management could approve grants up to NT$ 100,000 (US$ 3,125) without consulting the Taipei headquarters. Larger private firms, such as the Formosa Plastics and the China American Petrochemical Corporation, tended to grant NT$ 10,000 to 20,000 (US$ 313 to 625) per case, while smaller firms could only give smaller amounts. Due to the pressure by opposition parties, the state-owned CPC had made public its local subsidies. The record of community grants after 2003 was now accessible online. However, the grants from private firms remained opaque to the public.

Community grants were used in a wide variety of activities, such as festivals, sport competitions, daycare services, and tours. In recent years, Linyuan has witnessed a wave of new civil and community organizations forming. According to the township office, there existed more than 100 registered organizations (in a town with approximately 70,000 residents). A closer look at these nongovernmental organizations reveals that many of them were distantly related to their professed goals, and they often served as a means for local politicians to apply for the LPIZ’s grants. For example, a village head organized an environmental protection association, which had never conducted work associated with pollution, even though his village was in proximity to the LPIZ. Nominaliy, the association in question was concerned with the whole Linyuan Township, but in practice, only persons from his village would be accepted as members. This association was used to apply for grants to organize banquets, festivals, and organized tours that counted as members’ benefits. Hence, the proliferation of local NGOs in Linyuan by no means signified the growth of civil society, but rather a new form of patronage, which was also corroborated in a national survey study by Marsh (2003).

**Contracts and Personnel Referrals**

The shock of the 1988 incident prompted the CPC to revise its procurement policy. The CPC reserved some of its purchase as “good-neighbor outsourcing,” which meant only locally registered contractors were allowed to bid for business. Other private firms also followed the
example by enlarging the share of their local purchase. Accordingly, well-connected politicians now run a plethora of businesses such as interior decoration, cleaning services, and meal catering since it was always easy for them to find clients. Even for those politicians who did not own businesses, brokering commercial deals was another way of providing services to their constituencies. One interviewed county councilor proudly told me that he had been able to negotiate contracts for local plumbers and machine maintenance workers because he had many “acquaintances” in the LPIZ.

Local recruitment became the established norm, as the LPIZ’s Management Center claimed that its firms “were committed to hiring local youth.” However, when hiring new workers, most of the LPIZ firms rarely specified its rule; more often than not, they relied on the referral of local politicians. One CPC official revealed that his company reserved quotas for township mayor and village heads who had the right to recommend suitable persons.

Summary of the Rewards System

In sum, a series of reward programs restructured the relationship between industrial producers and local society after the outbreak of environmental insurgency. Linyuan became an atypical “welfare township” in Taiwan, where residents were entitled to a number of exclusive “benefits.” But did that mean the Linyuan people were effectively silenced by material abundance? Many residents still claimed to be victimized by industrial pollution. Furthermore, the data I collected did not show a decline in protests after the community rewards program was installed. Between 1980 and 1988, there were annually 1.6 protest cases that targeted the LPIZ, while between 1989 and 2002, the figure rose to 2.4. In other words, local people remained hostile to the LPIZ, and their antagonism still burst into open protests. However, these protests became noticeably less disruptive and more “manageable.” Few expected a repeat of the barricade-induced crisis of 1988. Therefore, community rewards worked not because grassroots individuals were now satisfied; on the contrary, their discontent was somehow contained and neutralized.

From the above description, it is clear the local elites were solely able to determine the way these rewards were distributed, and their decision was not held accountable to larger constituencies. This conformed to the clientelist patterns that “leave maximum political discretion to the implementation phase, i.e., have as few precise rules of disbursement and entitlement as possible,” as identified in Kitschelt and Wilkinson (2007: 12). Thus, a key to understanding the effectiveness of the rewards system consists in how these rewards fit into the pre-existing clientelism and how the local elites were transformed from protest leaders into rewards brokers.

The logic of clientelistic exchange entailed that leaders had to constantly produce resources for their followers. When it came to election, clientelistic politicians were expected to pay their voters with cash. Vote buying was a prevalent and organized phenomenon in rural Taiwan (Wang and Kurzman 2007). It was taken for granted that politicians would seek to reimburse their initial outlay by taking bribes, brokering deals, and other corruptive and illegal ways. Ultimately, the viability of a clientelistic exchange hinged upon the leaders’ capacity to generate resources continuously.

The intensified electoral competition brought about by democratization increased the pressure for clientelistic elites, who were now expected to produce more benefits. In its short-term impact, the advent of democracy did not eliminate clientelism, but rather enhanced the bargaining position of the masses vis-à-vis competing elites. As a result, more resources were needed in order to maintain mass loyalty. A Linyuan village head complained about the rising costs in the following way:

The official salary for a village head has been increased steadily. It was NT$ 8,000 (US$ 250) initially when I first became village head; now it is NT$ 45,000 (US$ 1,406). But it is simply not enough. I receive all kinds of “red invitations” (for weddings) and “white invitations” (for
funerals). Every time when the village temples are celebrating the birthday of their deities, I am expected to be present at the ceremony. I cannot attend these occasions without donating some money. People used to accept a smaller contribution from me, but now the minimum amount of acceptable donation is NT$ 2,000 (US$ 63).

The timely injection of the community rewards program alleviated the dire resource deficit for local elites. Precisely because the government and industrial producers did not specify an open and fixed method of compensating the environmental loss of residents, local elites were able to privatize these benefits as personal favors to their followers. Thus, a Linyuan county councilor boasted that he never bothered to buy votes because he always performed good “services” to his constituencies:

> When a temple or a local association needs subsidy for their activities, I am willing to stamp my personal seal in their application to the LPIZ. It functions like a recommendation letter that always works. In addition, some compatriots will come to me for jobs. And I will do my best to find one for them, although I cannot satisfy them every time. Everyone in Linyuan knows my service is good. So my campaign expense is kept at a minimum.

Thus, the community rewards program was successful in neutralizing popular discontent over pollution insofar as it co-opted the existing clientelistic ties to its advantage. By bestowing local elites the discretionary power to distribute these rewards, the majority of grassroots individuals became increasingly dependent. Furthermore, as local elites came to rely on the resources provided by the industry, they were obliged to be concessionary. The following section shows how Linyuan pollution victims became leaderless and unorganized.

**A MOVEMENT WITHOUT LOCAL LEADERSHIP: THE 2005-2008 PROTEST**

In 2004, the CPC announced a project to upgrade its naphtha-cracking capacity in the LPIZ. The original plan was ambitious; the company would invest NT$ 42.6 billion (US$ 1.3 billion) to purchase private farmland. This expansion project was the largest since the LPIZ went into operation in the late-1970s. An enlarged LPIZ would bring more villages into its vicinity, and as a consequence, the residents formed a protest organization in 2005: the Linyuan Anti-pollution and Hometown-protecting Association (LAPHPA). A series of rallies and demonstrations forced the CPC to scale the expansion down, a move that certainly helped to pacify the local opposition to a certain degree. At the end of 2008 the expansion project finally passed the environmental impact assessment (EIA) review, putting an end to the three-year local opposition movement.

The role of local elites was especially noteworthy in this protest. During the planning process, many political insiders knew the news and were supportive. It was even rumored that some well-connected politicians had purchased land in advance in order to resell it to the CPC for a higher price. It was the township office’s general secretary, Huang Hsin, who acted as a whistleblower and exposed the project. Huang came to know of the expansion through official channels. Huang first reminded the then mayor of the grave consequences and especially its negative impact upon his reelection. Second, Huang leaked this information to the villages most likely to be affected. He told the residents to be prepared for the dismal prospect of the valueless house ownership that banks would not take as collateral.

Huang’s behind-the-scene maneuvers galvanized the protest movement. The LAPHPA held a series of protest events and the CPC’s expansion project became the hottest topic in the area. The mayor revised his attitude abruptly and the township office published a brochure to make its opposition known. The Assembly of Representatives also jumped on the bandwagon by a formal decision. Under public scrutiny, politicians felt the need to dramatize their opposition. The mayor once knelt down before the goddess Mazu to show his determination, and on another occasion, he also sworn before the Bodhisattva of Compassion that he would...
resign if the CPC plan succeeded. During the mayoral election at the end of 2005, all three major camps expressed the anti-CPC position.

In the initial period, opposing the industrial zone’s further encroachment was the official position among Linyuan elites. The CPC’s staff had a hard time persauding politicians to say something favorable for the company even though they did not voice their objection in the first place. But in private, most of the local politicians welcomed the CPC’s new investment. There was visible inconsistency between public and private behaviors on the part of local elites. In September 2005, Linyuan’s twenty-four village heads went to the Legislative Yuan in Taipei in order to petition the national body to stop the projected expansion. Before their departure, local people blessed them with success. However, when their bus approached Taipei, seven village heads revealed their true intent was to disrupt the scheduled petition, with force if necessary. Huang Hsin, who initiated the local opposition, was even threatened with physical violence. Finally, due to his wit, the petition went on as planned.

The same ambivalence existed among the LAPHPA leadership. Initially, public pressure compelled them to take an oppositional stand, but once they could find a justifiable excuse, they would quit the LAPHPA as soon as possible. One leader claimed that his wife, a teacher, was granted the transfer to a local school, and thus he felt embarrassed in continuing to protest against an investment project that the county government supported. Another village head stopped attending the LAPHPA meeting when his daughter obtained a public-sector job. In December 2006, two LAPHPA leaders were physically assaulted in the CPC office by a township representative who was angry for the slander that he took the CPC’s money. In the end, the assailant remained unpunished and more inconceivably, the injured party even tried to keep the incident a secret. Eventually, they left the LAPHPA altogether. These unusual incidents reveal that many local leaders were somehow dependent on the CPC’s resources. Therefore, they needed to demonstrate their personal difficulties publicly in order to justify their retreat from the opposition camp.

Later, as the dispute entered the EIA process, meetings were held in Taipei as a general rule. The spatial distance made it easier for the local elites to reverse their attitudes without being publicly exposed. The newly elected township mayor stood in opposition previously, but later he claimed that he would “not reject the idea of upgrading within the existing compound.” During the EIA review, his “non-rejection” further changed into “fervent support.” In September 2008, the township mayor and eleven village heads signed a statement that supported the CPC and criticized its opponents “who wished to chase the industry out of Linyuan and reduce local jobs.”

As expected, the endorsement by local elites did not go smoothly. Since the CPC needed to neutralize residents’ opposition, its local collaborators were now in a position to demand more rewards at their discretion. The township office put forward their demands: (1) the CPC’s new recruitment must include more than 90 percent Linyuan people; (2) the CPC must contribute 0.075 percent of its product value as local reward funds; and (3) the government should finance 21 construction projects. What local politicians asked was nothing but more job referrals and more subsidies for community activities and construction—in a word, the resources to patronize their local clientelistic network.

The defection of local politicians severely weakened the opposition movement. The core LAPHPA leadership structure shrunk to Huang Hsin, a schoolteacher, and a Chinese medical doctor. The latter two were born in Linyuan, but they did not reside there anymore. In the past, the LAPHPA was able to mobilize local residents to protest the CPC’s public hearing and hold a signature-collecting campaign, but now without politicians’ support, it was no longer capable of staging such mass activities. Huang Hsin, who spent his career as a government employee, argued that every level of government counts. If the township office is willing to take a firm stand to oppose the upgrading project, people will join the protest; otherwise, they are afraid to do so, no matter how angry they are with the LPIZ.
While Huang’s explanation seemed to emphasize the legitimacy of formal political institutions, I would like to argue that it was the clientelistic networks controlled by political position holders that mattered. In other words, local people dared not express their true intent for fear that they might be kicked out of the patronage network.

Now, without the blessing of the township mayor and village heads, the opposition began to be aligned with translocal environmental organizations in order to make sure their voices were being heard in the EIA meeting. The timing was highly suggestive in that only when the opposition was no longer able to mobilize its local bases did it seek the assistance of environmental NGOs. The middle-class professionals certainly offered valuable expertise and advice on how to use the institutionalized channels. Nevertheless, the more outsiders were involved, the more Linyuan politicians could argue that the opposition did not care about “hometown prosperity.”

It was clear that the attitude of local elites explained the rise and decline of antipollution collective action. The sudden exposure of an expansion project forced the Linyuan elites to adopt an oppositional gesture, which jump-started the protest in a similar fashion to the 1988 incident. When the township mayor election was over and the battleground of the controversy shifted to the EIA meeting at Taipei, their conduct became less and less scrutinized by local public opinion. Eventually, the local elites deserted to the CPC’s side and left the LAPHPA alone in an increasingly difficult fight.

In hindsight, the collapse of the 2005-2008 protest was even more intriguing since it opposed an expansion project that would increase the total volume of pollution, whereas the 1988 protest was triggered by one pollution incident. As argued above, two decades of democratization brought about more tolerant policing, more open policy channels, and weakened state capacity. These factors should have helped the Linyuan opposition movement. Nevertheless, the facilitating factors were effectively offset by the change of local social ties. As the industrial producers began to incorporate local elites with the discretionary power over community rewards, clientelism was co-opted and neutralized. Interpersonal networks were no longer a vehicle to sustain protest movements, but rather a devise to demobilize mass discontent.

**CONCLUSION**

Through an examination of Taiwan’s environmental politics, this article demonstrates how existing social ties can be manipulated by industry to neutralize the local opposition to pollution. In order to co-opt social ties, it is imperative to win the hearts and pocketbooks of local elites first. The rewards system is designed to incorporate the local politicians whose mediating and redistributive role helps to disseminate industry-provided benefits. Once elites come to rely on these rewards as necessary support for their political positions, they are more or less obliged to comply with business. As a result, mass discontent over pollution is increasingly unlikely to give rise to effective protest movements. Now Taiwan’s local environmental politics has become more akin to the Japanese pattern as depicted in Broadbent (1998, 2003), where conservative politicians demobilize their victimized constituencies with the material support of business. My interpretation stresses that a clientelistic logic structures the interaction among industry, elites, and grassroots individuals. Prior to the rewards system, elites are free to express their hostility toward industry given the widespread popular discontent. Afterwards, they are placed in a resource-dependent position that requires them to be subservient to business demands.

By focusing on local clientelism, this research also seeks to address the Tocquevillian thesis of the stabilizing function of intermediate groups. According to Tocqueville (1955), the French Revolution did not come as a result of conscious design on the part of revolutionaries, but rather as a self-destructive reform attempt by the Old Regime. In the effort to centralize
his power, the Bourbon ruler wrought irreversible damages upon pre-existing institutions and elite groups, and thus incidentally made the state extremely vulnerable to political turmoil. For Tocqueville, the intermediate institutions that comprised nobility, church, guild, city, and university, which made up the political foundation of “Ständesstaat” (Poggi 1972: 8-9), functioned to place every individual in a hierarchical and corporatist order. Applying the Tocquevillean insight, McDaniel (1991: 101-140) argues that autocratic modernization by Tsarist Russia and the Shah’s Iran was inherently contradictory. Social elites were deliberately crippled to the extent that they became too weak to support the modernizing regime, as well as to contain the discontent from their subordinates. Thus, when the regime crisis arose, only the most determined and dogmatic revolutionaries, hardened by years of repression, were able to assume the leadership.

While my study on antipollution protests deals with a more localized scale of conflict, the findings in this report are still pertinent to the Tocquevillean thesis. First, it is obvious that clientelism as an everyday political phenomenon in modern democracy has a functional affinity with traditional institutions in autocratic Ständesstaat in that both tie citizens/subjects to a subordinate position. Second, heightened antagonism against the state can equally take place when local elites still hold sway in their turf, especially when the incumbents’ policy fails to accommodate them. Whether local politicians play the role of protest leaders or resource brokers is a function of the way they are integrated into the national government’s agenda. Finally, the fact that the Tocquevillean theory of revolution finds unexpected relevance in Taiwan’s environmental politics should sensitize us to the possibility that statist industrialization in the style of East Asian developmentalism can be conceptualized as an extension of state power to localities. Building petrochemical plants is not just an economic issue, but is a decision that inevitably affects intermediate institutions as well. The drive to industrialize inevitably upset the previous linkage between national incumbents and local elites. The subsequent distribution and growth dividend and pollution would determine the pattern of community responses.

In addition, a locality-based study on the environmental politics in a nascent democracy calls attention to the fact that hierarchical exchange of favors for loyalty still plays an important role in the everyday life of many citizens. The short-term effect of democratization is not likely to replace corrupt patronage politics with principled and programmatic politics, as expected. More often than not, local clientelistic elites are able to secure more resources to lubricate their political machine at the time when authoritarian control wanes and citizens are enfranchised.

Given the fact that the “transition from clientelism to citizenship” is inherently difficult (Fox 1994), social movement researchers need to pay more attention to the milieu where social ties are not structured in an egalitarian and autonomous fashion. The “free space” (Polletta 1999) that enables unconstrained negotiation on collective identity and tactic might be a suitable description of many contemporary urban-based social movements. But it fails to capture the political dynamic of the vast hinterlands where clientelistic social ties still prevail. As argued in this article, clientelism is not necessarily synonymous with political quietude. Its leadership-followers structure can generate powerful mobilization if local elites are excluded. However, once the elites are included, the dense interpersonal network becomes a powerful weapon to dampen collective action. How clientelistic ties continue to structure contemporary social protests remains a fascinating question for future research.

NOTES

1 Observers familiar with the recent evolution of Taiwan’s politics might wonder whether the emergence of the green-blue confrontation might have eclipsed the salience of movement issues and thus made it more difficult for movement activists to achieve their goals. To be sure, the green-blue politics was divisive precisely because it was centered on the independence-unification issue that could be easily polarized with the existing ethnic cleavage. With the DPP’s
ideological shift to centrism during its tenure, movement politics, such as environmental protection, became less and less of a divisive issue between the green and blue camps (Ho 2005: 417).

At that time, there were other environmentalists who did not pose a neutral position to mediate the conflict, but rather sought to radicalize the conflict by taking over the leadership of local protest movements. Nevertheless, this effort failed completely due to the lack of local connections. These environmentalists were the Kaohsiung Branch of the Taiwan Environmental Protection Union, then the largest environmental NGO. The Kaohsiung Branch was led by Yang Chiu-hsing (DPP), who later became the county magistrate. The 2005-2008 protest took place under his tenure. Yang initially supported the upgrading project at the Linyuan Petrochemical Industry Zone, though he retracted his endorsement after local opposition rose. Yang’s metamorphosis from environmental radicalism to pro-business developmentalism was largely in tandem with the DPP’s centrist turn after 2000.

Prior to Taiwan’s democratization, it was a common practice among industrial investors to refrain from contacting local communities once they secured the officials’ blessing. In a 1985-1986 controversy regarding Dupont’s investment in Lukang Township in central Taiwan, the local magistrate was shocked to learn this news through the newspaper (Reardon-Anderson 1992: 25).

I obtained the protest case data mainly from the library of Taiwan’s Environmental Protection Administration. The library staff there managed to collect newspaper reports on environmental issues from 1988-2002. For earlier data, my sources were newspapers and other magazines.

To more perceptive or cynical local observers, the local politicians’ sudden about-face was not a surprise at all. The latter were said to “do one thing while saying another thing.”

As an illustration of the entrenched position of local politicians, the schoolteacher activist was constantly pressured from many sources. His parents were urged by neighbors to dissuade him from further involvement in the anti-CPC protest. In addition, the principal of the school frowned upon his off-campus activities because the school needed CPC’s subsidies.

REFERENCES


Chan, Yan-yun. 2006. “My Home is Located at the Estuary of Kaoping River.” *Newsletter of Environmental Education Center of Kaohsiung City Teachers’ Association* 7: 24-27.


Neutralizing Environmental Opposition


Tsai, Min-hui. 1998. *Taiwan’s Township Factions and Political Change*. Taipei: Hongyeh.


