The Trajectory of Industrialisation of Cultural Policy in Taiwan (1994-2012)

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Submitted in accordance with the requirements for the degree of Doctor of Philosophy

The University of Leeds
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September 2015
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Acknowledgements

I wish to thank Taiwan’s Ministry of Education, for the Government Fellowship that made my doctoral journey in Leeds possible.

I am greatly indebted to my fantastic supervisors: Dr. Anna Upchurch, for her unwavering support, helpful guidance and timely encouragement; Professor Calvin Taylor, for his insightful and invaluable guidance; and Dr. Javier Stanziola, for his warm assistance in my first year and the transfer viva. Their inspiration and patience helped me though the difficult moments and to complete this study.

I would like to thank the two examiners, Professor Andy Pratt and Dr. Ben Walmsley, for their constructive advice and encouragement. It was a great experience to discuss my thesis with them.

My gratitude also goes to all the interviewees who generously shared with me their time and precious thoughts in relation to policymaking processes and practical experience. Also, I am grateful to Professor Li hyun Lin, Dr. Jerry C.Y. Liu and Dr. Hsiao-Ling Chung for their valuable discussions and advice during my fieldwork in Taiwan.

A big thank you to friends far and near for believing in me and for sharing with me some delightful moments in your lives, among them Michelle Hui-Ling Chiang, Angy Chen, Jen-Hsien Hsu, David Chu, Yu-Shang Lin, Yu-Ping Gu, Chung-Yun Chen, Laurence Lee, Pattanan Kasemweerasan, Chun-Hua Wang, Eunhee Lee, Fan Wu, Christina Penna, George Zifkos, Pei-Ling Liao, Hengmiao Kao and so many more. Special mention goes to Hui-Fang Liu and Hui-Yu Kuo for invaluable discussions and the warmest support for looking after my son.

A particular thank to Anne Akers and the runners of Woodhouse Moor Parkrun. Regular Saturday’s running always refill me with fresh air and energy to keep healthy and carry on the difficult journey.

I am sincerely grateful to my parents, Chun-Hsiung Ku and Mei-Hui Chen, parents in law, Chung-Pen Lee and Yueh-Chao Chou, and brother, Po-Wen Ku for their unconditional love and consistent encouragement, and a special thank you goes to my sister, Shu-Ju Ku, for great material and psychological support.

Lastly, and most importantly, my deepest gratitude to my husband, Chi-Ray Lee, for taking care of everything in the first three years in Leeds and the subsequent warmest support in Taiwan, and my dearest boy, Shang-Chen Lee, for his understanding and doing his best to make me happy in the anxious thesis-writing process.
Abstract

This thesis aims to investigate the trajectory of industrialisation in Taiwan’s cultural policy from 1994 to 2012. In order to identify significant discursive and structural factors that have shaped and underpinned the transformation of industrialisation of cultural policy, this research takes the Cultural Political Economy (CPE) as the theoretical perspective and adopts Jim McGuigan’s three discourses of cultural policy to explain the dialectic process between discursive formation and structuration.

This thesis reveals that the projects of cultural industries, as well as the cultural and creative industries, emerged as a strategic response to changing political, economic and social structuration over the past two decades. In this context, the meaning of industrialisation has been entangled in multiple state projects and multiple articulations with local practice and diverse imaginaries.

From the analysis, there are three core research findings and implications. Firstly, the hegemonic discourse ‘Industrialisation of Culture; Culturalisation of Industries’ has been mobilised by the state as a strategic fix, in three respective phases, to manage the issues of democratisation, the formation of national identity, the challenges of economic transformation, rural regeneration and cultural citizenship. Secondly, this research highlights policy implications for the industrialisation of cultural policy in Taiwan and other newly democratised countries. Taiwan’s case indicates that the cultural industries do not naturally contain economic discourse; they can bear democratic meanings, such as empowerment, participation and cultural citizenship, by state projects and local practice to engage people in public affairs and cultural events. Thirdly, this research has theoretical implications for cultural policy and CPE. In the field of cultural policy, this research, which adopts the theoretical perspective of CPE with three discourses of cultural policy, uncovers the dialectic between discourse formation and structuration; furthermore, it provides an empirical approach with the supplement of three discourses of cultural policy for applying CPE in cultural policy studies to investigate the evolution of hegemonic discourse and structuration.
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Chapter 1 Introduction

1.1 Research Background and Research Purposes

Over the last two decades, the main concerns and core values of cultural policy around the world have changed dramatically. The importance of cultural/creative industries is recognised widely by cultural policy-makers (Cunningham, 2001; Hesmondhalgh and Pratt, 2005; Pratt, 2005). Considering the cultural/creative industries as a type of knowledge-based economy, the economics of cultural policy has not only been emphasised in the economic field but also been involved in the government policy agenda (UNESCO, 2006; Pratt, 2007; Taylor, 2009; Throsby, 2010). These changes have extended the traditional values of cultural policy from national or cultural development to the wider benefits of economic and social purposes (Hartley, 2004; Garnham, 2005; Galloway and Dunlop, 2007; Hesmondhalgh, 2007). In Taiwan, there has been a similar trend since the 1990s, but with locally specific developments. In particular, the emerging of ‘cultural industries’ in 1995 and the launch of state initiative ‘cultural and creative industries’ in 2002 with relevant discourses being highlighted in cultural policy, which have brought salient debates and challenges to cultural policy over the last twenty years.

As a matter of fact, ‘cultural industries’ and ‘cultural and creative industries’, despite the similar terminology, are two different development concepts in respective contexts of cultural projects in Taiwan (Wang, 2005; Liu, 2006). Since 1995, the Council for Cultural Affairs¹ (hereafter CCA), which is the highest national office that makes policy and oversees Taiwan’s cultural affairs, launched a project for cultural industries with a specific strategic discourse – ‘Industrialisation of Culture; Culturalisation of Industries’ (文化產業化，產業文化化). This discourse serves as one of the strategies of the CCA to promote the Community Empowerment Project (社區總體營造計劃, hereafter CEP), which focuses on residents’ participation and community’s localisation (CCA, 1998; CCA, 2004a). Seven years later, in 2002, the state assigned the Ministry of Economic Affairs to develope a cross-sector project

¹ The Council for Cultural Affairs was established in 1981 and upgraded to the Ministry of Culture as part of a larger governmental reorganisation in 2012. Further discussions on the implications of the reorganisation are analysed in Chapter 6.
for ‘Cultural and Creative Industries’ (文化創意產業, hereafter CCIs), which mainly adopted the concept of ‘creative industries’ from the British experience, but collaborated with the CCA and shared the same discourse of industrialisation of cultural industries. With this state promotion, the term ‘Wen-Chuang’ (文創), which is the abbreviated form of ‘Cultural and Creative Industries’ in Mandarin, has become very popular in Taiwanese society. Specifically, the term ‘Wen-Chuang’ has not only gradually replaced ‘Wen Hua Chan Ye’ (文化產業), which means ‘Cultural Industries’ in Mandarin, but has also been widely used to refer to many designer shops, complex restaurants and cafés which combine their business with arts and cultural symbols or activities. On the other hand, the phrase ‘Industrialisation of Culture; Culturalisation of Industries’ has been used for the principle of both projects and become the hegemonic discourse in cultural policy since 1995 (CCA, 1998; CCA, 2004a). Against this background, this research is concerned with the trajectory of industrialisation and the meaning-making of the relevant discourses in cultural policy, which is mainly led by projects in the ‘cultural industries’ and the ‘cultural and creative industries’, as well as the related critical issues and debates in Taiwan over the last two decades.

The original motivation for tracing the emergence and transformation of industry-related projects in the field of cultural policy came firstly from my personal work experience and observation. I worked at the cultural development department of the Cultural Affairs Bureau in New Taipei City from 2007 to 2009. During this period, I encountered numerous difficulties in coordinating policy-planning and practice around ‘cultural industries’ and ‘cultural and creative industries’ with cultural workers, organisations, citizens, foundations, entrepreneurs and central government. For instance, the ‘Local Cultural Museum’ project, which I was in charge of in New Taipei City, was a sub-project of cultural industries but the content was mixed with the concepts of cultural and creative industries, such as the emphasis on creativity and economic profit, which caused confusions in implementation. Some cultural workers at the museums I worked with told me they were confused by the discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ and did not know how to industrialise the museums to promote community empowerment (社區營造) and the economic benefits of CCIs at the same time. These confusions and frustrations of the working experience led to the initial inspiration for this research. The research inquires into the meaning-making of the discourse around ‘Industrialisation of Culture; Culturalisation of Industries’ and the evolution of industrialisation projects embedded within the structural environment. Through answering these
questions, the research wishes to identify the transformation of cultural policy led by industrialisation and clarify the changing meaning of the hegemonic discourse of 'Industrialisation of Culture; Culturalisation of Industries’ for the future planning and implementation of cultural policy.

The second reason that drove me to explore this topic, is the controversial issue of the musical drama ‘Dreamers’ (夢想家). As part of the national centennial celebrations in 2011, ‘Dreamers’ was funded by the CCA and presented on the National Day for two nights, the 10th and 11th of October. Because of the surprisingly high cost of 215 million NT dollars (£4.54 million), it soon drew strong public criticism of the biased allocation and extended to other problematic issues of cultural policy. Actually, the issue of ‘Dreamers’ was just the straw that broke the camel’s back. It not only caused a series of debates about the role of cultural policy for cultural and economic value, it also led to the resignation of the chairman of the CCA within one month. The greatest dissatisfaction came from the cultural groups, who organised the ‘Preparation Office of Cultural Age Foundation’ (文化元年基金會籌備處), to call for a sweeping reform to the overemphasis on industrialisation in recent cultural policy. Their campaigns resulted in unprecedented reflections over cultural policy in the presidential election. It was the first time that cultural policy was a main issue in the election, and the three main presidential candidates were asked to account for their cultural policy and answer questions which the Foundation collected from the civil society (Huang, 2011; Chao, 2011). They questioned whether cultural policy was biased towards economic development and whether the cultural and creative industries project has overlooked cultural value (Wang, 2012). In the relevant debates, the discursive strategies used by the Foundation seemed to prevail over the main cultural policy-maker (the CCA) to dominate the agenda for the reform of cultural policy. For example, the CCA promised to review the cultural policy, adjust the current overemphasis on economic value, and “step up a dialogue with artists in preparation for the drafting of a white paper focusing on cultural development in the future” (Cheng and Wu, 2011). The relevant issues of ‘Dreamers’ stimulated questions for this research; for instance: Why would a musical drama like ‘Dreamers’ cause a fierce reaction from cultural groups? What lies behind the arguments between the state and the cultural workers? What kind of discursive strategies used by the cultural groups affected the CCA, making them willing to adjust cultural policy? What kind of perspectives and ideologies of industrialisation have struggled in the above process?
The third reason resulted from the fact that industrialisation has been officially listed as one of the four strategies\(^2\) of cultural policy since the Ministry of Culture was established in 2012. The Ministry of Culture not only reorganised the departments from the CCA but also integrated with the former Government Information Office, which included the departments of cultural exchange, the publishing industry, the film industry, the broadcast and television industry, and the popular music industry. These media industries used to be seen as propaganda apparatuses under the authoritarian government from the 1960s to the 1980s. Despite the lifting of martial law in 1987, the media industries continued to be excluded from the scope of cultural policy until 2012. With the international trend of creative industries, the media, with market-mediated and profit-oriented features, are viewed as profitable categories\(^3\) among the cultural and creative industries. When the Ministry of Culture integrated with the Government Information Office and the CCA, it was inevitable that some differences and conflicts among the media industries and artist-centred cultural fields would become increasingly visible in the thinking, and policy-making, of cultural policy. These recent changes have influenced the definition and objectives of cultural policy and the meaning of industrialisation. For instance, according to the first blueprint drafted by the Minister of Culture, the government would focus on small-scale cultural industries in villages to encourage cultural participation as well as the leading cultural and creative industries, such as media industries, to facilitate the development of the cultural economy (Taiwan Today, 2012). These shifts, and the relevant issues, are not pre-given but depend on a hidden system of meanings that frame their significance, and the controversy, which requires in-depth discussion for a better understanding of the evolution of industrialisation and the implications for cultural policy.

In this context, this research aims to identify significant discursive and structural factors that have shaped and underpinned the transformation of industrialisation of cultural policy. Understanding the evolution of industrialisation in cultural policy can uncover the complex relationship between the discourse of industrialisation and structuration and lay a basis

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\(^2\) The other three goals are internationalisation, soilisation (grassroots) and cloudisation (digitalisation). Further analysis is presented in section 6.3.4.

\(^3\) According to a media interview with the director of the Bureau of Audiovisual and Music Industry the export of broadcast television, film and pop music accounts for 54 percent of Taiwan’s cultural and creative industries, which can be regarded as the most profitable of the cultural and creative industries (Zheng, 2012).
for future researchers, policy makers and participants to devise better strategies of public intervention in the field of cultural policy.

1.2 The Development of Taiwanese Cultural Policy Studies

The last few decades have seen a growing importance placed on cultural policy research in Taiwan. Before the lifting of martial law in 1987, cultural policy had been called ‘cultural construction’ and served as an instrument of political propaganda by the authoritarian ruling party, Chinese Nationalist Party (also called ‘Chinese Kuomingtang’, hereafter KMT), to control and shape people’s thoughts (Wang, 2002). With the development of democratisation, there has been a dramatic proliferation with diverse perspectives in Taiwanese cultural policy studies since the 1990s. In particular, there is an increasing trend in the number of studies regarding cultural industries and CCIs. Generally speaking, the previous studies of cultural policy can be divided as follows.

Firstly, some studies take the historical structural approach to focus on the development of a specific cultural policy, such as community empowerment policy, dance policy, visual arts policy, museum policy or heritage policy. For example, Yu (2002) traces the formation of Community Empowerment Policy and points out that the policy was a response to the trend of globalisation and a way to build local cultural identity. Wang (2004) explores the contradictions and challenges in the development of multiculturalism in cultural policy in Taiwan. She concludes that cultural policy should be considered in terms of both cultural rights and multicultural citizenship and based on the principles of social justice, the recognition of difference and common culture rather than narrowly as ‘art policy’. Su (2011) focuses on the ‘Local Cultural Museum Project’ (2002-2011) in history, art, industry, ecology, ethnicity and religion, and analyses museum governance in cultural policy. The majority of this literature demonstrates the diverse faces of cultural policy. Their theoretical and historical perspectives illustrate contextual factors that shape policy as well as the difficulties and challenges of implementing policy. Nevertheless, most of these studies view their target
policy as an existing reality and do not discuss the dynamic interplay of structure and agency or associated influences in policy-making.

Secondly, there are a great deal of Taiwan-based investigations adopting a case study approach to analysing the development or marketing strategies of cultural policy, such as specific local cultural museums and specific creative and cultural parks (Chang, 2004; Chen, 2008; Tu, 2008; Liao, 2008; Huang, 2010). This kind of research provides a number of empirical cases and practical experiences to illustrate a specific subject. Most of them represent the successful models of implementing a cultural policy and recommend feasible methods and concepts for other relevant cases. They reveal the detailed and dynamic relations between stakeholders through interviews and fieldwork. It should be noted, however, that there have been few attempts to analyse the relationship between the initiative of actors and the structural conditions. Additionally, despite the case studies providing thick description and deep analysis for readers to understand the specific event or phenomenon, it is hard to show longitudinal viewpoints, or the whole picture of cultural policy, and its comprehensive implications.

Thirdly, there has been a considerable proliferation of research concerned with cultural industries and CCIs especially since CCIs became one of the national essential policies in 2002. The diversity of these studies shows that it is a popular but complicated topic. Some of these studies are highly related to this research, for instance, some researchers investigate the development of cultural industries from being a marginal concern in policy to being highly visible and explicitly linked to the local economy (Liao et al., 2000; Ku and Liao, 2004; Sin et al., 2005). These studies discuss the current debates around the complex interaction of local economy and cultural industries. They also point out the unstable features and high risks in the economics of cultural industry policy from the perspective of urban planning. However, their arguments are primarily based on Western experiences and most of them have not analysed the complex process of policy adoption from foreign countries or distinguished the discursive and contextual differences and relationships between cultural industries and CCIs in the Taiwanese context. As a result, their findings are limited and may be problematic in discussion of the transformation of Taiwan’s cultural policy.
It is worth noting that some researchers have noticed the differences when CCI policy transferred to Taiwan. They conduct a brief comparative analysis about why and how the government adopted a foreign policy. For example, the study of Liu (2006) takes a broad view of the evolution of Taiwan's CCIIs in recent years and finds that ‘cultural industries’ and ‘cultural and creative industries’, are actually of two different concepts and developmental contexts. The first was learned from the Japanese experience and is part of community empowerment policy aimed to revitalise communities; the latter was adopted mainly from Britain’s creative industries to pursue economic benefits. However, these two terms were usually mixed-used in the 2000s and the ‘Wen-Chuang’ (CCIIs) has replaced ‘Wen Hua Chan Ye’ (cultural industries) in recent years. These misunderstandings could easily lead to confusion in the implementation process, thereby reducing the effectiveness of the promotion. Furthermore, Chu (2011a) re-examines the relationship between state and museums and considers the insight of the CCIIs policy that the Taiwan government adopted from the UK under neo-liberalism. Chu (2011b) then finds that the creative industries of the UK reinforce cultural or creative activities already in existence, whilst the CCIIs were introduced to Taiwan where most categories are new or emerging industries. On top of that, Taiwan’s economic development has long relied heavily on original equipment manufacturing; therefore Taiwan lacks a mature mechanism to incubate creativity, which is essential to CCIIs. This contextual analysis explains the difficult position for the development of CCIIs in Taiwan. In summary, these studies elaborate the contextual process of policy adoption and compare the content of the adopted policy, however, they do not explore the discursive and practical factors leading to why and how foreign policy would be accepted and adopted.

In addition, there is some research which takes a discursive analysis approach to investigating cultural-industries policy. For instance, Chung (2012) examines the recent discourses and development of Taiwan’s CCI policy by reviewing its evolution. She finds that economic primacy has overshadowed issues of micro-level ecology of the CCIIs and reveals that the result of policy widened rather than bridged the gaps between ‘localisation and globalisation’, ‘culture and creativity’ and ‘network systems’ of the CCIIs.
Chung undertook an elaborate discursive analysis of four official documents but did not discuss the structural factors or the production of hegemony, which are significant to the formation of the discourse.

Equally important to note, Wang, Li-Jung adopted Jim McGuigan’s (2011) framework to indicate that Taiwan’s CCIs Policy shows an important turnaround from ‘state discourse’ to ‘citizenship discourse’ and then to ‘economic discourse’. In addition, the concept of culture is moving from ‘elite culture’ to ‘cultural economy’ (Wang, 2005). Wang holds the viewpoint that Taiwan’s government has hungered for cultural and creative industries since it encountered the pressure and impact of cultural homogeneity and economic reform from globalisation. However, she does not explain why policy-makers chose a cultural approach rather than other approaches. Furthermore, she does not discuss the struggle of the discursive formation or the structural factors leading to the change.

The previous literature is very concerned with the historical transformation of cultural policy and planning. However, little research has been done exploring the transformation of industrialisation in cultural policy. The focus of cultural policy has inclined towards industrialisation under specific political, economic and social structures and the implications. It was this gap that led this research to take a historical and contextual perspective to investigating the discursive formation and structuration of cultural industrialisation. Having a holistic and historical analysis can shed light on the transformation of cultural policy and thereby correct the inclination to find a clear direction in the future.

### 1.3 The Significance of the Case of Taiwan

There are some especially significant aspects of the development of cultural industrialisation in Taiwan. Firstly, the cultural industries in Taiwan emerged under the framework of the Community Empowerment Project, which emphasised empowering community residents to participate in local cultural activities or traditional industries. Originally, community cultural industries mainly referred to the traditional cultural industries such as agricultural arts, craft, folk music and drama. In order to foster these kinds of cultural
industries, Chen, Chi-Nan (陳其南), who was the deputy head of the CCA, proposed the term ‘Industrialisation of Culture; Culturalisation of Industries’ in 1995 (Chen, 1995). According to Chen’s explanation, ‘Industrialisation of Culture’ and ‘Culturalisation of Industries’ are corresponding and complementary concepts, whose initial aim was to empower residents to participate in community affairs by developing cultural industries. From then on, the term has gained wider currency, not only highlighting the discursive guidelines in related projects and official statements such as white papers (CCA, 1998; CCA, 2004a), but also the essential strategies in practice (Chen, 1998).

In addition, there was an important shift in Taiwan’s cultural policy in 2002 because the CCA launched the Cultural and Creative Industries Project, following the experience of Britain and UNESCO. In the same year, this policy was recognised by central government as an essential national policy, in the ‘Challenge 2008: Six Year National Development Plan’ (CEPD, 2005), with the aim of restructuring Taiwan’s economy and enhancing competitiveness in the international market. Accordingly, the course of cultural industrialisation in relation to the projects of ‘cultural industries’ and ‘cultural and creative industries’ has involved specific issues of community empowerment, rural revitalisation, cultural development and economic reconstruction within various spatial-temporal frameworks. In particular, this research investigates the evolution of industrialisation in cultural policy, with a special focus on the discursive formation, the production of hegemonic industrialisation and the embedded structuration, which is expected to benefit the discussion of cultural/creative industries and cultural policy studies.

Secondly, Taiwan’s case shows a rise in industrialisation of cultural policy, which paralleled the emergence of political democratisation and economic liberalisation in Taiwan. While industrialisation highlighted, and followed, the Community Empowerment Policy of the 1990s, Taiwan experienced a dramatic political democratisation and the rise of civil society. After the end of martial law in 1987, and following diverse social movements and reforms in the 1990s, the first direct presidential election was held in 1996 and there was the first change of political parties, from the KMT who had ruled Taiwan for over fifty years, to the opposition Democratic Progressive Party (DPP), in 2000. In 2002, Taiwan was involved in the World Trade Organisation and faced a global financial crisis. Embedded in this changing environment, cultural policy has inevitably been transformed by the state in response to
the structural changes. As the study conducted by Chung, Hsiao-Ling indicates, “by the end of the 1990s, cultural policy in Taiwan largely responded to the voice of Taiwanese consciousness, the needs of political integration, and more significantly, economic transformation” (Chung, 2012, p.342). The structural context and the discursive formation of industrialisation in cultural policy are the main concerns of this research. By exploring the correlation between the industrialisation of cultural policy and political democratisation, as well as the economic development of Taiwan, this research is expected to provide meaningful perspectives and comparative reference to other East-Asian countries with similar backgrounds.

1.4 Thesis Structure

The above questions will be discussed within a structure including an introduction, literature review, theoretical perspective, analysis and discussion in three phases, and a conclusion. The thesis consists of seven chapters.

First, the Introduction provides an overview of, and the motivation for, this study. It illustrates the research background and purposes, analyses the development of Taiwanese cultural policy studies, explains the significances and contributions of the Taiwanese case, and describes the thesis structure.

Chapter 2 comprises literature reviews and the theoretical perspective of this research. It firstly discusses the relevant literature about the development of cultural industries and CCIs in cultural policy studies. Based on the literature review, it introduces the theorisation of Cultural Political Economy that underpins the research. The theoretical perspective of Cultural Political Economy will help examine the discursive formation of industrialisation and dialectic structuration in cultural policy, and to construct an appropriate theoretical framework.

Chapter 3 is the methodology. It presents the methodology of the thesis in terms of critical semiotic analysis and elaborates on methodical strategies by critical discourse analysis, case studies and interviews.

Within the theoretical framework of Cultural Political Economy and methodological analysis, the thesis is divided into three phases to investigate the trajectory of industrialisation in the following three chapters. Despite the structural analysis at every phase, the research analyses the
specific policy discourses which are highly related to industrialisation of cultural policy. It emphasises the co-construction of policy discourse and local practice. Consequently, four cases are selected and analysed in these chapters.

Chapter 4 focuses on the Community Empowerment Project (1994-2002) in order to explore the emergence of industrialisation and political democratisation in cultural policy. It discusses the industrialisation model and its relation with policy discourse, using the case of the Baimi Clogs Village.

Chapter 5 analyses the first stages of the Cultural and Creative Industries Project (2002-2008) and the New Hometown Community Empowerment Project (2002-2007) in order to study the transformation of industrialisation and neo-liberalisation in cultural policy. It takes the case of Taomi Eco Village to explore the transformation of local practice.

Chapter 6 investigates the second stages of the Cultural and Creative Industries Project (2009-2012) and New Hometown Community Empowerment Project (2008-2013) through the recent debates about industrialisation between the government, civic society and the business sector. Two cases, Dragonfly Beads Art Centre and Teihua Music Village, are selected to elaborate on the diverse development and convergent evolution of local practice.

Chapter 7 is the conclusion. It summarises the research findings and implications, explains the limitations and proposes suggestions for future research.
Chapter 2
Literature Review and Theoretical Perspective

This chapter consists of four sections to lay the theoretical perspective for the research project. Firstly, it reviews the previous research, in order to discuss the essential concepts and development of industrialisation in cultural policy, and analyses their theoretical and empirical perspectives. On the basis of the literature review, it secondly proposes the theoretical perspective of Cultural Political Economy and elaborates on the disciplinary background. It accounts for the ontological inspiration of ‘cultural turn’ in the Cultural Political Economy, the epistemology of critical realism and the methodology of strategic-relational approach. The main concepts of the Cultural Political Economy will be outlined in the third section, which specifically focuses on the theorisation of ‘economic imaginaries’ and the production of hegemony, in order to lay out the analytical basis for policy analysis from which to explore the emerging context and meaning-making process of industrialisation. With the theoretical framework of Cultural Political Economy, it finally formulates the research questions for the investigation of the industrialisation trajectory in Taiwanese cultural policy.

2.1 Cultural Industries, Creative Industries and Cultural Policy

It is widely accepted that the concept of cultural industry was originally developed by Theodor Adorno and Max Horkheimer in their research A Culture Industry: Enlightenment as Mass Deception. Adorno and Horkheimer (1997/1947) coined the term ‘cultural industry’ to distinguish between the traditional high arts and industrial production of mass culture such as film and broadcasting. In this sense, they criticise the commercialisation, standardisation and industrialisation of mass culture under the industrial style of capitalism in the 1940s. They argue that ‘cultural industry’ creates predetermined ideologies and messages to manipulate people to obey the established social structure and maintain a capitalist economy rather than
enlighten people. In this sense, the term ‘cultural industry’ refers to their criticism of the commodification and industrialisation of culture, and the traditional arts, which were specifically not included in the category of cultural industries (Galloway and Dunlop, 2007). Therefore, cultural industry was excluded from cultural policy at that time.

However, with technological advancement and a variety of research into mass communication, cultural studies and audience surveys, the meaning of cultural industry and its relation to cultural policy has been revolutionised. John Hartley (2004, p.13) observes that due to the democratic and egalitarian movements in the 1970s and 1980s, media industries served as a kind of ‘culture’. This acknowledgement resulted in commercial media industries such as TV, film, and music being viewed as ‘cultural industries’ and then subsumed into the field of cultural policy. This transformation reveals the co-constitutive formation of cultural policy between rhetoric and wider structures such as social democracy and media movements.

The symbolic power of the cultural industries has been increasingly emphasised since the 1980s. For example, Nicholas Garnham (1987) adopts the political economic perspective to descriptively define ‘cultural industries’ as:

those industries in our society which employ the characteristic modes of production and organisation of industrial corporations to produce and to disseminate symbols in the form of cultural goods and services - usually as commodities (p.25).

This is an important change in the definition of cultural industries, in which cultural industries not only are acknowledged neutrally as commodities but also characterise their distinctive symbols of cultural production. Moreover, Garnham’s research argues that the popularity of cultural industries has extended accessibility of culture to people and thus needs to be stressed in cultural policy-making.

During the same period, some important international organisations noticed the economic advantages of cultural industries. For instance, UNESCO recognised an economic dimension to culture and its impact on regional development that could bridge the gap of unequal cultural resources
between North and South (Hesmondhalgh and Pratt, 2005). In this context, cultural industries not only have political significance but also comprise an economical field. As David Hesmondhalgh (2002) suggests the word ‘industries’ fitted a political strategy to imbue certain cultural activities with an industrial and egalitarian dimension that would convey a non-elitist approach to public funding of the arts. These significant developments have gradually diluted the earlier negative connotations of cultural industries. However, Garnham also urges policymakers to notice the dominance of the market in contemporary society and its implications, as the market decides most people’s cultural products.

While this tradition [of public cultural policy] has been rejecting the market most people’s cultural needs and aspirations are being, for better or worse, supplied by the market as goods and services. If one turns one’s back on an analysis of that dominant cultural process, one cannot understand the culture of our time or the challenges and opportunities which that dominant culture offers to public policy-makers (Garnham, 1990, p.155).

In addition, some research concerned the economic benefits of cultural industries in regional regeneration as cultural industries gradually became an appealing strategy for city or regional policy-makers to promote their economies and revitalise or regenerate places with new images in Western Europe during the 1980s (Bianchini and Parkinson, 1993). As Griffiths et al. (2003, p.154) pointed out:

The arts and culture have come to be seen as a key resource for urban regeneration, capable of addressing the most pressing urban problems – economic development and job creation, social exclusion and community building, and the renewal of the urban landscape.

Furthermore, Hesmondhalgh and Pratt (2005) argue that ‘cultural industries’ were utilised by some local councils as a strategy of local investment or local regeneration to replace the declining manufacturing industries. They also took the example of Sheffield’s cultural-industries and argued that, “these were not specifically cultural industries policies, they were part of a local economic strategy” (Hesmondhalgh and Pratt, 2005, p.4). They further
indicate that this model became increasingly popular and has been adopted in the making of cultural policies in Western Europe, which are centred on museums and cultural heritage.

The Australian government introduced the idea of the ‘Creative Nation’ in 1994, which not only advocated the ideas of creative industries, but also extended the impact beyond the city or region to the national scope and emphasised that creative industries can advance the national image and economic development. In Britain, the government under the Labour Party had promoted similar concepts of creative industries since 1997 to rebuild the national image and transform the economic structure. Successful experiences and examples from the UK served as endorsements for the introduction of the government’s creative industries policy to other countries.

According to analysis by John Hartley (2004, pp.18-19), there are several reasons that the ideas of creative industries are attractive to many countries. Firstly, they might bring economic benefits to promote jobs and GDP. Secondly, creative industries might help to revitalise cities and regions in difficult situations, such as Taiwan and Singapore, who were over-exposed to declining IT industries and eager to seek new ways, such as creative industries, to reboot their economic advantages. Thirdly, they provide new perspectives and possibilities to think beyond the distinctions between elite and mass, art and entertainment, sponsored and commercial, high and popular arts in public policy.

When cultural industries and creative industries were involved in the field of cultural policy, there was debate between cultural value and economic value. For example, Jim McGuigan (2004) argues the fundamental rationales of cultural policy as below:

In the past, cultural policy has been rationalised in various ways including the amelioration of ‘market failure’ for practices deemed to have a *cultural* value, that is not reducible to economic value. While this rationalisation persists residually, it has very largely been superseded by an exclusively economic rationale. In this sense, cultural practices are deemed worthy of public support because they are of *economic* value. Cultural policy has been rethought in such a way that it no longer

This statement reflects the shift of a core value in cultural policy from cultural value to economic value. In addition, David Throsby (2010) observes the same trend. He reviewed a series of UNESCO reports about cultural policy and found there were few statements referring to the economics of culture in the 1970s, while the references to economics are everywhere in the new millennium. He argues the emergence of economic value has transformed the ways in which cultural policy is interpreted and practised (Throsby, 2010, p.2). In other words, this crucial change not only affects the way people think of cultural policy but also makes an impact on the structures that shape and direct cultural policy.

Furthermore, Throsby (2010, p.2) indicates two main causes: cultural and economic. The former refers to the widening scope of the term ‘culture’ in cultural policy. The content of cultural policy has extended from the arts and heritage to include policy towards the media industries, the wider cultural industries, tourism, urban and regional regeneration, diplomacy, and more. The other major factor is globalisation with three phenomena: flexible resource movement, the global marketplace and the free transmission of cultural symbols around the world. Among them, neo-liberal economic principles are the basis for policy-making. Neo-liberalism, in short, means the “revival of doctrines of the free market” (Gamble, 2001, p.127) over the past thirty years. Neo-liberalism was a critique of Keynesian economics, viewing state intervention and regulation of markets as having suppressed the function of market forces causing damage to the economy (McGuigan, 2004). Neo-liberalists thereby call for cutbacks in public spending and promote partial forms of privatisation like outsourcing, private finance initiatives, public-private partnerships and a pervasive managerial discourse. As a result, due to tight budgetary constraints and faced with radically changed economic circumstances, governments have had to become much more enterprising than they were during the ‘bureaucratic-industrial’ era (McGuigan, 2005, p.236).
The discourse related to neo-liberalism plays an important role in pushing the close connection between culture and the market, with both advantages and disadvantages. Javier Stanziola (2002) takes Chile as an example for analysis of the impact of neo-liberalism on cultural policy. He points out that the reforms caused by privatisation and decentralisation of service provision not only de-emphasise the role of the central government, but are also aimed at empowering non-profit organisations financially as well as politically. He further noted that the central government now works closely with non-profit corporations, artists, intellectuals and all other citizens in creating public-private partnerships to produce cultural activities (p.29).

On the contrary, Eleonora Belfiore (2004, pp.196-198) argues that the new public management arising from neo-liberalism leads to ‘instrumental cultural policy’ and problematic implications. The major problems include the quality of evaluation by unreliable statistics and over-stress on ‘effectiveness’, ‘performance measurement’ and ‘value for money’ in the field of cultural policy. In addition, Pierre Bourdieu (1998, p.102) criticizes that neo-liberalism results in “the progressive disappearance of the autonomous world of cultural production”.

Given such opposing views, Gamble (2001, p.134) advises that, rather than exaggerating the ideological hegemony of neo-liberalism across the globe as manifesting itself everywhere and in everything, the better way is “to deconstruct neo-liberalism into the different doctrines and ideas which compose it, and relate them to particular practices and political projects”.

In addition, there have been a number of studies that have investigated how cultural industries shift to creative industries (Cunningham, 2001; Hartley, 2004; Garnham, 2005; Galloway and Dunlop, 2007; Kong and O’Connor, 2009; Flew and Cunningham, 2010). The background of these studies provides some of the inspiration for this research.

First, it is crucial to stress that the political and economic context sets the specific conditions for cultural policy-making. As Garnham (2005, p.16) mentions, the shift to creative industries in the UK was motivated by a historically specific political context. That is, both the Thatcher governments and the subsequent Labour administration wished to enforce the shift from
state to market across the whole range of public provision, which resulted in this reinforcement of ‘economic’ and ‘managerial’ language and patterns of thought within cultural policy. This reminds researchers to pay attention to the intention and ideology of the political group in power, the economic structure and how they shape and are influenced by cultural policy. Hence, in this research, it is necessary to investigate the formation of cultural industries policy and CCIs policy within the context of political and economic structures. Particularly important is the implication of conflicts among state, civic society and the business sector on cultural policy.

Second, it is essential to explore the transformation of discourses in cultural policy and their factors. As Flew and Cunningham (2010) put it:

> the creative industries went beyond the traditional discourses of subsidised arts, and gave a central role to creativity in the generation of economic wealth, and moved into larger discourses such as those of trade policy, copyright and intellectual property, urban development, and educational futures (p.113).

Furthermore, “creative industries were explicitly linked to discourses surrounding technological convergence, the information society and the ‘new economy’” (p.114). In addition, van Heur (2010) argues that the discourse of creative industries should be treated as a narrative that articulates a wide variety of compatible discourses which have been constituted by the decline of the Fordist industrial and Keynesian welfare-oriented state rather than an isolated phenomenon. van Heur, as an urban geographer, advocates the discourse of the emergence of new forms of capitalist accumulation and state regulation that necessitate rethinking the role of creative space, creative industry polices and the creative networks. His works remind this research to consider the relationship between the discourse of industrialisation and state technologies and capitalist restructuring. It can be noted that these dialectic transformations from negative cultural industry to relatively positive creative industries, from subsidised cultural policy to investment-linked creative industry policy, are related to different, selected and strategic discourses with specific political economic structures.
In a Taiwanese context, there are key discourses surrounding ‘Industrialisation of Culture; Culturalisation of Industries’ from 1994 to the present which need analysing for the discursive formation and competitive process of evolution, especially putting equal emphasis on the structuration of democratisation and economic transformation in the context of Taiwan. Therefore, this research will adopt the theoretical perspective of Cultural Political Economy, which emphasises co-constitutive contextuality as well as dialectic historicity to explore the industrialisation in the field of cultural policy.

2.2 Theoretical Perspective: Cultural Political Economy

The section discusses the theoretical perspective of the research project. As the preceding discussion of the literature on the development of cultural-industries has shown, industrialisation of cultural policy in a Taiwanese context has been a set of hegemonic discourses in terms of ‘Industrialisation of Culture; Culturalisation of Industries’ since the mid-1990s, whilst little research has discussed the transformation of meaning-making or the discursive-material factors that have underpinned its evolution during the past twenty years. Since the set of discourses has covered the dramatic democratisation and the alternation of the ruling party in various periods, the meaning of industrialisation has significantly changed within the distinct imagined goals and policy strategies. This research will analyse the discursive formation of industrialisation discourse and its evolutionary mechanisms within the specific political-economic context of Taiwan. For the objectives to be achieved, this research takes the perspective of ‘Cultural Political Economy’ as the main theoretical and analytical foundation, because the perspective emphasises co-constitution of the semiosis and structuration as well as the production of hegemony, which provides a helpful theoretical framework to investigate the semiotic and structural aspects of industrialisation in cultural policy and the hegemonic struggle for meaning and practice in the transformation.
Cultural Political Economy (hereafter CPE), as its name implies, is putting culture in its place in the political economy. The perspective of CPE has mainly been developed by Bob Jessop and Ngai Ling Sum with their colleagues based at Lancaster University. There are three essential components: the cultural turn, critical realism and the strategic-relational approach to the state, upon which Jessop and Sum build the ontology, epistemology and methodology of CPE.

2.2.1 Cultural Turn
The first disciplinary background to CPE is reflection on ‘cultural turn’, which inspires CPE to focus on the semiotic dimensions of political economy.

‘Cultural turn’, is a paradigm shift which places the specific efficacy of culture at the centre of discussions and debates in the humanities and social sciences (Ray and Sayer, 1999). This conceptual revolution, according to Stuart Hall, refers to a contemporary social analysis that gives culture a constitutive role in conditioning the existence of social life through the making of meaning (Hall, 1997, p.220). It is different from other types of Marxist explanation which make culture a purely dependent variable or hold with the view of ‘cultural supremacy’. Instead, ‘cultural turn’ describes a mutually constitutive perspective, from which to articulate culture with a political and economic structure (Hall, 1997, p.226). In this vein, ‘cultural turn’ has three main aspects. Thematically, the cultural dimension, which has been a marginalised research topic, neglected for a long time, is becoming increasingly emphasised in the discussion of social science mainly because of growing critical interest as well as the growth of cultural studies in reconnecting the humanities and social sciences (Sum and Jessop, 2003). Methodologically, the cultural content of social and economic activities has started to be viewed as a new standpoint for social analysis. Ontologically, culture has become a necessary foundation of the social world.

In response to the above transformation of ‘cultural turn’, Sum and Jessop (2003) developed CPE and introduced ‘semiosis’ into critical political economy. They use ‘semiosis’ to refer to “the intersubjective production of meaning that can be seen as an umbrella concept for language, rhetoric,
discourses, narratives and identities” (Jessop, 2004, p.161). Jessop and Sum (2013) adopt Thwaites et al. (1994, p.1) definition of culture as “the ensemble of social processes by which meanings are produced, circulated and exchanged” to indicate the overlap between culture and semiosis and put culture in its place in political economy. In other words, this ontological turn gives semiosis a fundamental role in the overall constitution of social subjects and social relations. In this context, language (or discourse) is a key feature of social life and should be given priority in the analysis of the CPE approach rather than simply putting ‘culture’ into economic and political analysis or applying ‘cultural theory’ to policy analysis (Jessop, 2010, p.337; Sum, 2005). Therefore, the study of CPE especially stresses an ontological cultural turn in political economy and concerns the process of meaning-making, especially how culture ‘construes’ the world (Jessop, 2010).

In addition to focusing on the semiotic essence of meaning and meaning-making in social relations, CPE highlights the complex relations between meaning and practice. In this relationship, CPE especially explores the operations of power that are “significantly shaped by the discursive constitution of identities, modes of calculation, strategies, and tactics”, as well as “the primary institutional mechanism in and through which power is exercised” (Sum and Jessop, 2003, no pagination). The theoretical reflexivity not only broadens the traditional-structuralist agenda of political economy to stress the semiotic nature of all social relations, but also provides a critical viewpoint on the importance of the materiality of the political economy. Jessop (2008, p.238) claims that CPE is not only concerned with “how texts produce meaning and thereby help to generate social structure” but also “how such production is constrained by emergent, non-semiotic features of social structure as well as by inherently semiotic factors”. In this vein, CPE critiques the way orthodox political economy tends to naturalise the process of modification and institutionalisation of capital accumulation; in contrast, it confirms the constructive position of critical political economy where technical and economic objects are always socially constructed, historically specific, more or less socially embedded or disembedded in the on-going social formation, and further concern the integration with semiosis (Sum and Jessop, 2003).
In summary, Sum and Jessop (2003, no pagination) list the five significances of the cultural turn to the CPE research, as follows:

(a) It takes the argumentative, narrative, rhetorical, and linguistic turns seriously in the analysis of political economy, either as the principal method of analysis or as adjuncts to other methods of inquiry;

(b) It examines the role of discourse in the making and re-making of social relations and its contribution to their emergent extra-discursive properties;

(c) It investigates discourses and discursive configurations as a system of meanings and practices that has semiotic structuring effects that differ from those of emergent political and economic structures and, a fortiori, study how these different principles or logics interact and with what effects;

(d) It focuses on the (in)stability and the interplay of objects-subjects in the remaking of social relations – and hence the importance of remaking subjectivities as part of the structural transformation and actualisation of objects;

(e) It examines the relationship between the politics of identity/difference and political economy – especially the complex articulations between class and nonclass identities over different times and spaces.

In other words, ‘cultural turn’ makes the CPE research not only stress the contribution of semiosis and semiotic practices to the constitution of social relations, but also acknowledges extra-semiotic features of social relations and their constraints and mobility. These five features inspire this research to take a synthetic perspective on the co-constitutive process between discourse and practice around the ‘industrialisation’ of culture policy and the relevant structural factors.
2.2.2 Critical Realism

The real world is so complex that actors cannot grasp it all; reduction is necessary for sense-making and meaning-making and therefore a strategic condition for actors to engage with and ‘go on’ in the world (Jessop, 2005). This leads to the second component of CPE, which is, based on critical realism and its integration with semiosis, to explain complexity reduction of the social world by semiosis and structuration.

According to Sayer (2000, p.2), critical realists believe "there is a world existing independently from our knowledge of it" and "independence of objects from knowledge immediately undermines any complacent assumptions about the relation between them". This introduces complex inter-relationships to social reality. In addition, Roy Bhaskar’s (1978) proposes the world is structured, differentiated, stratified and changing, and social relations can be analysed, at three levels - the real, the actual and the empirical - with mechanisms (Archer et al., 1998; Dean et al., 2005; Danermark, 2002). Based on Bhaskar (1978, p.56) multi-level ‘ontological map’, Danermark (2002, p.20, my italics) describes the three levels as three ontological domains:

The empirical domain consists of what we experience, directly or indirectly. It is separated from the actual domain where events happen whether we experience them or not. What happens in the world is not the same as that which is observed. But this domain is in its turn separated from the real domain. In this domain there is also that which can produce events in the world, that which metaphorically can be called mechanisms.

In this vein, Danermark (2002, p.21) indicates that the rather common expression ‘the empirical world’ is thus fundamentally misleading because it simplifies the three domains to a single one and reduces what is, to what we can know about it. He argues that the function of scientific work is therefore aimed at investigating and identifying the relationships and non-relationships of the three ontological domains, respectively, between what we experience, what actually happens, and the real, with the underlying mechanisms that produce the events in the world. In other words, the three levels with
different mechanisms and powers constitute the social reality and shape the social world we experience. Kathryn Dean, Jonathan Joseph and Alan Norrie (2005, p.8, my italics) further illustrate the configuration:

*The real* is the foundational level and is composed of multiplicity of power, which may or may not be actualised as empirically-accessible events; *the actual* is the level, where some of those real powers are actualised as events; *the empirical* is the level in which these events are experienced.

Rooted in this worldview, Jessop distinguishes three levels and emphasises the distinctive relation as represented below (Jessop, 2005, p.41).

Real: generative structures or causal mechanisms

Actual: events resulting from various real tendencies and counter-tendencies in specific initial conditions.

Empirical: observations or measurements of actual events and, in some circumstances, underlying structures or mechanisms.

On this basis of critical realism, the analysis of CPE is different from positivism, in that it does not discuss the structure and mechanisms behind social phenomena. In contrast, critical realist explanations of CPE distinguish these three levels including the multiple causal mechanisms at the real, their contingent necessary interaction at the level of the actual, and the ways in which empirical evidence about these processes can be made available (Jessop, 2005).

Furthermore, Norman Fairclough, Bob Jessop and Andrew Sayer (2002) argue that critical realism must integrate semiosis into its account of social relations and social structuration because language and other semiotic structures are dependent instruments for actors to explore reality. In this vein, they are concerned with the mutual implications of critical realism and semiosis, which illustrate the dialectic of structure and agency. For instance, Fairclough et al. (2002, p.10) indicate that the dialectic is featured as “the operation of the evolutionary mechanisms of variation, selection, and
retention that shape the relationships between semiosis and social structuration”. In other words, the three mechanisms play essential roles in facilitating construal of the world to make sense and meaning of social facts. By doing so, the unstructured complexity becomes meaningful and structured complexity for actors to go on in the world (Sum and Jessop, 2013). In this context, Jessop and Oosterlynck (2008) extend the revolutionary mechanisms to include material as well as semiotic factors. It is worth citing the list of mechanisms, to give a thorough picture:

(1) Continuing variation in discourses and practices, whether due to their incomplete mastery, their skilful adaptation in specific circumstances, new challenges or crises, or other semiotic or material causes.

(2) Selection of particular discourses (the privileging of just some available, including emergent, discourses) for interpreting events, legitimising actions, and (perhaps self-reflexively) representing social phenomena. Semiotic factors act here by influencing the resonance of discourses in personal, organisational and institutional, and broader meta-narrative terms and by limiting possible combinations of semiosis and semiotic practices in a given semiotic order. Material factors also operate here through conjunctural or entrenched power relations, path-dependency and structural selectivities.

(3) Retention of some resonant discourses (e.g. inclusion in an actor’s habits, hexis and personal identity, enactment in organisational routines, integration into institutional rules, objectification in the built environment, material and intellectual technologies, and articulation into widely accepted accumulation strategies, state projects or hegemonic visions). The greater the range of sites (horizontally and vertically) in which resonant discourses are retained, the greater the potential for effective institutionalisation and integration into patterns of structured coherence and durable compromise.

(4) Reinforcement insofar as certain procedural devices exist that privilege these discourses and their associated practices and also filter out contrary discourses and practices. This can involve both discursive selectivity (e.g. genre chains, styles, identities) and material selectivity (e.g. the privileging of certain dominant sites of discourse through
structural biases in specific organisational and institutional orders). Such mechanisms recursively strengthen appropriate genres, styles, and strategies and selectively eliminate inappropriate alternatives and are most powerful where they operate across many different sites to promote complementary discourses within the wider social ensemble.

(5) Selective recruitment, inculcation and retention by relevant social groups, organisations, institutions and so on, of social agents whose predispositions fit maximally with the preceding requirements.

(Jessop and Oosterlynck, 2008, p.1159, italics in original)

The above operations of mechanisms shape the co-evolutionary relations between semiosis and structuration and secure the social reproduction in discursive and material ways. With these features of mechanisms, CPE not only explains why certain kinds of things happen but also provides the direction to explore how things happen.

In addition to the introduction of mechanisms, it is also important to discuss the other implications of critical realism and semiosis that facilitate CPE to explain complexity reduction of the social world by two modes of semiosis and structuration. Within the on-going process of complexity reduction, CPE employs the concepts of semiosis and structuration to interpret actual events and process as well as to contribute to the explanation of their emergent effects (Jessop, 2010). According to Jessop (2010), semiosis is a dynamic source of sense and meaning whereby complexity is reduced. Here, sense-making refers to the role of semiosis in the apprehension of the natural and social world and highlights the referential value of semiosis. It reduces complexity for actors by steering attention and action to some aspects of the world. Meaning-making refers, in turn, to processes of signification and meaningful communication and is closely related to the production of linguistic meaning but also includes non-linguistic modes of signification and communication. The sense- and meaning-making of semiosis not only reduce complexity for actors but also give meaning to the world.

Specifically, Fairclough et al. (2002, pp.8-10) identify the three main characteristics of semiosis as a medium of social practice. First, semiosis is influenced by the habitus that actors with different capacities have different
degrees of dealing with new discourses or language. Second, semiosis has a dual presence in the production and identification of social events, which illuminates semiotic causal powers, their mechanisms and semiotic interpretation. Third, semiosis is multi-functional, in as much as it is simultaneously referential, social-relational and expressive in social actions, which helps actors to identify constructions involving the two moments of ‘construal’ and the material process of ‘construction’. These features explain that semiosis always pre-exists and interplays with social structures and illustrates such reductions by semiosis as rely on working with the other mode of complexity reduction – structuration.

The other mode of complexity reduction, structuration, concerns the emergent pattern of social interactions, which refers to a complex, contingent, tendential process that is mediated through actions (Jessop, 2010). Fairclough et al. (2002, p.11) highlight three interrelated semiotic aspects of social structuration:

First, semiotic conditions affect the differential reproduction and transformation of social groups, organisations, institutions, and other social phenomena. Second, these mechanisms are reflexive in the sense that semiotic conditions affect the variation, selection and retention of the semiotic features of social phenomena. Third, semiotic innovation and emergence is itself a source of variation that feeds into the process of social transformation.

In respect of the function of structuration, Jessop indicated three mechanisms, variation, selection and retention, which have played foundational roles in taking the real world from complexity to sedimented meaning and structured complexity (see Figure 3. 1). In other words, the mechanisms working through semiosis and structuration transform the world to become meaningful to actors, and social interactions undergo structuration. In this way, CPE is characterised by the integration of the three evolutionary mechanisms into semiotic analysis. Jessop explains the functions of the mechanism and states that the analysis of CPE involves “the role of extra-semiotic (material) as well as semiotic factors in the contingent emergence (variation), subsequent privileging (selection), and on-going
realisation (retention) of specific discursive and material practices” (Jessop, 2010, p.340).

In short, the inspiration from critical realism for CPE is not only to distinguish between real mechanisms, actual events and empirical observation, but to study the mechanisms in semiosis and emerging social relations. For this research, it is important to explore the operational mechanisms of semiosis and structuration that shape the specific semiotic order (such as ‘Industrialisation of Culture; Culturalisation of Industries’ in this study) and its transformation, as well as investigate the dialectic of social relations between structure and agency. The latter is related to the strategic-relational approach that will be discussed in the following section.

Figure 3.1 Complexity reduction through enforced selection (Sum and Jessop, 2013, p.151)
2.2.3 Strategic-Relational Approach

In order to develop CPE to understand the meaning of reality and practice and the struggle between agency and structure, Jessop firstly examined Anthony Giddens’ structuration theory, Roy Bhaskar’s transformational model of social activity and Margaret Archer’s morphogenetic approach, and finally developed the ‘Strategic-Relational Approach’ (hereafter SRA) to describe this complexity relation (Jessop, 2005).

Rooted in the philosophical base of critical realism, Jessop argues that Giddens’ structuration theory introduces rich descriptions of structure and agency and their mutual constitution, but this dualism treats both at the actual level rather than analysing their mechanisms, emergent properties, tendencies and material (Jessop, 2005). In this context, he recognises Bhaskar and Archer’s critical realist analysis of structure and agency, and focuses on the contingent mediation through specific practices that are enabled, and limited, by the structural position which agents occupy and have the capacity to act within. However, Jessop criticises their analyses’ lack of the complex spatio-temporalities of structures, strategic contexts, and social practice and their contingent articulation (Jessop, 2005, pp.47-48).

In order to go beyond the above three positions and further interpret the dialectic interplay of structure and agency, Jessop develops a Strategic-Relational Approach. The Strategic-Relational Approach, as its name implies, takes a relational and strategic viewpoint to examine structure in relation to action, and action in relation to structure (Jessop, 2005). The approach is rooted in critical realism, and views social practice as socially-structured as well as socially-structuring in terms of strategy and selectivity. In this vein, Jessop (2005) indicates that structures are strategically-selective in their form, content and operation; and actions are structurally-constrained, context-sensitive and structuring. Within this basis framework, the SRA is concerned with two relational-dimensions: first, how a given structure can privilege some actors, some identities, some strategies and some actions over others; and second, how actors take account of this differential privileging through ‘strategic-context’ analysis when undertaking a course of action (Jessop, 2005). Therefore, the SRA deals with “the relations between structurally-inscribed strategic selectivities and (differentially
reflexive) structurally-oriented strategic calculation” (Jessop, 2005, p.48). It is worth citing a paragraph to give a clear explanation of the two concepts of ‘structurally- inscribed strategic selectivities’ and ‘structurally-oriented strategic calculation’:

The concept of structural selectivity highlights the tendency for specific structures and structural configurations to selectively reinforce specific forms of action, tactics or strategies and to discourage others. Likewise the concept of structurally-oriented strategic calculation highlights the possibility of reflection on the part of individual and collective actors about the strategic selectivities inscribed within structures so that they come to orient their strategies and tactics in terms of their understanding of the current conjuncture and their ‘feel for the game’ (Jessop, 2005, p.48).

This paragraph indicates the reflexive reorganisation of structural configurations with path-dependent and path-shaping aspects, as well as the recursive selection of strategies and tactics dependent on agents’ identities, interests and calculations. The critical realist analysis of structure and agency goes beyond pure dualism and gives more attention to the emergent spatio-temporal features and structured coherence of structures and agency (Jessop, 2005). In this context, SRA not only focuses on selected strategy and tactics within the dialectics of path-dependency and path-shaping, but also acknowledges the pre-condition and structuring of social relations (Jessop, 2005, p.52).

The SRA inspires this research to think of a prior development of structure which has shaped current trajectories of industrialisation and future possibilities, and, at the same time, concerns the social force’s intervention in current conjunctures and the agents’ reflexivity and strategic practice that may create possible conditions for new trajectories.

2.3 Cultural Political Economy and Policy Analysis

CPE is concerned with the role of the general evolutionary mechanisms of variation, selection and retention in the strategic-relational dialectic of path-shaping in the context of path-dependency as well as the crucial
role of semiosis in simplifying meaning in the face of complexity and, indeed, in contributing to the social construction as well as the social construal of the social world (Jessop, 2008, p.236).

The last section and the above paragraph have stated the focus of CPE based on three components: cultural turn, critical realism, and the Strategic-Relational Approach. In short, the aim of CPE is to investigate the co-constitution of semiosis and structuration in complex social relations. Building on this basis, CPE advocates the concept of ‘imaginaries’ and the production of hegemony to apply to policy analysis (Jessop, 2010; Sum, 2009). This section discusses how they serve as analytical instruments for this research.

2.3.1 Imaginaries and Economic Imaginaries

In the analysis of CPE, one of the essential originalities is the ‘imaginary’. Jessop and Sum deploy this concept as useful in analysing why some construals play more fundamental roles in sense- and meaning-making as well as constructing the interaction of social relations.

As mentioned, the real world is very complex and unstratified, so that complexity reduction by the concepts of semiosis and structuration is necessary for actors to be aware of the world, make meaning and take action. Within the articulation of semiosis and structuration, not all semiotic systems have the same effectiveness. Some specific semiotic systems have more powerful effects, influences on meaning-making and further frame social relations. In this sense, Jessop adopts the French usage of ‘imaginary’ to designate an imaginary relation for lived experience and interpret the way it contributes to social structuration (Sum and Jessop, 2013; Sum and Jessop, 2003). More importantly, they identify the imaginary relation as a kind of “semiotic system that frames individual subjects’ lived experience of an inordinately complex world and/or informs collective calculation about that world” (Jessop, 2010, p.344). With the concept of imaginary in mind, individual and organisational actors can connect to the world and go on in the world, make decisions or engage in strategic actions.
Based on this definition, Sum and Jessop (2013) identify how an ‘imaginary’ can be considered as a ‘master’ set of signs that are closely related to semiosis, but are not identical. They pay more attention to the material dimension of this imaginary relation and its implication for lived experience as they state the differences:

semiosis is a generic term for the social production of intersubjective meaning and can be studied productively with the tools of semiotic analysis, the ‘imaginary’ not only refers to semiosis but also to its *material supports*, and this requires a broader toolkit. (Sum and Jessop, 2013, p.165, italics in original).

Furthermore, Fairclough (2003) explains that imaginaries comprise a dialectic arrangement of genres (that serve to regularise, such as public documents), discourses (that represent social practices, such as the discussion of ‘liberalism’), and styles (that are ways of being, such as managerial style) that specifically refer to a semiotic moment of a network of social practices in a given social field or wider social formation.

In this regard, Sum and Jessop elaborate, thus:

An imaginary provides one entry-point (among many others) into a supercomplex reality and can be associated with different standpoints, which frame *and contain* debates, policy discussions and conflicts over particular ideal and material interests (Sum and Jessop, 2013, p.165 italics and bold in original).

Building on the above explanation, there are three features of imaginary making the CPE approach a distinctive analytical perspective for policy studies. Firstly, the formation of imaginary is a struggling process conducted by specific agents, which typically involves the asymmetrical manipulation of power and knowledge and is liable to contestation and resistance (Sum and Jessop, 2003). Jessop (2010, pp.345-6) indicates that this struggle involves the participation and negotiation of political parties, think tanks, international bodies, interest organisations, social movements, and some intermediary instruments such as the mass media to mobilise elite and/or popular support behind competing imaginaries. All these social forces seek to establish or
consolidate a specific imaginary as the hegemonic ‘frame’ to dominate a particular context through the semiotic mechanisms of variation, selection and retention. At the same moment, other counter-hegemonic imaginaries may be initiated to resist and attempt to replace the hegemonic imaginaries. The struggle of imaginaries provides a specific lens for policy researchers to analyse the power relation of various interests and how they shape a specific lived experience.

Secondly, the concept of ‘imaginaries’ provides a distinctive analytical concept through which to explore the configuration of the lived experience. For instance, the perspective of CPE recognises economy as having two types of meanings. One is the ‘actually existing economy’ which can be seen as the chaotic sum of all substantive economic activities (Sum and Jessop, 2003). The other term is ‘economic imaginaries’ which is a semiotic system, coherent with these activities, that gives meaning and shape to the ‘economic’ field within spatio-temporal frameworks (Jessop, 2010, pp.344-5). This distinctive term reveals a specific imaginatively constitutive role that can be effectively calculated, managed or governed by the relationship of these economic activities. In other words, the concept of imaginaries distinguishes the concrete or visible phenomenon/activities from the connective and strategic relationships between agency and structure within specific spatial-temporal frameworks. In this sense CPE is helpful as its three essential components (the cultural turn, critical realism and SRA) and focus on formation of imaginary and power relations, have provided a critical perspective for researchers to look beyond the surface of policy text and analyse the immanent constitution and naturalisation of social relations.

Thirdly, there are many kinds of imaginaries that link with each other within the broad field of semiotic practices (Sum and Jessop, 2013). Among them, Jessop and his colleagues especially emphasise the implications of economic imaginaries in a capitalist world (Jessop, 2004; Sum and Jessop, 2003; Jessop and Oosterlynck, 2008). They argue that economic imaginaries (re)articulate various genres, discourses, and styles around a particular conception of the economy and its extra-economic conditions of existence (Jessop and Oosterlynck, 2008, p.1158). Jessop particularly highlights that the constitutive role of economic imaginaries can not only
“identify, privilege and stabilise some specific economic relations” but also “transform them into objects of observation, calculation and governance” (Jessop, 2010, p.345). In this vein, he explains why ‘knowledge-based economy’ has become a powerful economic imaginary in the last 20 years and indicates that its power works as a master economic narrative that articulates many accumulation strategies from local to global, state projects, and affects diverse institutional orders and the life world, which has been influential in shaping policy paradigms, strategies and policies in and across many different fields of social practice (Jessop, 2004). In addition, economic imaginaries are discursively constituted and materially reproduced on many sites and scales, with different spatio-temporal contexts and horizons (Jessop and Oosterlynck, 2008, p.1158). These features of economic imaginaries are important elements with which to examine the semiotic practice of policy and its structuration.

Apart from the features of imaginaries, CPE further concerns the formation of hegemonic imaginaries where social forces compete to establish a specific imaginary with the effectiveness of a dominant frame in social formation. This will be discussed in the following section.

2.3.2 The Production of Hegemony

As the previous sections show, only some specific imaginaries can become of primary semiotic order, and affect the (re)making and reproducing of capitalist social relations. During the struggles of imaginaries, it is necessary to analyse the production of hegemony. Ngai-Ling Sum is one of the important researchers in this area, who introduces Gramscian and Foucauldian perspectives into the analysis of the making of hegemony, and significantly supplements the CPE research.

In the development of CPE’s theoretical framework, Ngai-Ling Sum is specifically concerned with the discursive-structural selectivity of social forces in the production of hegemony as well as the struggles between hegemonic imaginary and counter-hegemonic imaginary (Sum, 2005). In order to unpack the production of hegemony, Sum (2009) integrates Foucauldian insights into discourse, discipline and governmentality and
Gramscian inspiration of language, domination and hegemony into CPE. She calls this integration “Gramsianize Foucault”, and it involves three aspects. Firstly, it adopts the Gramscian perspective for exploring the formation and reproduction of hegemony. Secondly, it takes the Foucauldian viewpoint to investigate the discursive aspects of subject formation and techniques of subjectivation. Finally, it synthesises these Foucauldian insights into a broadly Gramscian approach to analysing the discursive moments of social relations; specifically, exploring how these discourses are mutually implicated with structural features in the production of hegemony (Sum, 2009, p.186).

Sum’s studies reveal how new social relations can be interconstructed by the production of hegemony, which involves both discursive selectivity and material selectivity to privilege specific discourses and their practice; at the same time, filtering out contrary discourses and practices (Sum, 2005, p.8). In order to analyse the selectivity in the competition of hegemony, Sum (2005, p.10) derives three mediating arenas as material-discursive sites that serve to condense social relations and to normalise and negotiate hegemony: (1) international organizations/institutions, such as the WTO or World Bank; (2) super and sub-states, such as the EU, ministries, and local governments; and (3) (trans-)national civil society, such as NGOs, social movements forums and popular culture. Among them, the first two are crucial intermediaries in (re)structuring capitalist hegemony and consolidating the new common sense within elites and among the masses, by deploying the knowledge technologies of hegemony, while the feedback or opinions of civil society sometimes inspire or counter the hegemony from the first two arenas. It is worth noting the suspected and contested nature of civil society that sometimes follows the hegemonic imaginary but sometimes generates discourses and actions of counter-hegemony that would challenge or deconstruct these technologies (Sum, 2005, p.10-12).

In addition, within these hegemonic processes, some actors play a more powerful role as intermediaries in articulating, reinforcing and filtering out the discourses, such as international organisations or governmental policy-makers (Sum, 2005, p.12). They may select, privilege or recontextualise certain economic imaginaries and their corresponding objects of
governance, and mobilise networks to support their promotion and institutionalisation, whereby public choices and public opinion may be constrained or weakened. Moreover, such hegemonic discourses and formations also marginalise some groups while they provoke resistance from social movements and civil society (Sum, 2009).

Thus, Sum’s analysis of hegemony contributes a constant, dynamic struggle of semiosis and structuration to the CPE research. It highlights the interaction among policy discourses, governmentalities and structures which emerge between the actual events and underlying mechanisms to critically explain the production of hegemonic policy discourses and practices. When analysing the production of hegemonic policy discourses, Sum (2009, pp.198-199, italics in original) suggests a series of questions for the study of policy-making:

1. *What* kind of policy ideas and economic imaginaries are selected and *how* they develop?;

2. *Who* gets involved in the discursive networks that cut across diverse institutional orders and civil society (e.g., business schools, strategy firms, think tanks, international organisations, private authorities, regional organisations, aid agencies, the business press, etc.)?;

3. *How* policy ideas are being turned into transnational knowledge brands\(^4\)?;

4. *How* the brands are being recontextualized at every sites and scales?;

5. *How* and through *what* mechanisms (e.g., knowledge apparatuses and technologies) are they (re-) produced as part of the hegemonic logics?;

6. *How* they (re-) organise the spaces, policies and populations?;

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\(^4\) Sum uses ‘knowledge brand’ to refer to a set of hegemonic discourse. For example, Florida’s ‘creative class’ can be seen as a ‘knowledge brand’ in the discourses of urban regeneration (Sum, 2009).
7. How this hegemonic constellation of policy discourses and practices come to be challenged and (re-) negotiated in specific conjunctures?

8. How these mediate the rebuilding of social relations?

These questions provide essential starting points for the inquiries of this research to investigate ‘industrialisation’ as a hegemonic imaginary; what kind of policy discursive conditions and constructions there are; who the key actors are; and how and by what mechanisms the hegemonic imaginary has been constructed and transformed.

2.4 Research Questions

In view of the research background and theoretical perspective of CPE, three major research questions are addressed:

(1) What is the trajectory of industrialisation in Taiwan's cultural policy? This focuses on an investigation into the selection and evolution of industrialisation discourse in terms of ‘Industrialisation of Culture; Culturalisation of Industrialisation’; and what discursive context and structural factors have co-constituted the meaning of industrialisation discourse from 1994 to 2012.

(2) On this trajectory, how has industrialisation become a critical issue and seized hegemony in Taiwan’s cultural policy? This explores the evolution mechanisms, the actors’ visions and the struggle over hegemony in the discursive, material evolution of industrialisation.

(3) What are the implications of the trajectory for the network of cultural policy including cultural production and distribution? This evaluates the continuity and changes of industrialisation in the three temporal-spatial phases and discusses the contradictions and challenges of cultural policy in Taiwan.
Chapter 3 Methodology

This chapter elaborates on the methodological approach based on CPE for analysing the trajectory of industrialisation in Taiwan’s cultural policy. It consists of three sections. The first section analyses the application of the CPE theory by the essential studies, which include New Zealand’s fashion industries, creative economy, South West England’s creative industries, and creative network. These relevant studies indicate the complexity and difficulty of applying the CPE approach to cultural policy. In order to supplement CPE, the second section introduces Jim McGuigan (2004) three discourses of cultural policy, including state discourse, market discourse and civil discourse, as the analytical tools to investigate the semiotic practice between the state and local practice. These analyses lay the foundation for the methodological approach – critical semiotic analysis, which employs critical discourse analysis with case studies, and interviews, in the third section.

3.1 Applying the CPE Approach to this Research

CPE analysis aims to explore the co-constitution of semiosis and structuration by the evolutionary mechanisms of variation, selection and retention, and investigate the production of hegemonic imaginary that constitutes the role of specific forms of agency and technologies in this context. Among the applications of the CPE approach, some research discusses the cultural/creative industries and cultural/creative economy, which provides significant inspiration for this research.

One piece of research is a collective work about the designer fashion industry conducted by Nick Lewis, Wendy Larner, and Richard Le Heron (2008). They use similar concepts to the CPE perspective to examine the co-constitution of political projects in the case of the New Zealand designer fashion industry. Through discursive analysis of the relevant documents and interviews, as well as practical participation in the related events, they found
the designer fashion industry was entangled in, and supportive of, multiple political projects with diverse expectations. In other words, the designer fashion industry is imagined as an export earner, a set of representations for branding New Zealand, able to facilitate the clothing industry and products, and a frame for promoting economic nationalism, the new economy and social development (Lewis et al., 2008). In terms of ‘after-neoliberal’ imaginaries which work similarly to economic imaginaries, they argue that the creative economy is mobilised by the state as a part of political projects to articulate strategies and practices of ‘globalisation’, ‘knowledge economy’, ‘creative city’ and ‘social development’.

Similarly, Calvin Taylor (2013) emphasises the link between economic imaginaries and state projects. He argues that a ‘creative economy’ can be seen as a strategically selected assemblage or a strategic fix to reconcile the contradictions in the regional economy. In his analysis, he views creative economy as the specific economic imaginary which has emerged at a distinctive conjuncture in the regional economy as well as a ‘strategic fix’ in facing the contradictory tensions of a post-neo-liberal era of economic governance (p.2). Taylor (2013) research provides significant inspiration for this research. In Taiwan’s context, ‘industrialisation of culture’ has been an essential theme of the state’s project, and has extended to frame programmes with various focuses. This thinking leads this research to examine the emergence of ‘industrialisation of culture’ as economic imaginaries as well as what and how the state attempts to ‘fix’; in particular by the selection of ‘extra-economic strategies’. Here, extra-economic strategies refer to “a central concern of the new emphasis on political economy in governance and the institutional arrangements through which ‘fixes’ can be selected, constructed, implemented and managed” (Taylor, 2013, p.7).

Julie Channer (2013) holds a similar position, that creative industries and the creative economy signify a state’s political strategy and economic imaginaries. Her study examines state governance of the creative industries in South West England under the Labour government from 1997 to 2010. In addition to the interpretation of state power and the SRA framework, the significance of her research for this research is the multiple articulations and
the role of imaginaries. In Channer (2013, p.46) analysis, imaginaries have
different scales and serve as conceptual tools to observe the multi-scalar
governance and the contestations of power relations. In Taiwan’s case, the
imaginaries of industrialisation seem to be different at the level of the state,
local government and local communities. Although the state’s imposed
imaginaries may be more powerful in the consolidation of power relations,
other imaginaries constructed at other levels, or even at the micro level of
social forces, may maintain and shape new power relations. In other words,
it is a constant and dialectic process that imaginaries are constructing, and
being constructed by, structure and agency.

Bass van Heur (2010) takes the CPE approach to investigating the role of
networks of aesthetic production in mediating and transforming imperatives
of capitalist accumulation and regulation. He argues that network dynamics
are related to accumulation and regulation, and these relations are highly
partial and uneven. His research not only inspires this research to notice
alternative forms of regulation that may not directly relate to the state, but
also pays equal attention to interpreting the actual interactions as well as
imagined political economies (van Heur, 2010b, pp.195-196). This is
reflected in the critique of the CPE approach. In the debate with Jessop and
Sum (van Heur, 2010a; van Heur, 2010c; Jessop and Sum, 2010), van Heur
points out that the CPE approach is so complex that it lacks an empirical
research strategy. In order to develop empirical tools based on the CPE
perspective, this research borrows Jim McGuigan (2004) discursive analysis
of cultural policy to propose research strategies, and this will be elaborated
in the next section.

Regarding van Heur’s other criticism, that the current version of CPE does
not notice the emergence of progressive practices beyond regulation, he
reminds researchers to be concerned with the political relevance of CPE
(van Heur, 2010c). In Taiwan’s experience, alternative forms of political
intervention such as social movements and diverse protests from civil
groups play an essential role in the emergence of industrialisation discourse.
This research will investigate the dialectic between the state’s regulation and
local practice in every phase (Chapters 4, 5 and 6).
Synthesising the above analysis, the relevant research, with the CPE approach, provides very useful thoughts and critical perspectives for studying the emergence and transformation of the ‘Industrialisation of culture’ in Taiwan. There are several features that can be summarised here.

First, the CPE approach takes a co-constitutive view to analyse the formation of policy with the focus on discourse and structure. It provides an integral and dialectical perspective from which to analyse the evolution of a cultural policy. This suggests that the researcher should be concerned with the role of semiotic practices. In this sense, this research will investigate the interaction among policy discourses, governmentalities, local practice and structure. In particular, it should involve the investigation of questions of how mechanisms operate to select, retain and reinforce specific imaginaries and thereby shape the concrete, contextualised and contingent dynamics of a particular economy in its specific social and cultural settings as these change over time.

Second, the important concepts of the CPE approach such as semiotic practice, economic imaginaries and governmental technologies provide very useful analytical tools in cultural policy studies to better understand how the formation and implication of cultural industrialisation have been mobilised by state regulation and co-shaped through local practice. In this vein, this research will investigate the emergence of industrialisation discourse and its embedded imaginaries within a political, economic and social context.

Third, the roles of state power and governmental technologies are indispensable in CPE’s analyses. State power is the discursively- and institutionally-mediated condensation of a changing balance of forces. This is because it refers to the mechanisms involved in the governance of conduct and in the production of hegemony, domination and capital accumulation. The research conducted by Sum (2009) provides a significant contribution which illustrates how governmental techniques strategically produce hegemony and consolidate the state’s domination. Moreover, Sum (2009; 2010) explores technologies of economic competitiveness and clusters in neo-liberalism, such as knowledge apparatuses (e.g. numbers, stands, programmes, guidelines) and knowledge brands as well as common
discursive stratagems (e.g. naturalisation, inevitabilisation, otherisation, nominalisation). Therefore, the CPE perspective offers an approach to looking “beyond agenda setting, policy discourses and policy formulation to examine how policies actually get implemented and with what effects, whether intended or not” (Jessop, 2010, p.339). These mechanisms and technologies remind researchers to notice the struggles of meaning-making and domination from policies, policy decision techniques, policy instruments and policy evaluation.

Last, but possibly the most distinctive point of this research, is to explore the semiotic and structural condition of the democratisation from post-authoritarian to increasingly democratic society. Since the lifting of martial law in 1987, Taiwan has experienced dramatic change in every aspect. The extensive democratic reforms in political institutions, general elections, economic liberalisation, social security and the emerging of civil society, all set the emerging conditions of the social relations between structure and agency. In particular, a variety of crises occurred during the transformation to democratisation, which led to a relatively unstable situation in the production and reproduction of discourse and structuration. In addition to focusing on the multi-level economic imaginaries, this research will explore the emerging and constitutive role of political imaginary which was mainly mobilised by the political party in power in the semiotic practice of industrialisation.

Building on the theoretical CPE perspective provided above, this research is not only concerned with how industrialisation of culture produces meaning and thereby helps generate social structure, but also pays attention to how such production of meaning and structuration is constrained by emergent social structure, as well as by inherently semiotic factors within the specific spatio-temporal era.

Although CPE provides a very insightful theoretical perspective and useful concepts such as the ‘Strategic-Relation Approach’ and ‘economic imaginary’, there are two main challenges when applying a critical realist perspective of CPE in this empirical study. One of the challenges is the lack of clear research procedure and methods to distinguish the three levels (the empirical level, the actual level and the real level) and explain the
naturalisation of hegemonic discourse and the constitution. The dominant discourse is often represented in the policy narrative and practice principles, in which some influential semiotic systems can be recognised as economic imaginaries, which might cause confusion about how to look beyond the surface of policy text and empirical practice in order to deduce the meaning-making of the economic imaginaries and the immanent constitution of social relations. Facing this challenge, this research develops the research procedure. It starts to conduct historical and contextual analysis to clarify the political-economic structure and the hegemonic discourse of cultural policy in every phase, which had confined the frame of the tendency and the counter-tendency of the actual level. Then, by cross-checking with the empirical data and the CPE’s critical semiotic analysis (section 3.3), it identifies the specific spatial-temporal condition with causal mechanisms in the real level and the production of hegemonic/counter-hegemonic discourse (tendency/counter-tendency).

The other challenge is to operationalise the analytical concepts of CPE. As the theoretic framework of CPE is rather complex, it is difficult to operationalise the essential concepts, such as economic imaginaries and semiotic practice. In order to overcome this insufficiently explanatory perspective, this research supplements it with Jim McGuigan (2004) three discourses of cultural policy in the research framework. The three discourses provide distinguishing instruments of phenomena or events related to industrialisation for the analysis of semiotic practice.

3.2 Three Discourses of Cultural Policy

This research aims to investigate why and how the discourse of industrialisation has seized the hegemony in Taiwan’s cultural policy in the past twenty years. Based on the theoretical perspective of CPE, the evolution of hegemonic industrialisation has been mobilised, and struggled, at multi-levels of social forces such as the state’s policy regulation, business promotion, communities’ practice and cultural movements’ resistance. In order to analyse the dialectic and dynamic production of hegemonic
industrialisation, this research introduces three discourses of cultural policy which are borrowed from Jim McGuigan's study (2004).

In the policy analysis of cultural policy, McGuigan (2004) develops three discourses – state discourse, market discourse and civil discourse – to explore the discursive framing of cultural policy. These distinguishing discourses supplement CPE in this research in the three aspects. First, they remind the researcher to analyse the difference in ideologies hidden in three main areas – the state, the market and civil society – and their semiotic practice. In particular, it pays attention to the recent development of the rise of market reasoning within the public cultural sector under the neoliberal hegemony, as well as exploring the grounds of cultural resistance. Second, it adopts Foucault's account of discourse to look at “the operations of power in the regulation of discourse, procedures of exclusion, reason and truth, internal policing and conditions of application” (McGuigan, 2004, p.36). Third, it argues that these discourses “all function in some sense to define ‘the real world’ of culture and to position agents and subjects, producers, consumers, citizens and mediators, within the discursive space of the cultural field” (McGuigan, 2004, p.36). These characteristics are highly similar to the semiotic mechanisms of the CPE approach but focus more specifically on the field of cultural policy. In this sense, this research borrows the three discourses as an analytical lens through which to understand the variation, selection and retention of discourses about industrialisation and its associated practices of ordering, reproducing and transforming cultural policy formation.

These three discourses can be summarised as follows (McGuigan, 2004, pp.36-60):

(1) State discourse, such as ‘extension’, ‘access’ and ‘inclusion’. McGuigan traces back the emergence of these discourses in the British context and indicates that the background of these discourses assumed that the state was the principal actor in the cultural field. During the 1960s and 1970s, governments controlled general allocation of resources, where the principle was meant to secure political ‘neutrality’ and ‘impartiality’ between interested
parties in the specific field of operation. For example, ‘access’ was enacted in public fields such as education and cultural fields, such that it referred to opportunities and pleasures that were previously denied to most people. With the opposition movements, the meaning of ‘access’ was changed by redirecting resources and control to ‘the people’ (pp.39-40).

(2) Market discourse, such as ‘de-regulation’ and ‘privatisation’. McGuigan argues that the 1980s was the turning point of cultural policy, and that the market discourse has become increasingly powerful. The market discourse refers to the language of money, that all value would be reduced to exchange value. Moreover, this discourse shows the positive public-private partnership between public-sector culture with an investment in cultural industries and festivals. McGuigan illustrates a number of examples that criticise the way the public sector is colonised by market discourse with a pervasive neo-liberal ideology, meaning that many public-sector cultural organisations are asked to achieve greater managerial efficiency, public-private partnerships, relative autonomy from the state and so on (pp.42-46). For instance, ‘market niche’ and ‘corporate image’ are often used in governmental cultural arguments, and some public art museums are named after a sponsoring company.

(3) Civil discourse. This emphasises the role of cultural policy in public citizenship, based on the theory of the public sphere of Jurgen Bourdieu. McGuigan argues that civil discourse is often produced when something is wrong with ‘the culture’ that needs rectifying. In this sense, the discourses of culture jamming and civil movements are examples of civilising discourses which seek to counter governmental abrogation of responsibility and unrestrained cultural capitalism. He adopts Umberto Eco’s term ‘semiological guerrilla warfare’ to describe the function and organisation of civil discourse.

In McGuigan (2004, p.36) thinking, the three discourses not only have a number of variants and may be internally unified, but also function in some
sense to define 'the real world' of culture and to position agents and subjects, producers, consumers, citizens and mediators, within the discursive space of the cultural field. When applying these discourses as an analytical lens in this research, it is worth noting the changing roles of the state in shaping its political imaginaries and economic imaginaries by mobilising the state discourse and market discourse in cultural policy. In addition, it is necessary to analyse the form and practice of civil discourse from civil society, local communities, social movements and cultural events, and how they have played an influential, constitutional role in the discursive-formation of industrialisation during the period that Taiwanese society shifted from a post-authoritarian society to a young democracy in the past twenty years.

3.3 Methodological Approach: Critical Semiotic Analysis

The previous discussions have shown that CPE highlights the role of semiosis and examines the co-constitution between semiosis and structuration through evolutionary mechanisms. Methodologically, CPE employs the approach of 'critical semiotic analysis' to investigate the operation of evolutionary mechanisms, the formation of economic imaginaries and the production of hegemony in the structuration. On the theoretical basis of CPE, with the supplement of three discourses of cultural policy, this research takes critical semiotic analysis as a methodical approach to investigating the complex discursive-structural constitution of industrialisation in Taiwan's cultural policy.

Critical semiotic analysis, as Jessop (2004) emphasises, focuses on investigating the continuing variation in discourses and practices, the privileged discourse within the selective co-evolution of semiotic and material processes, and the institutionalisation of resonant discourses. In this sense, it is consistent with critical discourse analysis but pays equal attention to discursive selectivity as well as material selectivity. In other words, critical semiotic analysis not only explores the variation and selection of specific discourse but also analyses the material context framing the semiotic selection as well as the structuration. More importantly, based on
the SRA, which initially focused on structural and agential selectivity (see section 3.1.3), the engagement of critical semiotic analysis has extended CPE to more fully explore the articulation and co-evolution of the discursive and extra-discursive (material) moments of social structuration and practice (Sum and Jessop, 2013). In this vein, Sum and Jessop (2013, pp.97-98) distinguish three concepts of critical semiotic analysis: semantics, social practices and discourse, which serve as analytical levels. Semantics concerns analysis of the historically specific macro-discursive vocabularies that frame social practices across a specific period. Social practices means analysing the meaningful practices and focusing on the substantive material aspects. Discourse refers to practices of sense- and meaning-making at the linguistic level, as well as semantic meaning. With the three analytical levels in mind, this research starts, from a historical and structural analysis of Taiwan, to investigate the contexts (semantics) which frame the emergence and transformation of the hegemonic discourse – ‘Industrialisation of Culture; Culturalisation of Industries’. It then focuses on the discursive formation and social practice surrounding the hegemonic discourse in the state’s policy practice as well as the local practice.

Regarding the analytical strategies of critical semiotic analysis, this research takes critical discourse analysis with case studies, and interviews as the analytical tools to examine the discursive-material co-evolution between policy discourses and local practice in the production of hegemonic industrialisation.

3.3.1 Critical Discourse Analysis with Case Study Research

Discourse, as Teun A. van Dijk (1985, p.7) points out, plays a crucial role in ideological formulation, in the communicative reproduction of the social and political decision procedure, and in the institutional management and representation of such issues. Reiner Keller (2005) indicates that discourses are considered as ‘structured and structuring structures’ which shape social practices of enunciation. In her view, discourse analysis recognises the importance of socially constituted actors in the social production and circulation of knowledge to address sociological interests, the analyses of
social relations and the politics of knowledge as well as the discursive construction of reality as an empirical process.

This research adopt Keller’s ‘sociology of knowledge approach to discourse’ to explore and discuss cultural policy in Taiwan. The main reason is because the sociology of knowledge approach to discourse emphasises the process of structuration with regard to the struggle in the relationship between discourses and structure, which not only responds to the concerns in this research but also fits the purpose of the CPE approach. Significantly, as Keller (2005, no pagination) notes, “it is not discourse itself which performs actions or social practices, but rather social actors involved in different social fields and symbolic struggles”. In practice, Keller assumes that discourse research always has to be considered a process of data construction and interpretation.

Consequently, this research will firstly conduct a historical-context analysis of the past and present policy discourses regarding cultural industrialisation from various sources, including the texts of policies, laws, regulations, official documents, the statements of politicians, debates and the texts of interviews, to identify the structural factors and influences of the industrialisation of cultural policies. From these various discourses, two main project topics, highly related to the transformation of industrialisation, are the basis of collecting and interpreting discourses. One is the Community Empowerment Project; the other is the Creative and Cultural Industries Project. The discourses surrounding these two topics are the main analytical targets. Among them, this research particularly focuses on the following essential documents:

(1) *The Cultural Policy White Paper* (CCA, 1998; CCA, 2004a). These two official reports, the 1998 version and 2004 version, formally define the goals, topics, meaning and strategies of cultural policy in Taiwan during the last twenty years. As white papers, they represent the viewpoint of the state actor, the CCA (the main cultural policy-maker), in discourse and in practice.

(2) Scoping reports commissioned by CCA. For example, the “*Handbook of Community Empowerment in County and City*” (Chen, 1998) and “*The
Trajectory of Community Empowerment in Taiwan” (Su and Tsai, 1999) are crucial books about cultural industries and community development with theoretical perspectives and many examples from abroad and at home. They are designed as guidelines for many communities and cultural workers to follow, which can been seen as part of governmental technologies.

(3) Challenge 2008 – National Development Plan (Executive Yuan, 2002). This is the first time that CCI were included in national essential plans in Taiwan. It is a six-year policy guideline that was made by the DPP government, Taiwan’s ruling party from 2000 to 2008, with the aim of increasing competitive advantages for Taiwan at a national level. In this grand project, the Community Empowerment Project was included and extended to the cross-sector project entitled the ‘New Hometown Community Empowerment Project’. Both projects generated specific discourses and practical strategies for the government to constitute the political and economic imaginaries of industrialisation.

(4) Creative Taiwan (Executive Yuan, 2009a). In 2008, the KMT government took over power from the DPP and initiated a five-year plan (2009-2013) for the cultural and creative industries. It is an action plan with two major strategies, environmental readiness and flagship projects. The discourses and strategies of ‘Creative Taiwan’ were distinguished from the DPP version of the CCI project, which led to another shift of industrialisation.

(5) ‘Bedrock Action’ (CCA, 2007b; CCA, 2007c). This encompasses two sub-projects: the ‘Local Cultural Museum Project II (2008-2013)’, and the ‘New Hometown CEP II (2008-2013)’. Both served as the second stage of the ‘New Hometown Community Empowerment Project’ for the CCA to continue the relevant projects of community empowerment. Under the administration of the KMT government, the CCA had adjusted the focuses of both projects.

(6) The Law for the Development of the Cultural and Creative Industries (CCA, 2010a). This was promulgated in 2010 and provides a legal foundation and framework for the CCI development. It not only legalises
the subsidy system of the CCI but also consolidates the KMT government’s political and economic imaginaries of industrialisation.

In addition, based on the theoretical reflection of CPE and three discourses of cultural policy, this research views the discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ as the dominant imaginaries, as well as the strategic fix, within the specific temporal-spatial context. The production of meaning-making and social practice have interacted between the state’s policy regulation and the local practice. The state plays a greater regulation role in the constitution of industrialisation imaginaries by mobilising the state discourse and market discourse in cultural policy, while the local communities or other civil forces might maintain, negotiate or create new civil discourses and strategies to shape their own industrialisation imaginaries to compete for the meaning-making of industrialisation. In order to investigate the actual interactions and co-constitution between the state’s policy and the local practice, this research chooses four cases of local community/tribal industries by conducting case study research to further analyse the semiotic practice of industrialisation discourse, especially focusing on the hegemonic struggle among the state discourse, market discourse and civil discourse.

Case study research, as Yin (2013, p.16) defined, is an empirical inquiry that “investigates a contemporary phenomenon (the ‘case’) in depth and within its real-world context, especially when the boundaries between phenomenon and context may not be clearly evident”. In addition, other researchers indicate that the case study approach is beneficial in examining causal complexes, the conjunctures and interactions of social changes (Ragin, 1987; McQueen & Knussen, 2002). Consequently, there are two advantages of case study research. Firstly, it supplements critical discourse analysis with holistic contextuality in a real-world local practice. Case studies of these four local industries help this research to understand the real-live interactions between the policy discourse and local practice, especially as an effective method to address ‘why’ the hegemonic discourse emerges and ‘how’ the discursive formation and structuration is co-constituted and forms a new confined condition for the evolution mechanisms such as the variation, selection and retention of discourses. Secondly, case study research
comprises multi-method strategies, such as quantitative evidence as well as the qualitative approach of direct observation and interviews, to provide ‘thick description’, acknowledging multiple realities having multiple meanings (Yin, 2013). In other words, the four cases serve as the analytical representatives of local practice, their discourses and semiotic practice being the essential resource to conduct critical discourse analysis. By doing so, the findings of critical discourse analysis, supplemented with case studies, lay the foundation for this research to explore the multiple causal mechanisms of the industrialisation discourse hidden in the empirical evidence and actual interaction.

However, it is necessary to be aware of the limitations of, and concerns about, case study research. The greatest concern might be a lack of rigorous or systematic procedures in the process of data analysis (Yin, 2013). Another issue with case study data is that the analyses are often criticised as descriptive, as story-telling, and lack critical interpretation (Hsieh, 2004). Thus, when applying case studies to this research, it is necessary to raise cautious awareness and adopt the analytical technique of ‘cross-checking’ of all data derived from the multi-methods such as interviews, participation, observation and various documentations, to interpret the semiotic practice of local practices.

In addition, the selection of the cases does not aim to represent all styles of local practice; instead they are selected based on significant discourses and practice, to provide the empirical foundation of each phase. The four cases are located in the rural areas respectively in northern Taiwan, western Taiwan, southern Taiwan and eastern Taiwan. Furthermore, all the cases have participated in the state’s cultural policy in terms of the Community Empowerment Project as well as the Cultural and Creative Industries Project, and have been selected by the state as models to promote industrialisation. More importantly, all of them have constituted imaginaries in the interactive process with the state, but have independently developed their specific discourses and strategic practice to develop their cultural industries or cultural and creative industries. These four cases not only signify the dialectic process of industrialisation between the policy discourses and local practice, but also provide the empirical foundation for
this research to analyse the multiple levels of imaginaries and the production of hegemonic discourse. A brief introduction to the four cases is presented below.

**Case 1 – Baimi Clog Village (白米木屐村)**. This is located in northern Taiwan and is a typical and well-known case of the Community Empowerment Project, since the CCA advocated the concept and the project of cultural industries in 1995. Through industrialisation, it has converted an area seriously polluted by the mining industry into a culture-oriented clog village by the endogenous and indigenous approach. The story of Baimi Clog Village has been promoted by the state and the press, and has attracted many communities to visit and learn the approach of industrialisation.

**Case 2 – Taomi Eco Village (桃米生態村)**. This is located in western Taiwan (or central Taiwan). It used to be an ordinary agricultural village, but was destroyed by an earthquake in 1999. With the support of state funding and the New Homeland Foundation, it has been reconstructed as an ecology village by the endogenous and tourism approach. The approach not only challenged the privileged discourse shaped by the DPP government but also had a significant influence on the evolution of industrialisation.

**Case 3 – Dragonfly Beads Art Studio (蜻蜓雅築)**. This was founded in 1983 in an indigenous tribe in southern Taiwan, to promote Paiwanese culture and bead products. Since 2002 when the DPP government launched ‘Challenge 2008’, it has been frequently chosen as an excellence model, to promote the concept of CCIs. In 2006, the founder of Dragonfly Beads Art Studio established the ‘Association of Timur Cultural Industries and Arts’ to revitalise tribal industries using endogenous and ecotourism strategies.

**Case 4 – Teihua Music Village (鐵花音樂聚落)**. This is located in eastern Taiwan. It is music ‘cultural and creative village’ built by the Lovely Taiwan Foundation in 2010. With the state’s financial support from 2010 to 2013, the Foundation worked with local artists and musicians to develop local indigenous music industries and local cultural industries. Since 2013, the Foundation has independently managed the Teihua Music Village and its
industrialisation has been acknowledged and adopted by the non-cultural governmental sectors.

3.3.2 Interviews

Interviewing is a common method for collecting data for social science studies. The text from interviewees (actors) is an essential discourse. The interviews supplement this research, in order to understand actors’ discursive and practical activities and the connections among the state actors and civil actors in semiotic practice. Thus, this research collects and analyses first-hand material via interviews in order to understand the processes and institutions involved in policy-making and the implementation of cultural industries’ policies.

There are two categories of interviewees, each making a different contribution. One group consists of the insiders to cultural policy-making. They are the executives of cultural policy and most come from government institutions, such as officials of the CCA. The discourses from insiders help the research to understand the context, formation and various motivations behind cultural policy. There are three interviewees in the insider group, two are former chairpersons of the CCA and directly in charge of the policy-making and implementation of the ‘Community Empowerment Project’ and ‘Cultural and Creative Industries Project’. One is Chen, Chi-Nan, who was the main planner of Community Empowerment Project and proposed “Industrialisation of Culture; Culturalisation of Industries” as principles for developing cultural policy since 1994. He also promoted the idea of CCIs when he was the consultant of the Executive Yuan (Cabinet) from 2002 to 2004 and then the chief of the CCA from 2004 to 2006. The other is Chen, Yu-Chiou Chen, who was the chief of the CCA from 2000 to 2004 and initiated a series of CCI projects. This research conducted initial interviews with two chairpersons of the CCA in March 2012. The preliminary analyses of their interviews were significant and laid the essential foundation for the data collecting as well as the snowball sampling of the sequential interviewees and the selection of case studies. Apart from the two chairpersons, there was another insider interviewee, the secretary of the Chen, Yu-Chiou, who introduced the latest development based on British
experience into the policy-planning of the cultural and creative industries projects in 2002.

The other group consists of the outsiders to cultural policy-making. They are cultural workers and organisations, foundations, entrepreneurs, community residents and citizens. They participate in agenda-setting, policy-making and implementation as well as commenting on or debating the issues they are concerned with. They can affect the direction of policy-making through diverse approaches, such as press conferences, demonstrations, petitions and other movements. The discourses from outsiders help us to understand the related conflicts and tensions, to evaluate the co-constitution of industrialisation between the officials’ discourse and policy text, as well as the local practice.

Based on the theoretical perspective of CPE, two types were taken in the selection of outsiders. The first type is composed of seven interviewees from the four case studies in order to examine the discursive-practice transformation of industrialisation in local practice. The other type is the core actors of the controversial issue of ‘Dreamers’ (one is a cultural worker and the other is an entrepreneur) in order to explore the economic imaginaries of industrialisation and the debates.

Research fieldwork was undertaken in Taiwan in March and November 2012. The first fieldwork consisted of two interviews with insiders and secondary data collection to refine the research questions and identify the potential interviewees and cases. The second fieldwork involved ten interviews and visits to four cases to collect primary data. The updating observation took place in August 2014, when the researcher visited two cases of the third phase (Dragonfly Beads Art Studio and Teihua Music Village) in order to understand the latest development.

The empirical material is drawn from in-depth interviews with 12 interviewees. Interviews were conducted using semi-structured questions and open conversations. All the interviews were conducted in Mandarin or Taiwanese and recorded electronically. These interviews were used to collect discursive data and compared with the policy text and secondary data including relevant literature and media coverage in order to conduct a critical
analysis of responses. The list of interviewees and the interview questions are presented in Appendix 1.

Introduction

This chapter investigates the first period of the industrialisation of cultural policy led by the Community Empowerment Project and the relevant projects of cultural industries in Taiwan from 1994 to 2002. It focuses on the emergence of the discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ and its structuration in later periods. It aims to explore the selection of the discourse and the corresponding strategies, as well as the relevant practice and articulation.

It is widely acknowledged that the emergence of cultural industries has been linked to the community movement since the mid-1990s when Taiwan experienced the institutional reform of democratisation (CCA, 1998; CCA, 2010b). When the state launched the Community Empowerment Project (CEP) in response to the movement in 1994, it proposed a programme of cultural industries, as one of the four empirical sub-projects to support the CEP. In order to understand the correlation between the industrialisation of culture and political democratisation in this period, it is necessary first to trace the colonial history of Taiwan, which is also the underlying cause of the CEP encouraging communities to adopt cultural industries in the mid-1990s.

The second section deals with the dramatic transition during the end of the 1970s when Taiwanese consciousness started emerging, leading to a legalisation crisis for the ruling party and resulting in dramatic political democratisation, with martial law finally being terminated in 1987. The structural crisis created conditions for the CEP that can be seen as the state’s strategic fix to consolidate the KMT’s hegemony in the 1990s. In this context, the third section elaborates on the emergence of cultural industries and the strategy of industrialisation by the endogenous and indigenous approach to support the CEP. It focuses on exploring the dialectic process between semiosis of industrialisation and structuration. The fourth section examines the articulation between the semiosis of industrialisation and local practice using the case of the Baimi Clog Village, which is the typical model of cultural industrialisation moving gradually towards sustainable development. The final section concludes the co-constitution process of cultural industrialisation in this phase and the implications for the next phase.
4.1 Historical Background of the Community Empowerment Project

This section explores the historical background and previous cultural policy which set the preconditions for the CEP. It includes a brief history of Taiwan, the formation of ethnic groups in Taiwan, the promotion of Chinese nationalism and the awareness of Taiwanese consciousness. These issues are the contextual basis for exploring the shift of cultural policy from centralisation and Chinese nationalisation to localisation and Taiwanese awareness in the 1990s.

4.1.1 The Colonial Period and Ethnic Formation

Taiwan is located in East Asia, a small island in the Pacific Ocean, and is surrounded geographically by Japan, Korea, China, Vietnam and the Philippines. In addition to Taiwanese Aborigines, there are another two main ethnic groups, Taiwanese Hakkas and Taiwanese Fulos, who inhabited Taiwan four hundred years ago, mainly from South-Eastern China. These ethnic groups make up the diverse culture of Taiwan, while the ethnic differences and discrimination in cultural policy have caused conflict.

The ancient inhabitants of Taiwan are Taiwanese Aborigines, composed of at least 16 groups\(^5\) with their own languages, distinct culture, lifestyle and social systems. The Taiwanese aboriginal groups are linked to Austronesian ethnic groups in South East Asia, and they share close blood relationship and appearance. They had been living on Taiwan’s islands for approximately 7,000 years before the influx of Han Chinese in the 17th century. Now the population of the sixteen aboriginal groups is about 2 per cent of the total population, or about 530,000 people.

The Hakkas and the Fulos migrated to Taiwan from South-Eastern China, starting in the 17th century. In 1624, the Dutch Empire colonised Taiwan in order to extend trade, and they brought a great number of Han Chinese to

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\(^5\) As of September 2015, according to the demographics of the Council of Indigenous People, sixteen groups have gained official recognition: Ami, Atayal, Bunun, Kavalan, Paiwan, Puyuma, Rukai, Saisiyat, Tao, Thao, Tsou, Truku, Sakizaya, Sediq, Hla’alus and Kanakanavu.
Taiwan (Andrade, 2007). In fact, beginning with the arrival of the Dutch, Taiwan experienced a series of colonisations. These foreign regimes included the Dutch (1624-1662), the Spanish (1626-42), the Zheng family of the Ming Empire (1662-1683), the Manchus of the Ching Empire (1683-1895) and the Japanese (1895-1945). Apart from the Japanese regime, they all brought large numbers of Chinese people to Taiwan. These groups have been settled in Taiwan for more than four hundred years and have their own language and traditional culture. The Fulos are the largest ethnic group in Taiwan, constituting 67 per cent of the total population, followed by the Hakka which make up 14 per cent.

In 1895, Taiwan was colonised by Japan as a result of the Treaty of Shimonoseki signed by the Ching Empire after they lost the first Sino-Japanese War. Although the Taiwanese protested fiercely and claimed their independence and sovereignty, the protests were violently suppressed by the Japanese modern army. From then, the Japanese colonial government imposed a series of modernisations not only aimed at making Taiwan a model for other colonies under Japanese imperial rule, but also serving as part of its economic network in East Asia to supplement Japan’s industrial and economic development (Chu, 2011). Accordingly, they set up infrastructure, including the public transport, agricultural engineering, public health, modern education and policing systems, as well as investigating local historical resources and establishing museums. Ironically, this cultural and material infrastructure laid the foundation for the modernisation of Taiwan.

This modern infrastructure improved Taiwan’s development during the fifty-year colonial period and the following decades. There were a considerable number of students studying in Japan who brought back new technology and knowledge with which to construct a modern Taiwan. More specifically, with the trend of self-determination in the early decades of the nineteen century, some Taiwanese organised ‘Taiwan’s Parliament Petition Movement’ for local autonomy. They proposed fifteen petitions from 1921 to 1934 and had a significant influence on raising Taiwanese awareness. In 1921, the ‘Taiwanese Cultural Association’ was founded to serve cultural enlightenment as well as support the political movement (Tsui lien, 2011). The association had more than a thousand members composed of students, doctors, lawyers, businessmen, famers and workers. They held a variety of cultural talks and issued newsletters and magazines to introduce the modern disciplines of knowledge, such as history, law, health, literature and drama. To give access to this material to the majority of uneducated people, they
organised film tours, summer schools and reading societies to promote their
campaign. The relevant discourses and activities of Taiwan’s Parliament
Petition Movement shaped the cultural imaginaries of Taiwanese identity, to
distinguish it from Japanese culture and identity.

The Japanese colonial government imposed the ‘Japanisation Movement’
after the second Sino-Japanese War broke out in 1937, and most Taiwanese
were forced to adopt Japanese surnames and customs during the war
period (Chu and Lin, 2001). This imposed movement aimed to transform the
Taiwanese into loyal subjects of the Japanese Emperor (Tsai, 2011). As a
result, their indigenous cultural identity was suppressed and some native
languages and cultures were lost or mixed.

The influence of colonial modernisation and the assimilation into Japan led
to a certain cultural affinity of policy-making in Taiwan after World War II. It is
especially evident in the craft industries that the Taiwan Craft Research
Institute constantly refers to the Japanese experience, such as the project of
‘one village, one product’, aiming to promote traditional craft industries in
local areas in the early 1990s (Huang, 2003a, Huang, 2003b, Yu, 2002). In
this context, the CCA continued to consult Japanese experts and launched
the idea of cultural industries (Huang, 2003b). This will be further elaborated
in section 4.3

At the end of WWII, Taiwan claimed its independence and sovereignty when
Japan admitted defeat. However, according to the agreement made by the
Alliance at the Cairo Conference in 1945, the ruling power of Taiwan was
transferred to the Republic of China (ROC), founded in 1912 in China by the
KMT after taking over the Ching Empire. Since then, Taiwan has become a
province of the ROC and was consequently ruled by the KMT government.
In order to reduce the Japanese influence and build a Chinese national
identity, the KMT regime ruled Taiwan very harshly with bloody suppression
of social protests in the early years (Ho and Broadbent, 2011). The 228
Incident of 1947 was one of the most notorious massacres, leading to long-
term ethnic conflicts which have still not been thoroughly resolved.

6 The incident began with the accidental seizing of a vendor selling illegal cigarettes, but
soon caused island-wide demonstrations demanding a greater degree of autonomy. The
protest was brutally suppressed by the KMT military from mainland China on 28 February
1947. More than 10,000 people were killed or injured. Before the 1990s, it was a taboo to
openly criticize the 228 Massacre and it was absent from Taiwan history for several
decades.
In 1949, the KMT-led government retreated to Taiwan after its army’s failure in the civil war with the Communist Party of China. Soon, the People’s Republic of China (PRC) was established in Mainland China. There was hostility and radical tension between the ROC and PRC until the 1990s.

After the KMT came to Taiwan and claimed the legality of the ROC government, they imposed repressive rules on the Taiwanese people. The KMT regime declared a state of emergency and implemented Martial Law to suspend citizens’ rights of assembly, association, and the right to form political parties, which used to be secured according to the Constitution of the ROC.

During the period from 1945 to 1949, around two million people from all over Mainland China immigrated to Taiwan. They included administrators of the KMT party, government officers, the military and their families. They are ‘Mainlanders’ and used to be called ‘Wai-Sheng people’ (外省人), which meant that they were external to Taiwan (Wang, 2002). On the other hand, the Fulos and the Hakkas called themselves ‘Ben-Sheng people’ (本省人) which meant that they were internal or native to Taiwan (Wang, 2002). The Mainlanders usually speak Mandarin and now make up 17 per cent of the whole population of Taiwan.

One of the greatest distinctions between the Mainlanders and the other groups are their different life experiences (Ash et al., 2011). The Taiwanese Aborigines, Taiwanese Fulos and Taiwanese Hakkas, have lived in Taiwan for hundreds of years and experienced multiple foreign invasions and colonisation, wars, plagues, resistances and revolutions, and natural disasters. These common living experiences give them a shared sense of community, despite the fact that the most aborigines suffer from discrimination. By contrast, the Mainlanders experienced the overthrow of the Ching Empire, an eight-year Sino-Japanese War, and were defeated in a civil war by the communists in China, and then they were forced to leave their home to settle in a small island. Another difference is the identity experience (Wang, 2002). On the one hand, for most Taiwanese including Aborigines, under Japan’s colonial and modernising rule, the strictly disciplined but relatively stable life made them familiar with Japanese habits but led to a confused identity among Chinese, Taiwanese and Japanese. On the other hand, most Mainlanders who fought against Japan during WWII relatively hate the Japanese for invading China resulting in the enhancement of their collective Chinese national identity.
In addition, the language barrier brought misunderstandings and exacerbated conflicts among ethnic groups. In particular, despite the Mainlanders being in the minority, they controlled the KMT government and enjoyed the privileged right to dominate political, cultural, economic and social resources in Taiwan from 1949 to the 1990s. As a result, Mandarin is the national language, while Taiwanese and the aboriginal languages were forbidden in the public field during this period. In short, there was a huge perceptual gap in identity between ‘Mainlanders’ and ‘Taiwanese’ (mainly referring to the Hakkas and the Fulos), which caused a number of ethnic conflicts before the 1990s.

In this context, the CEP was proposed in 1994 as a strategic fix, in order to reconcile such tensions through reassigning meaning in the community. There will more analysis of this in section 4.3.

4.1.2 White Terror and Imagined Chinese Nationalism

Since the KMT government implemented martial law in 1949, Taiwan experienced a one-party authoritarian regime for thirty-eight years. Under the limitations of martial law, citizens' freedoms and political participation were severely restricted, organised political contests were forbidden, the mass media were state-controlled, and coercive force was deployed to repress political dissidence (Tien, 1975). On the other hand, Chinese nationalism was instilled into the education system and cultural fields to consolidate the KMT’s cultural hegemony in Taiwan.

In the 1950s and 1960s the KMT regime brutally suppressed dissidents in a purge known as the ‘White Terror’, in which tens of thousands of suspected spies and communists were imprisoned, tortured or executed without legal trial. The White Terror caused a chilling effect in the whole society and facilitated “political forces in absolute command” (Hsiao, 1990, p.164). In other words, all aspects of public life were placed completely under the control of the KMT’s ‘party-government-military’ system. This not only destroyed the legal system and public sphere which was built in the Japanese colonial period but also made people afraid to participate in public affairs and deterred the Taiwanese from discovering their own local culture and history.

Moreover, in order to consolidate the KMT’s legitimacy, the regime attempted to build a strong belief that the people of Taiwan were Chinese, by a rigorous programme of thought censorship and imposing Chinese nationalism on
Taiwanese national identity (Su, 2001; Liao, 2002; Winckler, 1994). At the same time, the KMT regime systematically discriminated against the native Taiwanese and depreciated Taiwanese culture and history. In contrast, Chinese history and culture was promoted. The specific purpose of cultural policy was to reinforce the KMT's cultural hegemony through discourse and materialised projects embedded in a specific political imaginary.

Firstly, the KMT regime promoted ‘anti-communist literature and arts’ in the 1950s. ‘Anti-communist’ was the privileged discourse and dominated cultural policy in the period. This is because the KMT regime under the rule of Chiang, Kai-Shek (蔣介石) firmly believed they would fight back in Mainland China and retake control one day. Until then, they had to maintain a belief in anti-communism (Chang, 2004; Su, 2001). As a result, ‘Counterattack Mainland China’ and ‘Rescue the Mainland Compatriots’ were the main discourses with a variety of projects, such as the KMT’s political imaginary to strengthen the abstract meaning of ‘anti-communist’ in the 1950s. Slogans were posted in public areas such as schools, councils, stations and almost every official publication. In addition, the Ministry of Defence conducted the specific discourse of ‘army literature’ with the public. This kind of literature illustrated stories about the magnificent landscape of the Chinese homeland, the brutal behaviour of the Chinese Communist Party and the soldiers’ sadness at losing their homes (Chang, 2004). This kind of art and literature attempted to shape the imaginary of ‘Grand China’ and stimulate anger at the communists.

Secondly, the KMT regime established the Cultural Affairs Bureau, the first governmental cultural department in Taiwan, under the administration of the Ministry of Education in 1967. The bureau included the traditionally defined sub-departments of cultural policy, such as literature, arts, theatre, dance and music, and also involved communication media such as broadcasting, television and the film industry. Although the establishment of the Cultural Affairs Bureau could be seen as enhancing the professionalism of cultural areas in administration (Chang, 2004), its main goal – revival of Chinese national culture – was still aimed at consolidating the KMT’s favoured ideology of Chinese nationalism through a series of discourses and systematic official projects. Apart from the continued promotion of anti-communism, the Cultural Affairs Bureau regulated arts and the media to meet the principles of KMT authoritarian regimes through issuing licences, pre-reviewing and cutting content under martial law. As a result, strict censorship, with the depreciation of local dialects and Taiwanese folk arts,
was imposed on the film, broadcasting and television industries (Lu, 1998; Chang, 2004; Lin, 2006). In 1973, the Cultural Affairs Bureau of the Ministry of Education was dismantled quietly due to an overlapping function with the later ‘Chinese Cultural Renaissance Commission’ which was led by the KMT party (Liu and Fang, 2012). Only the media industries of publishing, film, broadcasting and television were incorporated into the former Government Information Office, which was a cabinet-level agency of the Executive Yuan as a propaganda mechanism to privilege Chinese content and regulate newspapers, films, broadcasting and television.

Thirdly, the KMT regime set up the Chinese Cultural Renaissance Commission, whose function and responsibility overrode the Executive Yuan Commission and Cultural Affairs Bureau, to promote the ‘Chinese Cultural Renaissance Movement’ (hereafter CCRM) against the ‘Cultural Revolution’ deployed by the PRC in Mainland China in 1967. The movement was one of the anti-communist strategies, as President Chiang, Kai-Shek said, “the Chinese Cultural Renaissance Movement was an important weapon of ideological and cultural war against communists led by Mao Zedong” (CCA, 1998). Thus, all of the concepts of the CCRM developed under the hegemonic imaginaries of anti-communism. Its implementation included research and publications, guidelines for people’s lives, counselling for new arts and literature, reform of the educational system, the cultural renaissance movement and the cultural battle against communists (Liu and Fang, 2012). In addition, the CCRM played a critical role in the construction of a hegemony of Chinese ‘national culture’ (Wang, 2002, p.83). For example, the state called the Chinese ‘Beijing Opera’ (京劇) a ‘national drama’ and set several troupes and theatre schools to replace its popularity with Taiwanese ‘Kua-a hi’ (歌仔戲), which is the indigenous kind of drama with songs in Taiwan. These state projects had a specific bias against indigenous culture. Chang (2004, p.3) points out that “all things Chinese were associated with sophistication, beauty and grandeur, while all things Taiwanese were regarded as vulgar, stupid and coarse”.

As a result, the privileged art forms and artists, those of the traditional Chinese culture, were created, reproduced and linked with daily life in Taiwan by the selection of regulation and the funding of programmes of cultural policy. They were presented as a hegemonic form of ‘semeiotic tradition’ such as the historical tradition, the cultural tradition, and the language tradition, to constitute a closely imagined relationship and link to China (ROC) in Taiwan. In summary, the semiotic and material co-
constitution was firmly constructed as the ‘imagined Chinese nationalism’ and served as a political imaginary by the KMT regime to perceptibly and imperceptibly affect the people in Taiwan at all levels, form the 1950s to the 1970s.

4.2 The Changing Relationship Between the State and the Society (1970s –1990s)

4.2.1 Crisis of Legitimacy and the Establishment of the Council for Cultural Affairs

The above political projects of Chinese-centre national-building and cultural building were shaken from the 1970s. International relations and domestic political movements lost the dense control of the KMT party-state institution. This crisis prompted alternative semiotic and strategic innovations rooted in old and new semiotic systems and orders (Jessop and Oosterlynck, 2008). The alternative opinions and diverse discourse gradually emerged in local society.

In the field of international relations, a series of diplomatic setbacks hit the KMT regime and caused a crisis for the KMT and ROC’s legitimacy. In 1971, Taiwan was forced to withdraw from the United Nations because the People’s Republic of China became the legal representative of China at the United Nations. Since then, Taiwan has not only lost its official membership of many international organisations but broken off diplomatic relations with many countries such as America, Britain and Japan. With this international isolation, the hegemonic narratives of ‘retake the Mainland’ were losing their convincing power over the public and seemed increasingly impracticable. In response to the crisis, the KMT regime adopted a more localised and open approach to the political sphere. When Chiang, Kai-Shek died in 1975, his son, Chiang, Ching-Kao, assumed power and triggered a series of important reforms that meant that Taiwan shifted from ‘hard authoritarianism’ to ‘soft authoritarianism’ (Winckler, 1984). President Chiang, Ching-Kao recruited more Taiwanese professionals and entrepreneurs into the KMT party and governmental institutions. Specifically, a series of major construction projects under the model of developmentalism served as state projects as well as strategic fixes to improve economic development and reconcile international and domestic tensions. Accordingly, ‘Ten Major Construction Projects’, the first national infrastructure projects with a focus on heavy industries, was launched in 1974, followed by ‘Twelve Major Construction Projects’,
including agricultural and cultural construction in the 1980s. Noticeably, the Industrial Technology Research Institute and Hsinchu Science Park were established in 1973 and 1979, which laid the foundation for export-oriented economic development, and a shift from low-value manufacturing industries to higher-value electronic industries.

In particular, the ‘Science Park’ model attracted foreign investors and domestic entrepreneurs to start businesses and create high economic growth in the 1980s and 1990s. The industrialisation of the ‘Science Park’ aimed to establish a supportive environment for the Information Technology industries, which include the state providing specific industrial areas with generous tax incentives for research and development activities, and directly subsidising certain target fields (Booth, 2011). The successful experience of this model has become a significant approach of economic imaginaries for the state to promote emerging industries. For instance, when the state launched the Cultural and Creative Industries Project in 2002, one of the strategies was the Cultural and Creative Park based on the model (see Chapter 5).

In the area of internal affairs, some political dissidents organised ‘Dang Wai’ (黨外), which means ‘outside the KMT party’, to constantly challenge KMT’s authoritarian rule. Owing to the limitations on forming a political party, they edited many political magazines to introduce the concepts of democracy and criticise the problems of current policies, such as the depressed farming villages, uneven distribution of wealth and labour issues. Despite these magazines being banned for their criticism of the government, others sprang up. As a result of the enlightenment of these political magazines, the strategic practice co-constituted the political imaginaries of ‘democracy’ in Taiwan’s society, and led to further challenges to the KMT’s authoritarian rule. For instance, a group of ‘Dang Wai’ held a political demonstration on International Human Rights Day in 1979 in Kaohsiung, a major city in southern Taiwan, resulting in the arrests of a large number of opposition leaders and local activists. This incident increased the radicalisation of the democracy movement in the first half of the 1980s (Hsiau, 2000).

On top of the international frustrations and the democracy activists, a trend for ‘searching for cultural roots’ emerged in society (Chang, 2009). Due to the ROC being excluded from international organisations, many people started to think about who they were. With the new soft authoritarianism, the state adjusted the previous bias of regulation, such that local knowledge started to emerge in the 1970s, and meanwhile Taiwan Studies had become
a topic that many people were concerned about (Lee, 2004). Accordingly, many university teachers and students started to focus on local society and conduct a variety of social investigations in the rural areas. Furthermore, some workers at magazines drew attention to the local society and edited special issues about folklore, ritual and local history, such as the arts magazine entitled ‘Lion Arts’, which issued a series of cultural reports and criticisms based on local society. Another case was the establishment of the Cloud Gate Dance Theatre in 1973, which was the first Taiwanese dance group to produce choreographed dance based on local culture. With more and more local culture presented and discussed publicly, alternative political imaginaries of Taiwanese consciousness were gradually constituted and started to compete with Chinese nationalism. As a result, the debates about native literature, modern poetry, folk music movements and ‘New Taiwan Film’ started to emerge.

In 1981, in response to the dramatic changes in international relations and to reconcile the internal demand for political democratisation and cultural awareness, the Council for Cultural Affairs was set up (Chang, 2004). Although the principle was still clearly defined to promote Chinese culture, the main works of the CCA in the initial stage focused on the preservation of cultural heritage from around Taiwan, and established subsidy mechanisms for arts and culture (CCA, 1998). The CCA covered literature, visual arts, performance and cultural heritage, which were conceived of within the traditional scope of cultural policy. By the mid-1990s, the goal of the CCA was mostly served by cultural development and cultural exchange. Economic benefits were not the main concern or issue in the field of cultural policy (Chang, 2004). It was not until the mid-1990s when the CCA initiated the CEP with cultural industries, that economic value was emphasised in cultural policy.

In short, the semiotic practices of ‘democracy’ and ‘localisation’ were the main themes in Taiwan during the 1970s and 1980s, which led to KMT’s legitimacy crises. Facing constant criticism and conflict, the KMT regime finally lifted martial law in 1987. This created another condition, a remarkable proliferation of alternative discourses and strategic practices started to surface.
4.2.2 The End of Martial Law and the Co-constitution of “Taiwanisation Policy”

Under the pressure of democracy movements and cultural enlightenment from magazines and groups on democracy and local culture, the legitimacy of martial law was challenged and eventually ended in 1987. A large number of new social movements emerged to challenge the KMT regime on a range of political and social issues. These social and political forces laid the foundation for the CCA to shift the focus of cultural policy toward people’s cultural life and contemporary Taiwan.

Following the lifting of martial law in 1987 and the death of President Chiang, Ching-Kuo a year later, the pace of democratisation accelerated rapidly. In 1988, Lee, Teng-Hui (李登輝) was appointed as president. He was the first Taiwan-born president and received a Japanese colonial education and an American doctoral education. During his term from 1988 to 2000, President Lee implemented a series of projects around democratisation and localisation, which brought significant transitions in politics, the economy and society in the 1990s. For example, the ban on new newspapers was repealed in 1988; the ‘Civil Associations Act for the Period of Communist Rebellion’ was passed in January 1989 and soon amended to the ‘Civil Association Act’ in 1992, which led to a strong wave of public participation and movements in many areas. According to Michael Hsiao (1990), at least eighteen social movements had emerged to make claims on the state by the end of the 1980s. These included consumer movements, local anti-pollution protest movements, conservationist movements, women’s movements, aborigine human rights movements, student movements, New Testament Church protests, labour movements, farmers’ movements, teachers' welfare protests, disability and disadvantaged welfare group protests, veterans' welfare protests, human rights movements, Mainlanders' home-visiting movements, Taiwanese home-visiting movements, anti-nuclear power movements, Hakka rights movements and the non-homeowners' shell-less snail movement.

Among these movements, the student movement known as the Wild Lily Movement brought significant political changes in March 1990. Students sat-in at Chiang, Kai-Shek Memorial for six days and proposed four demands: (1) re-elect the National Assembly; (2) abolish the old constitution; (3) present a schedule for political reform, and (4) convene a National Affairs Conference to discuss reform projects (Fell, 2012). These demands gained widespread support from the general public. In response to the political
crisis, President Lee held a National Affairs Conference to discuss political reform. In the next five years, a series of political reforms called ‘Taiwanisation policy’ were undertaken to strengthen the legitimacy of the KMT’s rule in Taiwan (Fell, 2012). As a result, all the senior parliamentarians had to retire in 1991. For the first time in 1992, a new parliament, the National Assembly and Legislative Yuan, were wholly elected by the people of Taiwan. Since 1994, local people have been able to participate regularly in direct elections for all mayors and presidential elections.

In summary, these social movements and the liberalisation of the media served as evolutionary mechanisms that not only accelerated political democratisation, but also stimulated the proliferation of civil discourse and debate on the relationships between state and society. Through the political reforms and social mobilisations, the KMT regime’s privileged imaginaries of ‘Chinese nationalism’ were eroded and some civil discourse, such as ‘Taiwanese consciousness’ and ‘localisation’, seized the hegemony. Embedded in the context, the CEP was a strategic fix in cultural policy launched by the CCA in response to the change of cultural hegemony, which led to widespread implications for state discourses, away from focusing on Chinese traditional culture and arts towards Taiwanese local cultural activity.

4.3 Community Empowerment and Cultural Industries

The background given above has revealed significant political democratisation, economic development and flourishing civil movements. In the local society, people have started to discuss and be concerned with their local environment, their family history and identity (Hsiau, 2000). These structural changes and the semiotic practice related to the ‘local’ have shaped a new policy relation between government and people. The bottom-up perspective emerged whereby government policy was asked to adjust from centralisation to local-oriented thinking and focus on listening to people’s demands and a local perspective. This shift had set the conditions for the cultural policy and laid the groundwork for the constitution of the imaginary for the CEP and cultural industrialisation.

4.3.1 The Development and Challenges of the CEP

In the 1990s, the KMT government under the administration of Lee, Teng-Hui adopted a series of semiotic strategies to constitute a Taiwan-centric cultural
identity. During his reign, he recruited Taiwanese elites with Taiwanese consciousness into the government institutions, and started to emphasise the distinctive characteristics of Taiwanese history, geography and culture from China. Specifically, in order to reconcile ethnic conflicts and ease tensions, President Lee raised a couple of cultural slogans and held them up as the guidelines of state policy (Huang and Hsu, 2011; Chang, 2009). One of the hegemonic discourses was ‘community of shared fate’ (生命共同體). According to Lee’s interpretation, the term means the four ethnic groups should be organised as a community, sharing the same destiny. He explained the meaning in one speech, as below:

There are twenty-one million people in Taiwan. Apart from the aborigines, the ancestors of most people in Taiwan were migrants from the Mainland, either fifty years ago, or hundreds of years ago. Every one of us has stuck together, and has created a civilised and prosperous society here. For our future prosperity, we rely on one another. We are both Chinese and Taiwanese. There is no ethnic difference... We should be able to have an equal footing and equal opportunity... This is what ‘Community of Shared Fate’ is all about (Speech to the First Nation-building Research Group,1992, cited in Chang, 2009, p.40).

In this vein, cultural policy was a primary instrument in the repetition and reinforcement of this new discourse (Chang, 2009). Therefore, the CCA started to promote the concept of community and launched the Community Empowerment Project in 1994. The goal of this project was to implement an integrated programme for local communities to build their local consciousness and empower residents to participate in public affairs (CCA, 1998).

In the discursive formation of community empowerment, Chen, Chi-Nan played an essential role in creating and elaborating the meaning and spreading the concept of the CEP around Taiwan. Chen, an anthropologist who graduated from Yale University and taught in Hong Kong, was known for the theory of the ‘indigenisation’ of Taiwanese immigrants from China. In fact, before Chen worked for the CCA and proposed the CEP, he had developed ideas for community empowerment (Yu, 2002). He advocated a series of discourses on civil consciousness and proposed the concept of a ‘Civil Country’ in his book (Chen, 1992). He argued that people could not depend on political and economic power to improve society and their lives. People have to take the responsibility of participating in public affairs and
dominate the direction of the state (pp.211-212). These perspectives gained the attention by the former President Lee, Teng-Hui and thus Chen was appointed as a consultant of the CCA in 1993, and became the Deputy Chair of the CCA one year later (Lu, 2002). For Chen, the main concern of advocating the CEP was Taiwan’s democratisation (interview with Chen, Chi-Nan, 2012). He believed that the practice and learning of democracy should come from the community. Through such democratic procedures citizens can have the autonomy and opportunity to achieve a common view as the basis for discussing their public affairs. In other words, the CEP is the scheme he designed for cultivating the spirit of democracy through participating in cultural events. As Chen (1999, p.19) puts it:

Community empowerment represents a transformation in the mode of thinking which starts from making a new person to making a new society and a new country; it is a quiet revolution. Community empowerment emphasises the spirit of participation in promoting democratisation and public discussion from bottom to top.

This discourse resonated with the long-term appeal of people's sovereignty and localisation in local society since the 1970s. However, despite the term ‘community’ based on a bottom to top perspective soon caught the attention of the grassroots associations, the CCA encountered many difficulties in implementing the CEP in the early stages. One of the main reasons was that grassroots activities had been stunted by political control and the ‘White Terror’ for many decades. Most people were still worried about being involved in public affairs and had no ideas of ‘empowerment’ or strategies of participation in the community.

In addition, there is a gap between the CCA’s (or Chen, Chi-Nan, the main policy actor, to be precise) policy discourses and local practice. For instance, the term ‘community empowerment’ (社區營造) was the fresh noun for the people in the mid-1990s, when the political reform had just started, media control just lifted and most people were not aware of the concept of empowerment. When the CCA entrusted some scholars to explain the meaning of the CEP in the local villages and towns, most people could not understand ‘empowerment’ and thought it related to construction of houses literally (Tseng, 2007).

Likely, most of the cultural administrators, especially in local government, did not really understand how to encourage or motivate people to participate in community affairs. The initial projects were still rooted in the previous top-
down pattern and focused on buildings, facilities and the improvement of infrastructure. For example, the project ‘Put Arts into the Countryside’ referred to setting up a holiday square for cultural activities in villages and towns. Other projects such as ‘Reinforce the Facilities of Exhibitions and Performance in Towns and Villages’, ‘Enhance the Local Traditional Cultural Space and Architecture’ which aimed to balance the cultural development of urban and rural areas, focused on infrastructure. In the early stages of the CEP in 1993 and 1994, these strategies mostly considered the community as merely the venues of cultural activities rather than trying to empower the residents. Even though Chen, Chi-Nan and the CCA, along with other scholars, produced diverse policy discourses in the research and workshops to elaborate on the concept of CEP, only a few communities which had previous experience of social movements and fighting for their rights, could develop their own empowerment projects (Yu, 2002). This reveals the discourse of ‘community empowerment’ had still been affected by the path dependency of previous top-down policy and struggled for the path shaping of the CEP.

Facing conceptual and practical difficulties, Chen, Chi-Nan and the CCA proposed the project of cultural industries with the strategic discourse ‘Industrialisation of Culture; Culturalisation of Industries’ to construct economic imaginaries of community empowerment and facilitate the CEP’s implementation. It was a dynamic and dialectic process in which diverse actors including policy makers, academic researchers and local communities engaged in semiotic practice, which will be elaborated in the following section.

### 4.3.2 The Emergence of Cultural Industries and Semiotic Practice

The initial concept of ‘cultural industries’ was proposed by the CCA in the ‘Cultural • Industries Symposium’ (文化・產業研討會) in 1995. Moreover, the concept was disseminated by a series of relevant projects and thematic discourse that the CEP gradually gained support from many communities and developed so far.

From the title, that separates culture and industries by an interval mark (・), it can be seen that ‘cultural industries’ had not become an official term in cultural policy in 1995. At this symposium, nearly six hundred participants attended and exchanged ideals about the cultural industries (Yu, 2002). They were Japanese scholars, central and local government officials,
cultural and historical workers and members of industries, who exchanged experiences and discussed the topics of culture, industry and community empowerment.

In fact, the initial idea of cultural industries was borrowed from Japanese experience and collaborated with the local communities to constitute meaning. In the early stages of the CEP, Chen, Chi-Nan visited Japan and learned of their local mobilisation called the ‘Machizukuri’ (community-building) movement (造町運動), which was launched following the critical anti-pollution movement of the 1960s. According to Chen, Chi-Nan and Chen, Rui-Hua (1998, p.29), the content of the ‘Machizukuri’ included the promotion of local or community history and culture, the protection of local customs and practices, the protection of the natural environment, the nurturing of local talent, the establishment of local or communal organisations, the creation of communal systems, increasing local works, and the improvement of communal living conditions. On this basis, Chen, Chi-Nan found that cultural industries could be the starting point for community empowerment, and proposed the dual-core concept of ‘Industrialisation of Culture; Culturalisation of Industries’ for cultural industries to serve as a strategy of the CEP (Interview with Chen, Chi-Nan, 2012). This is evident from the CCA’s statement in the Cultural Policy White Paper:

Culture constitutes the insight of history and life subjectivity; industries provide the continual material foundation for insight. As a result, the CCA proposed the ideas – ‘Industrialisation of Culture’ and ‘Culturalisation of Industries’ in the ‘Cultural ‧ Industries Symposium’ in 1995. After that, the concept of ‘cultural industries’ has become the core of the Community Empowerment Project (CCA, 2004a, p.194).

It can been seen that the ‘Cultural ‧ Industries Symposium’ was a milestone in cultural policy and served as one of the governmental technologies that constituted the importance of cultural industries in cultural policy. After this conference, ‘cultural industries’ soon became a buzzword, and many communities were enthusiastic in developing their projects. In this conference, Chen (1995, p.6) proposed the two strategies. First, ‘industrialisation of culture’ which means developing economic use of local culture in indirect ways. Second, ‘culturalisation of industries’ refers to attaching cultural features to local industries making them part of culture, to increase attractiveness and value. Furthermore, he explained that cultural
industries aim to create specific cultural value for a community through researching, recovering and innovating crafts or cultural activities based on life experiences and public discussion. In this vein, the close connection between cultural industries and local communities were officially involved in the relevant CEP. More importantly, the promotion of cultural industries not only constituted the substantive meaning of 'community' which means 'settlement with the sense of community' rather than merely a spatial meaning (Tseng, 2007, p.13), but highlights residents having a sense of shared living experience and common expectations by engaging in local cultural industries.

Later in the same year, Chen emphasised the distinctiveness of cultural industries in another conference entitled 'Local Culture and Regional Development'. He addressed the features of cultural industries within the CEP (Chen, 1995, cited in Yu, 2002, pp.74-75):

1. Cultural industries of the CEP do no refer to the mass and standard production of cultural industry. Cultural industries highlight the creativity and life characteristics which originate from the local tradition and the innovation of craft people. Therefore, the industrialisation of cultural industries is small-scale and hand-made.

2. The output value of cultural industries usually depends on tourism, but its derivate economic activities cannot be limited to tourism. The small quantity of cultural industries must link with diverse activities to raise the economic efficiency in the community. Therefore, they rely on community cooperation to create the value of place.

3. Cultural industries stress endogenous development and their subjectivity is based on local features, environmental conditions and community residents.

4. When developing the cultural industries, the community must protect the environmental landscape and life tradition for sustainable operation.

Chen’s address identified the features of cultural industries as hand-made or small-scale, highlighting indigenous features including the value of ‘place’, residents’ subjectivity, as well as focusing on the endogenous development through community cooperation and participation. The endogenous
approach also means an approach distinguished from the mass-production and market-mediated cultural industry. In other words, the cultural industries in the beginning stage served the strategy of participatory incentives to empower residents.

In addition, it is noted that there were three thematic semiotic practices interweaving the meaning-making of community empowerment and facilitating the discursive formation of cultural industries.

The first thematic discourse is ‘decentralisation’. With the breaking of the authoritarian regime, decentralisation was one of the claims of local society. In cultural aspects, most of the important cultural facilities and cultural events were focused in Taipei, the capital city and the location of the central government, which had gained widespread criticism since the 1980s. More and more people and groups asked the state to decentralise resources and take local perspectives into account in the policy-planning (Yu, 2002). In response to the civil demand, the CCA devolved responsibility to County and City Governments and provided funds to subsidise local cultural events, and build local culture spaces for performances and exhibitions.

From 1994 to 2001, decentralisation discourse related to cultural industries was mainly represented in two aspects of the CEP. Firstly, a series of cultural events and arts exhibitions were displayed in the countryside. For example, the 'National Festival of Culture and Arts', which was the biggest cultural event in Taiwan launched in 1983, was planned by the CCA and travelled around the island providing cultural activities to the people. Since 1994, local governments took it in turns to take charge of the festival. After that, every local cultural centre had the chance to introduce and promote their cultural activities based on their own local culture, history and industry to the whole country. Secondly, the CCA encouraged local cultural centres to serve as ‘local CCAs' that had to develop their own policy and subsidy schemes for local groups and cultural projects. Through decentralised planning of the CEP, the local cultural centres started to search for their cultural characteristics. Most of them got assistance from local cultural-historical workshops which have collected local culture and conducted historical research since the 1980s in order to develop their specific cultural policies and make incentive plans for their communities. One of the active local governments is Yilan County (Lu, 2002). Since 1994, Yilan County has encouraged its local communities to participate in the CEP and advocated the concept of empowerment. In 1996, the County held the 'International
Children's Folklore & Folkgame Festival', which was part of the devolved project of "National Festival of Culture and Arts". The festival not only brought about the revival of local cultural industries but also reshaped the County’s image by empowering community residents and developing local festivals. Consequently, ‘the Yilan experience’ became ‘the exemplar for cultural construction by local government’ (Lu, 2002, p.83) such that other local governments came to visit and learn the strategy of cultural industries. Through the semiotic practice of the decentralisation discourse and the coordinated bureaucracy of local festivals, the meaning of industrialisation is constituted.

Parallel to decentralisation discourse, localisation discourse was the second thematic discourse representing frequently in cultural policy, especially in the CEP. With the political reforms of democratisation, the variation of localisation discourse was promoted by many local cultural workers, associations and historical studios to ask the state to plan cultural policy based on local history and culture (Lu, 2002). The CEP was one of the responses to localisation. For example, Chen, Chi-Nan (1995) asked whether the cultural administration should put local culture into their policy-making, emphasising, “‘local place’ is the field where people conduct their real life; thus it ought to be the primary focus of cultural administration”. Another example that highlighted the value of local culture in the cultural industries was shown in the 2004 Cultural White Paper which stated, “the process of production is full of life based on local history and culture to make people in Taiwan rethink cultural value, rediscover the real meaning of their own culture” (CCA, 2004a, p.194).

Furthermore, the discourse of localisation was enhanced by referring the Japanese experience for the state to confront the problems of the rapidly growing gap between the urban areas and rural areas. In the early 1990s, most townships and villages had faced declining economics because of dramatic urbanisation, and the rapid industrialisation of manufacturing sectors in the 1970s and 1980s. Moreover, the state joined the General Agreement on Tariffs and Trade (GATT) in 1995, lifted limitations and pursued free trade. This made economic conditions in most townships and the rural areas relying on farming and traditional crafts worse, and they asked for reforms. In order to resolve the industrial crisis in rural areas, the Handcraft Research Institute referred to the Japanese experience which had a similar background in the early 1950s and had come up with some regenerative strategies for rural areas to preserve their traditional crafts and
revive local industries (Yu, 2002). Therefore, similar projects funded by the Ministry of Economics encouraged discovering specific local resources and introducing operation skills to revitalise traditional crafts for the local economy. These projects were soon integrated into the CEP to develop community industries and, as mentioned earlier, drew Chen’s attention to transfer Japan’s project of ‘Machizukuri’ into Taiwan. The highlight of localisation discourse in cultural industries showed the existing civil claim and the state’s past projects had co-constituted the meaning of industrialisation.

The third thematic discourse is ‘participation’, which was initially advocated by professionals and foundations such as scholars of architecture and regional planning, activists and cultural workers. As mentioned, the early stages of the CEP focused on the construction and improvement of cultural infrastructure, which attracted many architects and scholars, with their teams joining the projects. Most particularly, Hsia, Chu-Joe and Chen, Liang-Chun with the students of the Graduate Institute of Building and Planning at National Taiwan University; and Tseng, Shu-Cheng with his team from the Department of Architecture at Tamkang University proposed the concepts of ‘participatory design’ and ‘community architects’ in the consultant meeting of the CEP project (Tseng, 2007). These ideas met the core values of the CEP, and soon became a philosophy of empowering people in the community (Yu, 2002; Ho, 2012b). This transformed the focus of previous projects of the CEP from infrastructure to the practical strategy of empowerment. For example, the CCA repeatedly emphasised that the subject of community is residents. The community can only be improved with the residents’ participation (CCA, 1998).

In addition, many professionals, associations and cultural groups played an intermediate role in developing participation discourse into practice. As analysed earlier in this chapter, most Taiwanese lacked the interest to engage in public affairs due to the chilling effect of White Terror. In order to encourage communities to understand the meaning of ‘community empowerment’, these professional groups organised and mobilised community residents to participate in community public affairs by providing them with civil education and training. For example, community universities were set up around Taiwan and provided workshops and classes to advance people’s ability to discuss public affairs in order to increase their citizenship consciousness (CCA, 2010c). The movement of ‘We Write the History of Our Village’ shows how ordinary people can use their community
histories as a basis for establishing grassroots democracy and discovering the potential industries for local communities (CCA, 1998). Moreover, a number of groups organised the ‘Association of Community Empowerment’ in 1997 with the purpose of developing and encouraging research for community empowerment and providing policy suggestions, based on the local perspective, to the government. At the same time, it also tried to construct a public sphere through which community workers could discuss, communicate, enter into dialogue, and develop the participation discourse.

Within these hegemonic processes, some actors play a more powerful role as intermediaries in articulating, reinforcing and filtering out the discourses, such as international organisations or governmental policy-makers (Sum, 2005, p.12). They may select, privilege or recontextualise certain economic imaginaries and their corresponding objects of governance, and mobilise networks to support their promotion and institutionalisation, whereby public choices and public opinion may be constrained or weakened. Moreover, such hegemonic discourses and formations also marginalise some groups while they provoke resistance from social movements and civil society (Sum, 2009).

These discourses were frequently represented in the policy text of the CEP and became the practical principle of cultural industries. They can be seen as ‘state discourses’ of cultural policy formed in the context of democratisation during the 1990s. More importantly, the three state discourses of decentralisation, localisation and participation laid a semiotic order for the introduction of industrialisation by cultural industries into the framework of the CEP. As a result, ‘community empowerment’ is a familiar term in people’s lives and often acknowledged as an on-going process of building the sense of community by engaging in cultural industries since the end of the 1990s.

In 1998, the CCA launched a new project – ‘Revitalising Local Cultural Industries’. Here, the CCA formally defined ‘cultural industries’ as, “based on creativity and uniqueness with its roots in local tradition and characteristics or the originality of local craftsmanship” (CCA, 1998). The definition clearly emphasised the living cultures and values of the locality. Based on the definition and the endogenous approach, Chen, Chi-Nan and CCA advocated the strategy of cultural industries by the ‘endogenous and indigenous approach’ (地場化), which emphasised locally-oriented
production and consumption (Chen and Chen, 1998). As Chen (1999) argues, the endogenous and indigenous approach of community industries aims to replace the introduction of external capital to promote local development as well as prevent the negative impacts of homogenisation and exploitation in the community.

However, CCA's policy discourses of cultural industries and semiotic practice of industrialisation were not widely accepted among the communities in the early years. Only a few communities adopted the endogenous and indigenous approach and worked with the CCA to develop the strategies of industrialisation. It was not until the post-earthquake reconstruction of 1999 that a great deal of damaged communities started to think of the possibilities of cultural industries. On 21 September 1999, central Taiwan was hit by an earthquake. Nearly 3,000 people died and many communities were seriously damaged. Large numbers of non-governmental organisations and volunteers immediately came to participate in the reconstruction. The CCA soon incorporated the reconstruction work as one major dimension of the CEP with the Association of Community Empowerment and other professionals, such as architects, space planners, social workers and cultural workers. These professionals introduced new practices such as eco-tourism and organic farming to these damaged communities (Huang, 2000). The Association of Community Empowerment soon became a major partner, working closely with the CCA in terms of training government staff and community organisers. The relevant practices of the reconstruction with cultural intermediaries have enhanced the endogenous and indigenous approach to cultural industries in communities. Furthermore, Huang and Hsu (2011) point out that the unexpected earthquake set off a series of economic mechanisms, and changed the focus of communities to economic outputs generated by community cultures. In other words, the priority of cultural industries had shifted from empowering people to participate in public affairs to empowering people to develop local industries for community reconstruction and regeneration. In this vein, an endogenous and indigenous approach was emphasised and adopted by communities.

In addition to the promotion of these governmental technologies, the economic imaginaries were advanced by other researchers. For instance, Wong (2001) argues that local culture as the object of industrialisation must be based on the reflection of the existing industrial mode which focuses on intense labour and low costs of production in rural areas. Wong claims the endogenous and indigenous approach highlights the local identity and
cultural preservation can not only revive the local economy but also resist the dominant logic of capitalist reproduction. Huang, Shi-Huei continued to introduce the relevant Japanese experience to share and discuss with policy-makers and communities (Huang, 1998; Huang, 2003a; Huang, 2003b; Huang, 2005). Their academic efforts consolidate the symbolic power of the economic imaginary (the endogenous and indigenous approach) for the cultural industries in the local communities.

Apart from the CCA's policy discourses and academic discourses, local practice had played an essential role in the co-constitution of industrialisation, in that the discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ and the economic imaginary have been making sense and making meaning. One of the most renowned cases is that of Baimi Clog Village. The discursive formation and co-constitution process of industrialisation are analysed in section 4.4.

### 4.4 Local Practice – the Case of Baimi Clog Village

The previous section has shown that the state discourses of ‘decentralisation’, ‘localisation’ and ‘participation’ were constituted by the dynamic and dialectic process between the state and society. In this phase, the CCA launched the CEP and advocated the endogenous and indigenous approach as the economic imaginary of the cultural industries. Many local communities resonated with this economic imaginary of cultural industrialisation based on their contexts and demands. Their ongoing practice from the civil sector has participated in the semiotic practice with the state sector to co-constitute a semiotic frame for later development but also structure the relationships between state and civil society. Baimi Clog Village is one of the typical practices and has often been praised as the most active community since the CCA promoted the CEP in 1995 (Lu, 2002). Specifically, the case of Baimi Clog Village had a significant impact on the discursive formation of industrialisation and facilitated the dominance of ‘Industrialisation of Culture; Culturalisation of Industries’ in the late 1990s.
4.4.1 Community Empowerment in Baimi Clog Village

Baimi village is a small village in the northern Taiwan. It is located in Yilan City and about 100 kilometres from Taipei. It was seriously polluted by mining factories and struggled to protect its environment until the early 1990s when it changed to a sustainable village with community empowerment and a cultural clog industry. After developing clog craft industries for a decade, the general population of Baimi community became stable at around 2,150 from 2004 to 2010 according to the demographics of Yilan City. In 2012, the turnover of Biami Clog Museum and associated industrial activities was about 17 million NT dollars (about £341,777) with only 520 thousand NT dollars CCA funding for education projects, according to the interview with Lin, Ray-Mu (林瑞木), the director of the Baimi Community Development Association. During the past twenty years, the Baimi community has persisted with endogenous and indigenous approaches to revive local industries and improve the environment. The case was often promoted by the government to highlight the policy achievement and introduce the strategies of industrialisation, and also attracted other communities and associations to visit and follow the strategies.

In fact, the Baimi community has undergone a tough process of transformation from a mining town to a clog village. Before Japanese colonial rule, Baimi was farmland, planting rice, peanuts and other agricultural products. The name ‘Baimi’ was said to relate to the sound of ‘white rice’ in Chinese. In addition, Baimi has the most abundant limestone (over 80 per cent) in Taiwan. During the Japanese colonial period, the Japanese started to build cement factories in this area, and about seventy cement factories were built in its most prosperous period. After WWII, Taiwan’s economy shifted from agriculture to an industrial economy, which resulted in demand for these materials increasing considerably. Therefore, more and more cement plants and factories were established in Baimi, including the Taiwan Cement Company which is Taiwan’s biggest cement factory. Moreover, the state established a petrol storage plant in this small village in the early 1980s. Every day, there were about four hundred trucks running on the main road through Baimi village, which produced a great deal of industrial emissions and exhaust fumes (Lu, 2002). According to statistics, Baimi was the dustiest area in Taiwan by the mid-1990s (NCAF, 2004). This polluted and dangerous environment narrowed the public space for residents and made Baimi village fall into decline. More and more people emigrated to
other areas and most of the younger generation left Baimi village after graduating from secondary school.

However, following the rise of environmental consciousness in the late 1980s, residents organised a community organisation in 1992 to protest against the pollution. After several protests and boycotts, the Taiwan Cement Company promised to improve the environment and provide ‘environmental protection compensation’ every year to the Yilan County Government rather than directly to Baimi village. This angered the local activists; therefore they formed the Baimi Community Development Association (hereafter BCDA) in 1993 and asked for the legal right to fully manage the monetary compensation. With the emerging decentralisation discourse, its meaning was so widely acknowledged by the public that the BCDA asked the government to devolve power to the people. The BCDA’s boycott strategy was legalised with the decentralisation discourse, and the Yilan Government granted the BCDA the compensation fund in 1994. This fund became the major financial source for the BCDA in the early years (Lu, 2002). They used the fund to improve their environmental protection and community welfare, such as by caring for seniors and securing the community. Soon, Baimi community was named as one of six outstanding communities of environment improvement by the Environmental Protection Administration of central government in 1994 as well as the ‘Premium Community’ by the Yilan Government in the environmental contest of 1995. This resistant and participatory experience improved their environment significantly and built a collective sense of belonging. Then the members of the BCDA started to think of the future of their community (Interview with Lin, Ray-Mu, 2012).

When the CCA launched the CEP in 1994, the BCDA was keen to understand the concept of ‘community empowerment’ (Tseng, 2007). At that time, ‘community empowerment’ was a new term with abstract ideas, and most residents of Baimi village viewed the CEP as merely a project of community architecture (Interview with Lin, Ray-Mu, 2012).

During the same period, Yilan County Government under the administration of Yu, Hsi-Kun (遊錫堃) adopted a series of indigenous projects to build a ‘new Yilan culture’ and local identity. Therefore, when the CCA promoted the CEP and encouraged the local cultural centres of county government to be local CCAs, Yilan County Government was most enthusiastic in responding to the CEP (Lu, 2002). In 1995, Mayor Yu announced that CEP would become the major direction integrating county governmental projects in the
following years. In this vein, Yilan County Government combined the existing local art festival with community empowerment projects to encourage local communities to make their proposals. Then, following the localisation discourse of the CEP, communities were encouraged to discover their distinguishing local features from their local history (Tseng, 2007). In 1996, Yilan County designed the ‘seed community’ project, which encouraged all twelve townships to nominate one community to participate in the festival of ‘Happy Yilan New Year’. In this festival, each seed community would be granted funding and gain consulting assistance to develop and display their ‘cultural specialty’. Although Baimi with its cultural specialty of being a ‘clog village’ was not Suao township’s scheduled seed community (Lu, 2002), the BCDA submitted their own proposal and was included in the project because it represented the autonomy of the community and met the bottom-up approach of the CEP. With the support of the local government, CEP’s semiotic practice and the residents’ participation, Baimi village started to develop clog cultural industries and ‘clog village’ has become the symbol of the Baimi community.

The above development shows that the cultural industries were seen as a post-industrialisation remedy for the state and the Baimi community to counter the negative results of the long-term bias of economic industrialisation which favoured specific heavy industries but exploited the resources, traditional industries and culture of rural areas. Despite the fact that the CCA proposed economic imaginaries of industrialisation, Baimi village participated in the process of meaning-making of endogenous and indigenous approach with the state actor and reconstructed their own industrialisation with empirical experience and influenced other community industries. The following section discusses the complex dialectic process.

### 4.4.2 The Semiotic Practice of Industrialisation in Baimi Clog Village

As a matter of fact, clogs were not the initial option of cultural industries for the BCDA, as the controversial stone-mining industry, which was the primary natural resource and local industry, had once been considered their ‘cultural specialty’ (Interview with Lin, Ray-Mu, 2012). Although Baimi village had been famous for making wooden clogs since the Japanese colonial period, the wooden clog industry had vanished and been replaced by the mass production of plastic clogs and shoes in the early 1960s. However, some
senior residents still remembered their childhood with the old sayings related to wooden clogs. These sayings drove the BCDA to investigate the local history and community resource. They found many stories and invited two retired craftsmen to teach residents clog-making skills. A young artist, Hsien-Chang Chiu (邱憲章), assisted in painting clogs and designing multi-functional clogs for modern use such as key rings with clog shapes and diverse decorations. These collective efforts drew considerable attention in the festival and, more importantly, hundreds of the clog products were sold. The economic profit gave Baimi community confidence in presenting itself as a ‘clog village’ (Lu, 2002).

When Yilan County Government held the ‘National Community Empowerment Fair’ in 1997, the BCDA designed Baimi’s version of ‘Cinderella’ to connect their glorious past of clog-making and the revitalisation of the cultural industry, through residents‘ participation. The event was very successful for sales, and brought big financial support for the Baimi community. The following media coverage enhanced the residents‘ confidence in the cultural clog industry and made the Baimi community decide to take the clog industry as a strategy to empower their community (Interview with Lin, Ray-Mu, 2012).

However, they did not realise the meaning of the policy discourse ‘Industrialisation of Culture; Culturalisation of Industries’ nor how to industrialise the clog culture in the beginning (Interview with Lin, Ray-Mu, 2012). During that period, Chen, Chi-Nan played an intermediary role to interpret the economic imaginary of cultural industries and discuss with the BCDA. After the discursive-practice interpretation, the Baimi community gradually developed practical strategies to put ‘industrialisation of culture, culturalisation of industry’ into their local context, as well as the CEP‘s context.

This was the culmination of several events. Firstly, BCDA consulted with Chen, Chi-Nan and clarified the relationship between community empowerment and cultural industries, which laid the foundation to employ an endogenous and indigenous approach to developing cultural clog industries. In 1998, Chen stepped down as the Deputy Director of the CCA and became the director of Yang Shan Cultural Foundation in Yilan. Due to the geographical affinity, the BCDA and Chen with the Yang Shan Cultural Foundation gradually formed a partnership to work on the CEP and cultural industries. As a founder of the CEP, Chen analysed the importance of
community empowerment and discussed the possible benefit of cultural industries by endogenous and indigenous approach with the BCDA. In order to find an operational method, they visited some cases in Japan and consulted with Miyazaki Kiyoshi who was the main consultant of the CCA’s CEP (Interview with Lin, Ray-Mu, 2012). After these consultations, and many discussions with the residents, the BCDA decided to take the endogenous and indigenous approach to developing the clog cultural industry for the community’s public interest. According to Lin, Ray-Mu, the approach means “producing locally and selling locally” (Interview with Lin, Ray-Mu, 2012). In another interview, Lin elaborated on the spirit and purpose of Baimi Clog Village.

The products we sell in Baimi Clog Village emphasise the features of unique, small quantity, sentiment, hand-made, experience-based. The core value comes from community empowerment with the goal to rebuild the living value of Baimi community and keep the balance between local industries and environment. What we want to do for our hometown is to find out the sustainable direction (Lin, 2007, cited in Tseng, 2007, p.160).

The consulting process and partnership may bring dilemmas such as overdependence on consultants’ assistance. However, in Baimi’s case, the BCDA takes a very cautious attitude to applying for government funding and asking for external professional assistance, according to Lu’s (2002) anthropological observation in 1998 and the interview with Lin, Ray-Mu in 2012. In the case of Baimi Clog Village, Chen, Chi-Nan played a translation role to explain the meaning of community empowerment and then the Baimi community decided how to put the concepts of industrialisation into practice. Lin mentioned that Chen only asked questions such as: “why do you want to do that?” or “what is your aim in doing the clog industry?” which stimulated the BCDA to think about the value of cultural industries for their community and eventually develop their own ability and skills to manage cultural industries (Interview with Lin, Ray-Mu, 2012). Through the debates and practice, the Baimi Community reconfirmed the meaning of the CEP as Lin, Ray-Mu said, “from this process of industrialisation in the clog museum, we are gradually catching the main idea of CEP, which is the project of empowering people” (Interview with Lin, Ray-Mu, 2012).

Secondly, the BCDA used several strategies of industrialisation. In the beginning, they participated in the CEP and applied for a government grant from the Ministry of Economics to develop the clog industry. With this
government funding and a loan from the bank, they renovated the clog workshop and exhibition hall, which used to be abandoned factories and dormitories, to display the local industrial history and a variety of clogs. The other fundamental strategy was the organisation of a co-operative in 1998, which has served as the base for community sustainability as most residents are stakeholders and share responsibility and interests. As Hsiao, Yu-Chu (蕭玉珠), the director of the tour of the Baimi Clog Museum, said:

The core value of our clog museum is for public interest, our revenue doesn’t go back into the market mechanism… the clog industry was once disappearing, but we incubated it by the creativity based on our living story. This is what we called ‘industrialisation of culture’ (Interview with Hsiao, Yu-Ju, 2012).

From 1998 to 2002, the turnover of the co-operative had increased considerably from 1 million NT dollars to 9 million NT dollars. Furthermore, the BCDA referred to the Dutch experience of operating clog industries for tourism (Interview with Lin, Ray-Mu, 2012). In 2007, they built the Clog Museum, which was partly subsidised by CCA’s project entitled ‘Local Cultural Museum’ (the follow-up project of the CEP during 2002-2007, see section 5.3.3 for further details). Then, they designed a visiting path in the Clog Museum by linking it with the production, craftsmen’s studio, display, workshop for DIY and shops. Now they provide a variety of experience tours to introduce visitors to their local history and clog culture. They also exploited various cultural commodities of clogs for fashion use including keyrings, wedding presents and healthy clogs. The Clog Museum currently provides four types of experience tours for visitors to promote clog industries and local culture. The tour-type of endogenous and tourism approach was the reflexivity of cultural translation in which they consulted and discussed with professionals and residents, then selected the practice (see section 5.4.2 for further details). The tours include the guided tour of the clog museum, DIY experience of clog craft and ecological interpretation, which have created stable and diverse employment for about thirty people in the local area (Interview with Lin, Ray-Mu, 2012). From 2007 to 2012, there were about 180 thousand visitors coming to Baimi Clog Museum every year, and the revenue of the co-operative sustains the development of Baimi Clog Village (Interview with Lin, Ray-Mu, 2012). Despite the prosperity of clog cultural industries, the BCDA focuses on improving the surrounding environment, such as rebuilding the multifunctional community centre, establishing the art
square, the walking path around the community and the railway park. Their future goal is to develop an eco-museum.

The social-cultural impact of Baimi clog industries transforms residents’ hometown imaginaries. Through these collaborative efforts by participation and empowerment, the residents’ cultural identity has been consolidated and they have more knowledge and skills to participate in public affairs (Interview with Lin, Ray-Mu, 2012). In the past, the Baimi residents were resigned to everything and rather passive on public issues. For example they used to accept government arrangements in the name of national development whereby they gave up their land for factories and oil storage. However, the experience of the Clog Museum has made the residents change their indifferent attitude and be willing to fight for their rights. For example, the BCDA participated in the public hearings of the Suhua Highway Improvement Project to make their appeals and ask government to have respect for local opinions concerning the environmental implications (Interview with Lin, Ray-Mu, 2012). Their proposal to design different roads for community use was accepted by the administration.

Rooted in the endogenous and indigenous approach, the profitability of the cultural industries was not the main concern during the first phase of industrialisation in cultural policy. Lin and Chen (2003) emphasise that the formation of Baimi Clog Village did not aim to make the maximum profit from the cultural clog industry; instead, it was the outcome of the residents’ attempt to improve their environment and find a sustainable strategy. Today, they still persist in this strategy as Lin and Hsiao said respectively:

It is not saying that we can handle the cultural industries without the worries behind. We have to go back to think of the issues about our community environment and our life. For us, ‘community empowerment’ is composed of life, ecology and production… We make efforts to improve our environment, build better public spaces and make good use of the space to make our life better. The clog museum brought visitors’ encouragement to support us to have more motivation to keep going (Interview with Hsiao, Yu-Ju, 2012).

It is important to maintain the clog cultural industries to sustain our community… Without cultural industries, we will lose our environment. And if we are not sensitive to our environment, the shared consensus
would fly away. Therefore, the importance of cultural industries is to generate this consensus (Interview with Lin, Ray-Mu, 2012).

The above development shows the semiotic practice of industrialisation by the case of Baimi Clog Village. From the struggling process, it reveals that the economic imaginary was not only shaped by the policy discourse and governments’ strategies, but also underwent constant reflection, consultation, negotiation, and partnership implementation. The co-constitution process of endogenous and indigenous approach consolidated the meaning of industrialisation in the first phase was empowerment and participation. This approach and the meaning dominated the industrialisation of cultural policy in the 1990s and early 2000s, which affect the most communities and organisational actors to engage in similar actions to develop their cultural industries and local areas.

Conclusion

This chapter discussed the emergence of cultural industries in Taiwan's cultural policy and highlighted the co-constitution of industrialisation between the policy discourse and local practice from 1994 to 2002. After experiencing the colonised period, the KMT’s authoritarian ruling with privileged imaginaries of Chinese nationalism, the rising of social movements and Taiwanese awareness, Taiwan started toward the path of democratisation since martial law was lifted in 1987. Embedded in the specific context, the CEP was launched by the CCA in 1994 as a strategy to promote cultural democratization. In order to facilitate the CEP, cultural industries were advocated by the CCA in 1995 with the economic imaginary of industrialisation by the endogenous and indigenous approach.

Within the context that the focus of cultural policy had shifted from Chinese nationalism to democratisation, the case of Baimi Clog Village has shown the dialectic and co-constituted process of the meaning-making of industrialisation. On the one hand, the industrialisation emerged and was mobilised by the state as a political project to articulate with discourses and practices of democratisation, localisation and participation. On the other hand, Baimi village initially followed the CEP but gradually developed its industrialisation strategies and became one of the typical models of the CCA to introduce cultural industries into other communities. Though this process of industrialisation, the meaning of endogenous and indigenous approach in
terms of empowerment and participation were established. With the economic imaginary, it empowered communities themselves to build their own industrialisation and local identity. By their practice in the clog industry, the process they experienced and the difficulties they overcame, or failed to deal with, enriched the insight of cultural industries and defined the scope and meaning of cultural industries in Taiwan. Furthermore, with the government promotion and media coverage, the case of Baimi provided a referencing perspective for other communities.

However, the meaning of industrialisation underwent another significant transformation after 2002. First, Taiwan became a member of the World Trade Organization in 2002 and faced tough competition and challenges, such that economic transformation became a pressing issue. Second, as the DPP government gained power in 2000, ‘Taiwan’s subjectivity’ was the main concept of policy-making. In this context, the CCA proposed the ‘New Hometown Community Empowerment Project’ in 2002 to continue and extend community empowerment and the cultural industries. Meanwhile, the CCA adopted the British scheme of ‘creative industries’ and proposed the ‘Cultural and Creative Industries Project’. The new project of the CEP and the emerging of CCIs had formed the new discursive-material condition to industrialisation of cultural policy and caused confusion and debate. These dramatic developments and another semiotic practice of industrialisation will be analysed in the next chapter.
Chapter 5 Industrialisation of Cultural Policy II (2002-2008)

Introduction

This chapter investigates the second period of industrialisation of cultural policy in Taiwan from 2002 to 2008. Since the millennium, Taiwan experienced another dramatic transition in politics, economics, society and culture, which created the conditions for the industrialisation of culture in cultural policy. It not only brought variations of discourse but these were accompanied by selected projects with the retention influence of previous projects to co-constitute the evolution of industrialisation. The economic imaginary of industrialisation had therefore been changed and diverged into various directions framing the cultural policy of central government and local communities.

In order to elaborate on this development, the chapter is divided into four sections. The first section of the chapter explains the structural context following the first rotation of the ruling party and economic liberalisation after Taiwan joined the World Trade Organization in 2002. Throughout this period, indigenisation expressed in ‘Taiwanese awareness’ continued as a prevalent theme in social and cultural issues. Taiwanese indigenous identity gradually supplanted Chinese-centric identity after the Democratic Progressive Party (hereafter DPP) gained power in 2000. However, international trade and domestic political changes raised new controversies and conflicts over the cultural industries and communities. With the achievement of democratisation, the focus of community empowerment shifted to cultural industries and challenged the dominant position of participatory industrialisation in cultural policy. In particular, the state launched the ‘Cultural and Creative Industries Project’ (hereafter CCIP) in 2002. As a result, these changes constituted a specific semiotic-material condition with new economic imaginaries of industrialisation in cultural policy.

Following this contextual framing, the second section examines the rise of the imaginaries of cultural and creative industries within national policy as a ‘strategic fix’ for the DPP government to confront this economic
transformation under neo-liberalism and the knowledge-based economy. It particularly examines how this strategic fix was played out through the evolution of the ‘Cultural and Creative Park’ (hereafter CC Park) approach as the specific form in which the CCIP economic imaginary was conceived by the CCA. In this context, there was clear competition between an artist-dominated sense of civil purpose and the state authorities’ advocacy of the neo-liberal approach to industrialisation. Space allocation thus became a key site in which the emergent hegemonic discourse of industrialisation was played out.

The third section investigates the formation of the New Hometown Community Empowerment Project (hereafter New Hometown CEP) and its political and economic imaginaries. It focuses on the complementary role of New Hometown CEP between the previous CEP and CCIP. More specifically, the ‘Local Cultural Museum’, the sub-project of the New Hometown CEP, encompasses the semiotic practice of cultural citizenship, which has evolved into the meaning of industrialisation.

Local practices by communities and organisations played an essential part in the semiotic-material evolution of cultural industrialisation during this phase. The communities inherited the previous imaginaries focusing on the empowerment and participatory approach and increasingly emphasised tourism-profit of cultural industries sponsored by the state. However, some cases developed self-governance in industrialisation. One of the important cases, Taomi Eco-Village, will be examined in the fourth section to describe the semiotic struggle among the various actors (the central government, local communities and non-governmental organisations). Finally, the concluding section summarises the co-constitution process of cultural industrialisation in the second phase and the challenges for the next phase.
5.1 The Transition of Political, Economic, Social and Cultural Structure

5.1.1 Political Democratisation and ‘Taiwan’s Subjectivity’

As discussed in the previous chapter, Taiwan experienced several decades of authoritarian rule and democracy movements until democratised institutions and political mechanisms were gradually established in the 1990s. Prior to 1991 the legislature had been largely unelected under the limitations of martial law since 1949. There were only ‘supplemental elections’ for a few seats representing Taiwan’s districts, while the delegates of the Chinese Mainland districts held the majority of seats without re-election in both the National Assembly and the Legislative Yuan. It wasn’t until the ‘Wild Lily Movement’ (野百合運動) of 1990, which was organised mainly by university students, triggered a series of political reforms and constitutional amendments including subjecting the Legislative Yuan to full re-election and instituting universal suffrage in the national and local elections, that direct election of local governments started in 1994, and the first presidential election was held in 1996. It can be said that after 1996, as Garver (2011, p.11) describes, “the people of Taiwan created a vibrant political system, complete with freedom of speech, association and assembly, rule of law, and competitive and fair multiparty elections that enabled the island’s citizens to choose and change their rulers”.

During the process of democratisation, investigating local history and rebuilding an affirmative knowledge of long-ignored indigenous culture became a common concern and was followed by the community empowerment movements. Meanwhile, political indigenisation with the promotion of Taiwan’s identity had continued to develop under the administration of Lee, Teng-Hui. These developments loosened the previously dominant China-centric identity, and created a new set of imagined values for the society. One of the significant discourses was the ‘New Taiwanese’, which Lee, Teng-Hui originally promoted in order to defuse the ethnic conflicts and win the elections (Lee, 1999).

Ethnic tensions and conflict were increasingly fierce due to the intense elections and lack of transitional justice after the end of martial law (Wu,
Lee developed the discourse of the ‘New Taiwanese’ to fix ethnic conflicts between Taiwanese and Mainlanders (Huang and Hsu, 2011). In his terms, the ‘New Taiwanese’ was defined inclusively:

No matter if you came 400 to 500 years ago, or 40 or 50 years ago from the Mainland, or if you are aboriginal, we are all Taiwanese, so long as we work hard for Taiwan, the Republic of China, then we are New Taiwanese (Lee, 1999, p.264).

This discourse had significant implications. It not only facilitated Ma, Ying-Jeou’s victory in the Taipei mayoral election of 1998, but it also promoted the ‘community of the shared fate’ with the relevant projects of the CEP since 1994 and thus strengthened Taiwanese indigenous identity and awareness. As a result, it can be said that ‘New Taiwanese’ became an important semiotic frame, having significant influence on localisation since then, and on the subsequent DPP government. This represented an important break with the previous KMT policy of subordinating the Taiwanese indigenes within the broader Chinese nation by various mechanisms of policy discourses and projects. In this vein, Lee redefined the relationships between Taiwan and Mainland China as a ‘special state-to-state relation’ in 1999, which was interpreted and labelled as ‘Two States’ by the press later. At that time, the ‘special state-to-state relation’ was reflected by the reality and widely accepted by the majority of Taiwanese people according to official surveys, although it did cause turbulence in cross-strait relations. After that, ‘New Taiwanese’ became a dominant discourse and was further used by the DPP to promote multiculturalism, replacing ‘Four Ethnic Groups’, to win the presidential election.

In 2000, the DPP, the first opposition party, with a focus on Taiwanese awareness and Taiwanese identity, won the presidential election by a marginal majority (39.3 per cent) because of the division of the KMT.

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7 Ma Ying-Jeou was elected President in 2008 and remains so to date.

However, since the KMT party still held a majority of seats in the Legislative
Yuan, and in order to reduce China’s military threat and gain American
support, the DPP government took a moderate attitude and followed
progressive strategies on indigenisation policies of national identity in the
first two years (Fell, 2012). For example, in President Chen, Shui-Bian’s
inauguration, he pledged ‘Five Nos’: that he would not declare
independence, change the national title, put the state-to-state theory into the
Constitution, hold a referendum on independence or abolish the National
Unification Council or the National Unification Guidelines as long as China
had no intention to use military force against Taiwan. Moreover, Chen
appointed a KMT member as Prime Minister and organised the cross-party
committee of economic development to plan trade between Taiwan and
China. In addition, the DPP government promoted its own version of Lee’s
‘New Taiwanese’ through the discourse of multi-cultural society, giving equal
importance to every ethnic group (Fell, 2012). The discourse of
multiculturalism was consolidated by the implementation of education
systems and cultural projects as well as the establishment of new ethnic
institutions (Wang, 2004). For example, mother tongue language education
became a compulsory subject in primary schools in 2001, the Hakka Affairs
Council was established in 2001, the Council of Indigenous Peoples was
renamed in 2002 and the ‘Indigenous People’s Basic Law’ was discussed
and finally promulgated in 2005 to secure the autonomy of every aboriginal
group.

However, Chen’s moderate strategies did not receive a positive response.
According to the analysis of Dafydd Fell (2012, pp.215-216), the reasons
include the DPP having limited seats in Parliament and encountering serious
domestic setbacks such as the controversial issue of the ‘Fourth Nuclear
Power Station Project’ . Moreover, the DPP failed to deal with the

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9 The council was originally established on 1 December 1996 entitled the Council of
Aboriginal Affairs. On 4 January 2002, the Legislative Yuan approved the amendments to
the council and on 25 March in the same year, the council was renamed the Council of
Indigenous Peoples.

10 The Fourth Nuclear Power Station Project was planned in the 1980s but was suspended
after residents’ protests. It was constructed in 1999 and scheduled to complete in 2004.
consequences of the dotcom recession, as Taiwan suffered negative growth in 2001 and record levels of unemployment. Externally, China continued to squeeze Taiwan's international space as the number of formal diplomatic relations declined\(^\text{11}\). Therefore, after 2002, the DPP adjusted its moderate strategies by intensifying the discourse of ‘Taiwan’s Subjectivity’ (台灣主體性) on several occasions to deal with the rise of China and dilute the economic crisis.

‘Taiwan’s subjectivity’, as the term literally suggests, takes Taiwan as a subject in its own right rather than affiliating it with China. The term emphasises Taiwan as a unique nation with its own marine history and the substance of being multiracial, multilingual and multicultural but experiencing colonisation in various periods (Chuang and Lin, 2003). In this sense, Chen made an assertion that Taiwan should ‘go its own way’ in the DPP’s national conference of August 2002. One month later, Chen further proposed ‘one country on each side’ in the annual conference of the World Federation of Taiwanese Associations meeting in Tokyo. He stressed that Taiwan is an independent and sovereign state, “…with Taiwan and China on each side of the Taiwan Strait, each side is a country” (Yang, 2002). This concept is opposed to the ‘1992 Consensus’ of ‘One China, Respective Interpretations’, which came about when the representatives from Beijing and Taipei met in 1992 and claimed to be two separate political entities within the same name of ‘China’, each having respective interpretations of what ‘China’ meant in its own way\(^\text{12}\) (Fell, 2012). However, the DPP government never claimed the

When Chen, Shui-Bain won the election, he halted the construction of the plant in the late 2000s in response to his manifesto. However, the KMT-dominated Legislative Yuan later reversed the decision. So far it has not been completed because of a growing anti-nuclear public sentiment and the demand for a national referendum.

\(^{11}\) According to the statistics of the Ministry of Foreign Affairs, the number of countries that have the diplomatic relations with Taiwan had reduced from 29 to 23 from 2000 to 2008.

\(^{12}\) For Beijing, ‘China’ refers to the People’s of Republic of China (PRC) and they claim Taiwan is an integral part of China. For Taipei, ‘China’ means the Republic of China (ROC) or an ethnic community comprising – as has been the case since 1949 – two different political entities, the PRC and the ROC, each ruling its own territory (Fell, 2012, p.25). Observers in the PRC and also some in Taiwan argue that the Republic of China ceased to exist after the establishment of the PRC or the ROC’s expulsion from the United Nations in 1971. Within Taiwan there remains much disagreement about whether the national title should still be the Republic of China or Taiwan. Although the ROC’s Constitution was
legitimisation of the ‘1992 Consensus’. Moreover, when the DPP continued in power in 2004, Chen claimed that “Taiwan’s future should be decided by the Taiwan people” in his second presidential inauguration speech. Chen stated:

If both sides are willing to create an environment engendered upon ‘peaceful development and freedom of choice’ based on goodwill, then in the future, the Republic of China and the People’s Republic of China or Taiwan and China can seek to establish relations in any form whatsoever. We should not exclude any possibility, so long as there is the consent of the 23 million people of Taiwan.

Such advocacy continued to strengthen the discourse of ‘Taiwan’s subjectivity’. Then, the DPP passed the resolution of ‘ethnic diversity, national integration’ (族群多元，國家一體) to incorporate all ethnic groups by linking the doctrine of multiculturalism and ‘Taiwan’s subjectivity’ in 2004. Pledge 8 of this resolution claimed that:

Taiwan is not only the natal home to Aborigines, Hakka and Hoklo, but also a new home to Mainlanders and a new world for foreign new immigrants. The subjectivity of Taiwan is jointly constructed by all ethnic groups. Each ethnic group is the master of Taiwan; each ethnic group’s mother tongue is one of the languages of Taiwan.

It contains assertions such as the establishment of Taiwan’s subjectivity, the national identity based on civil consciousness, the mutual toleration of Republic of China or Taiwan identities, an acceptance that all ethnic groups are the masters of Taiwan, and an acceptance of Taiwan as a diverse multicultural state. Accordingly, the four main ethnic groups’ heritages and religious practices and rituals were emphasised and selected, regenerated and promoted as tourist festivals as well as potential vehicles for Taiwanese national culture and identity (Shih, 2012). For example, the Hakka Affairs Council launched a series of projects to promote Hakka culture, ecology,

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food and industries such as the Tung Blossom Festivals in 2002. In addition, the diverse aboriginal rituals and celebrations have been widely acknowledged by people across Taiwan. The Aboriginal identity, languages, education and autonomous regions were legitimised through the establishment of the Indigenous People’s Basic Law in 2005.

The DPP government attempted to secure the discourse of ‘Taiwan’s subjectivity’ through national referenda but was unsuccessful because of the boycott by the KMT in 2004 and 2008. In response, China passed the ‘Anti-Secession Law’ in 2005 and continued posing a military threat to Taiwan’s independence. As a result, Chen announced that the National Unification Committee would cease to function and the National Unification Guidelines would cease to apply, in 2006.

It can be seen that since 2002, the DPP government consistently promoted ‘Taiwan’s subjectivity’ symbolically and in substance. This not only resonated with Lee, Teng-Hui’s inclusive ‘New Taiwanese’ discourse but further incorporated multicultural values into the content of ‘Taiwan’s subjectivity’. Furthermore, the DPP government exploited policy statements and the state’s resources to create a sovereign state with its own distinct culture, which is in contrast to the previous KMT government’s representation of Taiwan as the last bastion of Chinese cultural renaissance. In other words, ‘Taiwan’s subjectivity’ stands as the political imaginaries for the DPP government and connects with its nation-building project. Although this perspective gave rise to criticism and debate from the pan-KMT camps, it

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14 There were two national referendums held in 2004. (1) The DPP called on the Government to acquire more advanced anti-missile weapons to strengthen Taiwan's self-defense capabilities; (2) The DPP called on the Government to establish a framework for cross-strait interactions. In 2008, there were four national referendums: In January 2008, (1) the DPP called on the recovering KMT assets; (2) the former KMT minister called on the legislation to investigate the responsibility of leaders of the nation and their subordinates, when there is grave damage to the nation; (3) in March 2008, the DPP called on the government to apply for new membership of the United Nations under the name Taiwan; (4) the KMT called on the government to apply for restoration of the nation’s UN membership under the name the Republic of China or another appropriate name. However, due to the political competition between the DDP and KMT, these six proposals were boycotted by each side. As a result, all proposals failed to reach the required 50 per cent turnover (Fell, 2012).
seized a hegemonic frame and affected other economic, social and cultural policies under DPP rule.

5.1.2 Economic Neo-liberalisation and ‘Challenge 2008’

After the Asian Financial Crisis in 1998, Taiwan’s export-oriented economy and industries encountered severe challenges in that the economic growth slowed in the post-2000 period. During the 1990s, the annual average economic growth-rate was 6.42 per cent compared to 4.08 per cent from 2000 to 2007 according to the data from the Directorate General of Budget, Accounting and Statistics. In particular, Taiwan’s economy went through a recession during 2001 and 2002 with the first-ever negative growth of -2.18 per cent in 2001 and the highest unemployment, at 5.17 per cent, in 2002.

In addition to the slow growth, there were several significant economic developments under the DPP administration. First, the DPP government advocated a ‘knowledge-based economy’, to deal with the industrial transformation and impacts of trade liberalisation in 2000. On the one hand, the large-scaled manufacturing industries, which Taiwan had depended upon for subsistence since the 1970s, were losing their competitive advantages when facing cheaper labour and lower production costs of China and Southeast Asian industrialising countries. On the other hand, the high-tech industries, which the Taiwan government had promoted since the 1980s and which contributed considerably to the national economy, had encountered developmental bottlenecks and needed to be upgraded as they mostly relied on original equipment manufacture. Therefore, the DPP government urgently adopted the knowledge-based economy model into its policy-making in response to the financial crisis (Chen, 2004). The Council for Economic Planning and Development (CEPD) started the ‘Project of Knowledge-based Economy’ in 2000 to facilitate economic transformation and as a strategy to elevate Taiwan’s international competitive advantages (CEPD, 2000). Moreover, President Chen, Shui-Bian not only invited leading entrepreneurs to organise a committee but also formulated the year 2001 as the ‘first year

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of the social promotion of the knowledge-based economy’. However, the project received dramatic criticism. Morris Chang (張忠謀), who was the President’s policy advisor, pointed out the myths of the knowledge-based economy, including its overwhelming emphasis on economic impacts, exclusively applying to technology industries as the only way for Taiwan’s economy (Chen, 2001). In addition, Wang (2001, p.202) criticised the government for “copying the catchword, formulating plans and policies without profound examination and criticism”.

The second important development in the economy was that Taiwan had become increasingly dependent on the Chinese market. Since the late 1980s, Taiwanese citizens had been allowed to visit relatives in China and bilateral trade between Taiwan and China had increased rapidly (Yu, 2004; Chu and San, 2011). Annual investment from Taiwan to China in 1996 was US$1229.2 million, which was second only to America with US$1443 million (Chu and San, 2011). In order to avoid an ‘industrial hollowing-out’ effect and for national security, Teng-Hui Lee proposed the discourse of ‘Slow Down and be Patient’ (戒急用忍) in 1996 to regulate the investment in hi-tech industries, with project funding of more than US$50 million and infrastructure by rigid scrutiny (Chu and San, 2011). Six years later, when the DPP took a moderate strategy on cross-strait relations, they shifted to the discourse of ‘proactively liberalise, effectively manage’ (積極開放，有效管理) as the conclusion of the Economic Development Advisory Committee in 2001. The DPP government loosened regulation in response to intense pressure from the business sector and WTO accession. This led to stronger ties across the Taiwan Strait (Chu and San, 2011). In 2002, China had already surpassed the United States and became the largest market for Taiwan’s outward investment with US$6723.1 million, which was about triple that of the previous year according to statistics from the Ministry of Economic Affairs. The Chinese export drive was also backed by Taiwan’s technological support and supply of intermediate goods and materials (Chu and San, 2011). However, with the increasing stress on ‘Taiwan subjectivity’ and the overwhelming dependence on the Chinese market, the DPP government adjusted the discourse to ‘proactively manage, effectively liberalise’ (積極管
理，有效開放) in 2006. The strategy emphasised the management responsibility of the government to reduce the risk of liberalisation and to attempt to build a negotiation mechanism for the cross-straits economy\textsuperscript{16}. Nevertheless, it did not reduce the increasing dependence on the Chinese market in Taiwan’s economy and industries (Chu and San, 2011).

The third development was that Taiwan eventually became a member of the WTO in 2002 after sixteen years of negotiations (Chiang, 2004). In view of the WTO regulations on non-discrimination, the DPP government continued to follow the neo-liberal policies left over by the old KMT administration. As a matter of fact, some analyses point out that the dominant process of neo-liberalism was accompanied by democratisation. In the past, the old KMT authoritarian regime carried out protection-oriented developmentalism as a patron-client strategy to gain support from the business sector (Chu, 2011a).

During the democratic movements, Chu (2011a) argues that the market-dominated neo-liberalism as the economic discourse was acted out by certain reformers in concert with the localisation discourse to oppose the authoritarian party-state. For example, some economists published reports and books about ‘disintegrating the KMT-state capitalism’ and promoting privatisation in place of the ‘state enterprise’, owned and controlled by the KMT (Shen et al., 1991; Cheng, 1993). The discourse of ‘disintegrating the KMT-state capitalism’ had significant impact on the privatisation and liberalisation strategy of economic policy since the late 1990s (Chu, 2003). Consequently, when the DPP gained power and joined the WTO, the DPP government not only carried out deregulation of economic policy, further focusing on privatisation, financial liberalisation and public-private partnership to garner political support and campaign donations (Hsu, 2009), it challenged domestic industries to face the global market as well as international and regional competition. Specifically, the preponderance of Taiwanese industries came from small and medium-sized enterprises which had limited ability and capital to upgrade their competitive advantages and compete with international companies.

In response to the domestic, cross-straits and global developments, the DPP government proposed the policy package ‘Challenge 2008 – Six-Year National Development Plan’ (hereafter Challenge 2008) in 2002. Challenge 2008 focused on ten major projects, (1) cultivating talent for the ‘e’ generation, (2) developing the cultural creativity industry, (3) developing an international base for research, development and innovation, (4) increasing value-added production, (5) doubling the number of tourists visiting Taiwan, (6) developing a digital Taiwan, (7) developing Taiwan as an operations headquarters, (8) improving the transportation infrastructure, (9) conserving water resources and the ecology, and (10) constructing new hometown communities.

Therefore, it can be seen that Challenge 2008 was a strategic fix to tackle three economic problems: the challenge of global competitiveness, the magnet impact of the rising Chinese market and the historical political and financial problems (CEPD, 2003, pp.1-3). Moreover, Challenge 2008 was expected to build a ‘green silicon island’ with economic growth, employment creation and improvement of living quality (CEPD, 2003). Underlying the literal economic goals, it is noted that the implicit political goal of Challenge 2008 aimed to decrease the threat of China hosting the 2008 International Olympic Games (CEPD, 2008) because the grand games would bring a considerable international influence and growth in national competitiveness. In this vein, Challenge 2008 can be seen as an important political project for the DPP to construct ‘a new country’ of Taiwan. In addition, the DPP government revised the ten projects in 2005 within the semiotic frame of neo-liberalism. The new version encouraged private investment and highlighted a partnership strategy between the government and the private sector as well as the third sector (CEPD, 2005). This shows that the neo-liberalism had become the semiotic order in Taiwan’s economic policy and acted as the hegemonic discourse in the relevant practice.

5.1.3 the Emerging Civil Society and Taiwan’s Identity

During the same period, Taiwan underwent a process of social and cultural transformation as well as changes in political and economic structure. After
the intense political transformation from authoritarianism to democracy in the 1990s, the emerging civil society and Taiwanese identity were the two main changes during the DPP-dominated era from 2000 to 2008.

5.1.3.1 From ‘Folk Society’ to ‘Civil Society’
Under a series of social movements and a nationwide community empowerment movement, with the semiotic practice of decentralisation discourse and localisation discourse, the relationship between state and society had significantly changed. The state-society relation has shifted from antagonism to being complementary with prevalent use of ‘Civil Society’ (公民社會) from 2000 (Fan, 2008). In particular, the concept of ‘cultural citizenship’ was advocated by the CCA from 2004, which consolidated the imaginaries of ‘citizen’ and its corresponding ‘citizenship’ in cultural policy.

Before 2000, ‘Folk Society’ (民間社會) was the selected and preferred term used by activists and academia, in one way to distinguish the imaginative social relationship from the state, and in another way, to legitimise the protests and demonstrations against the authoritarian state in the transition to democratisation. After the lifting of martial law, some commentators and intellectuals used ‘Folk Society’ to advocate society’s autonomy, which meant unofficial folk power generated at grassroots level against the authoritarian state and the legitimising of grassroots protests (Fan, 2008; Lee, 2010). Thus, the folk society asked the authoritarian state to release all illegal control over society. They demanded the ‘State Party’ (黨國), the term they used to refer to the authoritarian KMT, to stop improper societal control. Their substantial claims included the liberalisation of the media and unions and university autonomy. During the period from 1987 to 2000, the relationship between the state and society was one of antagonism (Fan, 2008; Lee, 2010). It is worth noting that Chen, Chi-Nan started to propose the concepts of ‘Citizen Country’ (公民國家) and ‘Citizen Awareness’ (公民意識) when he was assigned as the deputy head of the CCA from 1993 to 1997, and promoted a series of CEPs. Chen, as an anthropologist, found that Taiwanese history lacked awareness of citizenship and civil society,
and that the term ‘country’ had been understood based on national identity, blood relationships, shared culture, and experience (Chen, 1992). As a result, the Taiwanese rarely identified themselves as ‘citizens’ or exercised their right to participate in public affairs. He actively developed the community empowerment project in the CCA. The claims of ‘Folk Society’, and the combination of Chen’s discourse and the community empowerment movement in the 1990s led to the emergence of civil society (Chen, 1992; Lee and Wu, 2008). For instance, Lee (2014) pointed out that the rationale of community empowerment is to make people become ‘citizens’ by participating in community affairs. With the semiotic-practice in the constitution of the relevant CEPs, he argues, community empowerment contributes to Taiwanese civil society. In this context, activists started to claim themselves to be ‘citizens’ with legal rights to participate in public affairs in the social movements. Furthermore, they advocated ‘Civil Society’ and pushed the state to initiate education reform, media reform and financial reform. With the establishment of democratic institutions and the first rotation of the ruling party in 2000, the frequency of the discourse of ‘Civil Society’ in media coverage surpassed ‘Folk Society’ according to Fan’s (2008) survey.

Advocacy of ‘Civil Society’ provided alternative imaginative relations between state and society. The activists and some leaders of foundations and associations joined government projects to promote the reforms, which formed specific partnerships between state and society (Fan, 2008; Lee, 2010). These partnerships in the 2000s meant that people expected the state to interfere in the social field and tackle the contradictions of markets and conflicts among society; at the same time, citizens were expected to self-organise and participate in community life (Fan, 2008; Lee and Wu, 2008).

Another important development in civil society is the advocacy of ‘cultural citizenship’. The discourse of ‘cultural citizenship’ was first presented in cultural policy by Chen, Chi-Nan when he was the chairperson of the CCA from 2004 to 2006, continuing his advocacy of ‘citizen country’ and defusing
ethnic conflicts. Chen issued the ‘Declaration of Cultural Citizenship’ with six points:

(1) Gaining basic human rights, political rights, and socioeconomic rights is not sufficient for the Taiwanese people: we need a new claim on cultural rights.

(2) We believe that both central and local governments have the responsibility to provide culture and art events allowing people to practise their cultural rights.

(3) We also believe that society as a whole needs to share the duty to support, develop, and maintain cultural and arts activities, heritage and resources.

(4) We believe that citizens should improve their knowledge of local culture and arts as the basis of cultural citizenship.

(5) We advocate an identity forged through the recognition of arts and culture rather than based on views of blood heritage, region, or ethnicity.

(6) Our final purpose is to establish a common society based on culture and aesthetics.

In order to promote the concept of ‘cultural citizenship’, the CCA launched a series of activities such as multi-ethnic festivals, ethnic cultural meetings, and visual arts exhibitions. Although the discourse of ‘cultural citizenship’ made no practical progress in Chen’s term (Wang, 2012), the discourse has often been used by the state to justify subsidy, as well as by civil society to identify citizens’ rights in policy-making and in debates such as the dispute over ‘Dreamers’ (see section 6.3.2).

Fan (2008) pointed out that there are three different meanings to ‘Civil Society’ in the context of Taiwan’s democratisation: encouraging every citizen to participate in public affairs, discussing publicly and rationally, and a partner relationship between state and society. This partnership led to some social movement organisations being included in the decision-making circle.

For example, some activists were, for the first time, appointed to lead official agencies or had the opportunity to work in administrative institutions or committees such as the Environmental Protection Administration, the Ministry of Education, or the National Human Rights Commission. Ho (2010) argued that the new partnership type of state-society relations under the DPP government loosened five-decades of state-local relations, which the KMT had depended on for consolidating its hegemony. Ho (2010) pointed out that the increasing involvement of activist movements also brought about some legislative successes. The emerging civil society provided greater opportunities for the generation of civil discourses and further negotiation strategies for the civil actors in the semiotic struggle.

5.1.3.2 Theorising Taiwan and Taiwan’s Identity

As mentioned in the last section, ‘Taiwan’s subjectivity’ was the political imaginary of nation-building for the DPP government to frame the projects overall. It is noted that the main goal of the projects of ‘Taiwan’s subjectivity’ for the DPP government was to release Taiwan from the previous Chinese-centric discourse of ‘Taiwan being part of China’ (Chang, 2004). In this sense, the DPP government dedicated a series of state projects to building cultural consensus rooted in ‘Taiwan’s subjectivity’. In other words, these projects entailed narrative content related to ‘Taiwan’ not only aimed at building the hegemonic imaginary of ‘Taiwan’s subjectivity’, but also attempting to articulate a nation-building narrative. Chang (2006) defined the process as ‘theorising Taiwan’. Through these strategies, the DPP government was directly involved in the construction of ‘what Taiwanese culture was’, introducing a Taiwan-centric worldview, restructuring the framework for the transmission of knowledge and redefining the meaning of ‘Taiwanese-ness’ (Chang, 2006, p.199).

Within the process of “theorizing Taiwan”, education policy and cultural policy played integral roles. Regarding educational policy, the textbook ‘Getting to know Taiwan’ (認識台灣) was introduced into the junior high school curriculum in 1997. The Taiwanese Literature Department was first established in Aletheia University in the same year followed by other national
universities. In 2001, local knowledge was embedded in the new curriculum of primary and secondary schools, such that every child had to learn their local culture and native language.

Aspects of cultural policy, building a ‘Cultural Taiwan’ with subjectivity, multicultural and creativity were the principles of the DPP’s cultural policy according to the 2004 Cultural Policy White Paper (CCA, 2004a, p.239). In the Paper, the CCA aimed to develop cultural subjectivity, to make everyone identify proudly, ‘I am Taiwanese’. Chen, Yu-Chiou (陳毓秀), who was the first chairperson of the CCA in the DPP government from 2000 to 2004, emphasised two differences in cultural policy after the first party alternation. One was a shift in the theme of cultural policy from unity to diversity; the other emphasised the core values of cultural policy in ‘Taiwan’s subjectivity’ rather than the KMT formation of ‘Chinese Taiwan’ (Interview with Chen, Yu-Chiou, 2012). Accordingly, the CCA, under the DPP administration from 2000 to 2008, conducted a series of projects to seize the hegemony of ‘Taiwan’s subjectivity’ over the discourse of Chinese nationalism that the KMT had constructed for five decades.

In the beginning, the CCA collected historical data, published a variety of art books, and subsidised various kinds of cultural documentaries in order to systematically introduce Taiwanese culture and artists and construct a privileged identity. Then, the CCA set up the digital National Repository of Cultural Heritage (http://nrch.cca.gov.tw/ccahome/index.jsp) as a resource for Taiwan-themed museums (Chen, 2004a). This included varieties of digitalised historical and cultural data such as music, fine arts, theatre, dance, literature, film, architecture, ancient texts, and old photographs, and laid the foundations for national cultural development, which can be accessed by the public or schools as teaching materials for ‘Local Studies’ (鄉土教學). At the same time, the ‘Cultural Heritage Preservation Act’ was amended in 2002 from the Chinese-centric perspective, which focused on preserving Chinese heritage (especially related to Mainland China), to a multicultural perspective, which involved Aborigines, Hakka, Hokkien and other ethnic groups’ heritages (CCA, 2004a).
As a result of the semiotic practice promoted by the state, people’s identity significantly shifted. In 1992, the majority of people still perceived themselves as ‘Chinese’ (44 per cent) or ‘both Taiwanese and Chinese’ (36.5 per cent). Only 16.7 per cent claimed that they were purely ‘Taiwanese’. This situation started to reverse between 1994 and 1996 as Lee, Teng-Hui won the Presidential election in 1996 and started his Taiwan-centric policy. The figures of those who identified themselves as ‘Chinese’ kept on falling and those identifying themselves as ‘Taiwanese’ continued to grow. During the DPP government’s active cultural mobilisation, the figure for those claiming Taiwanese identity had risen considerably from 36.9 per cent in 2000 to 48.8 per cent in 2008. By contrast, Chinese identity had decreased significantly from 12.5 per cent to 4.1 per cent during the same period\(^\text{18}\).

This section has reviewed the three main aspects of the structural context. In summary, Taiwan experienced dramatic political, economic, social and cultural changes under the rule of the DPP government. In this context, there were three main actors (the state, the cultural sector and the civil society) participating in the semiotic practice of industrialisation in cultural policy between 2002 and 2008. The following sections analyses the semiotic practice among these three main actors and explores the semiotic-material evolution of industrialisation with economic imaginaries.

### 5.2 The Rise of Cultural and Creative Industries

As discussed in the background section of this chapter, the first change of ruling party in 2000 led to significant changes in Taiwan. With respect to the cultural field, the state’s support for cultural affairs had consequently altered multiculturalism and ‘Taiwan’s subjectivity’ had been selected as the essential theme of cultural policy (Interview with Chen, Yu-Chiou, 2012).

During the first two years of the DPP government, it is evident that the CCA dedicated itself to redefining Taiwanese culture and consolidating Taiwanese identity through local heritage. In the first year under the DPP government, the CCA defined 2001 as ‘the year of Cultural Heritage’ to achieve these dual goals. On the one hand, the CCA conducted a great number of investigations and projects to promote the preservation of Taiwanese cultural heritage. For instance, the Cultural Heritage Preservation Act was amended and included traditional art, folk culture and historical buildings, which contained a ‘Taiwanese element’. In this revised version, Taiwanese Kua-a hi (歌仔戲), Hakka Ba-Yin music and Payuan nose flute music (the music of an aboriginal tribe in Taiwan) gained unprecedented approval and systematic preservation by the government, including renaissance projects, education projects and publications (CCA, 2004a). On the other hand, the CCA actively participated in the international activities of the World Heritage List. Although Taiwan is not a member of the United Nations Educational, Scientific and Cultural Organization (UNESCO), the CCA selected twelve spots as potential world heritage sites and organised a committee to strive for internal acknowledgement and international recognition. This can be seen as an attempt to build Taiwan’s national image.

Then, 2002 was designated the ‘Year of the Cultural Environment’ by the CCA. This not only entailed the amendment of, and research into, cultural law such as the ‘Cultural and Arts Reward Act’ and the ‘Basic Language Law’, a survey of cultural activities and cultural information, but also included the construction of cultural facilities such as the National Museum of Taiwanese Literature, National Museum of Taiwanese History, and projects for reuse of abandoned spaces (CCA, 2004a). The goal of 2002 was to enhance equal access to cultural affairs, and bridge the gap between city and countryside in cultural infrastructure.

However, the overall outcome was not as positive as the DPP government expected. As mentioned above, the DPP government, a new government at that time, dedicated itself to conducting ‘new’ economic strategies and thus launched a knowledge-based economy to fix economic transformation. However, this did not bring the expected advantages. Specifically, the DPP government encountered a political and economic crisis in 2002. As a result,
the DPP launched the grand cross-sector project ‘Challenge 2008’. About the same period, some policy-makers started noticing a trend for cultural economy, through which the creative industries became a popular strategy to create employment and economic growth as well as bring symbolic capital of positive national image, in Austria and Britain. For example, *Creative Nation: Commonwealth Cultural Policy* was translated and published by the CCA in 1996. In addition, Chen, Chi-Nan, who was the policy consultant of the Executive Yuan from 2000 to 2004, thought it could be adopted in Taiwan with similar effects, and asked the CCA to research the British *Creative Industries Mapping Document* (Interview with Kuo, Chi-Chou, 2012)\(^\text{19}\). Soon, the term ‘Cultural and Creative Industries’ (CCIs or Wen-Chuang) was invented in Taiwan and listed in the second project of ‘Challenge 2008’. With the state’s emphasis, CCIs were identified, explained, narrated and spread around Taiwan.

As discussed above, the DPP government launched ‘Challenge 2008’ in the face of national and international challenges from 2002 to 2008. Among the ten projects, CCIP and New Hometown CEP were two main ones that played an essential role in policy-making and implementation and led to fundamental changes in industrialisation in cultural policy. This was the very first time that the role of cultural policy was highlighted by the central government and shifted from the margins to the centre of national development plans. In particular, industrialisation was the common topic of the two projects and had an impact on the transformation of meanings and direction. Both projects were linked with industrialisation in the CEP context, while ‘Industrialisation of Culture’ and ‘Culturalisation of Industries’ were listed as the principles of implementation of both projects. Therefore, the two projects can be seen as strategic fixes for the state to confront the economic crisis and contentious national identity, which led to the transformation of industrialisation in cultural policy after 2002. The next section will firstly analyse the discursive-material evolution of the CCIP, then

\(^{19}\) Kuo, Chi-Chou was the secretary of Chen, Yu-Chiou. Before working in the CCA, he studied Cultural Policy at Warwick University. When he was assigned to do research on British creative industries in 2002, he found it was the previous version (*Creative Industries Mapping Documents 1998*), and renewed the latest version (*Creative Industries Mapping Documents 2001*) to the CCA (Interview with Kuo, Chi-Chou, 2012).
the development of New Hometown CEP will be elaborated on in section 5.3.

5.2.1 The Semiotic Practice of Cultural and Creative Industries
According to ‘Challenge 2008’, the CCIs were viewed as the industrial type with the highest added-value of the knowledge-based economy and expected to suit the production of the ‘Post-Fordism’ era and deepen competitiveness. The policy goal was to “extend the creative field and develop cultural industries by the combination of humanities and economy” (CEPD, 2003, p.46). To achieve this goal, it can be said that CCIs were primarily based on economic thinking and served as a ‘cultural turn’ to upgrade the national economy. Chung (2012) argues that the CCIs were seen as an economic panacea to transform the national economy. However, the state did not have a clear economic imaginary of the CCIs and did not know how to adopt foreign policy into Taiwan’s context in the beginning. In the initial stages, the team only defined CCIs by vague categories, as follows (CEPD, 2003, p.46):

(1) The Core Industries of Culture and Arts. This includes the creation and presentation of fine arts, performance arts, visual arts, and traditional folk arts.

(2) The Application Industries. This refers to the application based on the above core, such as popular music, costume design, advertising and graphic design, film and broadcasting production, and game software design.

(3) The Supportive and Peripheral Industries. This means the relevant sectors that support the above industries, such as curatorship, professional exhibition, and advertising planning.

Under this scope, the deputy head of the CCA, Wu, Mi-Cha (2003), claimed that the role of the CCIs was not only as a type of knowledge-based economy but also as an essential benchmark of the transition from traditional economy to cultural economy. ‘Cultural economy’ was officially involved in the policy statement. In order to gain public acknowledgement
and support for this new concept of cultural economy and the CCIs, the state made considerable efforts in project action and the relevant strategic discourse.

In policy projects, the DPP government planned five sub-projects to promote the CCIP (CEPD, 2003, pp.46-63). First, it took a cross-sector approach to organising the ‘Cultural and Creative Industries Promotion Team’ (hereafter CCIs Promotion Team) under the Ministry of Economic Affairs. The CCIs Promotion Team took responsibility for coordinating and integrating the Ministry of Economic Affairs, Council for Cultural Affairs (CCA), Council for Economic Planning and Development (CEPD) and Ministry of Education. Then, in the second and third cross-ministry meetings (March and July 2003), the CCIs Promotion Team referred to the definition of British creative industries\(^{20}\) and the definition of UNESCO’s cultural industries\(^{21}\) and then created the definition of CCIs as follows:

Industries originated from creativeness and accumulation of culture and formed and utilised through intellectual properties that have the potential to create wealth and employment opportunities and prospects to promote upgrading of the overall living environment. (CCA, 2004a, pp.125-126).

Moreover, the CCIs Promotion Team regulated thirteen categories of CCIs and assigned supervisory agencies respectively. The Ministry of Economic Affairs was the coordinator responsible for all kinds of design industries, advertising industries and creative living industries; the CCA took responsibility for fostering the talented, environment preparation, and nurture art-related industries including visual arts, music and performance arts, cultural facilities and craft; the Government Information Office was in charge of media industries including film, broadcasting and publishing; and the Ministry of Education took charge of cross-field human resource development (CCA, 2004a).

\(^{20}\) Those industries that are based on individual creativity, skill and talent with the potential to create wealth and jobs through developing intellectual property (DCMS, 2001, p.5).

\(^{21}\) Combines the creation, production and distribution of goods and services that are cultural in nature and usually protected by intellectual property rights (CCA, 2004a, p.125).
The Second sub-project aimed to cultivate people with arts, design and creative talents. Despite the Ministry of Education improving arts and design education at every level of schooling, the CCA and Ministry of Economic Affairs collaborated on international exchange projects. Based on the sub-project, five national universities were chosen as ‘Teaching and Resource Centres’. These universities had gained good reputations for art and design and were located respectively in northern, central and southern Taiwan. They were Taipei University of the Arts, Taipei University of Technology, Yunlin University of Science and Technology, Cheng Kung University and Tainan University of the Arts. As well as these centres, CCIs-related departments or graduate schools emerged around Taiwan. According to the data provided by Yu, Kuo-Hua, Wu, Jing-Jyi, and Fan, Hsueh-Liang (2012, pp.13-14), there were eighteen departments and graduate institutions established for ‘Cultural and Creative Industries’ or ‘Creative Industries Design’ from 2002 to 2008.

The third sub-project planned to establish a favourable environment for the development of CCIs. In addition to the enhancement of intellectual property rights, the project contained infrastructure such as design centres and CC Parks. Thus, the Taiwan Design Centre was funded by the Ministry of Economic Affairs and another seven enterprises were set up as an integrated platform to promote design industries in 2004 (Chen, 2004, p.38). CC Parks were created in five former industrial factories and warehouses located in Taipei, Hualien, Taichung, Chiayi and Tainan. After negotiation, the five CC Parks were dominated by the CCA to revitalise heritage as a platform for cross field and resource integration. For the CCA, the CC Parks soon became the core way to promote the CCIs and affect the economic imaginary of industrialisation. This will be further discussed in a later section.

The fourth sub-project focused on six key design industries including business design, creative living design, textile and fashion, digital art creation and traditional craft industries to transfer their traditional image and create jobs. Despite the digital art creation being managed by the CCA, the other five industries were dominated by the Ministry of Economic Affairs and focused on innovation and added value.
Lastly, promoting cultural industries was the fifth sub-project of the CCIP. Here, the state interlinked the term ‘cultural industries’ within the categories of CCIs. There were four types of cultural industries, creative art industries, creative publishing industries, creative media and music industries, and the animation Industry. On the one hand, the CCA was assigned to assist the industrialisation of the creative art industries by nurturing talent, managing audience marketing and building partnerships between enterprises and the art sector. Accordingly, the CCA named 2004 ‘The Year of the Talented’ to emphasise the implementation of the project. On the other hand, the Government Information Centre administered the other three industries, which were expected to develop with a specific Taiwanese style and build a national image for Taiwan in the international market.

In order to promote the above CCIP, the CCIs Promotion Team needed to develop strategic discourses. They not only introduced foreign experiences, but also linked the policy inheritance to the cultural industries and the CEP. For example, the CCIs Promotion Team referenced the United Nations and the British definitions and policy content of creative industries to claim the Taiwanese CCIs were ‘good business’ with economic benefits such as job creation, profit increase and increasing the status of the Chinese world (CEPD, 2003, p.46). Moreover, according to the first Yearbook of the Cultural Creative industries 2003, Yu, Shyi-Kun, who was the Prime Minister from 2002 to 2005, took Britain’s creative industries as an example to advocate how culture can be an economic activity and can be transformed into tangible assets (Chen, 2004). In addition, the CCA sought the definition and methods of international society to explain what the CCIs are. For example, the ‘CCIs International Summit Conference’ was held in Taipei in October 2002, in which Michael Seeney was invited to be the keynote speaker and talked about British creative industry policy. In November of the same year, the ‘Entrepreneur Forum for Cultural Exchange between Taipei and London’ invited Philip Dodd to share the British experience. In early 2003, the CCA organised an investigation group to visit Britain, France and Demark. When they came back, they shared foreign experience and organisation mechanisms with the public in Huashan CC Park (華山文創園區). Furthermore, the CCA subsidised a publishing project to translate a

Meanwhile, the CCA attempted to constitute an inheritance of accumulated experience of cultural industries from the CEP in order to efficiently promote the CCIs. The linkages showed the CCA’s attempt to transplant the existing semiotic hegemony of industrialisation from the CEP to the emerging CCIs. This is evident in the introduction of the CCIs in 2004 *Cultural Policy White Paper*:

In 1995, the CCA proposed the concepts of ‘industrialisation of culture’ and ‘culturalisation of industry’ in the ‘Culture • Industries Symposium’. Cultural industry has become the core of community empowerment. Under the impetuses of globalisation and technological advancement, a new economic model that centres on ‘innovation’ has been formed, called the knowledge-based economy, and the idea of ‘Think Globally, Act Locally’ has become a mainstream concept in the twenty-first century. To get closer to this idea, the government started to propose the CCIP in ‘Challenge 2008’. Through a combination of art creativity and commercial operations, the CCIP is expected to create cultural production with local cultural characteristics, deepen cultural identities and increase the added value for these industries (CCA, 2004a, p.125).

In the inclusive discourse, the value of the CCIs represented diverse dimensions. It not only highlighted the link with the cultural industries and re-emphasised the importance of cultural identities and local cultural characteristics, but also reclaimed the significance of industrial transformation and the economic benefits of the CCIs. Moreover, the cases of local cultural industries accumulated a variety of prosperous analyses and discourses, the CCA stressed and explained the economic impact of culture, which facilitated the concepts of the CCIs being widely disseminated and obtaining the support of society (Tsai, 2010). Specifically, the CCA built its
dominant role in the discursive formation of the CCIP. In 2008, when the KMT took power and revised the CCIP into the second stage (2008-2013), The CCA was assigned to the leading department to take charge of the project. In the process, several new discourses were selected to promote the CCA’s CCIP and strategically form the economic imaginaries of the CCIs.

In addition, the National Culture and Arts Foundation\(^2\) played a special role in the linkage of the CEP and CCIP. In the initial stage, the Ministry of Economic Affairs assigned The National Culture and Arts Foundation to conduct a survey of the CCIs for policy-making. The Foundation’s report advised the state to take a core-peripheral approach (Hsueh, 2002, p.63). It also conducted thirty-four case studies based on the local experience and published a book entitled *The Practical Guidebook of Cultural and Creative Industries* (NCAF, 2004). The editors of this book gave a detailed profile of every case and analysed the process based on the stages of creation, production and distribution. It aimed to provide strategies for industrialisation and culturalisation, which emphasised business thinking, and viewing culture as good business (p.6). These case studies included craft industries, creative living industries, local feature industries, performance industries, cultural facilitation industries and visual arts industries, which all focus on the relationship with the local area and are mostly related to community industries.

Through these material projects and discursive practice from international and domestic experiences, CCIs became acknowledged in Taiwanese society. The term ‘Wen-Chuang’ (the abbreviation of the CCIs in Mandarin – 文創) has become a very popular word on the street and in society, such as ‘Wen-Chuang coffee shops’, ‘Wen-Chuang restaurants’ and ‘Wen-Chuang fairs’. However, its popularity and arbitrary usage with other objects has brought a dramatic change to the community cultural industries with a focus

\(^2\) The National Culture and Arts Foundation was founded in 1996. It receives funding partly from the CCA, and partly from private individuals and groups. It is led by a board of directors, who oversee the fund’s operations as well as its budget, and is also served by a board of supervisors, who keep tabs on the fund’s financial condition, and ensures that funds are being used in the most effective manner possible. [Online]. [Accessed 14 January 2015]. Available from: [http://www.ncafroc.org.tw](http://www.ncafroc.org.tw)
on indigenousness and participation. In other words, the hegemony of industrialisation under the content of the CCIs has replaced the CEP with its industrialisation focus on community, democratisation and participation.

After a two-year implementation, the CCIs Promotion Team reviewed the CCIP from the viewpoint of executive effectiveness, objective management and funding requirements in 2004 (Ministry of Economic Affairs, 2004). According to the revised plan (CEPD, 2005), the framework was renamed and amended into five projects: (1) organising the developmental mechanism for cultural and creative industries; (2) establishing resource centres for cultural and creative industries; (3) developing arts industries; (4) developing essential media cultural industries; and (5) developing Taiwan design industries.

In summary, there were three main changes related to the content and meaning of industrialisation. Firstly, the core-application-support scope of the CCIs was deleted in the revised plan and replaced by the thirteen categories. According to the interviews with Chen, Yu-Chiou and Kuo, Chi-Chou (郭紀舟) in 2012, this was a compromise among the different ministries who had different concerns. Both of them indicated that since the beginning of the CCIP, the Ministry of Economic Affairs and the CCA had contradictions and conflicts over the content of the CCIs and their strategies of promotion. It was difficult to integrate the interests and perspectives of both sides so that they promoted the CCIP respectively based on each side’s perception (imaginaries) and strategies.

It can be observed that the core-application-support scope nearly vanished in the official policy documents after 2005. In contrast, three grouping types of CCIs, arts industries, essential media industries and design industries, were distinguished and highlighted in the revised projects. Furthermore, in the 2006 Yearbook of Cultural and Creative Industries, the core industries became design service industries and popular cultural industries (Chen, 2007, p.25). It is noticeable that the importance of media industries for the CCIs development has been increasing in the state’s policy framework since then. The revised plan in favour of the media industries can be attributed to
the impact of the ‘Korea Wave’. With the popularity of the Korea Wave in Taiwan in the 2000s, Korea’s success was widely discussed in the press and academia (Doong, 2013; Kuo, 2011; Kuo, 2010; Kuo, 2012). The development and policy of Korea’s CCIs has been used as one of the references in the Yearbook of Cultural and Creative Industries since 2003. Specifically, the impacts of the media industries in the CCIs have been notable in Taiwan since 2008. This will be discussed in the third phase (Chapter 6).

Secondly, there were clear divisions of work in the establishment of resource centres for the CCIs. The Ministry of Education maintained the education and resource centres to enhance the mechanism of cooperation between universities and industries. The Ministry of Economic Affairs set up the Taiwan Design Centre in 2004 and aimed to improve Taiwan’s national image by the commercialisation of product design. The CCA took charge of the five CC Parks with the highest budget of 350 million NT dollars, which constituted nearly one third of the total budget of the CCIP from 2002 to 2007. The Government Information Office was assigned to build an information platform for the national media and music industries. This was a new infrastructure for private companies to promote Taiwanese films, broadcast programmes and pop music. This reveals that the state had started to be aware of the impacts of the media and pop music industries.

Thirdly, the revised project showed an increasing emphasis on quantitative assessment of the outcome of the CCIs. It was evident that the goal of the CCIP was to achieve significant growth in turnover (by 1.5 times) and job creation (by 1.5 times). The Promotion Team encouraged workers in the CCIs to participate in national competitions. The number of international awards was aimed to double and the value of international brands was projected to rise by five times. The pursuit of quantitative outcome implied the imaginaries of the economic sector originated from its familiar efficiency thinking of market discourse. In terms of the market discourse, ‘culture is good business’ had become a popular term to promote the new culture-economy relations that the CCIs had stimulated. In other words, the market discourse had been increasingly stressed in the semiotic practice of
industrialisation since 2002. Regarding the state discourse, ‘Branding Taiwan’ was related to the DPP’s nation-building project and consolidated Taiwan’s identity though selected CCI s projects.

5.2.1.1 Culture is Good Business

When the CCI s policy was introduced into Taiwan, policy-makers tried to find a way to explain the new concept to society. One influential interpretation of the combination of culture and economy was ‘culture is good business’ (文化是好生意). This soon became an appealing term for the public and was widely accepted by Taiwanese society. This can be inferred from several conditions.

Firstly, the term was derived from the title of Feng, Chiu-Ling’s book Culture is Good Business (2002) and soon the concept that ‘culture is good business’ was being quoted in various official documents and private businesses. It might be the first book in Mandarin to publicise the connection between culture and good business by Asian cases. As a Malaysian Chinese, the author explained that ‘business’ (生意) means ‘vivid idea’ (「生意」動的主「意」) in Mandarin, literally stressing the importance of market economy and entrepreneurs in contemporary cultural development (Fong, 2002, pp.18-22). She takes Asian cases, including Taiwan, Malaysia, Korea, Thailand and China, to discuss strategies for making national characteristics into a new fashion for market profit as well as developing competitive advantages through cultural tourism. Throughout the book, the author repeatedly adopts the term from Taiwan ‘Culturalisation of Industries’ and ‘Industrialisation of culture’ to identify critical strategies and create business for Chinese and Asian culture. The book was so popular that it was reprinted six times within 6 months (between April and September 2002) in Taiwan. Then, the discourse of ‘culture is good business’ became a catchy slogan, adopted arbitrarily in the field of CCI s. Compared to the policy narratives focusing on employment and economic growth, ‘business’ (生意) is a simple and clear message for the general public to understand through the new
term of ‘Wen-Chuang’ (CCIs). It was used to reinforce the economic effects of culture and explain the fewer subsidies on cultural industries. For example, the National Culture and Arts Foundation referred to this book when conducting the ‘profile and survey of the cultural and creative industries’ (Hsueh, 2002). Then, in the book *Knowing Cultural and Creative Industries*, published by the CCA to introduce the concept of the CCIs, the CCA described the thread of ‘culture is good business’ for government to follow (Chang, 2003, p.51). Moreover, Chen, Yu-Chiou captured the discourse to describe the CCIs as the highest value-added knowledge-based economy which can ‘make brain into cash’ (Chen, 2003, p.69). In addition, Wu, Mi-Cha, the deputy head of the CCA from 2001 to 2004, emphasised the importance of art management and the industrialisation mechanism in the arts industries to reduce the dependence on subsidies (Wu, 2003). Then, Sun, Hua-Hsiang, the research director of National Culture and Arts Foundation, explains the features of CCIs include engaging culture in substance and employing creativity through business thinking. She illustrated that the production of CCIs is a process or service which was a pleasurable cultural experience given to consumers during consumption (NCAF, 2004, p.6).

Secondly, the discourse creates an imagined bridge between culture and economy/business for the general public. Before the creation of the discourse, the perception of cultural policy for most people in Taiwan was mainly related to Chinese-based traditional culture and Western classical music, performance and classical dance (Su, 2001). For ordinary people, there was a big gap between accumulating the cultural capital to appreciate, and the economic capital to access, culture and the arts. After the promotion of the CEP focused on local projects and the participatory approach, people were encouraged to engage with cultural activities and cultural industries they were familiar with in government-funded projects. In particular, the industrialisation of cultural industries aims to empower and revitalise communities, which, more or less, has brought a certain positive relationship between cultural affairs and business operation. In other words, the previous context had laid the foundation for this discourse to connect culture and business, making sense and become a hegemonic discourse.
Thirdly, the CCA and CCIs Promotion Team referred to a great deal of figures and cases to advocate the economic benefits, such as the creation of jobs and wealth, the innovation impact and upgrading the image of the regions. The state predicted a prosperous outlook for economic transformation, which fitted most people’s expectations. In particular, researchers from a business background engaged in the projects. Their persuasive surveys and arguments (such as a series of *Yearbook of Cultural Creative Industries*) enhanced its popularity though the media and press.

Given the above conditions, the discourse ‘culture is good business’ has created a new prospect, linking culture and economy in a way that culture can really bring concrete economic benefits. The meaning of industrialisation thus changed. Although some researchers criticised the discourse and argued it was a ‘sale of culture’ (販賣文化) (Han, 2012; Huang and Cheng, 2007), others have a more positive perspective, arguing that “a ‘sale of culture’ is not a bad thing, instead, it is a magic weapon to promote culture” (Chieh, 2006, p.6). The discourse has been influential and lasted so far. The latest case to employ the term in the government policy took place in Tai-Chung City where the former mayor, Hu, Chih-Ching (Jason Hu) who was in power from 2001 to 2014, claimed that the CCIs is good for the business of the city, to promote the city’s image and create economic benefits (Hu, 2014).

### 5.2.1.2 Branding Taiwan

Another specific discourse of the CCIs for the DPP government is constructing the national image of Taiwan, though the symbolic power of CCIs to shape a more competitive and distinguished image. On the one hand, it was expected to facilitate economic transformation and capital accumulation in the global market; on the other, it consolidated ‘Taiwan’s subjectivity’.

In the 1970s, Taiwan was renowned for manufacturing industries such as toys, umbrellas, bicycles, clothing and small electrical appliances. Then
Taiwan emerged as a key supplier of core high-tech industries in the world in the 1980s and 1990s. The label of ‘Made in Taiwan’, with products selling around the world, used to be a symbol of national pride. However, facing the competitive restructure of the global economy and the rise of China, the CCIs Promotion Team expected the CCIs would change the national image of Taiwan for exports and international trade. Accordingly, in the CCIP revised version, the CCIs Promotion Team encouraged designers to participate in international competitions, which meant seeking international exposure and creating a national creative image. Moreover, the Ministry of Economic Affairs intensified the application of the Taiwan-related topic not only for facilitating people to identify Taiwanese culture but also for building the brand of ‘Design in Taiwan’ in the global market (CEPD, 2005, pp.2-3). By doing so, the figure of the international award in the four main international design competitions (iF, Reddot, IDEA and G-Mark) had grown considerably from 26 in 2003 to 145 in 2008 (Ministry of Economic Affairs, 2008).

In addition, the CCA promoted CCIP, advocated ‘Cultural Taiwan’ as a replacement for ‘Made in Taiwan’ and wanted ‘creativity and innovation’ to become the new symbol of Taiwan (CCA, 2004b, p.241). As Chen, Yu-Chiuo (2004b) argues, “one of the most important aspects of the work of Taiwan’s cultural and creative industries is using branding techniques to build and introduce an image of contemporary Taiwan to the world” (p.7). One case, the ‘Taiwan Dress Party’, was launched by the CCA as one of the essential sub-projects of the ‘creative art industries’ project in 2002. The next year, it was jointly promoted by the CCA and the Ministry of Economic Affairs and held annually until 2008. In this project, ‘wearing Taiwanese dress made of Taiwanese cloth’ was the main concept, in order to create a Taiwanese national costume (Huang, 2003a). By co-working with industrial associations and international companies, the CCA encouraged designers to use indigenous culture and local textiles in their fashion designs to present diverse Taiwanese culture and establish an innovative image for Taiwanese
products. For example, folk region - Ba Jia Jiang\(^{23}\), Puyuma’s cross stitch\(^{24}\) and Hakka Tung Blossom were the elements for designers to make a ‘Taiwanese outfit’ (Huang, 2003a; Chen, 2007). As a result, the project cultivated young designers and mediated professional designers into international fashion stages; more importantly, it stimulated designers to discover a great deal of ethnic cultural elements in dress and let the world see Taiwan in a different light (Chan, 2008). Through these self-discovering practices and the appealing slogan ‘Let the world see Taiwan’, the discourse of ‘branding Taiwan’ was formed. In fact, the discourse ‘branding Taiwan’ can be seen as a political imaginary for the DPP government to renew Taiwan’s national image as a diverse and fashionable country rather than a mono-Chinese or traditional manufacturing society. It particularly strengthened the national identity, as Bi-Yu Chang (2006, p.202) emphasised, the making of ‘branding Taiwan’ was expected to cut cultural ties with China.

Parallel with the development of the two main discourses, one strategic approach to economic imaginaries was emerging following the cultural policy. One was the ‘CC Parks approach’, which was seen as part of the main strategic infrastructure by the CCA to cultivate the CCIs (CCA, 2004b). Through the allocation and reuse of space, it can be noted that the state actor took a spatial perspective to develop industrialisation in cultural policy. The detail will be elaborated in the following sections.

### 5.2.2 The Economic Imaginary of the CCIP: CC Park Approach

According to the CCIP, the project ‘Culture and Creative Parks’ (CC Parks) was particularly noticeable. It not only gained the majority of funding of the state from 2003 to 2008, but was also listed as the first essential project of the CCA to facilitate CCIs environment preparation (Han and Liu, 2008). According to the data collected by Han and Liu (2008), the annual spending

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\(^{23}\) Ba Jia Jiang is one of the traditional religion troupes in Taiwan, it refers to the eight generals of the King of Hell.

\(^{24}\) The Puyuma is one of the tribal groups of Taiwanese aborigines famous for knitting cross-stitch.
on the CC Parks accounted for more than 40 per cent of the whole CCIP budget under the DPP government, and the figure rose to 70 per cent in 2007. Furthermore, the CCA actively strived for the ownership of the CC Parks and viewed them as the anchor spaces for the bases of the CCIs (CCA, 2004b, p.30). It can be seen that the CC Parks had become the preferred strategy for the CCA to promote the CCIs.

In this vein, the CC Park can be seen as the economic imaginary of the CCIP to conduct industrialisation in cultural policy. The five CC Parks were located widely in five major cities around Taiwan, Taipei, Taichung, Chiayi, Tainan and Hualien. They used to be abandoned warehouses and factories of the state-owned Taiwan Tobacco and Wine Monopoly Bureau under the administration of the Ministry of Economic Affairs before 2002. When the CCA launched the project for the reuse of abandoned spaces in the late 1990s, Huashan, one of the CC parks located in Taipei, was one of the preliminary models and thus its artist-led experience shaped the imaginary of reused spaces (CCA, 2002a). For example, when the CCA decided to promote the project of revitalisation of abandoned spaces to the whole of Taiwan in 2001, Huashan was a popular reference (CCA, 2004a; CCA, 2004b). The CCA used the perspective of revitalisation and the experience of Huashan to persuade the CCI Promotion Team and consequently gained ownership of the five Parks in 2002 (interview with Yu-Shiou Chen, 2012; CCA, 2002a). Since then, the spatial imaginary of these parks had been changed in practice and caused a semiotic struggle between civil discourse, state discourse and market discourse which led to the discursive shift of industrialisation from the community participation approach to the CC Parks approach.

5.2.2.1 The Reuse of Abandoned Space and Artist Discourse

Before the integration of the CC Parks into the CCIP in 2002, the CCA had conducted the project for the reuse of abandoned spaces for three years. The project was triggered for the emancipation of space by civil society after
the lifting of martial law, in which artists and cultural groups played active roles in shaping the spatial imaginary of these spaces.

Since the rapid economic transformation of the 1970s and 1980s, there were numerous state-owned properties such as warehouses and factories that lay deserted or spare around Taiwan in the 1990s. At the same time, with the emergence of political democratisation, civil society asked to liberalise these state properties for public use (Huang, 2005; Hsu, 2009). Some cultural workers noticed these abandoned spaces and started to ask the CCA to use them for cultural purposes in the mid-1990s. Among them, ‘Huashan Arts District’, which is located in central Taipei, was one notable site and raised artistic discourses on cultural space. In 2002 when the CCA proposed the project of CC Parks, Huashan CC Park was viewed as the leading model and gained the most funding support (57 per cent of the total funding) from the government (Interview with Chen, Yu-Chiou, 2012; Han and Liu, 2008). The other four Parks were undergoing long-term renovation during this second phase. Therefore, it can be said that the project of the CC Parks was mainly established on the case of Huashan Park.

Huashan Arts District had been a Japanese winery since 1914. After WWII, it was taken over by the KMT government and became the Taipei Winery of the Taiwan Tobacco and Wine Monopoly Bureau. In 1987, the Taipei Winery was relocated to the rural area of Taipei City due to urban planning and environmental protection (Tsai, 2004). The factories and refining facilities in Huashan had been abandoned since then. In 1997, artist Tang, Huang-Chen (湯皇珍) and several cultural groups discovered the specific aura in Huashan and raised awareness of preserving this site. They hoped to reuse it as a multi-functional space for exhibitions and performances in contrast to the original state plan for a new building of Legislative Yuan. Consequently, they created the artist discourse of revitalisation by borrowing foreign experiences, such as art villages and art workshops (Tsai, 2002). In their practice, ‘diverse cultural and arts space’, and ‘cultural base sharing with the public’ were the repeated appeals. They collaborated with other cultural groups and associations to demonstrate, petition, hold forums, and lobby legislators to preserve these spaces and their heritages (Tsai, 2002). In this
vein, the ‘Association of Culture and Environmental Reform’ was organised by visual artists, performance artists, architects, film-makers and art educators to promote the artists’ spatial imaginary of Huashan Arts District. Through the discursive-practice process, the artists’ discourse seized the hegemony of spatial imaginary and guided the state’s project of revitalisation of reused space. In 1998, the CCA designated Huashan as an historical site and renamed the site ‘Huashan Arts District’ (Huang, 2006).

In 1999, the CCA chose thirteen trial sites to conduct multiple methods of reusing abandoned space; Huashan Arts District was one of the sites. The other cases included ‘Guling Street Avant-Garde Theatre’ which was transformed from the Japan-colonised police station into a performance stage, and ‘Artstock 20’ which used to be an abandoned warehouse of the railway-network in Taichung but became reused as an art-village (CCA, 2004a). At the same time, the CCA officially assigned the ‘Association of Culture and Environmental Reform’ to operate Huashan Arts District. During this period, artists dominated the space of Huashan and took the perspective of creators/producers to plan Huashan Arts District (Li, 2010). In addition to self-organising cultural activities to encourage artists’ participation, the association welcomed almost every kind of exhibition and performance including experimental theatre, avant-garde art and cross-field performance without any examination (Tsai, 2004). The association also simplified the procedure of application with very low cleaning costs of one thousand NT dollars (about £20) per case, thus providing an open and free environment for artists and students to rehearsals or display (Tsai, 2004). The low rent made most activities free of charge or with affordable tickets from two hundred to four hundred NT dollars (about £4-8). Therefore, it soon became an essential alternative site filled with a variety of arts and cultural activities in Taipei. According to the Yearbook of Huashan Arts District (1999-2001), the average usage rate of all spaces in Huashan had increased steadily from 43 per cent in 1999 to 76 per cent in 2001, and the number of exhibitions and performances had risen considerably from 199 in 1999 to 934 in 2001 (Tsai, 2002, pp.104-107). As a result, artists with diverse backgrounds naturally clustered in Huashan Arts District and produced a variety of creations.
Based on the artists’ efforts in Huashan Arts District and other cases such as Artstock 20, the artistic discourse shaped the state’s spatial allocation. In 2000, the CCA announced that ‘Reuse of the Abandoned Space’ (閒置空間再利用) would be the most important project of cultural policy in alliance with the promotion of the ‘Year of Cultural Heritage’ (CCA, 2004a). Huashan Arts District was not only an important case but was viewed by the CCA as a “model base for experiment, cross-field creation and nurture of the talented” (CCA, 2004a, p.140). The artistic discourse also influenced the city government’s spatial planning. In 2001, Taipei City Government designated the area of Huashan as a ‘Central Cultural Park’. The Association for Culture and Environmental Reform thus extended the space arrangement for the broader public, which included art education, community activities and volunteer guidance (Tsai, 2002). The joint office for other associations was established, the members including the Association of Visual Arts, the Association of Galleries, the Association of Female Artists and the Association of Film Creation. They issued magazines, e-newsletters and videos to interact with neighbouring communities (Tsai, 2004). As a result, the original producer-oriented spatial imaginary involved audience and neighbouring communities in order to maintain the artists’ discursive hegemony over Huashan Arts District.

In summary, the case of Huashan Arts District has shown that the artists accumulated practical experience and discourses can construct the spatial imaginary of the reuse of abandoned space. The artistic discourse, which focused on the producer-oriented cluster and the incubation of creativity, became the privileged imaginary for cultural policy. However, the economic imaginaries of CCIs in terms of ‘culture is good business’ and ‘branding Taiwan’ gradually changed the hegemony of artistic discourses in Huashan Arts District after 2002 and then influenced the other four CC Parks. This will be analysed in the next section.
5.2.2.2 The Cultural and Creative Park and State Intervention

When the state was planning the CCIP in 2002, the CCIls Promotion Team, led by the Ministry of Economic Affairs, drew on the previous successful experience of the industries of ‘Information Technology’ and the model of Science Parks (Interview with Kuo, Chi-Chou, 2012; CCA, 2002a). The Science Parks model facilitated industrial innovation since the 1980s and laid the foundation for the continued economic growth of the 1990s (Ash et al., 2011). Thus, the high-tech project of Science Parks was referred to the proposal of CC Parks for promoting the CCIls.

Moreover, the Ministry of Economic Affairs expected to adopt the experience of Science Parks which focused on infrastructure for mass production and output value to manage the five CC Parks. In their thinking, CCIls were a new type of industry, but similar to technical industries based on the knowledge-based economy (CEPD, 2003). With the emerging discourse of ‘culture is good business’, the growth of employment and output value were their main concerns. In contrast to Huashan Arts District’s focus on cultivating creators and creations by providing affordable and friendly spaces; “the Industrial Development Bureau under the Ministry of Economic Affairs preferred to invite experienced companies or groups which have produced cultural products into the CC Parks”, according to the interview with Kuo, Chi-Choi in 2012. This showed the increasingly controversial imaginary of CC Parks between the existing organisation and the economic sector since the initial stage of the CC Parks.

At the same time, the DPP government took over privatisation of state-owned enterprises as they were taken as the surviving supports of the KMT party (Hsu, 2009). The state-owned Taiwan Tobacco and Wine Monopoly Bureau was thus forced to transform into the Taiwan Tobacco and Liquor Corporation. However several factories and warehouses located in Taipei, Taichung, Chiayi, Tainan and Hualien had been abandoned for over a decade, which caused security problems (CCA, 2002a; Wang, 2011). Therefore, the Ministry of Economic Affairs suggested that these five sites could be reused for CC Parks to cultivate emergent CCIls. Meanwhile, the Bamboo Curtain Studio, whose members participated actively in the
Huashan Arts District, investigated foreign cases and published a book entitled *Creative Programming in Reuse of Spaces – an International Perspective* (2002) in order to advocate for artist-based spatial imaginary of abandoned spaces. They encouraged citizens to access city space and create diverse culture by participation (Hsiao and Huang, 2002, pp.10-13). In particular, the editors argued that cultural industries, as a strategy for revitalising abandoned space, not only focus on building new relations between people and heritages or abandoned equipment, but also based on this relationship, produce creative industries (Hsiao and Huang, 2002, p.13).

In this vein, the CCA took Huashan Arts District ‘s case and the discourses based on *Creative Programming in Reuse of Spaces - an International Perspective* to negotiate with the CCIs Promotion Team and finally gain the ownership and management of the five abandoned wineries from the Ministry of Economic Affairs (Interview with Chen, Yu-Chiou, 2012; Wang, 2011). Among them, Huashan was viewed as the model for other CC Parks because it had gained a reputation as Huashan Art District since 1998 and experienced the basic refurbishment, in contrast to the other four parks that were seriously damaged and needed thorough examination and renovation. In other words, the initial planning of the CC Parks for the CCA was drafted by artists and cultural groups and focused on production-orientation and the core art industries to create a cluster effect.

However, under the framework of ‘Challenge 2008’, the state started to directly intervene in the management of the five CC Parks by encompassing the discourses of ‘branding Taiwan’ and ‘culture is good business’. In the *Planning Report of Cultural and Creative Parks* (2002), the CCA points out the four goals of the parks from different perspectives, which reveals the changes. The first goal is based on the global aspect that the parks are the characteristic of Taiwanese culture. The second goal is focused on the industries, that the parks are the showrooms of the overall national development in CCI's to the world. The third goal is from the aspect of practitioners, that the parks serve for cultural workers though the practice of industrial management. The fourth goal is from the local perspective, that the parks are the engine of regional regeneration, the symbol of local culture.
and the media of daily life and culture (CCA, 2002a, pp.3-5). Moreover, Chen, Yu-Chiou claimed that CC Parks can “create resource synergy to rebuild cultural identity and city memory… and foster local industries to revitalise local regions, and to connect with the world by intensifying Taiwan’s leading position in the Chinese world” (Chen, 2004a, p.30). The above goals and statement showed the state’s political imaginaries that the CC Parks could make the world see Taiwan and strengthen the national identity by branding Taiwan’s CCIs.

On the other hand, the economic outcomes of CC Parks were stressed along with the artistic discourses. In ‘Challenge 2008’, the parks were set to be creative workshops for artists and designers as well as a trade place for value-added production (CEPD, 2003, p.52). In this vein, the accumulated output value of the CCI’s production and the creation of employment were highlighted in the planning of CC Parks. For example, the CCA organised an investigation trip to Britain, France and Demark with the CCIs Promotion Team in February 2003 in order to understand the strategies of the Orsay Museum, Tate Modern and the Institute of Contemporary Arts. The CCA soon advocated collaboration between artists and entrepreneurs to operate the CC Parks (CCA, 2004b). In the CCA’s initial planning, CC Parks were designed as a platform for cultural workers and entrepreneurs to exchange ideas, produce their cultural work and to nurture the development of the CCIs. Consequently, they changed the management conditions and increased the concrete outcome of the economic effectiveness of Huashan CC Park.

As a result, the CCA adjusted the plan of the Huashan Arts District to emphasise the mixed industrialisation between arts and business as well as the combination of production and consumption. The state’s policy-discourse and implementation undermined the hegemony of artistic discourse, which resulted in spatial reallocation. The space for young artists was decreased and the Taipei government’s subsidy to cultural projects was reduced in 2003 (Tsai, 2004). In order to consolidate the dominance of artistic discourse, the Association of Culture and Environmental Reform held seven symposiums to discuss the network of Huashan Park with the CCIs in mid-
2003. Moreover, the former manager of Huashan Arts District visited creative quarters in Sheffield, Manchester and London. She used a metaphor of a hive to describe CC Parks and argued the motivation of CC Parks is ‘bees – creators’ to advocate that the cluster effect of CC Parks should focus on networking, service and marketing (Tsai, 2004). However, their discourses and practices had not shaken the dominance of the state’s discourses, and as a result, they finally decided to withdraw from the bid to manage the Huashan Arts District in 2004 (Tsai, 2004). Soon, the management team was replaced by L’Orangerie International Art Consultant Co. Ltd. (橘園國際藝術策展股份有限公司, hereafter L’Orangerie) and ‘Huashan Arts District’ was renamed as ‘Huashan Creative Park’.

L’Orangerie was founded in 1999, as the first company focusing on curating visual arts in Taiwan. In addition to curating art exhibitions in museums and executing public art projects, it participated in ‘Artstock 20’ in Taichung, which was a typical case of revitalisation of a space abandoned since the late 1990s. In the transition of Huashan Creative Park, L’Orangerie attempted to industrialise art creation into a commodity value chain by combining production and consumption in accordance with the state discourse. They set out four positions for managing Huashan Park: (1) encourage contemporary avant-garde arts and foster fine arts; (2) revive cultural heritage and connect with fashion design; (3) create an exchange platform for cultural investment and the added-value of creative industries; (4) create a multifunctional field with arts performance and exhibition, design workshops and cultural leisure facilitates (Wang, 2011). For them, ‘cultural investment’ and ‘cultural leisure’ were the new terms configuring the economic imaginary of Huashan Creative Park and its spatial arrangement. Despite the fact that L’Orangerie continued to provide spaces for arts creation and presentation with low costs, it introduced lots of business activities which generated high earnings for popular culture such as the press conference of popular music and drama. The reallocation caused certain artists to leave, but the number of the theme exhibitions increased, projects such as ‘Creative Living Fair’ and ‘Design Fair’ were popular activities for the general public. According to the Final Report of Huashan
Creative Park (2004, cited in Wang, 2011, p.92), seminars and forums constituted the majority of activities in Huashan Creative Park at 29 per cent, followed by exhibitions, which accounted for 16 per cent. However, L’Orangerie still suffered from a deficit of nearly 500 thousand NT dollars (about £10 thousand) (Wang, 2011).

In mid-2004 when the DPP continued to hold on power, the state revised the ‘Challenge 2008’ project and took stronger top-down intervention. In the revision, the creation of employment and output-value became the essential standard to assess the development of CCIs (CEPD, 2005). It showed the economic discourse – ‘culture is good business’ – that CCIs’ economic benefit from the creation of employment and profit was generally accepted in the meaning-making of CC Parks. On the other hand, in August 2004, Chen, Chi-Nan, the chairperson of the CCA from 2004 to 2006, proposed the project of the ‘Star of New Taiwanese Culture’ in Haushan Creative Park with a budget of 820 million NT dollars (about £12.8 million). In the project-planning, Chen took the term ‘new type of science park’ to describe CC Parks and planned to build a new landmark of the ‘Centre of Contemporary Culture and Art’, which included a 28-floor complex involving three main CCIs – media industries, design industries and art industries – in Huashan Creative Parks (Wang, 2009). For Chen, Chi-Nan and the CCA, the goal of the ‘Star of New Taiwanese Culture’ was to provide a cross-field facility and space to generate a new Taiwanese culture including cross-field, alternative, multiple, future and avant-garde forms of culture and art (Chen, 2005). Therefore, the complex was planned to be divided into three parts: (1) a multifunctional presentation centre accommodating audiences from 100 to 2,000, for young artists and diverse types of performance; (2) a centre for administration affairs and resource exchange which included offices, rehearsal sites, a new media centre, a broadcasting and film library, a design centre and studios, a display centre for local culture and travel resources, and an exchange platform for cultural activities and groups; and (3) a national art village (Wang, 2009, pp.43-48). From the plan of the project, it can be seen that the project was expected to consolidate the economic imaginary ‘culture is good business’, and the political imaginary ‘branding Taiwan’.
However, this project caused fierce criticism and demonstrations from artists, architects, cultural groups, legislators and neighbouring communities. They argued that the tall building violated the reuse of heritage and criticised the CCA for neglecting to consult with professionals and the public in the process of project planning (Wang, 2009). These criticisms and demonstrations forced the suspension of the ‘Star of New Taiwanese Culture’. Then, the CCA retook the management of the Huashan Creative Park from L’Orangerie in 2005 and closed it for renovation.

In order to solve the dispute, the CCA lunched a website to discuss the project in November 2004. On the website, the CCA revealed the spatial plans of the ‘Star of New Taiwanese Culture’ and proposed explanations in response to the criticism (Li, 2010). Furthermore, the CCA invited Gary Hack and his team, based at the School of Design at the University of Pennsylvania, to visit Taiwan and revise the project. From this it can be seen that the CCA wished to rebuild the hegemony of the state’s economic imaginary. Another strategy was that the CCA co-hosted a conference with the British Council – ‘Culture Regeneration and New City – Cultural Facilities and City Redevelopment’ in March 2005 (Chieh, 2005). The conference covered three issues: the ‘Cultural Perspective of City Regeneration’, ‘Sustainable Cultural City’ and ‘Cultural Facilities and Reuse of Buildings’. It is evident that the conference was aimed to extend the spatial imaginary to urban regeneration by supporting the flagship project the ‘Star of New Taiwanese Culture’ in Taipei City.

Nevertheless, the discourse did not gain social support for the ‘Star of New Taiwanese Culture’ project. The cultural groups who participated in Huashan Arts District launched a series of demonstrations, rallies, and dramas to protest the project. They adopted the perspective of ‘cultural citizenship’ to criticise the process of project planning, claiming that it lacked public participation, which made Huashan like “a fake public field for cultural consumption” (Wang, 2009, p.87). They also introduced foreign experiences from Japan and Macao to argue that the new building would spoil the value of industrial heritage and ask the state to think of the added-value of the CCIs rather than the monetary output value (Wang, 2009, pp.93-95).
addition, some scholars pointed out that the state lacked the industrial policy to promote CCIs in CC Parks (Liao, 2014; Han and Liu, 2008), and some architects used the concept of revitalisation of abandoned space to argue that the state misinterpreted the discourse of ‘co-constitution of old and new’ (Wang, 2011, pp.100-101).

In 2006, Chiu, Kun-Liang (邱坤良) succeeded Chen, Chi-Nan as the chairperson of the CCA. Chiu shelved the ‘Star of New Taiwanese Culture’ project. Instead, the CCA decided to take the strategy of public-private partnership to develop the CC Parks and CCIs. Huashan Creative Park was outsourced in three parts in accordance with the ‘Act for Promotion of Private Participation in Infrastructure Projects’25 in 2007. The first part of the project was the ‘Cultural & Creative Industries Space by Rehabilitate, Operation and Transfer’, which was bid for by Taiwan Cultural-Creative Development Co. Ltd. at the end of 2007. According to the contract, the company acquired the rights to renovate and operate for fifteen years. The second project was the ‘Film Museum by Operation and Transfer’. The CCA signed a contract with the Taiwan Film & Culture Association in February 2007, and the film museum, ‘Spot Huashan’, was opened in November 2012. The third project was ‘Taiwan Cultural & Creative Industries Flagship Centre by Build, Operation and Transfer’, which was outsourced to the Taiwan Cultural-Creative Development Co. Ltd. in August 2010, who were awarded a thirty-year contract for the centre’s construction and operation and further priority for a ten-year contract extension.

Since then, Haushan Creative Park has been renamed ‘Huashan 1914 Creative Park’ (called ‘Huashan 1914’ in brief) by Taiwan Cultural-Creative Development Co. Ltd. in 2008 with four goals: (1) construct a field for the display, exchange and trade of CCIs; (2) cultivate creative people; (3) create

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25 The Act was promulgated in 2000 and amended in 2001 to enlarge the area of private participation from the single category of transportation and tourism to fourteen categories, including culture & education and social welfare, which used to be operated by governmental bodies. The purpose of the Act is to encourage the public sector to use social resources, to invest in and use professional human resources, to achieve the aims of public service, and to enhance service quality and reduce administration costs (Chen 2002; Huang and Huang 2003).
a stage for the ‘best of Taiwan’ to display the past, present and future of the creative archives; (4) become the priority site for ‘Cool Play For Fun’ in Taipei by constructing a leisure attraction of creative living experience (Li, 2010). From the literal goals, it not only consolidated the discourse of ‘branding Taiwan’ but more specifically, showed a turn of spatial imaginary of industrialisation in Huashan from producer-orientation which focuses on originality and creativity to consumer-orientation which focuses on fun and leisure experiences.

Furthermore, since the private sector has dominated Huashan 1914 and taken full responsibility for its profit and loss, the spatial allocation of Huashan has changed dramatically. Making a profit to survive in a competitive market is the priority for the private operating company. Furthermore, ‘Cool Play For Fun’ (酷玩) has become the essential imaginary of ‘Huashan 1914’, which attracts people to visit and stimulates consumption. Meanwhile, the space for the café and restaurants has increased. The discourses and operating practice in Huashan CC Park have stimulated the emergence and variations of market discourse and soon seized the hegemony of industrialisation in cultural policy in the third phase. In other words, the highlight of artists’ discourses such as experiment, autonomy and creation of cultural value gradually shifted to an emphasis on economic benefit and consumption pleasure. There will be further analysis in Chapter Six.

5.3 New Hometown Community Empowerment Project

In parallel with the development of the CCIP, the other thread of industrialisation in the state’s planning is the ‘New Hometown Community Empowerment Project’ (New Hometown CEP), which was listed in the previous project of the nation-wide grand development plan ‘Challenge 2008’. The project was mainly inherited from the CEP, but it did not merely focus on cultural affairs. The state extended the New Hometown CEP to a cross-sector framework. In addition to the CCA, the Ministry of Economic Affairs, Ministry of Agriculture and another six ministries took charge of this
project based on community empowerment. It can be said that the extension not only changed the previous CCA-dominated direction of community empowerment but also affected the semiotic-material evolution of industrialisation in cultural policy. Specifically, when most of the state’s policy narratives claimed that ‘industrialisation’ originated from the CEP directly followed by the CCIP (CCA, 2004a; CEPD, 2008), the semiotic practice of the New Hometown CEP actually played an indispensable role in linking the meaning-making of industrialisation of the CEP and the CCIP. This section will argue that the New Hometown CEP played a complementary role, with the CCIP functioning as a strategic fix to enhance identity-building and economic transformation under the planning of DPP’s ‘Challenge 2008’ from 2002 to 2008. Taking the analysis of policy discourse and the structural factors, it will focus on the sub-project of industrialisation within the New Hometown CEP: the ‘Local Cultural Museum’. The project interweaved the retention of discourses such as ‘participation’ and ‘localisation’ of the CEP, and developed the variation and selection of industrialisation discourses of the CCIP, which influenced the direction of industrialisation in cultural policy.

5.3.1 The Economic Imaginaries of the New Hometown Community Empowerment Project

After the DPP came to power in 2000, the DPP government continued the community empowerment policy and focused on cultural industries and community economy.

Previously, the importance of cultural industries was highlighted by the CCA and formed an independent project in cultural policy at the end of the 1990s. In 1998, the CCA launched the project ‘Revitalising Local Cultural Industries’ to encourage local governments’ cultural centres to collaborate with township and community residents in the exploitation of their featured industries (CCA, 2004a). After 2000, the DPP government extended the scale of the subsidy scheme so that almost every local government and more than seventy communities gained funding to nurture community workers and organisations, exploit local resources and promote local
industries (CCA, 2004a). During the period, preservation and inheritance of the traditional skills were the primary imaginaries of the cultural industries for the CCA so that the policy narratives and implementation put particular stress on the representation of traditional craftwork and the accumulation of local identity (Fang, 2013).

In 2002, the projects of cultural industries were integrated with other relevant projects of the CEP into ‘Challenge 2008’ and renamed the ‘New Hometown Community Empowerment Project’ (CCA, 2004a). The New Hometown CEP, maintained a similar discourse of community empowerment to continue the policy inheritance. The discourse of ‘bottom-up’, ‘autonomy’ and ‘resident’s participation’ were retained and appeared frequently in the relevant policy texts (CCA, 2004a; CCA, 2004b; CCA, 2003; CEPD, 2003). For example, the CCA indicated that the above discourses were the principles of the New Hometown CEP through which to understand cultural resources and co-create beautiful hometowns (CCA, 2004a, p.187). In practical strategies, leisure agriculture, organic agriculture and tourism based on the endogenous and indigenous approach of the CEP became the emerging imaginaries for the declining communities in response to the impact of free trade under the regulation of the WTO. However, the new industrial imaginaries were not feasible for these disadvantaged communities to carry out. Therefore, the strategies of community empowerment such as exploring local resources and building consciousness of community affairs by participation was advocated by policy-makers and consultants, and chosen by the villagers or community residents to face the transformation of industries (Huang, 2003).

On the other hand, the New Hometown CEP referred to the selective discourses of the knowledge-based economy and shared similar economic commitments to the CCIs. Knowledge-based economy, which the DPP government had pledged to promote since 2000, and which soon became the state’s privileged discourse and permeated through the national policies. Under the framework of ‘Challenge 2008’, the purpose of the New Hometown CEP was to “elevate community's vitality by utilising local resource, introducing human resource and creativity” (CEPD, 2003, p.240). This reveals the variation and selection of discourse of the knowledge-based
economy in terms of ‘human resource’ and ‘creativity’. These discourses were emphasised in the policy narratives of the CCIs. In the same statement, the state claimed that the New Hometown CEP was at the base of national reconstruction through “the transformation of social relation, culture and arts, spatial facilitation and economic industries” in order to “create new employment opportunities and living conditions for residents and attract emigrants back, and regenerate local vitality” (CEPD, 2003, p.240). The similar discourses of ‘employment’ and ‘regeneration’ also appeared in the CCIP with high frequency. These economic discourses highlight the economic aspect of industrialisation in cultural policy.

Furthermore, the community industries and the CCIs were both viewed as types of knowledge-based economy. For example, Chen, Yu-Chiou claims that “culture is the origin of knowledge” and thus “cultural industries based on the transformation of the cultural content is the exemplification of knowledge-based economy” (CCA, 2003, p.8). Chen points out that the CCIs offer the highest type of added value in the knowledge-based economy (CCA, 2003, p.12). In this way, the linkage between culture and economy has been intensified. In the framework of the New Hometown CEP, the role of community economy and cultural industries became increasingly important. The project contained five themes of implementation: (1) activation of community organisations; (2) resource integration for community empowerment; (3) new tribe movements of aboriginal people; (4) new Hakka movements; and (5) communitisation of healthy and caring services. Among these, the second theme, the third theme and the fourth theme were related to cultural industries in the widely defined communities including Hakka villages and aboriginal tribes. In the general communities, most projects related to cultural industries were assigned to the second theme, ‘resource integration for community empowerment’, and organised by the CCA and Ministry of Economic Affairs. On the one side, the CCA was responsible for the renaissance of cultural heritage and local industries in order to support the link between culture and economy and create a new image of Taiwanese industries (CCA, 2003). On the other side, the Ministry of Economic Affairs took charge of the activation of the local business environment and the establishment of supporting schemes for community
industries to revitalise the local economy and create employment in the countryside and villages. The state expected to promote 70 feature industries, assist 1,120 organisers and creators, and increase the total revenue by 3.4 billion NT dollars from 2002 to 2007 (CEPD, 2003, p.247). In addition, the Hakka cultural industries and aboriginal diverse industries were specific projects organised by the Hakka Affairs Council and the Council of Indigenous Peoples respectively. Both councils were concerned about the crisis of cultural marginalisation and the negative impact of globalisation and the WTO, so their industrialisation focused on the renaissance of native languages and traditional industries (CEPD, 2003).

After the DPP government continued into its second term and reshuffled the Cabinet in 2004, ‘Challenge 2008’ was revised (CEPD, 2005) The New Hometown CEP was modified; one of the obvious changes being the previous theme of ‘resource integration for community empowerment’ was extended into three sections, including ‘community economy’, ‘community landscape’ and ‘community culture’. In the ‘community economy’ section, the endogenous approach of local industries was still emphasised but with more focus on market distribution and the network mechanism (CEPD, 2005). Furthermore, the revitalisation of local towns and high streets was increasingly stressed and a new project was formed to implement this. Under the management of the Ministry of Economic Affairs, a striking feature of the project was that it combined culture, tourism and the living landscape to form a network of industrialisation for local communities. The economic outcome was expected to assist 2,780 local community industries with a profit increase of 86 million NT dollars, and create 25,820 jobs (CEPD, 2005, pp.10-11 – 10-15). Cultural festivals and experience tours were the typical strategies for communities to promote their industries and create local consumption.

Next, in the ‘community landscape’ section, the state divided communities into agricultural villages and fishing villages based on the local features and natural resources. The Council of Agriculture encouraged them to diversify into leisure industries in order to confront the negative impacts of the WTO and globalisation, such as unemployment and declining traditional industries
The Council of Agriculture advocated the discourse of ‘culturalisation of local industries’ to promote leisure industries through the integration of industries, community culture and the ecological landscape. Folk festivals and eco-tourism were popular strategies adopted by the communities. The state planned to subsidise 80 agricultural and fishing leisure parks, create 1,000 jobs in these villages and attract 5 millions tourists. The ‘community culture’ section was led by the CCA and included the purposes of enriching the cultural infrastructure in local areas, investigation of communities’ history, workshops for local arts and innovation of community empowerment (CEPD, 2005, pp.10-22 – 10-28). The ‘Local Cultural Museum’ project can be seen as an influential scheme, as the state continually invested 37 billion NT dollars from 2002 to 2007 and expected it to be the community hub of local culture and travel information. The project will be analysed in the next section.

The above projects revealed the imaginaries of industrialisation in communities had shifted from democratisation towards local regeneration. With the transformation of industrialisation, the meaning of hegemonic discourse, ‘Industrialisation of Culture; Culturalisation of Industries’, had been extended and varied. As Chen, Chi-Nan (2005) indicates, the initial concept of cultural industries followed the thinking of the CEP. Its goal was to stimulate residents to participate in community affairs and develop their own indigenous industries which could be produced locally and consumed locally. In this way, cultural industrialisation was a means of participation to rebuild community affairs between residents rather than the core subject of the economic plan. However, the New Hometown CEP was not only the basis of autonomous citizen participation, but also adopted as an end in promoting community economy. The discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ transcended the CCA field, and, highlighted by the other government sectors, the meaning of the discourse had been enlarged to five aspects of community affairs, people, culture, geography, landscape and industry (CCA, 2003). Compared to the previous CEP, which mainly stressed people’s empowerment, other aspects of community affairs, such as cultural identity, geographic features and protection, re-creation of
landscape, and industrial economy, were topics in the New Hometown CEP (CCA, 2010b).

From the discourse-practice link with ‘knowledge-based economy’ and ‘local regeneration’, the terms ‘culture’ and ‘economy’ were acknowledged together with ‘cultural economy’ and embedded into a policy context. In fact, the New Hometown CEP shaped a complementary relationship with the CCIP within the framework of ‘Challenge 2008’, in which the state integrated the cultural-economic political construct into national and local cultural strategies. At the national level, as the previous section discussed, the industrialisation promoted by the CCIP focused on strategies of ‘branding Taiwan’ and economic transformation. At the local or regional level, the DPP government paid particular attention to revitalising community economies and fostering cultural identities in the local areas, and community industries through the New Hometown CEP.

From the variation in policy discourses, it is worth noting the emerging role of cultural tourism as a practical strategy of industrialisation in community areas. In the 1990s, some community groups developed cultural tours to introduce local history, folk art and heritage to the residents, as most of them had undergone Chinese-centric education under the rule of the KMT regime, and lacked local knowledge (Tseng, 2007). The tours were aimed to increase residents’ understanding of local culture and build a local identity. Economic output was not their priority. It was in ‘Challenge 2008’ under the leadership of the Ministry of Economic Affairs, that economic outputs generated by community industries became a major concern. Since the economic features of local cultural industries can be represented as the application of tourist resources (Tsai, 2010), the increase in employment and tourism were the main criteria to assess the New Hometown CEP. As a result, it attracted communities that combined community industries with the network of tourism such as guided-tours, homestay, local cuisine and souvenirs of local industries, to regenerate the community. It led to a shift of economic imaginaries from the endogenous and indigenous approach to the endogenous and tourist approach. There were underlying politic causes for the approach that will be further discussed in the following sections.
5.3.2 The Political Imaginaries of the New Hometown Community Empowerment Project

In its political intention, the title of the project, ‘New Hometown’, was meant to make Taiwan the ‘common hometown’ for everyone in Taiwan based on his/her current location and local culture (CEPD, 2003). The imposition of a ‘New Hometown’ implied building a new spirit of an ‘imagined community’ (Anderson, 2006) focusing on the ‘common living experience’ in Taiwan since the war, regardless of ethnic origin. In addition, the state claimed that the ‘new hometown movement’ and ‘new tribe movement’ was implemented by the spirit of community empowerment, ‘autonomy’, ‘self-pride’, ‘co-community’, ‘co-express’ and ‘co-dream’ (自主、自豪、同體、同演、同夢) to cultivate local identity and a sense of honour on the common basis of local conditions and features (CEPD, 2003, p.240). In other words, the discourse of ‘New Hometown’ that the DPP government intended to embed into national policies and local practice, as Chang (2006) describes it, functions like ‘motherland’ to shape people’s identity from their ethnic origin turning to the living land of Taiwan by participating community affairs.

In the process of meaning-making, the DPP government selected to retain some discourses of localisation and participation. For instance, the discourse of ‘bottom-up principle’, ‘residents’ participation’ and ‘endogenous and indigenous approach’ had been emphasised repeatedly in the policy texts and implementation of the New Hometown CEP. The link with the previous positive reputations and experiences of the CEP offered the New Hometown CEP familiar discourses and feasible strategies to legalise the discourse of ‘New Hometown’ and its link with ‘Taiwan’. For example, the CCA stated clearly in the 2004 White Paper of Cultural Policy:

Only through the concepts of community empowerment to keep the value of racial integration and cultural diversity in mind to build a new ‘Humanity Taiwan’, which can make Taiwan become a hometown where the heart is for the whole people (CCA, 2004a, p.187).
On top of that, the CCA expected the project to resolve ethnical conflicts through the discourse of ‘Multicultural Taiwan’ (Wang, 2004). Chiung-Yao Fang, who was responsible for the project in the CCA, indicates that the project was named after ‘New Hometown’ to “eliminate the identity difference between ethnic groups and regions” (2013, p.162). In order to achieve the goal, the state planned specific projects for agricultural and fishing villages, Hakka towns and aboriginal tribes to develop cultural industries. By empowerment and involvement in community affairs, it enhanced people’s interest in local culture and it was acknowledged by the people that there was a variety of culture around Taiwan. Furthermore, it represented Taiwan as having diverse cultural roots and living styles based on the distinct geographical environment and local industries in Taiwan. With the emerging imaginaries of ‘multicultural Taiwan’, it gradually divorced itself from the mono-Chinese root that the former KMT government had devoted themselves to constructing. In other words, through the dual discourse-making process in terms of ‘New Hometown’ and ‘Multicultural Taiwan’, cultural awareness and local identity accumulated around society. In this way, it promoted the establishment of ‘Taiwan’s subjectivity’. In terms of practical mechanisms, one of the technologies that the CCA employed in cultural policy was the ‘Local Cultural Museum’ project, which will be analysed in the following section.

5.3.3 The Project of Local Cultural Museum

Among the New Hometown projects, ‘Local Cultural Museums’ (LCM) can be seen as the most important sub-project related to industrialisation in cultural policy. It was a sponsoring scheme from 2002 to 2007, to turn new-buildings, existing and abandoned spaces into local cultural museums. Until the end of the first stage of the project in 2007, the state invested 37 billion NT dollars to subsidise 259 museums in communities around Taiwan (Ming, 2011).

According to the CCA’s definition, ‘local cultural museums’ exhibit “creative aspects by combining the characteristics of local landscape, ecology, tradition, art and industries” (CCA, 2002c, p.6). The term includes a variety of halls and institutions for cultural use, such as public and private museums,
libraries, galleries, reused space of historical buildings and heritages. In other words, local cultural museums can be seen as community museums with diverse types of display and collection based on the local and community culture. In the initial planning, the CCA used the discourse of localisation to state the purpose of the LCM Project:

The Project of Local Cultural Museum provides continuity of community empowerment, the essential content of domestic tourist project, and the starting point of local cultural and leisure industries. It aims to exploit cultural heritage, historical buildings and abandoned spaces to combine local industrial culture, enrich cultural content of towns and villages, cultivate Taiwanese cultural competitiveness in order to be the base of local culture, enhance residents' participation in local research, develop consciousness of cultural museums and preserve local historical culture, local industries and ancient monuments (CCA, 2002b, no pagination).

In addition, the CCA claimed the LCM Project had two benefits. On the one hand, it realised resident’s cultural citizenship to consolidate their identity, while on the other hand, it provided resources for local cultural tourism and improved community development (CCA, 2002b). Here, the discourse of ‘cultural citizenship’ which the CCA advocated in 2004 had become the common discourse to justify the discourse of ‘access’ and ‘participation’ in the LCM Project. The concept of ‘cultural citizenship’ was introduced into the field of cultural policy when Chen, Chi-Nan was in charge of the CCA. He attempted to advance the meaning of community empowerment by this concept. In this sense, Chen elaborates on ‘cultural citizenship’ at two levels (Chen, 2004). The first level of meaning refers to government responsibility to securely guarantee everyone’s opportunity to access cultural resources. The second level refers to people’s obligation to participate in cultural activity. By doing so, the concept of cultural citizenship aims to improve the cultural environment and civil society (Chen, 2004).

When the project was integrated into ‘Challenge 2008’, the economic benefit was emphasised in term of discourse of employment. The state not only expected the local cultural museums to serve as a starting point for preserving Taiwanese culture but also as a tourist attraction to bring
employment and economic benefit to communities (CEPD, 2003, p.251). In order to illustrate the economic outcome, the CCA therefore stressed the relationship between LCM and the cultural industries. Chiang, Yu-Chan (2006), who was the former section chief of the CCA and in charge of the LCM Project, explained four connections between the local cultural museum and cultural industries: (1) to be the base of local identity and community empowerment; (2) to develop local culture and arts in order to lay a foundation for cultural industries; (3) to create a local image to promote local tourism; and (4) to stimulate the local economy by tourism (2006, pp.87-88). Through the connection, the CCA constructed imaginaries that the existence of the local cultural museum could bring positive images of the locality and drive the prosperity of the local economy.

In terms of practical strategies, The DPP government adopted the retention of decentralisation inherited from the CEP to justify the huge financial investment in communities. As mentioned in Chapter 4, cultural infrastructure was scarce in rural areas before the 1990s. Under the discursive frame of decentralisation, three of the four main CEP projects were related to cultural facilities. In this vein, city and county governments built themed museums based on specific natural and cultural resources. As a result, almost every city or county established a museum representing local features. However, most facilities were located in the centre of local cities and counties. After 2002, the DPP government conducted construction of cultural infrastructure further into rural areas. In the LCM Project, the DPP government stated that the project could “shorten the gap between cities and villages” and “preserve local culture” (Su, 2011). On the surface, the LCM Project was constructed as a spatial fix for the regional disparity in cultural infrastructure between the urban and the rural areas. Behind these commitments, the DPP government actually accused the previous KMT rulers of the injustice of regional disparity and deliberate neglect of Taiwanese culture. In other words, the DPP attempted to break up the KMT’s

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26 The four core projects are: 1) promoting cultural activities in communities; 2) enhancing cultural facilities in townships; 3) assisting counties to set up county museums and build up museum collections; and 4) improving the traditional space of cultural facilities (Su and Tsai, 1999).
dominance of local factions and clientelism by the reallocation of local infrastructure and reconstruction of local identity in communities. Some analyses indicate that the DPP resorted to communitarianism in terms of the CEP and the New Hometown CEP to eliminate the pro-KMT force (Hsu, 2009; Huang and Hsu, 2011).

Moreover, there are other hidden imaginaries of the LCM for the DPP government. In the process of building a hegemonic discourse of ‘Taiwan subjectivity’, as Anderson (2006) argues, museums play an important role in shaping ‘imagined community’. The project can be seen as a mechanism of ‘representing Taiwan’ and ‘theorising Taiwan’ to consolidate Taiwanese local identity. Before that, the development of the museums was established by the central government and most of them were involved in the construction of Chinese-roots in Taiwan. For example, Chu (2009) argues that the national narrative of museums in Taiwan during this period was representing the Chinese. After 2000, the focus of the exhibitions in the national museums had fundamentally changed to represent Taiwanese-centred culture and history (Chu, 2009; Chang, 2004). In the aspect of local museums, the LCM Project subsidised diverse types of local cultural museums and encouraged communities to use community museums for cultural preservation and cultural tourism. As a result, Taiwanese culture was reinterpreted, redefined and represented by the local people. In addition, a great deal of local discourse was generated in the form of the introduction of community museums, community newspapers, community magazines, documentaries and various publication of local stories (Tseng, 2007). Moreover, the CCA stated that the policy outcome of the LCM Project was a “new landmark of the local spirit; the stories and narratives it carried were the genetic treasure of Taiwan’s multi-culture” (Su, 2013, p.37). In other words, the LCM Project presented diverse Taiwanese culture as well as provided numerous local resources for interpretation and further research in theorising Taiwan. These indigenous and multicultural discourses with local practice had constructed strategic imaginaries of multi-cultural Taiwan and broke the hegemony of the Chinese-dominated culture shaped by the previous ruling KMT.
At the end of 2007, the CCA launched ‘Bedrock Action’ (磐石行動) to continue community empowerment. It took the dual-core strategy based on spatial arrangement (LCM Project II) and residents’ participation (New Hometown CEP II) (CCA, 2007b). According to the announcement of the Premier of the Executive Yuan, the goal of ‘Bedrock Action’ was to “make people access cultural resource, implement the right of cultural participation and highlight Taiwan’s subjectivity” (Executive Yuan, 2008). In this vein, the CCA took the perspective of the ‘cultural living circle’ (文化生活圈), which means people’s living area of cultural activities, to connect with cultural sites, cultural participation and cultural activities (CCA, 2007b). The LCM Project II was expected to fix the dispersion of single museums and scattered resources. It took the perspective of ‘cultural living circle’ to develop cultural identity and local economy. In this context, ‘shaping the cultural living circle and constructing Taiwan’s subjectivity’ had become the main discourse for the CCA to promote community empowerment.

In 2012, the KMT nominee Ma, Ying-jeou won the Presidential election again. After that, the revision of LCM Project II focused on cultural participation, creation and sharing of cultural resources, and balance between city and town while the discourse of ‘Taiwan’s subjectivities’ was removed from the policy statement (CCA, 2007a). The discursive changes revealed that the KMT government attempted to separate the Taiwan-centre frame of political imaginaries from the meaning of industrialisation. There will be further discussion of this in Chapter Six.

5.4 Local Practice in Communities

5.4.1 The Transformation of Industrialisation in Communities

During the DPP government from 2002 to 2008, industrialisation of the CCIP and New Hometown CEP were strategic fixes that worked complementarily with the state to deal with the challenges of economic transformation and national identity. In the same period, the local communities faced new conditions shaped by these state projects, including global competitiveness,
and other unexpected natural crises, which led to an adjustment of industrialisation in local practice. With the continuity of community empowerment and deepening democracy, the communities did not always follow or depend on the state’s policies and imaginaries without reflexivity. In fact, communities had the autonomy and initiative to develop their own economic imaginaries of industrialisation in response to the difficulties and challenges embedded in the new conditions, such as threatened livelihood or natural crises.

As mentioned earlier (section 5.1), local communities confronted the critical predicament of global competition when Taiwan was involved in the framework of the WTO. The community implementation of the New Hometown CEP shifted from the cultivation of democratic participation to the rediscovery of local industries, and when the 921 Earthquake destroyed numerous communities around Taiwan in 1999, one of the major methods for damaged communities to reconstruct their hometowns was through the exploitation of local cultural industries (CCA, 2004a). The scheme of community empowerment was adopted by the reconstruction projects and brought huge government funding and human resources to facilitate local industrialisation (Chang and Liao, 2013). For example, the CCA incorporated the previous experience of the CEP into the project of the ‘development of 921 local cultural industries’ in the damaged communities. This attracted architects, space planners, social and cultural workers to collaborate with the communities in the innovation of community industries and the exploration of promotion strategy. These professionals introduced new practices such as eco-tourism and organic farming in some rural communities, which soon spread to other parts of the island (Huang, 2000). Communities also worked with them to develop experience tours of DIY-crafts or local navigation for job creation in local areas. The development laid the foundation for the emergence of new economic imaginaries, based on the previous ‘endogenous and indigenous approach’ and further focused on tourism planning for attracting people to visit and consume locally.

When the DPP government launched the New Hometown CEP, several governmental mechanisms facilitated the continuity of tourism-style
industrialisation, as analysed in section 5.3. In these national polices, the introduction of the advisory panel of experts played an intermediation role in the semiotic practice of industrialisation. The policy encouraged intermediary organisations to cultivate or foster disadvantaged communities, which attracted many foundations or associations that voluntarily took part in community industries. They brought industrial knowledge and marketing strategies for communities to develop local industries. It was a dialectic process whereby some communities gradually empowered themselves and were able to generate discourses to elaborate their strategies of industrialisation. In other words, the community actors learned lessons from the previous experiences of community empowerment and retrieved the ‘endogenous and indigenous approach’, and then they integrated and transformed new knowledge from advisory panels into their thinking and practice.

At the same time, some researchers and community workers proposed discourse of local cultural industries based on their observation and local cases. From their perspectives, the local cultural industries or community industries were distinguished from the CCIs that the state advocated. In the state’s discursive strategies, the New Hometown CEP inherited the legacy of CEP and stood in parallel with the CCIP within ‘Challenge 2008’, which constructed a vague discourse of industrialisation between community-type cultural industries and CCIs. As analysed in the previous section, the state selected the retention of ‘Industrialisation of Culture; Culturalisation of Industries’ in both projects to embed the external concept of ‘creative industries’ into the Taiwanese context. Consequently, this enlarged the meaning of cultural industries and CCIs, which combined community empowerment and knowledge-based economy. However, it resulted in an ambiguous and blurred meaning of industrialisation and aroused controversy in practice (Tsai, 2010; Wang, 2005). Unlike the first phase, when community and the state had developed an ‘endogenous and indigenous approach’ to promoting cultural industries for community empowerment, most communities in the second phase were confused about cultural industries and CCIs. For example, Chang and Liu (2009) take the example of Shang-Ann Community, and find the residents struggled with the discourse of
‘Industrialisation of Culture; Culturalisation of Industries’ and the national policy of CCIP, stating that they “know what the discourse means but do not understand how to practise the idea” (p.150).

Faced with the confusion, some studies pointed out that the contextual difference was that cultural industries came from the context of CEP while CCIs were introduced from the foreign concepts of ‘creative industries’ and ‘knowledge-based economy’ (Wang, 2005; Liu, 2006). They argue the value of cultural industries focused on community identity and local features whilst the value of CCIs focused on economic benefits and creativity. In addition, some researchers proposed a specific definition with relevant discourses to identify community industries. For example, Chen (2003) takes the case of Baimi Village as an example of ‘community creative industries’ to emphasise the cultural-added value of local industries. Huang (2003) investigates the communities of Linnel Township and proposes ‘community-type cultural and creative industries’ as distinct from ‘universal-type cultural and creative industries’; the former being based on local tradition and community living while the latter possesses the features of mass production, copy and spread, such as media industries and design industries. Moreover, he argues for the importance of residents’ participation in the practice of ‘Industrialisation of Culture; Culturalisation of Industries’. He illustrates the process of industrialisation: “through residents’ discovery of cultural content, which shapes cultural meaning on top of traditional industries, and then the cultural content is further revitalised to promote the industries” (Huang, 2003, p.41).

In addition, iiia-Chan, who is the director of the New Homeland Foundation, proposed the discourse of ‘endogenous industries’ based on the case of Taomi Eco Village, to distinguish the operation of industrialisation from other general industries (Liao, 2012). Compared to the industrialisation of general industries which tends to pursue maximum profit through the mechanism of market distribution, the endogenous industries aim to create common benefits among community organisations though the network of local resources (Sun, 2007). According to the empirical experience of Taomi Eco Village, Liao attempted to construct new economic imaginaries of endogenous industries that revise the ‘endogenous and indigenous
approach’ by the application of the knowledge-based economy to emphasise residents’ learning and the transformation of local resources (Liao, 2012). He argues that the product of endogenous industries aims to create indigenous attraction by residents’ participation in local heritage and museums, festivals, traditional craft, local food and homestays to draw visitors to experience and consume (Liao, 2012).

Through continuous discursive negotiation, local practice and learning from each other among communities, new economic imaginaries with the endogenous and tourism approach were formed. Compared to the ‘endogenous and indigenous approach’ which focused on industrialisation of single industrial product with the empowerment process, the communities in the second phase (2002-2008) drew further attention to building networks of endogenous industries with tourism including festivals, tourist attractions, cultural tours of local cultural museums, local food and catering and homestay. One of the typical cases is Taomi Eco Village. Taomi Village depended on government subsidy for the first several years to rebuild the whole village after the earthquake. It soon developed its own strategy to construct ‘Taomi Eco-Village’ through the endogenous and tourism approach. It was regarded as one of the best models of cultural industries / cultural and creative industries, which were promoted by governments in many official books (CCA, 2010b; CCA, 2003). Furthermore, the experience of Taomi Eco Village has drawn attention, with a great deal of media coverage, and attracted a considerable number of communities and associations to visit and learn, thus it enhanced the symbolic capital of the endogenous and tourism approach. In addition, the relevant research and conferences facilitated the production of hegemonic economic imaginaries through the case study of Taomi community. The next section will analyse the discursive-practical process of Taomi Eco Village to understand how the community actors undertook a course of action and discourse, and how the economic imaginaries were shaped by the local practice.
5.4.2 Endogenous and Tourism Approach – the Case of Taomi Eco Village

Taomi Village is a small village which comprises a total area of about 18 square kilometres located in Puli Township of Nantou County. Before the 921 Earthquake in 1999, it was an ordinary agricultural village in central Taiwan, planting bamboo, mushrooms and tea, but it had been facing industrial decline, emigration and an ageing population in the 1990s when the government liberalised regulation and imported considerable amounts of foreign agricultural products. In these circumstances, the social network was weak and most residents lacked awareness of local history and environmental connections, such that they felt alienated from their hometown (Chiu, 2004; Wang, 2009).

The CEP was introduced in 1994, and Taomi Community Development Association (hereafter TCDA) was established in 1996 for acquiring government funds to improve community facilities. They did not focus on exploration of local culture or local industries, nor did they have community consciousness at that time. During the Taiwan 921 Earthquake, 70 per cent of Taomi Village was destroyed, including 168 out of the 369 houses, which were completely demolished (CCA, 2010b). Due to the agricultural resources being destroyed by the earthquake, sustainability of industries was the main consideration for the community when reconstructing the village (Interview with Liao, Chia-Chan, 2012). Different from the industrialisation of Baimi that mostly relied on insiders to the community, the Taomi eagerly built partnerships with outsiders to the community to conduct industrialisation. The TCDA invited the New Homeland Foundation (hereafter NHF), which was established by Liao, Chia-Chan (廖嘉展) in February 1999, to assist in the task of rebuilding the village. Liao had lived in Puli Township for ten years and decided to set up a non-profit foundation for community empowerment and social reform (Liao, 2012). In order to assist in the reconstruction of Taomi Village, Liao adjusted the organisation of the NHF and set up four departments, community empowerment, cultural industries, community learning, and post-earthquake community reconstruction (Interview with Liao, Chia-Chan, 2012). The NHF soon came to play a
significant role in assisting the village in the production of discourses and actions aimed toward industrialisation of endogenous industries in terms of eco-tourism. On the one hand, the NHF promoted the concept of community empowerment and introduced external partnerships and funding to link with Taomi Village. On the other hand, the NHF collaborated with the TCDA to shape the economic imaginaries of eco-tourism.

This was a dynamic process, filled with negotiations and conflicts between the associations of the community, residents, the NHF and other third sectors to construct Taomi Eco Village. The first challenge was to shape economic imaginaries of endogenous industries for the residents who were mostly farmers and lacked the confidence and vision to transform their disadvantaged condition (Interview with Liao, Chia-Chan, 2012). Under the circumstance, the NHF and TCDA held a series of activities and discussions around reconstruction, including environmental protection and vision-building to aggregate a consensus among residents. These collective actions provided a cohesive foundation for residents to imagine the industrialisation mode of the community. Meanwhile, the NHF invited other organisations and groups to assist Taomi Village. Under the assistance of the NHF, two organisations conducted comprehensive investigations in order to understand the natural and cultural resources in Taomi and design a series of workshops to shape the industrial imaginaries of a sustainable community. One was the Endemic Species Research Institute, a government academic research institution located in Nantou County. The institute found that Taomi Village had a great deal of valuable ecological resources. As a tiny village of 18 square kilometres, Taomi had diverse landscapes such as ponds, streams, wetlands, waterfalls forests, all of which were a rich habitat for wild animals, including 21 of the 29 frog species, 45 of the 153 dragonfly species, and 72 of the 450 bird species in the whole of Taiwan (Peng, 2001). The discovery surprised the Taomi villagers and revealed the potential for eco-tourism (Chiu, 2004). The other organisation was the regional regeneration team led by Dr Chen, Chr-Ji and Shih-Hsin University. The university team worked with the residents to explore the historical and cultural resources. They also organised workshops and training in local culture, local food, guided tours, and homestay (Chiu, 2004). With these non-profit
organisations’ assistance, Taomi’s eco-tourism started trial operation in 2001, receiving considerable coverage and gaining funding from the Philips Company for lighting facilities and the training of eco-guides.

However, it was not easy for the residents to change the economic imaginaries of previous industries and engage in these courses in the beginning. They soon suffered visitors’ criticism for unprofessional homestays and an untidy environment. In addition, the disagreements among the three assisting groups led to the withdrawal of the university (Chiang and Chang, 2008). The NHF therefore introduced a relief programme, with government funding, so that unemployed residents could earn subsidies by cleaning the village and attend training classes (Liao, 2012). Through learning and consultation with the NHF and the Endemic Species Research Institute, eco-tourism as the vision of a new type of industrialisation was identified by most residents (Interview with Chung, Yun-Nuan, 2012).

In the practical process of eco-tourism industrialisation, the TCDA designed several visits during 2000 and 2002, to learn from other communities’ experiences and exchange ideas. They visited Baimi Clog Village, Erjie Community in Yilan County, and Fu-Ben, Young-Ping and Young-Le Communities in Changhua County. These visits not only helped the TCDA and residents to understand the relationship between community empowerment and cultural industries, but also brought in some schemes to keep the community cultural industries sustainable (Chiu, 2004; Liao, 2012). For example, they adopted Baimi’s scheme of a ‘community fund’ into the eco-village, in which every eco-tourism operator would give 5 per cent or 10 per cent of their income to the community for public use or facility maintenance (Interview with Chung, Yun-Nuan, 2012). Moreover, residents collaborated with senior craftsmen as an autonomous construction team to restore wetlands and the surrounding landscape by ecological methods (CCA, 2010b). With funding from the CCA, Taomi residents and the NHF preserved the earthquake-damaged community centre and transformed it into the community museum. In the planning process of the museum, residents participated in the narratives of local history and culture, and
donated their private collections for exhibition (CCA, 2010b). The museum is currently the entrance to Taomi Eco-Village, where it not only displays local culture and earthquake implications for visitors but also consolidates local identity for the residents.

While Taomi community was practising indigenous strategies to conduct eco-tourism, the NHF introduced the discourses of ‘green economy’ and ‘knowledge-based economy’ to empower Taomi residents, who constructed the economic imaginaries of Taomi Eco-Village with the endogenous and tourism approach. On the one hand, the NHF and Endemic Species Research Institute held a series of ‘Green Workshops’, covering ecological ethics, natural values, eco-technology construction and ecological guide skills for residents to learn ecological knowledge and participate in the preservation and construction of an eco-friendly environment (Wang, 2009). Moreover, the NHF assisted the TCDA to get government funding to promote eco-tourism. They strategically selected three species (frogs, dragonflies and birds) which are easy to identify as the topics of eco-tours, and provided training for the residents to learn the skills of catering for and hosting tourists. These workshops and training were aimed to empower residents with qualified abilities to shape the vision of eco-tourism as one of the green economic industries that would contribute to a sustainable community and improve their lives.

On the other hand, the economic imaginaries of ‘knowledge-based economy’ were translated and realised as ‘education and learning’ by the NHF (Yen, 2004; Chang and Liao, 2013). In the NHF’s elaboration, the practical meaning of knowledge-based economy is the way that people can make a living from eco-tourism by learning and interpreting (Interview with Liao, Chia-Chan, 2012). Liao’s explanation is that “learning is the fundamental strategy of endogenous industries. This learning is based on the local culture and history to fully understand the ecology of the hometown and further develop interpretation of this place” (Interview with Liao, Chia-Chan, 2012). Through learning and participation in community discussions, residents accumulated the knowledge and ability to transform Taomi community from an agricultural village to an eco village. In this vein, the NHF introduced the
system of licensed guides to conduct tours with privileged certification. In the first stage, nine residents passed the examination to obtain certificates and started guiding eco-tours. They were able to gain substantial income by offering the services of eco-guides and interpretation. The monetary reward fulfilled the economic imaginaries of endogenous industries and this system of licensed guides reflects the efficacy of the knowledge-based economy. As a result, it consolidated the hegemonic discourse of knowledge-based economy with a learning strategy in eco-tourism. Chung, Yun-Nuan (鐘雲暖), the director-general of TCDA, said that “what we sell in Taomi is a kind of knowledge-based economy, in terms of the stories addressed by the guides with professional certification” (Interview with Chung, Yun-Nuan, 2012). To date, there are thirty tour-guides with certification and half of them take shifts to participate in the community’s eco-tourism (CCA, 2010b, p.219).

In semiotic practice, the discourses of ‘green economy’ and ‘knowledge-based economy’ within the practice of tourism constructed the new economic imaginaries of local industrialisation based on endogenous and tourism approach in Taomi Eco Village. According to the survey conducted by the NHF in 2002, 94 per cent of respondents said they knew eco-tourism was developing in Taomi Village, and more than 70 per cent would like to continue to participate in the construction of Taomi Eco Village (Liao, 2012).

After 2005, TCDA insisted on the approach and dominated the construction of the Eco Village while the NHF shifted their relationship to a ‘soft partnership’ and focused on the project of ‘Paper Dome – Newland Community Education Centre’ to promote learning strategies in community empowerment and industrialisation (Liao, 2012). Then some members of TCDA, along with residents, organised the Taomi Natural Preservation Association and Taomi Eco-Tourism Association to conduct environmental protection and eco-tourism, which led to the reorganisation of the TCDA. Some of the members organised another committee to promote Taomi Leisure Agricultural Park. Conflicts among the associations arose due to different interests, but were sorted out through communication and the complementary network (Chiang and Chang, 2008). The TCDA transformed its responsibility into community welfare and the Committee of Taomi Leisure
Agricultural Park focused on integrating resources for leisure agriculture, agricultural industries and culture. The three associations have built trust with each other due to close interpersonal relationships and regular dinner meetings (Interview with Chung, Yun-Nuan, 2012). In 2008, the Paper Dome began operation, which enhanced the cluster effect of the Eco Village. In 2007, there were 17 homestays, 2 campsites, 10 small restaurants, and 30 eco-guides for eco-tourism (Wang, 2009). By 2011, the number of tourists visiting Taomi Eco Village reached 400,000. According to Liao’s research (2012), the endogenous industries of eco-tourism and the learning-visit of Paper Dome had created 188 jobs (about one-sixth of the whole population) including more than 30 immigrants (Interview with Chung, Yu-Nuan, 2012). Moreover, the network of eco-tourism has constantly extended to include 24 homestays, 2 campsites, 13 restaurants, 5 DIY-craft tours, and 36 eco-guides, which contribute about 130 million NT dollars (Liao, 2012, p.137).

The endogenous and tourism approach not only challenged the privileged discourse of industrialisation shaped by the state but also had a significant influence on the evolution of industrialisation. Compared to the state’s policy and preferred spatial approach of CC Parks and local cultural museums, the industrialisation of local community by the endogenous and tourism approach was developed on the basis of the local resources and collaborative networks between community residents, associations, and the third sector. The actions and discourses have affected some governmental departments to adjust the subsidy scheme. For example, the Small and Medium Enterprise Administration, a department within the Ministry of Economic Affairs, started to foster small enterprises with local historical and cultural features, and the Soil and Water Conservation Bureau, which under the administration of the Council of Agriculture, developed the ‘Rural Rejuvenation Programme’ in 2010 to support the declining farming communities against the outflow of people and the challenges of globalisation while preserving the ecological environment. The learning strategy of the NHF influenced the project. According to the Rural
Rejuvenation Act\textsuperscript{27}, village residents must complete a series of training courses before submitting a community revitalisation plan. The purpose of the training is to help residents better understand the village’s resources and unique characteristics so that they can shape the community vision and conduct revitalisation projects. The project has played an increasingly important role in the constitution of industrialisation in the third phase (2008-2012), which will be discussed in Chapter 6.

\section*{Conclusion}

From the above analysis, it can be observed that industrialisation experienced a paradigm shift from 2002 to 2008. The state and local communities played co-constituted roles in the shift. At the same time, the actors competed for the interpretative hegemony of industrialisation in cultural policy. Their discourses and practices contributed to the semiotic practice of meaning making in the evaluation of industrialisation.

On the one hand, the state launched the CCIP and the New Hometown CEP as economic and political fixes for industrialisation in the field of cultural policy, which created the favoured imaginaries of the CC Parks approach and LCM approach to transforming the economic structure and consolidating Taiwan’s subjectivity. On the other hand, the local communities conducted an endogenous and tourism approach to counter heavy economic crises resulting from the WTO and natural disasters. During the semiotic practice between the state projects and local practice in the second phase, the new concepts of ‘culture is good business’ and ‘branding Taiwan’ were privileged and encompassed into the meaning of industrialisation, while the retention of ‘localisation’ and ‘participation’ and the highlighting of ‘cultural citizenship’ were constantly supported by the local communities and transformed by the ‘endogenous and tourism approach’.

However, the condition of industrialisation has changed since the KMT regained power in 2008 and Taiwan encountered another global financial crisis at the same time. Due to the specific political ideology and economic imaginaries, the KMT government proposed the second stage of the CCIP and adjusted the strategies of the New Hometown CEP, which led to the consolidation of the hegemonic discourse of ‘culture is good business’ and shifted the policy imaginaries from ‘Taiwan’s subjectivity’ towards being ROC-based. More importantly, these policy changes has raised questions and caused conflicts in civil society. The discursive and practical developments of industrialisation will be analysed in the next chapter.
Chapter 6 Industrialisation of Cultural Policy III (2008-2012)

Introduction

The discursive practice of the CCIP and the New Hometown Project suggest that the DPP’s intention in utilising the concept of CCIs in accordance with the discursive formation of ‘culture is good business’ and ‘branding Taiwan’ was as a strategic fix in response to economic transformation and to strengthen Taiwanese identity. With the state’s initiation of the policy, local governments, communities, associations and private enterprises took part in the co-constitution of industrialisation and developed economic imaginaries of the ‘CC Park’ and the ‘endogenous and tourism approach’. However, the given discursive structure of industrialisation has changed since 2008. One of the main factors is that the KMT replaced the DPP’s presidency and continued to hold power from 2012 to date. This political rotation had caused dramatic variation in national policy as KMT’s political ideology embraces the ‘Republic of China’, which is distinct from the former DPP government’s claim of ‘Taiwan’s subjectivity’ in the national identity. Moreover, the KMT government favours neo-liberalist economic projects in response to the global financial crisis of 2008. These political-economic structural changes not only shaped a new discursive condition of industrialisation in relevant cultural projects but also regulated the selection of economic imaginaries of industrialisation in cultural policy and local practice.

In order to analyse the co-constitution of industrialisation and the formation of the economic imaginaries in cultural policy after 2008, this chapter firstly investigates the structural variation in political issues of ROC-rebuilding and economic integration with China, which were crucial factors in the evolution of the state discourse. The KMT government emphasised the market discourse of the ‘Grand-Chinese market’ to promote this economic liberalisation. However, these policy strategies encountered difficulties in implementation in their interaction with civil discourses of endogenous approach generated by the civil society. Having experienced the second change of ruling party through general elections, which Huntington (1991,
pp.266-267) called the ‘two-turnover test’, Taiwan underwent a consolidated democracy (Rawnsley, 2014; Fell, 2012; Cheng and Fell, 2014). This not only represented a democracy mechanism between the state and the society, but also was accompanied by the flourishing of civil society and the relevant social movements with heterogeneous discourses and strategies, in response to state policies.

Therefore, the second section analyses the context of the resurgence of such social movements and the emergence of civil discourses. The structural transformation from political-economic environment and civil society set the conditions for the cultural policy and the meaning-making of industrialisation. This is evident in the transformation of the second stage of the New Hometown Project and CCIP. Despite the KMT inheriting these projects’ names, they changed the policy imaginaries toward a ROC-base and made them more market-friendly in their second stages, which raised intense opposition from civil society and civil movements. The third section elaborates on the policy discourses of the framework of ‘Creative Taiwan’ which is the second stage of CCIP from 2009 to 2013, the development of the ‘Law for the Development of Cultural and Creative Industries’ and the establishment of the Ministry of Culture. The fourth section focuses on the discursive transformation of New Hometown CEP. Faced with the variation of policy imaginaries and institution changes, local practice in communities had undergone dramatic changes. The final section discusses two trends of local practice: the reflexivity of the endogenous and tourism approach and the rise of the cultural and creative village (文創聚落). It also looks at the cases of ‘Dragonfly Beads Art Studio’ and ‘Teihua Music Village’ in order to elaborate on the strategic discourse and struggling local practice. The local practice of these two cases provides prominent imaginaries of the public and the state, which reconstructed industrialisation in cultural policy.
6.1 Political Changes and Economic Integration with China

After the configuration of ‘New Taiwanese’ and ‘Taiwan’s subjectivity’ promoted by Lee, Teng-Hui and Chen, Shui-Bian as analysed in Chapter 5, ‘Taiwanese identity’ had seized the hegemony in the meaning-making practice in society during the first decade of the 2000s. One piece of evidence is that ‘Taiwanese identity’ has become common strategic rhetoric in the election campaigns. Both of the two major political parties (the DPP and the KMT) expressed ‘Love Taiwan’ and ‘Taiwan priority’ in their campaigns for the 2008 elections; moreover, the shape of Taiwan island had become the preferred icon in both campaign instruments and strategies (Fell and Chen, 2014). Another salient development was the increasing number of people in Taiwan who identified themselves as Taiwanese. According to the survey conducted by the renowned Election Study Centre at National Cheng-Chi University28, the number expressing Taiwanese identity had increased to 48.4 per cent in 2008 from 17.6 per cent in 1992, whilst the number of those identifying themselves as Chinese sharply decreased from 25.5 per cent to an historical low of 4.0 per cent during the same period.

However, it is worth noting that there were a significant number of respondents (more than 40 per cent) still holding dual identity, in which people identified themselves as both Taiwanese and Chinese, during the same period. The figure of dual identity was 43.1 per cent in 2008, slightly less than that of Taiwanese identity at 5.3 per cent. This reveals that Chinese-nationalism, which was imposed by the former authoritarian KMT government from 1949 to 2000, still had strong implications for the people of Taiwan. Even though the former DPP government was devoted to constructing ‘Taiwan’s subjectivity’ between 2000 and 2008, it did not replace the five-decades of Chinese-identity based on the imaginaries of ‘Republic of China’ (ROC). The broad acceptance of dual identity in the public gave the KMT a space for articulation of its version of Taiwan

identity with the imagined ROC in the 2008 general election. As in Kaeding (2009) analysis, the KMT portrayed a very ‘Taiwanised’ image in the discourse of ‘New Taiwanese’ as a means of amalgamating KMT’s Chinese heritage and Taiwan’s identity to assure voters of his commitment to the sovereignty of Taiwan in campaigns. As a result, the KMT gained landslide majorities in parliamentary seats and then the KMT candidate, Ma, Ying-Jeou, won the presidential election. Consequently, this constituted a new discursive-material condition with structured continuity and structuring changes of policy.

Since Ma’s inauguration, the KMT government changed the policy discourse of ‘Taiwanese subjectivity’ and replaced it with the discourse of ‘ROC’. For the KMT’s ideological imaginaries, Taiwan is part of the Republic of China (ROC), which the predecessor of the KMT established in Mainland China in 1912. Even though the KMT adopted Taiwan-themed campaigns to win the presidential election, when Ma was inaugurated as president, he committed to construct his version of Taiwan’s identity as an integral part of the Chinese nation (Hughes, 2014). This was distinct from the hegemonic discourse of ‘Taiwan’s subjectivity’ supported by the former DPP government. This was evident in Ma’s first inauguration address. He recalled, for example, the past sixty-year achievements of the ROC in Taiwan’s economic development and defined the democracy of Taiwan as a significant contribution to ROC’s centennial history:

The Republic of China was reborn in Taiwan. During my presidency, we will celebrate the 100th anniversary of the founding of the Republic of China. This democratic republic, the very first in Asia, spent a short 38 years on the Chinese mainland, but has spent nearly 60 years in Taiwan. During these last six decades, the destinies of the Republic of China and Taiwan have been closely intertwined. Together, the two have experienced times good and bad. On the jagged path toward democracy, the ROC has made great strides (Ma, 2008).

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29 The political corruption was another critical factor for the DPP’s defeats in 2008, particularly the allegation scandals of President Chen, Shui-Bain and his family (Fell, 2012; Garver, 2011).
In his address, Ma reclaimed the importance of the ‘1992 Consensus’ of ‘One China, Respective Interpretations’\(^\text{30}\), of which the former DPP government had never claimed legitimisation, to serve as the foundation for consultations across the Taiwan Strait. Ma’s government tried to use the discursive strategy of the ‘1992 Consensus’ to repair the isolated international space and the intense hostility from the PRC, which were caused by Chen’s proposal of ‘one country on each side’. During the former DPP government, eight countries\(^\text{31}\) terminated formal diplomatic relations with Taiwan; moreover, the Chinese government reclaimed military attacks to deter the Taiwanese independence movement. In order to defuse the conflicts and extend the external relations, Ma highlighted the importance of the ‘1992 Consensus’ as the basis of re-approaching relationships with the PRC. Furthermore, Ma pledged to maintain the status quo across the Taiwan Strait by a principle of ‘Three Nos’ – no unification, no independence, and no use of force – to pursue reconciliation and truce in cross-Strait relationships. In addition, Ma argued that sovereignty does not matter to resolve cross-Strait issues. Instead, he emphasised that ‘common Chinese heritage’ can help Taiwan and Mainland China ‘attain peace and co-prosperity’ (Ma, 2008). As a result, Ma (2008) called for a resumption of cross-Strait talks in his inauguration address to achieve ‘normalisation of economic and cultural relations’ and expected the eventual possibility of a cross-Strait peace accord.

From Ma’s address, it can be seen that the KMT government intended to construct the dominant discourse of ‘ROC’ over the DPP’s discourse of ‘Taiwan’s subjectivity’ which aimed at consolidating an identity for Taiwan as an entity separate from China. In this way, the KMT government

\(^{30}\) The consensus gives both sides respective interpretation of ‘One China’. He repeated frequently on many later occasions, defining ‘one China’ as the ‘Republic of China’ established in 1912 whose sovereignty covers the whole China, but its ruling regions presently are limited only to the areas of Taiwan, Penghu, Kinmen, and Matsu (The China Post, 2011). According to Ma’s interpretation in 2011, the consensus made it possible for Taipei and Beijing to temporarily shelve the sovereignty controversy and focus on practical and mutually beneficial issues that it have never undermined or ceded the ROC’s sovereignty (The China Post, 2011).

attempted to shift identity politics back toward the pro-status quo centre from the pro-independence that the former DPP government promoted, and put cross-Strait relations on a new track in search of closer cooperation and greater international space (Garver, 2011; Fell, 2012).

Under Ma’s discursive framework of the ‘1992 Consensus’, China returned positive and immediate feedback. Three weeks after Ma’s inauguration, a series of cross-Strait consultations were resumed. ROC’s Straits Exchange Foundation and the PRC’s Association for Relations Across the Taiwan Straits achieved several agreements such as direct flights, the arrival of Chinese tourists, direct shipping links, postal services, and food safety (Young, 2008). At the end of 2008, Taipei Zoo accepted two giant pandas sent by the PRC, the offer of which had been refused since 2005 (Jennings, 2008). The two pandas were named ‘Tuan Tuan’ and ‘Yuan Yuan’ by the PRC as a rhetorical combination of ‘Tuan Yuan’ which means ‘reunion’ in Chinese. In addition, the KMT government conducted a series of discourses and projects to facilitate the hegemony of ‘ROC’ and revive Chinese identity in Taiwan. For example, the KMT government abandoned the previous efforts to apply for membership of the United Nations under the name of ‘Taiwan’. Moreover, the reference to PRC as ‘China’ was restricted to use in official documents as Ma asked every government agency to refer to the opposite side of the Strait as ‘Mainland China’ (中國大陸), the ‘Mainland’ (大陸) or the ‘Mainland area’ (大陸地區) rather than ‘China’ since this is based on the definition of the Constitution of ROC and the ‘Act Governing Relations between the People of the Taiwan Area and the Mainland Area’ (Lee and Lin, 2011).

Another strategy of consolidating Chinese identity was to put Taiwan into the framework of Chinese culture. One such cultural project is the establishment of the ‘Taiwan Academy’ (台灣書院) around the world. As one of Ma’s manifestos of cultural policy, the Taiwan Academy is functionalised to “showcase Taiwan’s unique Chinese culture” with a goal to “bring Chinese culture that features Taiwan’s unique characteristics to
the world". To date, Taiwan Academies have opened in New York, Los Angeles, and Houston, while contact points have been set up in 64 countries including the Centre of Taiwan Studies, in the School of Oriental and African Studies, University of London.

With regard to economic policy, the KMT government continued to follow the dominant neo-liberalism and further emphasised free trade, especially the liberalisation of cross-Strait bilateral trade. In the last chapter, it was shown that Taiwan experienced authoritarian politics post-war, which shaped the developmentalism-oriented economy. Since 1980, the process of democratisation had created a privileged structure for the dominating principle of neo-liberalism as the democratic movement adopted privatisation in its fight against authoritarian rules (Chu, 2011; Tasi, 2010). In addition, the hegemony of neo-liberalism was strengthened after the former DPP government’s joining of the WTO. Within the evolution of this specific historical structuration, Tasi (2010, p.92) pointed out that the discourses of ‘respect of market mechanism’, ‘open economy’ and ‘globalisation’ have become the common base of economic imaginaries for Taiwanese society to embrace the market-oriented regulations and advocate the internationalisation of the domestic market. The dominant imaginaries of ‘neo-liberalism’ promoted the discourse of ‘small government’ and ‘outsourcing to private contractors’, which were prevalent in Taiwan (Chu, 2011, p.279). Moreover, the strategic imaginaries of neo-liberalism have been followed by the KMT government to fix the Asian financial crisis in 2008. According to the statistics, the GDP growth in Taiwan dropped considerably from 5.7 per cent in 2007 to 0.1 per cent in 2008 (CEPD, 2009b). The growth figure in 2008 was lower than Hong Kong (2.5 per cent), South Korea (2.2 per cent) and Singapore (1.1 per cent), so the KMT government adopted further liberalisation and free-trade strategies in its economic policy.

In this vein, Ma proposed ‘Love-Taiwan 12 Projects’ to revitalise the dynamism of Taiwan’s economic growth and intensify international

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competition by encouraging private participation and investment in public construction projects (CEPD, 2009a). The projects called for a total investment of 3.99 trillion NT dollars over the next eight years (2008-2016), with 2.65 trillion NT dollars of the total coming from the government and 1.34 trillion NT dollars from the private sector. It included twelve prioritised public construction projects: (1) a fast and convenient island-wide transportation network; (2) Kaohsiung Free Trade Zone and Eco-Port; (3) Taichung Asia-Pacific Sea and Air Logistics Hub; (4) Taoyuan International Air City; (5) Intelligent Taiwan; (6) industrial innovation corridors; (7) urban and industrial zone renewal; (8) farm village regeneration; (9) coastal regeneration; (10) green forestation; (11) flood prevention and water management; and (12) sewer construction. In implementation, the Executive Yuan revised the legal strategies of ‘Act for Promotion of Private Participation in Infrastructure Projects’ to deregulate the restrictions and strengthen incentives for private participation (Executive Yuan, 2009b). Among the projects, the fifth project, ‘Intelligent Taiwan’ encompasses the establishment of CC Parks, the allocation of 10 billion NT dollars from the National Development Fund for start-up investment in enterprises related to CCIs, and a variety of incentives for cultural workers and enterprises to engage in international marketing and participate in international exhibitions (Executive Yuan, 2009b). These show the state adopting the market discourse of ‘investment’ with the dominant imaginaries of neoliberalism to plan the CCIP. This had led to profound implications on the discursive formation and structural configuration of industrialisation in cultural projects, which will be analysed in the following sections.

In addition, with the resumption of cross-Strait talks, the KMT government pledged closer economic ties with China and planned to sign the ‘Economic Cooperation Framework Agreement’ (hereafter ECFA) as the preferential trade framework for further liberalisation on bilateral trade. As a matter of fact, there had been significant growth in the direct bilateral trade since both China and Taiwan were admitted to the WTO in 2002, especially after the former DPP government twisted the trade policies with China from ‘proactively liberalise, effectively manage’ (積極開放，有效管理) to ‘proactively manage, effectively liberalise’ (積極管理，有效開放). The
growth of trade flows increased from US$10.62 billion in 2000 to US$98.28 billion in 2008 (Chow, 2011). In 2004, China replaced the United States as the largest export market for Taiwan. After Ma, Ying-Jeou took office in 2008, a series of trade pacts and transportation connections across the Taiwan Strait were signed. The signing of the ECFA was a major economic proposal for Ma's first term, but it caused controversy (Fuller, 2014; Chow, 2011).

Under the dominant economic imaginaries of neo-liberalism, the ECFA is a precedent of a free trade agreement within the foundation of the WTO, which aims to reduce tariffs and commercial cross-Strait barriers. The KMT government expected that economic integration with Mainland China would benefit Taiwan's economy and also help establish free trade deals with other countries. Therefore, the ECFA can be seen as a strategic fix for the KMT government to break through the cross-Strait stalemate and Taiwan’s international isolation. However, the DPP and other civil groups worried that economic integration would sacrifice Taiwan’s sovereignty and vulnerable industries. Therefore, they held a number of large-scale demonstrations to protest the negotiations. The conflicts and controversies led to a television debate between President Ma and the chairperson of the DPP, Tsai, Ing-Wen (蔡英文).

According to the transcript of the debate (about fish, 2010), Ma advocated the discourse of opportunities to emphasise the advantages of the ECFA. He focused on two aspects: firstly, the ECFA would leverage Taiwan’s export-oriented economy due to the tariff reduction and the legalisation of investment and cross-Strait regulation and thus attract foreign investment and reduce the unemployment in Taiwan; and secondly, the ECFA would seize Taiwan’s global competitiveness from being marginalised in East Asian economic integration, since other countries had, or were going soon to have, trade agreements with China or other regional groups such as the Association of South East Asian Nations. This would lead Taiwan to sign multiple free trade agreements with other countries. Nevertheless, Tsai adopted the contested discourses of threats, to stress the disadvantages of the ECFA, such as the impact on unemployment and economic inequality due to liberalisation. She raised sceptical concerns about
China's political intention behind the economic agreement and criticised the ECFA as being sugar-coated, such that it might damage Taiwan's sovereignty. As a result, the DPP and other small political parties called for a national referendum on the ECFA.

However, the proposal of a referendum was rejected by the committee. The ECFA pact was eventually passed and signed in 2010 as the KMT held an overwhelming legislative majority. The ECFA includes three parts: (1) normalisation of cross-Strait trade flows under the WTO; (2) preferential trade arrangements with an ‘early harvest’ list of 539 commodities of Taiwan's export to, and 267 commodities of import from, China; and (3) coordination/cooperation of industries and division of labour (Chow, 2011, p.185). Furthermore, the ECFA functionises a framework for further major economic negotiations: merchandise trade, investment protection, service trade, and trade dispute settlement. Since then, the relations between Beijing and Taipei have improved markedly.

In summary, the KMT government had shaped the distinct political imaginaries and economic imaginaries since 2008. On the one hand, they tried to re-impose the discourse of ROC to link with Taiwanese identity and seized the hegemony of the ‘1992 Consensus’. On the other hand, they promoted economic integration with China under the dominant framework of neo-liberalism. As a result, they strategically reduced the tension across the Taiwan Strait and stabilised economic integration with China, which created a specific political-economic structure, as Fell and Chen (2014) suggest, where China has been the major policy concern for Taiwan's ruling parties. However, KMT's policy discourses and strategies received widespread criticism. They not only caused a resurgence of social movements but also stimulated the contested discourses from the opposition parties and civil society. More particularly, the celebration of ROC's centennial in 2011 led to a series of cultural controversies and set another discursive-practical condition of industrialisation, which will be elaborated in the following sections.
6.2 The Resurgence of Social Movement and Civil Discourses

As analysed in Chapter 5, the emerging discourse of ‘civil society’ provided alternative and imaginative partnership relations between state and society during the DPP government. It has been known that the civil groups took strategic alliance with the opposition DPP to resist the authoritarian KMT in the 1990s, then many social activists were recruited into policy-making circles to pursue social reforms within the institutional structure under the DPP government (Hsiao and Ku, 2010; Ho, 2010). The increasing involvement of the activist movements brought about legislative successes in the initial stage, such as the passing of the ‘Gender Equality in Employment Act’ (2002), ‘Employment Insurance Act’ (2002) and ‘Basic Environment Act’ (2002) as well as the establishment of new institutions such as the Human Rights Consultative Commission (2000).

Although the partnership resulted in some significant achievements, most of the social reforms promoted by the activist movements and civil society were unable to leverage further structural changes during the DPP government from 2000 to 2008 (Ho and Lin, 2011; Ho, 2010; Hsiao and Ku, 2010). On the one hand, the pan-KMT camp still dominated the Legislative Yuan, which resulted in an antagonistic political climate where reform issues became politicised and thus limited the mobilisation of civil groups and the impacts of social movements to formulate further reform policy (Fell, 2012; Hsiao and Ku, 2010). On the other hand, the DPP government had not consistently committed the reform promises as President Chen had put economic growth as his top priority and ignored civil groups' policy proposals. In order to fix the economic recession in 2001, the Chen administration adopted neo-liberalist strategies and promoted privatisation policy. As Ho (2010) argues, Chen’s pledge to ‘salvage the economy’ (拼經濟) overrode the reform commitments of welfare redistribution and led to internal conflicts in the incorporation partnership. In addition, the financial scandals of Chen and his family caused several mass demonstrations to demand Chen’s resignation in his last two years in power. In this way, many social activists felt frustrated at
the institutional reform with a loss of trust between the partnership of civil society and the state (Ho, 2010; Hsiao and Ku, 2010).

The tensions and conflicts increased in the relationship between civil society and the state with the return to KMT rule. Since the KMT won the presidential election, taking nearly three-quarters of the seats in the Legislative Yuan in 2008, the KMT government reverted to its previous conservative-orientated ideologies and pro-business policy. This shrank the institutional access for liberal-minded social activists to participate in governmental committees and policy-making circles (Hsiao and Ku, 2010; Fell, 2012; Ho, 2014b). Ho (2014b) and Fell (2012) point out that a more aggressive economic growth philosophy prevailed, clearly signalling that the proposals of labour activists and environmentalists were no longer welcome in governing circles. Moreover, Ma’s resumption of cross-Strait talks and the signing of an agreement without transparent mechanisms, raised concerns from the opposition and civil groups. They accused Ma’s cross-Strait economic policy of hurting Taiwan’s sovereignty and damaging local small-medium scale industries.

The switch to a conservative agenda and China’s market alarmed activists and stimulated the revival of social movements. Due to the previous frustrating partnership with the DPP government, most of them kept a cautious stance on an alliance with the DPP to develop their autonomous strategies and independent discourses. The discursive strategies of social movements and the practice of large-scale demonstrations not only presented the discontented rhetoric of civil society but also generated influential civil discourses to negotiate with the state and the business sector in order to affect the direction of policy. With the resurgence of social movements, civil discourses have played a critical role in the evolution of hegemonic struggle. Some of the selected civil discourses with strategic practice seized the hegemony in the discursive-material struggle and gradually transformed the social norms and social values from economic development to environmental justice. For example, Tu, Wen-Lin and Chiu, Hua-Mei (2010) argue that the participants of environmental movements come from diverse backgrounds that extend the links with local and global environmental groups to generate resistant discourses
against the dominant state discourse which focuses on the economic benefit of Science Parks.

Apart from the environmental groups and local residents, other intellectuals, lawyers and students were engaged with anti-pollution movements of Science Parks and proposed critical discourses, which demand to put the environmental issues within the process of capital accumulation in high-tech industries. Other movements showed a similar pattern of strategic alliance and selected discourses. For instance, Ho (2014b) analysed the resurgence of social movements under the Ma government and found that a common thematic discourse of ‘justice’ emerged and was shared by many social movements such as ‘land justice’ of farmers' movements against the government's compulsory land purchase programme, and ‘generational justice’ of labour movements highlighting the corporate domination and bankrupt social insurance.

These movements of activists exploited new technology, independent media and social media to disseminate their diverse arguments widely and mobilise the general public to protest or compete against state or market discourses. In addition, many cultural workers progressively engaged in social movements and took creative and relatively soft strategies to support civil discourses. For example, Wu, Cheng (吳晟), the renowned poet, conducted a series of cultural actions with arts workers including hundreds of singers, writers, dancers and theatre workers to oppose the Kuo-Kuang Petrochemical Project (Chou, 2012). The movement in accordance with arts action filled with poetry and music enriched the movement's discourses and drew the public's concern to participate in demonstrations, which finally forced the Ma government to abandon the project (Chou, 2012; Ho, 2012a). Ho (2012a) argues that one of the influential elements of the civil discourse is the discourse of ‘citizen’ with altruism beyond politically partisan calculation. In other words, highlighting

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33 The project was recognised by the DPP government to fix the local economic decline in Yunlin County since 2005. It was a public-private joint venture and located in a large-scale wetland thus caused local protests. It was suspended since then as it could not pass the environmental impact assessment. In 2008, the Kuo-Kuang investors decided to relocate the project to Changhua Country, which was perceived to be a favourable environment provided by the local KMT government (Ho, 2012a).
‘citizen’ through these cultural links and arts actions preformed in the movements exerts leverage to empower their civil discourses to counter dominant state discourses and market discourses. This not only deepens the autonomy of civil society but also enhances the transformative influence of civil discourse in the discursive struggle.

During the dialectical process of discursive struggle, two main developments of civil society and social movements were engaged in the articulation between civil discourse and structuration, which created the conditions and leverage for civil discourse of industrialisation in cultural policy.

The first development resulted from the negative reflections of the economic integration with China. When the Ma government aggressively reassumed a series of cross-Strait consultations, it faced tough and complex challenges from civil society. Some of them argued that the talks and economic integration were moving too fast and might damage Taiwan’s sovereignty (Ho, 2012a). They therefore raised protests against China’s visiting representative Chen, Yun-Lin in November 2008. The demonstrations received excessive policing and provoked a student-led mobilisation called the ‘Wild Strawberry movement’34. They condemned police violence and demanded the liberalisation of the Parade and Assembly Law35. Their discursive tactics included a sit-in at Freedom Square and the online broadcasting of their protests. In order to spread their appeals and discourses, they employed digital technology to upload the relevant clips and news, and used social media to mobilise participants’ activities (Hsiao, 2011). This soon gained feedback from other universities and their protests sprang up quickly around Taiwan as well as Kaohsiung, Tainan, Taichung, Changhua, Hsinchu and Chiayi. Hundreds of cultural

34 The name ‘Wild Strawberry’ has two meanings (Hsiao, 2011). On the one hand, it recalls the ‘Wild Lily’ student movement of 1990, which led to vast political reforms and Taiwan’s first general democratic election. On the other hand, the word ‘Strawberry’ makes ironic use of the term ‘strawberry generation’, a description of Taiwan’s youth, employed pejoratively by their elders to portray the newest generation as soft, lacking strength of character and political convictions.

workers supported the movement to defend freedom of expression and assembly. The campaign instigated the resurgence of social movements and sparked further debates about the economic integration with China and freedom of speech. For example, other movements such as labour movements, farmers’ movements, environmental movements, anti-nuclear demonstrations, consumers’ movements, judicial reforms and cultural movements showed similar rejuvenation and adopted technology to generate their discourses to struggle with the dominant state discourses.

The second development is the ‘China factor’, one of the typical cases of which was the ‘Anti-media Monopoly Movement’ of 2011. The ‘China factor’ was proposed by Wu, Jieh-Min to describe the leverage mechanism worked by China’s government and its collaborators such as businessmen and media groups to influence Taiwan’s democracy, direction of policy, media and public opinion (Wu, 2009). It was soon acknowledged by the Taiwanese academic world and consistently used in the media and public discourse in Taiwan. For instance, Ho (2014a) argues that Taiwanese social movements have been forced to respond to the China factor after the KMT regained power.

In the context of the ‘Anti-media Monopoly Movement’, the ‘China factor’ refers not only to the Chinese government but specifically to Taiwanese businesspeople with economic interests in Mainland China, so that it has become a major issue of anti-China interference (Rawnsley and Feng, 2014, p.108; Chou, 2013). For example, since Want Want Holdings Limited, one of the largest food manufacturing companies in Asia, took over China Times Media Group36 in 2008, the editorial line of the China Times has been skewed in favour of China’s state corporatism and aligned with KMT’s cross-Strait policy37 (Chen, 2013). In addition, Tsai, Eng-Ming (蔡衍明), the head of Want Want China Times Group, often imposed his

36 The China Times was founded in 1950 in Taipei and used to be one of the major newspapers famous for its liberal stance. In 2008, it was sold to a pro-China Taiwanese business tycoon Tsai, Eng-Ming, the head of Want Want Holdings Limited.

37 Want Want Holding’s internal newsletter reported that after Tsai acquired the China Times Group in 2008, he met with Wang, Yi, PRC’s Taiwan Affairs Office Minister, and elucidated that the goal of his procurement of the China Times Group was “to use the power of the media to further cross-Strait relations” (Chen 2013).
pro-China rhetoric and political stance in his media, which raised questions about media ownership and the impact of media freedom in Taiwan (Rawnsley and Feng, 2014; Harrison, 2012; Chen, 2013). In 2011, the Want Want China Times Group expressed its intention to buy out China Network Systems, the second-largest cable TV provider in Taiwan. This merger would potentially allow the group to occupy one-third of the overall media market. Consequently, the Anti-Media Monster Youth Alliance in association with the Association of Taiwan Journalists and a range of other civil and media reform groups organised diverse campaigns to urge the National Communications Commission to oppose the merging scheme and raise public awareness of the negative impact of a media monopoly.

The movement constantly evolved and responded to unfolding events through multi-dimensional discourses and strategies. They organised petitions, demonstrations, as well as using global social networking activities. For example, an ‘Anti-media Monopoly Demonstration’ was held on Journalist Day (1st September) in 2012, which drew nearly a hundred civil groups and more than ten thousand citizens to Taipei (Chen, 2013). Moreover, lots of professors from seventeen universities offered free classes for three weeks to students and the public interested in learning about the implications of a media monopoly and the meaning of a diverse media environment (Chen, 2013). The activists also launched an outreach project in the form of a truck tour in 2012, called ‘On the truck through Taiwan, Unite Everyone’, travelling around Taiwan to advocate their claims to the local public and make connections with local civil groups. They stood in front of train stations, night markets and temples using megaphones to explain the dangers of a media monopoly and the deteriorating quality of democracy in Taiwan.

In addition, the campaigners began using social media to spread the issues worldwide. They launched a campaign called ‘What’s Next?’ on their official Facebook page and invited participants to download a PDF document with the text ‘Oppose media monopoly. Reject the black hand of China. Safeguard freedom of the press. I protect Taiwan in ___’ (‘反對媒體壟斷、拒絕中國黑手、捍衛新聞自由、我在___守護台灣’), encouraging people to write their location in the blank space provided, photograph
themselves holding it and upload the photo to the Facebook page (Harrison, 2012). As a result, the interrelated discourse of ‘anti-media monopoly, anti-China interference and safeguarding press freedom’ was supported by a great deal of people in Taiwan and overseas, and further raised questions over the KMT government’s economic cross-Strait integration (Rawnsley, 2013).

With the outreach alliance and the legislative pledge from the civil society, the National Communications Commission released a draft of the Broadcasting Media Monopolisation Prevention and Diversity Preservation Act (also known as the ‘Media Anti-Monopolisation Act’) in 2013 and then resolved that the merger scheme was disqualified because the Want Want China Times Group did not fulfil the required conditions (Shan, 2013).

In summary, the resurgence of social movements, particularly the ‘Wild Strawberries Movement’ and ‘Anti-Media Monopoly Movement’, have generated influential civil discourses and strategies in response to the discourse of the ‘China factor’ as well as challenging the KMT government’s privileged economic imaginaries that the economic integration with China would benefit the whole society. The complex political, economic and social situation set specific conditions for the state to adjust the relevant New Hometown CEP and CCIP, which not only changed the policy meaning of industrialisation but also aroused civil society’s disagreement. These discursive-practical debates will be analysed in the next section.

6.3 The Semiotic Struggle of Industrialisation

The previous sections show how the KMT government attempted to rebuild ROC-themed political imaginaries and promote ECFA-framed economic imaginaries since they retook power in 2008. Within these semiotic frames, the KMT government proactively imposed these imaginaries into the second stage of the CCIP. Accordingly, ‘Creative Taiwan – Development Programme of Cultural and Creative Industries (2009-2013)’ (hereafter Creative Taiwan) was initiated in 2009 and the ‘Law for the Development of
Cultural and Creative Industries’ (hereafter CCIs Law) was passed in 2010.

However, both ‘Creative Taiwan’ and the ‘CCIs Law’ were accused by the cultural sector and civil groups of showing that the state was in favour of the market mechanism and over-commercialisation, and this caused debate. The discursive struggles of industrialisation between the state and civil society are analysed in the first and the second part of this section. The third part focuses on an influential semiotic struggle of industrialisation that resulted from the ROC’s centennial event – ‘Dreamers’. It uncovers a series of protests and cultural movements to ask the CCA to reform cultural policy and the strategies of the CCIs. The relevant discursive-practical struggle will be conducted in the second part.

In response to these debates, the new Ministry of Culture (MOC) which replaced the CCA and was established in 2012 proposed a new direction for cultural policy and identified economic imaginaries of industrialisation. The fourth part will discuss the continuity and changes of the CCIP and the semiotic struggle between the state and civil society.

6.3.1 ‘Creative Taiwan’

Since the KMT government regained power, the state initiated a series of governmental mechanisms, including forums, cabinet meetings, project-settings and law-making to develop the second stage of the CCIP.

In spring 2009, the Office of the President held the sixteen meetings and six roundtable forums of the CCIs. The participants came from the government sector, industrial sector, cultural sector and academic sector and were divided into several industrial groups to discuss the difficulties and propose suggestions. The final report states that “the CCI is ‘the fourth wave’ of economic initiative that succeeded the third wave - information industries” (Yang, 2009, p.290). On top of this, the state positioned the CCIs as one of the ‘six emerging industries’ in a cabinet meeting about ‘the current overall economic situation and the countermeasures’ and claimed the government should input further resources into the CCIs to extend the scale, increase the industrial profit and attract private investment.
The CCA was assigned to be the leading department and collaborated with the Ministry of Economic Affairs and the Government Information Office to propose ‘Creative Taiwan’. The project regulated the state’s funding scheme of the CCIs in favour of market discourse which involved wider private investment. These meetings and their development reveal that the KMT government not only viewed the CCIs as a strategic fix to deal with the 2008 financial crisis, but also show that market discourse has seized the hegemony in the semiotic practice of industrialisation.

Based on the meetings and forums, ‘Creative Taiwan’ was expected to “develop the Grand Chinese market and create Taiwan as the hub of cultural and creative industries in the Asia-Pacific region” (Executive Yuan, 2009a, p.11). In order to achieve this goal, the CCA developed two major strategies: environmental readiness and flagship projects.

According to the plan, ‘environmental readiness’ was designed to develop an industry-friendly environment for CCI development with a commitment to five major executive measures (CCA, 2010c, pp.24-67):

1. Diverse capital apportionment. In one way this provides subsidies to innovation projects and micro-enterprises including talented individuals and small studios. In another way, it establishes schemes of venture capital and investment. The schemes aim to attract big corporations to co-invest in CCIs with the National Development Fund.

2. Industrial research, development and guidance. This includes research, surveys, and data analysis. By setting up a one-stop service centre, it aims to provide advice and guidance to CCIs.

3. Market circulation and development of international markets. This measure aims to integrate resources to develop Chinese and overseas markets. In addition to organising an international expo of CCIs in Taiwan, the CCA assists the industrial sector to participate in the CCI expo in major Chinese cities and build cross-Strait cooperation mechanisms.
(4) Talent cultivation and matching mechanisms. This focuses on talented and young artists, the promotion of visual and digital arts, and the development of intermediary schemes.

(5) Maximise cluster effects. This measure takes a cluster perspective to link the five CC Parks (Huashan, Taichung, Chiayi, Tainan and Hualien) with the city development, regional industries and tourist resources. The CCA identified that the CC Parks serve as the catalyst for the region to develop culture and economy, and the functions of CC Parks are expected to implement state project ‘Industrialisation of Culture; Culturalisation of Industries’ though the involvement of private resource and creativity to regenerate public assets.

With regard to the strategy of ‘flagship projects’, the Executive Yuan selected six industries with the most economic potential as flagship projects, which are the television industry, film industry, popular music industry, digital content industry, design industry and craft industry. By definition, the flagship industries are more mature, hold greater profiting potential, and have a wider range of industrial effects (Executive Yuan, 2009a). According to the project, the former Governmental Information Office was responsible for the media industries including the television industry, film industry and popular music industry; the Ministry of Economic Affairs was in charge of the digital content industry, design industry; and the CCA took charge of the craft industry. These flagship projects were given specific funding (about 200 million NT dollars) and resources to play a leading role in exploring Chinese and overseas markets.

The above content of ‘Creative Taiwan’ shows two noticeable discursive variations, selection and retention of industrialisation. First, ‘Taiwan’s subjectivity’ or ‘Taiwanese identity’ which was encompassed in the DPP’s version of industrialisation was not emphasised in ‘Creative Taiwan’. Instead, the industrialisation of the KMT’s version pursued the profit of the Chinese market by encouraging cross-Strait cooperation. For instance, the flagship projects of the three media industries aimed to develop the Chinese market, so the Governmental Information Office’s tactics gave priority to co-production with China’s industries (Governmental Information
Office, 2009). Secondly, market discourse seized the hegemony in the meaning-making of industrialisation. It is evident that the two major strategies highlighted the establishment of market mechanisms. For example, ‘venture capital’ was selected as the privileged strategy to foster the CCIs. Specifically, the discourse of ‘co-investment’ was used to encourage partnership between public and private sectors in the flagship projects.

6.3.2 ‘Law for the Development of Cultural and Creative Industries’

Apart from ‘Creative Taiwan’, the KMT government drew up the ‘CCIs Law’, laying the legal basis and framework for CCI development. However, several issues arose during the hearing sessions and roundtable discussions.

Since the ‘CCIs Law’ was originally drawn up by the Ministry of Economic Affairs in 2003, the previous draft was bounded by a manufacturing and high-tech mindset. The previous draft paid much attention to land usage and CC Parks’ clustering effect which were the privileged instruments in the economic sector. However, these imaginaries led to criticism from entrepreneurs in the CCIs. In a roundtable forum called ‘Cultural Policy? Industrial Policy? The Questions of the CCIs Law’38, Hsu, Li-Ling (徐莉玲), the chief executive officer of the ‘Xue Xue Institute’ (學學文創志業) which was founded in 2005 in Taipei and has a business focus on education, research and exhibition of the CCIs, criticised that nearly twenty per cent of content of the ‘CCIs Law’ was related to land development and how to exploit CC Parks. She argued that the draft overlooked state discourse about why to develop the CCIs, how to protect originality and respect creativity, and the supporting mechanism for cross-section integration39. A similar critique was discussed in the hearing sessions and media coverage.

38 The forum was held by the Taiwanese Foundation in Taipei on 18 September 2008.

39 The full text of the forum was not published. The script of Hsu, Li-Ling was released in a personal blog called ‘Culture Creative Industries’ on 16 October 2008. [Online]. [Accessed 18 June 2015]. Available from: http://ppt.cc/WvkyH
(Jiang, 2009; Han, 2009). For instance, Jiang (2009) argues that the object of the ‘CCIs Law’ was investors and big enterprises rather than creative workers, and the goals of the CCIs are investment for profit rather than to enrich society’s vitality. Moreover, she criticises the state’s attempt to create economic imaginaries for the people by using rhetoric such as ‘Science Parks’ and ‘more production equals more employment opportunities’.

Under mass pressure from civil society, the KMT government assigned the CCA to revise the draft ‘CCIs Law’. The CCA’s final version deleted the majority of controversies related to land use but maintained the governmental support for CC clusters. The ‘CCIs Law’ was promulgated in February 2010, including four chapters regulating the defining categories, the scheme of assistance, reward and subsidy and tax incentives. Here they use the term ‘cultural and creative villages’ to refer to the wider definition beyond the CC Parks. Act 25 of the CC law, as stated below, shows the emphasis on the core creative and independent workers as well as cultural and creative enterprises (CCA, 2010a).

(Act 25) The Government shall support the establishment of cultural and creative villages, and shall as a priority assist core creative and independent workers to situate in the said villages. The Government shall, through the clustering effect by involving different groups, further promote the development of Cultural and Creative Enterprises.

Through the discursive-strategic debate between market discourse and civil discourse, the role of ‘citizen’ is put into the context of ‘CCIs Law’. This is evident in Act 2 which indicates the principles of the CCIs and Act 3 which identifies the definition and categories (CCA, 2010a).

(Act 2) To promote the Cultural and Creative Industries, the Government shall strengthen artistic creation and cultural preservation, reinforce the combination of culture and technology, emphasise a balance of development between cities, counties and regions, value local characteristics, elevate the citizens’ capacity for cultural appreciation,
and enhance the popularity of cultural art so as to comply with the international trends.

(Act 3) The ‘Cultural and Creative Industries’ referred to in this Act means the following industries that originate from creativity or accumulation of culture which through the formation and application of intellectual properties, possess potential capacities to create wealth and job opportunities, enhance the citizens’ capacity for arts, and elevate the citizens’ living environment.

In addition, compared with the definition given in the 2004 Cultural Policy White Paper which states the CCIs aim is to “promote upgrading of the overall living environment”, and the definition in ‘CCIs Law’ states that CCI “enhances the citizens’ capacity for arts, and elevates the citizens’ living environment” (CCA, 2004a, p.126). This reveals the concept of ‘citizen’ has been widely acknowledged and identified in ‘CCIs Law’.

Whilst the state privileges market discourse to make the meaning of industrialisation and develop CCIs, civil actors can leverage their civil discourse through the name of ‘citizen’ in the semiotic struggle. One of the prominent cases is the dispute surrounding ‘Dreamers’, which will be analysed in the next section.

6.3.3 The Dispute about ‘Dreamers’

‘Dreamers’ was a grand-scale musical organised by the CCA on the 10th and 11th of October 2011 as a centennial ceremony for the Republic of China. However, it soon caused a series of controversies about the adequacy of funding and further debates about industrialisation and overall cultural policy. The civil discourse generated by the dispute not only challenged KMT’s political imaginaries of ROC but sparked a storm of debate about cultural policy and industrialisation.

40 It can be watched on youtube via the following links:
part 1(https://www.youtube.com/watch?v=250RmLceF7o);
part 2(https://www.youtube.com/watch?v=qtl0q5m2Sg7U). [Accessed 5 June 2015]
‘Dreamers’ was written and directed by Lai, Sheng-Chuan (賴聲川) and the main project was conducted by his team the ‘Performance Workshop’ (表演工作坊), which is one of the important theatrical troupes and has produced more than fifty dramas since 1984. The storyline highlighted the people who, in 1911, were devoted to establishing the Republic of China in concert with a young person in 2011, pursuing his dream. The music was produced at an unprecedentedly high expense of 215 million NT dollars (about 4.5 million pounds), which in itself received harsh criticism from the artistic community and intellectuals. Most of them not only took an aesthetic perspective to critique that ‘Dreamers’ is insufficient in dramatic form and content, but also criticised the misallocation of state funding (Lin, 2011; Hung, 2011; Chi, 2011; Tseng, 2011). For example, Tseng, Dau-hsiong (曾道雄), an opera baritone and a winner of the 2011 National Award for Arts, described the cost of Dreamers as “terrifying” and asked the government to examine the funding mechanism (Tseng, 2011). Moreover, Yan, Hung-ya (Hung-Hung, 鴻鴻), a playwright and director of the ‘Dark Eyes Performance Lab’, pointed to the inadequacy and inequality of arts and humanities funding and said that the expense of government events, such as the Deaflympics in 2009, Flora Expo in 2010 and Dreamers in 2011, had squeezed out routine cultural events and general subsidies (Shih and Chang, 2011).

Another influential discourse on ‘Dreamers’ focused on the political imaginaries of ROC. They criticised political intervention in arts that makes culture an instrument of political propaganda and a policy advertisement (Chi, 2011; Chen, 2011; Hung, 2011). One of the most powerful criticisms was made by Hung-Hung’s article, entitled ‘There is no art but politics, no Taiwan but ROC’ (Hung, 2011) which followed similar arguments to criticise the government for seriously contaminating the performing arts and the state’s intention to shape the imagined nation of ROC.

The critiques surrounding ‘Dreamers’ thereafter surged to a cultural movement. A group of cultural activists and arts workers established the ‘Preparatory Office for Cultural Age Foundation’ (hereafter Cultural Age) and organised a public petition in November 2011, entitled ‘End the
Centennial Fireworks and Begin the Cultural Age’ (終結百年煙火，開啟文化元年), calling for sweeping reforms of cultural policy. Apart from asking for the resignation of the CCA’s chairman, the demands of the campaign included an end to the politicisation and commercialisation of cultural activities, and an increase in the cultural budget to 4 per cent of annual government expenditure from its current level of 1.3 per cent as per Ma’s election manifesto (Taipei Times, 2011). Under great pressure, the chairperson of the CCA stepped down. Activists of Cultural Age organised a welcome party in terms of ‘let the power of cultural imaginaries carry on’ (讓文化想像的權力繼續抗爭) for the new chairperson with diverse cultural activities. Furthermore, they took advantage of the presidential election to call on the three main candidates: Ma, Ying-Jeou who was the incumbent President and the candidate of the KMT, Tsai, Ing-Wen who was the chairperson of DDP, and James Soong who was the chairperson of People First Party, to debate cultural policy and development strategies. This was the first time that presidential candidates participated in open questioning solely on the issues of cultural policy in Taiwan. The Cultural Age collected questions from civil society and broadcast to the general public live on air and online on the Taiwan Public Television Service. The questions covered culture and economic development, CCIs, CC Parks, language and culture, arts education, public broadcasting, cultural diplomacy, culture and politics, the loss of talent, job security of cultural workers, and the cultural budget. In other words, ‘Dreamers’ can be seen as the last straw that provoked a series of protests and debates about cultural policy and CCIP.

Through the live broadcast, these questions were exposed to the general public and drew further discussions on the industrialisation of the CCIs. The civil groups questioned the state about three themes of cultural policy: cultural citizenship, the CCIs-oriented cultural policy, and the privatisation model of the CC Parks (Wang, 2012). The discussions and reflexivity of these themes extended to the establishment of the Ministry of Culture (MOC), which is the focus of the next section.
6.3.4 The Establishment of the Ministry of Culture

In May 2012, Ma, Ying-Jeou continued his second term, and the CCA was upgraded to the Ministry of Culture (MOC) as part of a larger governmental reorganisation. With the introduction of the new institution and the announcement of new objectives of cultural policy, the call for reform of cultural policy from ‘Cultural Age’ and civil society continued and accompanied the semiotic struggle of industrialisation.

The Ministry of Culture mainly encompassed the CCA as well as the Government Information Office and its subsidiary media industries including film, broadcasting and television, popular music, and the publishing industry. These media industries had been invisible in the context of cultural policy in the past, but are now viewed as strong cultural and creative industries. In response to the integration, the MOC reorganised the departments and created new departments including the Department of Cultural and Creative Development, the Department of Audio-visual and Music Industry Development, and the Bureau of Audio-visual and Music Industry Development. These new departments all related to CCIs, which raised doubt and criticism about the MOC’s overemphasis on industrial development in cultural policy. For instance, Han, Bao-De (2012), the renowned architect, curator and educator, criticised the core values of cultural policy claiming that the MOC was the Ministry of Cultural and Creative Industries in substance.

Apart from this, the Minister of the MOC, Lung, Ying-Tai, proposed four new policy objectives: soilisation (the grass roots approach) (泥土化), internationalisation (國際化), value-enhancing industrialisation (產值化), and cloudisation (雲端化). The four objectives serve as guidelines of cultural policy (see Table 6.1) as well as a response to the civil discourse on the thorough reform of cultural policy. It is worth noting the variation and selection of the discourse in ‘soilisation’ and ‘value-enhancing industrialisation’. The MOC used the discourse of ‘soilisation’ to highlight citizens’ cultural citizenship and reclaim the importance of community empowerment projects which had been overlooked in Ma’s first term (see section 6.4). In this sense, the term ‘localisation’, which was commonly
used in the previous cultural policy (see Chapter 4) and can be translated as ‘Taiwanisation’, was replaced by a relatively neutral discourse of ‘soilisation’. Moreover, the ‘New Hometown Project’ which implied DPP’s political imaginaries of ‘Taiwan’s subjectivity’ was shifted to the ‘7835 Villages Project’ although the contents of both are highly correlated. Furthermore, the MOC created the discourse of ‘value-enhancing industrialisation’ to put the focus of industrialisation onto value-added or value-enhancing applications (MOC, 2013c).

Table 6.1: The objectives of cultural policy, 2012-2014

<table>
<thead>
<tr>
<th>Objective</th>
<th>Meaning</th>
<th>Policy</th>
</tr>
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<tbody>
<tr>
<td>Soilisation</td>
<td>To ensure that every village and township in this nation, regardless of its geographic remoteness, has an equal chance to achieve its full cultural potential.</td>
<td><strong>Grassroots policies:</strong> to assist communities in remote areas by creating a vibrant cultural and creative environment tailored to their needs. By evenly distributing financial and educational resources among cities, villages and offshore settlements, the Ministry hopes to secure equal cultural rights for every citizen in the nation’s 7,835 registered communities.</td>
</tr>
<tr>
<td>Internationalisation</td>
<td>To contribute to the nation’s soft power by promoting Taiwan’s unique blend of modern and traditional cultures on the international stage.</td>
<td><strong>International promotion policies:</strong> to create more opportunities for Taiwan-based artists and groups to showcase their works to a global audience. By offering consultations and sponsorships as well as tapping into overseas networks, the Ministry hopes to continue nurturing Taiwan’s growing cultural influence in the international sphere.</td>
</tr>
<tr>
<td>Value-enhancing industrialisation</td>
<td>To enhance the overall output and value of the nation’s cultural and creative sectors.</td>
<td><strong>Value-enhancing policies:</strong> to help derive new products from a singular creative idea. From bringing a comic book to the silver screen to creating an array of keepsakes based on a celebrated cultural tradition, the Ministry hopes such culture-derived products will help inspire more creative workers to think outside the box.</td>
</tr>
<tr>
<td>Cloudisation (digitalisation)</td>
<td>To offer the nation’s citizens equal accessibility to cultural resources by harnessing the power of cloud computing.</td>
<td><strong>E-culture policies:</strong> to offer more cultural services, educational information and interactive gateways via the Web. From establishing online databases of museum archives and gallery collections to preserving the nation’s heritage and memories in digital form, the Ministry hopes to erase the digital divide and help disseminate cultural resources to every household through the truly borderless Internet.</td>
</tr>
</tbody>
</table>


Furthermore, some researchers argue that the MOC overlooked the conflicts between ‘soilisation’ and ‘value-enhancing industrialisation’, and the CCIs-related projects put particular stress on industries rather than citizens (Jiang and Jheng, 2012; Liu, 2012). For example, Jerry Liu, a scholar and a consulting member of the ‘Special Unit for the Drafting of Culture Basic Law’, shared his reflections on cultural policy and proposed questions one month after the establishment of the MOC on his personal Facebook page. He analysed the four objectiveness and claimed they would only be beautiful slogans if the state did not develop a discursive framework to converge the overall national cultural policy (Liu, 2012). He also argued the state should explain “how the subjectivity of arts and culture can present in the discourse of value-enhancing industrialisation”; “what the core thought of cultural subsidy and investment is”; and “what the state’s stance on the free trade of cultural products and service is” (Liu, 2012). His article was shared seventy times within three days.

In response to the questions, the MOC held a series of ‘Cultural Forums’ from June to August 2012. There were nine forums with the themes of CCIP, independent publishing, public broadcast media, subsidy scheme of the film industry, international links of the video and music industries, fostering strategies of cultural and art teams, the 7835 villages project, reviews and prospects of the Cultural Heritage Preservation Act, and the prospects of cultural policy. The arrangement of the themes and forums
were highly related to the CCIP and media industries, which revealed that cultural policy had shifted to a greater orientation to the CCIs.

At the same time during the forums, twelve enterprises were selected and qualified for a MOC scheme of venture capital investment. However, ‘Cultural Age’ and other civil groups questioned the selection procedure and the appropriateness of venture capital investment as a model of industrialisation in the CCIP. It began an intense discursive struggle about the scheme of venture capital and investment between the state, the investors and the cultural sector. Fang, Guo-Jian (方國健), general manager of Taiwan Wen-Chuang No.1 venture capital enterprise (台灣文創一號創投基金公司) which is one of the twelve qualified enterprises, argues the advantage of the scheme of venture capital investment is that it can facilitate CCIs to gain enough capital and resources as well as share the investment risk with the state’s National Development Fund. He emphasised this investment scheme has been working quite well in high-tech industries and it would benefit the CCIs to expand the scale of the CCIs and maximise the profit (Interview with Fang, Guo-Jian, 2012). The MOC held a similar market discourse to justify clustering effects and market development of this scheme.

However, the cultural sector and civil society developed a different civil discourse. They questioned the scheme for its lack of evaluation and because they felt that it could lead to the investment projects centring on high-profit media and entertainment industries. Feng, Chien-Shan (2012), a media scholar, also argued that the scheme was highly questionable even though it might meet legal regulations (Feng, 2012). He advised the state to invest in public broadcasting services rather than private venture business. Hu, Yung-Fen (胡永芬), a member of ‘Cultural Age’, criticised the same scheme for allowing enterprises to invest in projects which are affiliated with their business (Interview with Hu, Yung-Fen, 2012). Another civil discourse expresses the worries that the scheme tends to invest in cross-Strait co-production for the greater Chinese market profit that may suppress or self-limit the freedom of creativity under the Chinese government’s censorship. For example, Wang, Shau-Di (王小棣), a
director, argues that the scheme creates a distorted situation where “the Taiwan government listens to the venture capital enterprises, whilst these enterprises follow China’s regulation” (The Journalists, 2012).

In order to examine the implementing of cultural policy and commitment of the MOC, the ‘Cultural Age’ invited cultural workers from diverse areas, officials, and legislators and held six forums titled ‘Crisis Decryption’ in 2013 when the MOC was established on the 400th day (Hong, 2013). The topics included: (1) the overall examination on the MOC; (2) CCIs investment vs. cultural subsidy; (3) the mission of the Taiwan Broadcasting System; (4) art’s urban dynamic, urban gentrification, cultural governance and heritage preservation; (5) the ecological thinking of industries and culture; and (6) the effect of the Cross-Strait Agreement on Trade in Services in the publishing industry. In the discussions, civil actors argued that the state pursues false cultural imaginaries with business, economic value and CCIs-related facilities such as the ‘Northern Centre of Pop Music’ and ‘Taichung Metropolitan Opera House’ whilst putting the real cultural infrastructure (such as the ‘National Film Centre’) aside (Hong, 2013). They took ‘cultural citizenship’ to ask the state to build a transparent scheme of policy-making and implementation (Hong, 2013).

It is noticeable that social networks and technologies have facilitated civil discourse to contend with the market discourse in the meaning-making of industrialisation. The civil actors exchange information and take action via the communication software, and mobilise participants through social media and social networks. The instant features of social media help participants to understand the situation and progress, as well as spread information, visual records and news to the wider public. For instance, Hu indicates that most members of the ‘Cultural Age’ discussed campaigns via social networking and participated in street action together despite only having three part-time workers to take charge of the administrative affairs (Interview with Hu, Yung-Fen, 2012). Moreover, all the forums can be watched via the official blog of ‘Cultural Age’⁴¹ and are easily shared via

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⁴¹ All the forums can be watched via the official blog of Cultural Age. [Accessed 15 June 2015]. Available from:
social networks and social media. In other words, these technological tools extend and enhance the influence of civil discourse.

In short, the KMT government’s privileged industrialisation was conducted through a series of governmental technologies which favour market discourse by an investment approach. However, the civil groups have developed counter-discourses and diverse strategies to compete. In particular, the discourses of ‘citizen’ and ‘cultural citizenship’ have drawn the public’s attention, which forced the state to involve ‘citizenship’ in the ‘CCIs Law’ and other cultural policy.

6.4 New Hometown Community Empowerment Project II

The first stage of the New Hometown CEP suggests that it played a complementary role with the CCIP to co-constitute the meaning of industrialisation with the political imaginary of Taiwan’s subjectivity and the economic imaginary of regional revitalisation (see section 5.3). At the end of the New Hometown CEP (2002-2007), the CCA reorganised the framework and proposed ‘Bedrock Action’ as the second stage project.

Compared with the first stage of the New Hometown CEP which was a grand cross-sector project under the framework of ‘Challenge 2008’ with a total budget of 50.5 billion NT dollars (CEPD, 2005), the ‘Bedrock Action’ only focused on the affiliated cultural facilities and community cultural activities with a budget of 4.824 billion NT dollars (CCA, 2007b; CCA, 2007c). In fact, having experienced the six-year division of the work under the framework of ‘Challenge 2008’, the industrialisation of the ‘New Hometown CEP’ was divided and institutionalised into nine ministries or councils such as the Ministry of Economic Affairs, Hakka Affairs Council, Council of Indigenous Peoples and Council of Agriculture. In this vein, the

http://renewtwculture.blogspot.co.uk/2013/07/blog-post_16.html (Forum 1 to 3)
http://renewtwculture.blogspot.co.uk/2013/07/blog-post_17.html (Forum 4 to 6)
The summary of the discussions can be found on ‘Artouch’ website. [Accessed 15 June 2015]. Available from:
scale and budget of the ‘Bedrock Action’ proposed by the CCA were much smaller than the first stage project.

The dual-cores project of ‘Bedrock Action’ encompassed two sub-projects: ‘Local Cultural Museum Project II (2008-2013)’, and ‘New Hometown CEP II (2008-2013)’. In the press conference of retrospect and prospect at the end of 2007, the chairperson of the CCA introduced the new concept of ‘Cultural Living Circle’ for the ‘Bedrock Action’ and highlighted the core value of Taiwan’s subjectivity (CCA, 2007a). The ‘Cultural Living Circle’ was a spatial field where residents conducted a variety of cultural activities in their daily lives. In this sense, the CCA reclaimed the importance of ‘Industrialisation of Culture; Culturalisation of Industries’ by six thematic resources, people (participation), culture (cultural activities), geography (ecology and environmental protection), landscape (historical and natural landscape), industries (local industries) and facilities (cultural and educational facilities) (CCA, 2007b, p.2). By integrating these resources, the project aimed to provide equal access to cultural resources for residents (CCA, 2007b), which is a similar focus to the first stage, which revealed that the LCM II was continually viewed as a spatial strategy to fix the uneven resource distribution between urban areas and rural areas. In this context, LCM Project II focused on the connection of local cultural museums that aimed to link residents’ participation, cultural facilities and cultural activities to realise cultural citizenship, advance the local cultural environment, develop cultural tourism and create employment (CCA, 2007b, p.6).

The New Hometown CEP II aimed to promote sustainable communities, consolidate local identity, cultural citizenship and cultural industries and transform local cultural features for cultural tourism in response to the difficulties and challenges that the previous projects encountered in practice (CCA, 2007c). Similarly, the discourses of ‘Taiwan’s subjectivity’, ‘residents’ participation in knowledge learning’ and the approach of ‘cultural tourism’ can easily be found in the text of New Hometown CEP II. In this context, it includes three strategies: establish research and consulting mechanisms to assist administration affairs; deepen community culture by community documentary and community theatre; and encourage community industries’ innovation and experimentation (CCA, 2007c). Among them, the third strategy emphasised the establishment of development mechanisms for community cultural industries. It encouraged alliance among local industries to build alternative types of production
models that privilege culture-orientation, benefit-sharing, and quality of life (CCA, 2007c, p.54). The strategy also promoted consumers’ cooperative purchase to construct a direct way to link producers and consumers. It distinguished the production model of community cultural industries from the market-mediated industries.

In DPP’s initial planning, two semiotic developments were worthy of note. On the one hand, the retention of discourses such as ‘Taiwan’s subjectivity’, ‘local identity’ and ‘cultural tourism to promote local economy’ were easily found in the LCM II and New Hometown CEP II. It released that the DPP government aimed to maintain and construct political imaginaries and economic imaginaries through these two projects. On the other hand, the selection of the discourse ‘cultural citizenship’ has become the core value of these CEP-related projects and has gradually become involved in the meaning-shaping of industrialisation in cultural policy. In these policy texts, the discourse of participation, which has been emphasised in the CEP since the mid 1990s, has often been accompanied by the discourses of ‘civil society’ and ‘cultural citizenship’. The discourse of ‘cultural citizenship’ has become a strong state discourse since 2004 to justify the CCA’s policy and subsidy, such that the LCM II emphasised equal access to cultural resources.

When the KMT government retook power in 2008, the CCA continued to implement two projects but overlooked the discourse of ‘Taiwan’s subjectivity’ and ‘local identity’ and further cut the budget of the two projects. In the revised version of LCM II (2008-2015), the MOC extended the project for two more years, whilst the total budget was reduced from 3 billion NT dollars to 2.6 billion NT dollars. Moreover, the CCA only achieved 64 per cent of the budget during the original period from 2008 to 2013 (MOC, 2013a). In the revised text of the LCM II, the MOC maintained the discourse of ‘bottom-up’, ‘residents’ participation’, ‘community autonomy’, ‘sustainability’ and ‘cultural citizenship’ to emphasise the importance of local cultural museums. However, the MOC viewed these cultural facilities as having a supporting role in regional and national projects instead of fixing uneven regional resources between the urban areas and rural areas (MOC, 2013a, pp.12-13).

In New Hometown CEP II, only 68 per cent of the budget was implemented in promoting the three sub-projects during the same period. Moreover, the alternative type of production model in community cultural industries and the scheme of consumers’ cooperative purchase disappeared in the
revised version (MOC, 2013b). In contrast, the MOC planned to integrate this project into the ‘7835 Villages Project’ with the discourse of ‘soilisation’ to improve cultural resources in rural areas (MOC, 2013b, p.B).

Notably, the KMT government did not promote the two projects or the related industrialisation as actively as the DPP government. Tseng, Shu-Cheng (曾旭正), the former director of Community Empowering Society and a senior scholar, indicated that the KMT continued the projects but ‘community empowerment’ had rarely been seen in the central government’s policy, and other departments had reduced the relevant projects assisting community empowerment (Tseng, 2014, p.6). He argues that the CCA had a passive attitude to implementing the relevant CEPs that he described as having experienced a “period of setback since 2009” (Tseng, 2014, p.17).

In summary, the KMT government’s support for the relevant CEP considerably declined and the MOC shifted the policy focus from cultural identity and community economy to equal access to cultural resources between villages. As a result, the second stage of the LCM and New Hometown CEP no longer played complementary roles in the semiotic practice of community industrialisation in the third phase. In contrast, the local communities and civil groups developed diverse styles of industrialisation and played increasingly independent and influential roles in the interpretation of community industrialisation.

6.5 Local practice

The previous analysis has shown that the funding cuts and the reduced governmental support to relevant CEPs, as well as the privileged market discourse of CCIP shaped challenging conditions for local communities in the third phase. However, the flourishing civil society and the emerging discourse of cultural citizenship created opportunities for local people to continually develop industrialisation. The challenges and opportunities configured specific conditions and led to diverse economic imaginaries in local practice.

With the decline of New Hometown CEP, communities and regional associations actively developed their discourses and strategies of industrialisation. Most of them maintained industrialisation as a strategic fix to the negative impact of globalisation and neo-liberalism. In order to
preserve their local cultural identity and make a sustainable way of living, they conducted a variety of strategies and developed diverse discourses to support their local industries. Most of them were based on the endogenous and tourism approach but revised their strategies based on their respective local resources.

Moreover, the National Culture and Arts Foundation noticed multiple developments in local practice and chose twenty-five cases, categorised into five styles: LOHAS (lifestyles of health and sustainability), travel, creative arts, space and cohesion (NCAF, 2011). The classification simplifies the contextual and formative factors but reveals diverse practices with grassroots features, mostly at a micro or small scale, generally presenting the distinct concerns of public interest and imaginaries of multi-value life style. Taomi Eco Village is one of the cases and identified as being of cohesion type.

There are more and more people or groups taking part in cultural and creative industries in local areas. Some of them develop individual studios or companies to run their businesses. One of these cases is ‘Graceful Farmer’, which combines three sectors of arts factory, country fun and music factory to explore possibilities of cultural and creative industries in an agricultural village. ‘Graceful Farmer’ was organised in 2009 by a group of graduate students from Tainan National University of the Arts in Togo village (土溝村), a very typical Taiwanese agricultural village with a population of 1700 in the rural area of Tainan City which still relies on agricultural industries. Since 2004, the students have assisted Togo Village Association for Agricultural Preservation to promote community empowerment in Togo village. In 2009, the students graduated but stayed and became residents of Togo village. They organised ‘Graceful Farmer’ based in the village to promote local music, community arts activities and agricultural industry. In 2012, they worked together with the association to constitute the imaginaries of ‘Togo Arts Museum’. They aimed to make the whole village become an arts museum in which the agricultural sculptures and paintings through residents’ participation and traditional craft skills were located in the living environment of the village. Unlike other community privileged endogenous and tourism approach, Togo village still relies on agricultural industries more than tourism, as the association is concerned that the negative impacts of tourism and commercialisation may damage their life quality (Rhythms Monthly, 2014, pp.64-66).
In addition, two trends have arisen in local practice in the third phase: the reflexivity of endogenous and tourism approach, and the rising of the cultural and creative village. Both trends have brought variation, selection and retention of industrialisation and structuration.

6.5.1 The Reflexivity of Endogenous and Tourism Approach

The first trend is community reflexive strategies of the endogenous and tourism approach. After 2008, the CCA no longer actively interpreted the meaning of industrialisation for cultural industries nor regulated the developmental strategies for community industries. On top of that, the market-mediated and profit-driven style of CCIs that the state preferred to promote through the project of ‘Creative Taiwan’ and the supporting approach of investment seized superiority in the policy discourse. Under this condition, most communities maintained the endogenous and tourism approach and strived for other departments’ funding, such as the Hakka Affairs Council, Council of Indigenous Peoples and Council of Agriculture, or the third sector such as non-profit organisations to maintain cultural industries. Among them, the Council of Agriculture’s ‘Rural Rejuvenation Programme’, more or less, played a substitute role for the CCA’s community empowerment projects in supporting the community.

Actually, the trial scheme of the ‘Rural Rejuvenation Programme’ was started in 2004 by the Soil and Water Conservation Bureau under the administration of the Council of Agriculture as part of the New Hometown Project (2002-2007) under the framework of ‘Challenge 2008’. In this context, the programme takes the same principles as the CEP such as ‘bottom-up approach’ and ‘community autonomy’ and shares similar discourse such as ‘participation’ and ‘revitalise industries’ to revive the economic vitality of rural villages including agricultural villages, fishing villages, aboriginal tribes and island communities (The Soil and Water Conservation Bureau, 2012). The programme was formally launched in 2008 and adopted a similar learning strategy, which the NHF conducted and promoted in the case of Taomi Eco-Village. In terms of learning approach, it asks communities to attend specific training workshops and then design their own projects so that they can qualify to get subsidies. In this way, the ‘Rural Rejuvenation Programme’ can be see as an agricultural version of the CEP in that it also takes empowerment and industrialisation as a set of strategic fixes to the declining agricultural economy and outflow of people. This is particularly evident since 2010
when the ‘Rural Rejuvenation Act’ was passed. The statement of Article 1 presents a similar goal and function to community empowerment:

The Rural Rejuvenation Act is enacted to facilitate the rural sustainability, revitalisation and rejuvenation, to improve production infrastructure, to conserve rural ecology and culture, to upgrade quality of life, and to construct a new rural prosperity and beauty (Council of Agriculture, 2010).

Therefore, facing the CCA’s budget cuts in community empowerment projects, a variety of agricultural communities took part in the ‘Rural Rejuvenation Programme’ to continue empowerment projects as well as cultural industries (Tseng, 2014). In this sense, the main economic imaginaries of the ‘Rural Rejuvenation Programme’ are the transformation of the agricultural economy and the creation of local jobs. Accordingly, it has attracted a great deal of communities to apply for the programme in order to continue their existing community cultural industries. Until 2012, 2054 communities participated in the project, which accounts for a third of all communities (Council of Agriculture, 2015).

Apart from the ‘Rural Rejuvenation Programme’ and the learning approach, in fact, the past fifteen-year experience of community empowerment has shown that most communities are more aware of the difficult situation caused by free trade and the global financial crisis. Meanwhile they gradually understand, or are informed of, the importance of autonomy and sustainability in developing community industries. Although the state initiated the relevant CEP with the state’s political and economic imaginaries, the participants, including community leaders, residents, cultural workers, local historians, activists and professional organisations have worked together with reflexivity in community affairs.

The dialectic process between the project discourse and local practice through a constant task of ‘cultural translation’ (Yang, 2014) co-constitutes the community’s imaginaries and action strategies. Yang (2014) took the case of Linbian community (林邊社區) for example and found that through ‘cultural translation’ between the community actors and professional actors, the community is mobilised to constitute the community imaginaries. This indicates that residents inter-translate their local and practical knowledge with action groups’ conceptual knowledge, professional discourse and policy to build their imaginaries and strategies of actions. To put it another way, some communities strategically select
government projects and funding, and participants interact through ‘cultural translation’ to constitute imaginaries of hometown and achieve their own goals in the local practice.

In addition, Wang (2011), based on the long-term participant observation and interviews of experienced community workers, argues that community actors have successively performed the task of cultural translation to create pluralism and diversity, and their local institutional reflexivity mobilises the possibilities of networked communities in the face of global neo-liberalisation (p.2). In other words, community actors have learned from previous experience to constitute their own imaginaries of industrialisation through cultural translation. They are constantly repositioning their strategies within the context of changing policy and struggling with the market discourse under the framework of neo-liberalism. It is obvious from the case studies of Baimi Clog Village and Taomi Eco Village mentioned in sections 4.4 and 5.4, that both have continued to develop specific strategies of industrialisation based on their reflexivity of the conditions and cultural context, to promote their local industries. By endogenous and tourism approach, their industrialisation in clog industries and eco-tourism provide alternative economic imaginaries to sustain the community.

6.5.2 The Case of Dragonfly Beads Art Studio

In this context of reflexivity, some local enterprises of the cultural and creative industries attempt to combine industrial development with community empowerment. One of the typical cases is Dragonfly Beads Art Studio, which was founded in 1983 by Shih, Siou-Jyu (施秀菊) in Sendiman Township, which is a Paiwanese tribe in Pintung County, southern Taiwan. Shih was a nursery teacher and enthusiastic about the renaissance of bead-making skills. She and her husband set up a small studio to innovate with beads and promote Paiwanese culture and the bead products. The glass bead is one of the three treasures of the Paiwan Group.42

42 In July 2015, the population of Paiwan was 97,078, accounting for approximately 17.8 per cent of Taiwan's total indigenous population; data gathered by the Council of Indigenous Groups. [Online], [accessed 7 September 2015]. Available from: http://www.apc.gov.tw/portal/index.html

43 It is believed that the beads are the most precious gift granted from the Creator that symbolise not honour and magnificence but the status and power of the owners. The other
In 2000, Shih left her job and refurbished a studio, the ground floor of which has become an exhibition shop and workshop, and the first floor has turned into an aboriginal café serving Paiwanese light meals and drinks. The complex drew media coverage, showing that the production of glass beads had great potential (Wu, 2008). However, according to the interview with Shih, Siou-Jyu in 2012, they did not have any idea about CCIs at that time. She states, “my husband and I played and explored different skills, sometimes we failed but gradually we recruited more staff to join in this studio. Now it becomes what the government call a ‘cultural and creative industry’” (Interview with Shih, Siou-Jyu, 2012). It wasn’t until the state started to introduce the discourse of CCIs in 2002 and selected ‘creativity living industries’ as one of the categories of CCIs, that Dragonfly Beads Art Studio was frequently chosen as an excellence model by the Ministry of Economic Affairs to promote the concept of the CCIs and introduce the practice of industrialisation (Chen, 2005; Chen, 2007).

According to the survey conducted by the National Culture and Arts Foundation, the industrialisation of Dragonfly Beads Art Studio included the creation of the specific Paiwanese meaning of beads and the constant innovation of the specific types, the establishment of standard handmade procedure, the promotion by the exhibition shops in airports, hotels, museums and the scheme of online shopping (NCAF, 2006). Bearing similar economic imaginary of endogenous and tourism approach in mind, they designed experience activities and the tribe guide tours of visitors to show their unique beads and further promote Paiwanese culture (Wu, 2008). Through this industrialisation, the Studio has a stable staff of 30 tribeswomen, all of them from local tribes (Interview with Shih, Siou-Jyu, 2012).

With the stable growth of the bead industry, Shih was thinking of the next step to fix the economic and cultural plight of the Paiwan group, so that the people can work in the tribe and cherish their tribal culture (Interview with Shih, Siou-Jyu, 2012). She organised the ‘Association of Timur Cultural Industries and Arts’ (地磨兒文化產業藝術協會, hereafter Timur Association) in 2006 to revitalise Pariwanese culture and find ways to increase local employment. In 2008, Dragonfly Beads Art Studio participated in the film ‘Cape No.7’ ( 海角七號) which broke the historical record for a Taiwanese

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two treasures are pottery vessels and bronze knives. Paiwan group is the second-largest group of the sixteen recognised indigenous groups in Taiwan.
film at the box office. With the popularity of the film, Dragonfly Beads Art Studio gained nationwide fame and generated huge profits that drew the attention of venture capital companies. The venture investment was the privileged strategy of industrialisation that the state attempts to promote by the policy of ‘Creative Taiwan’. However, the state and the venture’s economic imaginaries clashed with Shih’s imaginaries. Shih argues that the venture capital companies focus on profit of capital accumulation, which is not her core concern as she is more concerned about the preservation of aboriginal culture (Interview with Shih, Siou-Jyu, 2012). Moreover, the preferred tourism approach of venture companies is to establish hotels by land acquisition, which may have negative impacts on the local environment and the tribes (Interview with Shih, Siou-Jyu, 2012). This uncovers the gap in the imaginaries and practical strategies between the state and venture companies, and local tribes.

The revolutionary change resulted from the reconstruction following Typhoon Morakot in 2009, when the Timur area started to develop tribal empowerment and indigenous industries (Interview with Shih, Siou-Jyu, 2012). The Timur tribe was seriously damaged, as thirty per cent of the population lived in the damaged areas and transportation was blocked for several months. During the post-disaster reconstruction, the Timur Association strategically applied for funding from the Workforce Development Agency to create local employment so that people could stay and work in the tribe. Furthermore, they took part in the ‘Rural Rejuvenation Programme’ to construct a vision for their tribe. Through collective learning and discussion, the tribespeople gradually became aware of their unique natural and cultural assets (Interview with Shih, Siou-Jyu, 2012). Accordingly, the Timur Association proposed a project to build a sustainable tribe. According to the leaflet made by the Timur Association (2014), the project linked three neighbouring tribes, Timur, Tjavatjavang and Tukuvulj, and planned to reshape the tribal industries through ecotourism and tribal culture. During the three-year reconstruction, they worked and consulted with Dr. Chen, Mei-Hui and her Community Forestry Laboratory at National Pingtung University of Science & Technology to

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44 Typhoon Morakot hit Taiwan on August 8, 2009, causing severe flooding throughout southern and eastern Taiwan. The storm produced unprecedented amounts of rainfall of 2,854 mm in three days and triggered enormous mudslides, causing billions of dollars in damage and killing about 700 people (Taipei Times, 2013).
empower themselves by learning the knowledge of ecotourism and constructing local industries.

With the economic imaginaries of local employment by ecotourism strategies, the three tribes have different directions of industrialisation. The Timur tribe focuses on Paiwanese arts and cultural industries. By operating the Sandiman Cultural Museum, they exhibit and present tribal art and culture, and promote cultural commodities such as glass beads and handmade crafts. Meanwhile, the museum serves as the travel centre to provide information about tribal culture and ecotourism. The Tjavatjavang tribe started with the renovation of traditional slate houses, stone paths and the rebuilding of traditional buildings such as the tribal observatory and taro kilns (Community Forestry Laboratory, 2015). Then they focused on the training of tour-guides to develop tribal tours. The Tukuvulj tribe emphasises the reconstruction of indigenous agriculture. They took organic methods to plant typical goods such as millet, coffee and taro. They built a supply-demand mechanism with Timur’s restaurants, and designed DIY activities in coffee roasting, winemaking and indigenous cuisine (Association of Timur Cultural Industries and Arts, 2014).

Since the three tribes are connected along Taiwan Provincial Highway 24, they formed a network, ‘Tai-24 Travel’. As a result, the project has increased to employ forty local people, and reshaped local industries to support the tribal ecotourism (Kuo, 2012). In fact, the industrialisation functioned as a strategic fix not only to reshape the tribes’ economic activities, but also to bridge the cultural gap between the old generation and the young generation. During the process of industrialisation, the seniors present and teach tribal history, culture and skills to the younger people. The imaginaries are constituted through discursive discussion and practice as Shih describes:

By the projects and programmes, the young generation discusses what kind of tribe they want. The old generation shares the ancient stories and the young generation records and learns the tribal culture. Though the mechanism, we share, think and imagine, to assemble a jigsaw puzzle which is the dream of our tribe (Interview with Shih, Siou-Jyu, 2012).

Specifically, the process of industrialisation has enhanced tribespeople’s cultural identity, especially the use of the native language and the preservation of traditional skills (Interview with Shih, Siou-Jyu, 2012).
6.5.3 The Emergence of the ‘Cultural and Creative Village’

The second trend is the emergence of the ‘Cultural and Creative Village’ (hereafter CC Village). The term has become notable and involved in policy discourse, which can be traced back to the regulation of Article 25 in ‘CCIs Law’.

The Government shall support the establishment of cultural and creative villages, and shall as a priority assist core creative and independent workers to situate in the said villages. The Government shall, through the clustering effect by involving different groups, further promote the development of Cultural and Creative Enterprises. (CCA, 2010a)

According to the regulation, the CCA formulated a funding scheme to encourage creators and independent workers to station themselves in CC Villages since 2011. In the CCA’s definition, the CC Village is a geographical field where cultural and creative industries are highly centralised, and the scope is not necessarily limited to a clear boundary such as in the same building, the same street or even the same administered region (CCA, 2011). However, Ciou and Yu (2014) criticise the official definition of CC Village for only emphasising a cluster of industries. They take the case of Hai-An Road CC Village (海安路文創聚落) to argue that its formation experienced various periods, from the creation of arts street, the artists assembly, to the local company’s alliance with local resources. In other words, the meaning of ‘village’ refers not only to a historical or geographical area of settlement, but also describes a form of natural grouping with local features of industries and cultural resources. In Taiwan’s context, the formation of CC Villages is embedded in the social, spatial and ecological structure where creative workers interact with local people and group with the local resources to gradually shape a structured community and a network of cultural and creative industries.

Actually, there were an increasing number of ‘CC Villages’, although most of them did not use the term, formed in the local areas around Taiwan prior to the ‘CCIs Law’ and state’s subsidy scheme. Then the term was ‘anchored’ by the ‘CCIs Law’ and the government’s project discourse. Almost at the same time, some media noticed the phenomenon of the ‘CC Village’ and promoted the concept. In this way, it has been acknowledged and shaped popular imaginaries for this kind of grouping. For instance, a magazine called ‘La Vie’, which has been published since 2004 and focuses on creative design and lifestyle, hosted the ‘Taiwan Cultural and
Creative Industries 100 Awards in 2014. It is worth noting that the Award separated CC Parks and CC Villages into two categories. According to their definition, CC Park means a concrete area with a clear promotion approach of clustering with centralised management, intense capital and purpose-oriented to promote industrial cluster (La Vie, 2014). They indicate the concept of the CC Park originated from ‘Challenge 2008’ with its aim to integrate the CCIs resource and revitalise abandoned space to stimulate the development of CCIs (Lin, 2014). With regard to the CC Village, it is defined as a geographic space with grouping feature emphasising decentralised management and flexible market-orientation. It is expected to serve as an open field for creative workers to group together and exchange ideas (La Vie, 2014).

As the two categories shown, the CC Villages and CC Parks have formed in different temporal and spatial contexts and thus refer to different imaginaries of creative clustering. The CC Parks, such as Huashan CC Park, are designated by the government and imagined as Science Parks that focus on cluster effects of industries at an appointed site. On the contrary, CC Villages are formed rather autonomously by non-government organisations and local people, where a local network has been gathering. The civil groups, cultural workers and local industries group together to constitute the imaginaries of multi-values such as heritage preservation, cultural renaissance and revitalisation of local industries.

6.5.4 The Case of Teihua Music Village

Among the diverse types of CC Villages, Teihua Music Village is a specific case, which was organised by a non-profit foundation and indigenous musicians, with official support, in eastern Taiwan. Compared to western Taiwan, where major cities are located with transportation and essential industrial development, eastern Taiwan is relatively underdeveloped and filled with natural landscapes and aboriginal culture.

Teihua Music Village was established in 2010 by the Lovely Taiwan Foundation (台灣好基金會) in Taitoung City with clear visions to develop indigenous music industries and local industries. In order to achieve these visions, they worked with local musicians and strategically applied for

45 The categories include CC events, CC leaders, CC figures, CC entreprises, CC brands, CC parks, CC villages, CC exhibitions, CC marketing platforms and CC products.
funding support from the Tourism Bureau in the first three years from 2010 to 2013. Since 2013, Teihua Music Village and the Lovely Taiwan Foundation have maintained the industrialisation approach and continually developed music industries and local industries. Its model of industrialisation has gradually been highlighted and promoted by the Ministry of Culture and local Taitung County Government (Taiwan Cultural-Creative Development Foundation, 2013; Lan, 2013). It was selected in the Top 10 CC Villages by ‘La Vie’ magazine in 2014.

The Lovely Taiwan Foundation was founded by Ko, Wen-Chang (柯文昌), the chairperson of the WK Technology Fund, in 2009. Ko invited Hsu, Lu (徐璐) as the chief executive officer of the Lovely Taiwan Foundation. Hsu used to be a journalist and a former chief executive officer of Chunghwa Telecom Foundation, which conducted projects for communities and tribes. Moreover, Ko invited Lin, Hwai-Min (林懷民), who is a renowned artist and the founder of the Cloud Gate Dance Theatre, and Yen, Stanley (嚴長壽), who is the chairperson of the Alliance Cultural Foundation, to be the Foundation’s consultants. Before the establishment of the Foundation, all of them participated in the campaign against the construction of Suhua Highway as they argued the highway would damage the local environment and would not resolve the economic difficulties of local communities and tribes in eastern Taiwan, as they lack stable distribution channels and marketing strategies (Hsu, 2014; Interview with Lovely Taiwan Foundation, 2012).

From this background, the Lovely Taiwan Foundation aimed to build a niche for local and indigenous industries. Therefore, the Foundation set up the ‘Lovely Taiwan Shop’ (台灣好店) in Taipei City to integrate resource and assist culture and industries of villages and towns towards sustainable development in Taiwan (Interview with Lovely Taiwan Foundation, 2012). The shop displays and sells a variety of handmade products. Every product is attached to a story card introducing stories about the community and tribal workers, which give a symbolic meaning and further build a brand for the product (Interview with Lovely Taiwan Foundation, 2012). In addition, the Lovely Taiwan Shop is expected to serve as a platform in five aspects: community/tribe sales, fair trade, linkage between industries and enterprise, story, and packaging design and marketing (Lovely Taiwan Foundation, 2013). In this platform, they especially privilege the discourse of ‘fair trade’ to ensure all surpluses are put into the Development Fund to assist communities’ and tribal industries (Hsu, 2014).
The other strategic project is Taihua Music Village. The experience of the anti-Suhau Highway campaign stimulated Ko, Wen-Chang and Hsu, Lu to explore another industrial possibility in eastern Taiwan. According to the interview with Fong, Jheng-Fa (豐政發) in 2012, the manager of ‘Teihua Music Village’ and a member of the Amis tribe, the Foundation found the abandoned dormitory of Taiwan Railway Administration in Taitung City and rented the square in 2009 but had not decided how to revitalise the abandoned space. The natural crisis of Typhoon Morakot led to the strategy of Taihua Music village. Like Timur tribe, the typhoon caused severe damage in Taitung Granville Village, which is the hometown of Hu, Te-fu (胡德夫), an aborigine singer and the founder of Taiwanese Folk Music in the 1970s. The Lovely Taiwan Foundation organised the ‘Sing for Home’ fundraising concerts and continued working with Granville village (嘉蘭村) in its cultural reconstruction⁴⁶. In one of the discussions about the reconstruction, some Taitung aboriginal singers including Hu, Te-Fu and Panai Kusui (巴奈・庫穗) expressed their expectation of singing in the hometown rather than working in big cities such as Taipei or Kaohsiung (Hsu, 2014; Interview with Fong, Jheng-Fa, 2012). Prior to Teihua Village, there was no stable music performance venue in Taitung and most local composers and musicians had to move and work in big cities instead of contributing to local areas. In this context, a consensus for a music village was formed in the discussion and accompanied by two thematic imaginaries of industrialisation: music platform and slow fair (Interview with Fong, Jheng-Fa, 2012). It can be seen that the initial idea of Taihua Music Village was viewed as a strategic fix to the scarcity of music industries.

Almost at the same time in 2009, the Bureau of Tourism, under the administration of the Ministry of Transportation and Communications, launched the ‘Project Vanguard for Excellence in Tourism’ (觀光拔尖領航方案) as part of the KMT government’s essential economic policy.

As per the background analysis in section 6.1, the state selected six emerging industries (biotechnology, medicine and health care, tourism, green energy, high-end agriculture and CCIs) to transform Taiwan’s industrial structure in response to the Asian financial crisis. Tourism was viewed as “the leading service industry for Taiwan in the twenty-first century” (Ministry

⁴⁶ The concert raised a total of nearly 10 million NT dollars. Similar to Timur’s reconstruction project, they adopted traditional building skills to rebuild the ‘Tribal Square’, the ‘Tribal chief’s home’ and the ‘observatory tower’ (Interview with the Lovely Taiwan Foundation, 2012).
of Transportation and Communications, 201, p.2). Following the direct transportation links across the Taiwan Strait, the KMT government expected to shape Taiwan as a tourist transit centre in East Asia and an important attraction for international tourism, generating 550 billion NT dollars in tourism revenues, creating 400 thousand direct and indirect tourism jobs, and attracting 200 billion NT dollars in private investment (Ministry of Transportation and Communications, 2011).

To achieve these goals, the Bureau of Tourism proposed a project entitled ‘International Spotlight’ (國際光點), which took dual approaches of ‘top-down’ and ‘bottom-up’ to promote Taiwan’s tourism. In the ‘top-down’ aspect, the Bureau of Tourism set five themes for regional development including Northern Taiwan, Central Taiwan, Southern Taiwan, Eastern Taiwan and Nationwide Taiwan. Among them, Eastern Taiwan was expected to be ‘Leisurely Living & Nature Taiwan’, with the emphasis on bicycles, aboriginal life, organic recreational farming and dolphin/whale ecology (Ministry of Transportation and Communications, 2011, p.17), which is similar to the imaginaries of Teihua Music Village that the Lovely Taiwan Foundation preferred to construct with the local people. In the ‘bottom-up’ aspect, the state encouraged the local governments and the private sector to propose projects based on their regional themes. Specifically, the state preferred the proposals to link with leisure agriculture, cultural and creative industries, ecology and tribal culture (Ministry of Transportation and Communications, 2011, p.18).

Due to the common economic imaginaries of eastern Taiwan, the Lovely Taiwan Foundation applied for the project and got the funding to establish ‘International Spotlight - Eastern Taiwan’ from 2010 to 2013. ‘Taihua Music Village’ is one of the four spotlights in eastern Taiwan47.

With the financial support of state funding and collaboration with local cultural workers, Taihua Music Village presented two features of industrialisation, one being the intermediary role of music industries between consumption and production. With the aspect of consumption, Taihua Music Village serves as a music platform to provide an outdoor stage for indigenous singers and other kinds of musical performance; meanwhile the local residents and visitors can participate in music

47 The other three spotlights are located in Chishang, Makutaay and Hualien. The details can be found on the website of the project. [accessed 11 September 2015]. Available from: http://www.lovelytaiwan.org.tw/Spotlight/index.htm)
activities. The normal music performances run from Thursday to Sunday. The musical director Jheng, Jie-Ren (鄭捷任), who has produced a great deal of aboriginal music and theatre music, planned the monthly programme such that around seventy per cent of the performances are related to local and indigenous music. Mainstream/pop music, Hakka music and other genres of music constitute the other thirty per cent. The convergence and exchange of diverse music attracted domestic and international musical workers to perform in Teihua Music Village (Interview with Fong, Jheng-Fa, 2012). Specifically, every Wednesday night is ‘Singers and Songwriters’ (唱作聚家) which is open for everyone who is interested in music and would like to share with others. It runs a ‘first come first play’ system, so that six participants can sing or play three songs every Wednesday night. Moreover, ‘Tiehua Specialty’ is the local theme night reserved for local bands to perform on stage. The price of entrance tickets ranges from 100 NT dollars to 350 NT dollars (about £2 to £7) including a standard drink. The relatively inexpensive entrance fee and the outdoor stage aim to make local people able afford to consume and participate.

In respect of production, the cultivation of local music talent is one of the main concerns of the Teihua Music Village. They proposed a project entitled ‘Rock and Record – engagement in your own music production’ in 2012 and gained half the funding (560 thousand NT dollars) from the Ministry of Culture. The five-month project aimed to nurture local people with professional knowledge and practical skills of the music market, recording production and marketing strategies (Interview with Fong, Jheng-Fa, 2012). Furthermore, Teihua Music Village has held the Foehn Bands Contest (焚風樂團比賽) since 2011, for teenagers and talented youngsters to encourage them to ‘sing their songs’ (Zeng, 2013). The winners would be recommended by the Teihua Music Village to perform in the corporate live houses, such as Riverside and the Wall, in Taipei.

As the intermediary between consumption and production, the Teihua Music Village constituted the economic imaginaries of nurturing local music industries. The local aboriginal musician Xiao Lu was interviewed by a journalist, and said, “Tiehua Village has provided a place where the musical community can come together and develop our own perspective on music” (Mckimm, 2013). Moreover, music director Jheng, Jie-Ren was interviewed by a journalist and said:

If we take the perceptivity of industrialisation, I hope the ‘root’ can be grown in this village. This may be different from the thinking of the
Bureau of Tourism. However, if performance workers, management workers, arts administration, musical workers and so on, can all find a job here, it would create something about music industries through the stimulation of diverse music elements that cross-boundaries of art forms (Huang, 2010).

The process reveals the economic imaginaries of the Teihua Music Village were the result of reflexive strategy and cultural translation with the local cultural and music workers, rather than directly regulated by the Bureau of Tourism.

Apart from serving as a music platform, the other feature of industrialisation is to provide a platform for local industries. There are permanent shops including Lovely Taitung Shop, Good Buy, Wood X Space and Slow Fair. The discourse of locality and the concept of fair trade are emphasised in these shops. For instance, Lovely Taitung Shop is a branch of Lovely Taiwan Shop. It takes the same strategic discourse as the Lovely Taiwan Shop by indicating that the products are all made in the communities and tribes around Taiwan and the surpluses go straight back to assist these industries (Interview with Fong, Jheng-Fa, 2012). Good Buy is run by the local enterprise which started business in Edoulan tribe in 2008. It focuses on introducing and selling tribal products and artworks based in the Taitung area. Wood X Space is a small exhibition hall, where three local carpentry workshops display their driftwood sculptures and products. ‘Slow Fair’ aims to advocate alternative imaginaries of tourist industrialisation for Taitung economic development instead of the investment projects of building grand hotels such as Miramar Resort\(^\text{48}\) which the local government attempted to promote (Interview with Fong, Jheng-Fa, 2012). Slow Fair is symbolised by a slow living experience which is non market-mediated, and a close link between producers and consumers. Consequently, it is designed for independent local handicraft makers and eco-friendly farmers. The qualified vendors display and sell products on Fridays and weekends. The selection criteria include originality, local handcraft or agricultural products, eco-friendly and fair trade. These selective values and local stalls constitute the

\(^{48}\) In 2004, the Taitung county government signed a build-operate-transfer investment contract with the Miramar Group to construct a six-hectare hotel complex on the beach. However, the project failed to pass the official environmental impact evaluation. The Taitung County Government argued the project would bring huge economic benefits and create many jobs (Wang, 2007). The relevant lawsuits related to the project are still in progress.
other economic imaginaries for Slow Fair in Teihua Music Village, which emphasise local/tribal features, respect for the local environment and workers.

The musical platform and industrial platform shape the unique tourist and travelling experience in Teihua Music Village, so that it has become a very popular tourist attraction and brought substantial economic implications and policy changes of industrialisation. The total number of visitors grew significantly to an average of five thousand per month in 2012 and the figure of international visitors increased stably, which satisfied the official requirement (Interview with Lovely Taiwan Foundation, 2012). In light of the case of Teihua Music Village focusing on local industries, the Bureau of Tourism recently issued a press release to highlight the link between the International Spotlight Project and local industries. They state that the project “guides the local industries and living culture up to the international stage, which not only generate economic benefits but also create a new developmental direction for local industries” (Bureau of Tourism, 2015).

Moreover, Taiwan Railways Administration collaborated with the Ministry of Economic Affairs and Ministry of Culture to propose a project that encourages young people to rent spare property and develop cultural and creative industries (Lan, 2013).

In summary, the semiotic practice of Teihua Music Village highlighted a specific endogenous feature of the CC Village which is the priority of industrialisation serves indigenous cultural workers and local industries. It has not facilitated the music industries or local industries but provides alternative imaginaries of the CC Village, distinct from large-scale development models such as the Miramar Resort, for a region or city government to promote tourism economy.

**Conclusion**

Under the KMT government from 2008 to the present, the industrialisation of cultural policy has followed divergent paths. On the one hand, the former CCA and the successive MOC privileged market discourse which focused on profitable flagship industries and cross-Strait collaboration by venture investment to generate economic growth and upgrade economic structure in the global competition. However, this raised criticism from cultural groups on the China factor and overlooked the local cultural
workers. In response to the civil discourse, the current MOC, on the other hand, highlighted ‘cultural citizenship’ and ‘soilisation’ to promote micro- and small industrialisation in local towns and villages. Yet the MOC did not further develop discursive strategies to connect the two divergent paths or elaborate why and how the discursive practice of cultural citizenship would justify the legalisation of investment in the field of cultural policy, or identify the extra-market benefit of cross-Strait collaboration. The conflicts between the state actor and civil actor have continued and led to the debate of ‘Crisis Decryption’ (section 6.3.4).

Within this divergent policy context, the local practice has constantly developed various types of industrialisation by the endogenous and tourism approach with reflexivity. Furthermore, the CC Villages have paid specific attention to local cultural workers and provided alternative thinking and strategies of industrialisation at the level of regional development. Nevertheless, owing to a lack of discursive practice to connect the two paths at the policy level, the sense-making and meaning-making of industrialisation has inevitably been filled with worries, confusions, and conflicts between the state and civil society. This has set a greater challenging condition for the future semiotic practice of industrialisation.
Chapter 7 Conclusion

This dissertation has analysed the dynamic and dialectic trajectory of industrialisation in Taiwan’s cultural policy and local practice from 1994 to 2012. It was inspired by the theoretical perspective of the Cultural Political Economy and Jim McGuigan’s three discourses of cultural policy, to investigate the evolution of semiotic practice between policy discourse and structuration over the past two decades. The research has conducted a critical semiotic analysis of the main industrialisation-related policy discourses and an empirical analysis of local practice grounded in the cases selected and interviews with the relevant actors. In this conclusion, the first section summarises the research findings and implications, the second explains the research limitations and suggests several points for future research.

7.1 Researching Findings and Implications

This research aimed to explore the evolution of industrialisation in the co-constitution between policy discourse and local practice in the field of cultural policy. Through critical semiotic analysis of the relevant policy discourse and the semiotic practice of local practice, the research traced the emergence of industrialisation back to the early 1990s and the transformation to date. More prominently, this thesis revealed that the projects of cultural industries and CCIs emerged as a strategic response to changing political, economic and social structuration. In this context, the meaning of industrialisation has been entangled in multiple state projects and multiple articulations with local practice and diverse imaginaries.

Through the analysis, three core research findings and implications have emerged. Firstly, the industrialisation discourse ‘Industrialisation of Culture; Culturalisation of Industries’ has been mobilised by the state as a strategic fix in the three respective phases to manage the issues of democratisation, the formation of national identity, the challenges of economic transformation, rural regeneration and cultural citizenship.

When Taiwan experienced dramatic political democratisation in 1994, the CCA launched the important Community Empowerment Project.
Industrialisation was selected to empower people to be concerned about community affairs and local culture through participating in local cultural industries. Within this context of democratisation, the state discourses of ‘decentralisation’, ‘localisation’ and ‘participation’ constituted the struggle between the state and local society, and involved the meaning of industrialisation. During the process, the economic imaginary of industrialisation by the endogenous and indigenous approach was initially proposed by the CCA, which co-invested the strategies with local communities in the production of hegemony. The case of Baimi Clog Village played a prominent role in co-shaping this approach with policy workers. The approach resonated with other local communities and thus consolidated the hegemony of economic imaginaries in the first phase from 1994 to 2002 (Chapter 4).

With the progress of democratisation, when the DPP government was in power and faced with the impact of joining in the WTO and the political and economic emergence of China, the projects of cultural industrialisation and CCIs were served up as strategic fixes with multi-values. During the second phase, from 2002 to 2008, industrialisation, on the one hand, maintained the meaning of empowerment and localisation, where the latter involved the political imaginary of ‘Taiwan’s subjectivity’; on the other hand, it was embedded in the economic imaginary of knowledge-based economy and added to the market discourse of ‘culture is good business’, to advance the national competitiveness and reconcile the declining rural economy. In this context, the economic imaginaries of industrialisation had different practical directions in the state’s projects and in local practice. The state privileged the CC Park approach for greater economic profit, while most communities shifted to the endogenous and tourism approach with the social-economic purposes of empowerment and rural regeneration. The case of Taomi Eco Village strategically shaped the approach to building a sustainable local community. Meanwhile, the discourse of ‘cultural citizenship’ was highlighted by the CCA and cultural groups in the semiotic practice of industrialisation and this resonated with the discourse of ‘participation’ (Chapter 5).

When the KMT government retook power in 2008 and encountered the global financial crisis, policy priorities of industrialisation were placed on the profit-oriented flagship industries and cross-Strait collaboration, for pursuing global competitiveness and the greater Chinese market. In this context, the state privileged market mechanisms and the investment approach, which led to criticism from the civil society and cultural groups. In the semiotic struggle
of industrialisation, the cultural groups and other civil groups placed the civil discourse of ‘cultural citizenship’ against the state’s market discourse of investment. Despite the civil discourse of ‘cultural citizenship’ having evolved into ‘CCIs Law’ and relevant projects, and the MOC not having clear discursive strategies on issues including public funding and private investment, supporting citizens/cultural workers or supporting industries, industrialisation of cultural policy has still diverged. Faced with confusing and divergent policy imaginaries, local communities/tribes have continued to develop local industries by the endogenous and tourism approach with reflexivity. The case of ‘Dragonfly Beads Art Studio’ was one of the essential cases that strategically selected a governmental programme and utilised tribal resources to build a network of industrialisation and consolidate the tribal identity. The other case of ‘Teihua Music Village’, not only symbolises the rise of the CC Village, but shows the priority of industrialisation for cultural workers and local industries, which has provided alternative clustering imaginaries to other local practice and the state (Chapter 6).

Secondly, by investigating the underlying semiotic-practice struggles of ‘industrialisation’ and the co-constitution process between the set of industrialisation discourses and structuration over the past twenty years, this research has illustrated the trajectory of industrialisation in a newly democratised case. It has argued that, in spite of knowledge-based economy and neo-liberalism, democratisation by empowerment project and cultural citizenship as well as localisation by the endogenous approach proved to be more influential in the meaning-making of industrialisation in Taiwan. The result highlights policy implications for the industrialisation of cultural policy in Taiwan and other newly democratised countries. For Taiwan’s future policy discourse of industrialisation, this research suggests that the discursive strategies based on ‘citizens’ and ‘the public’ may facilitate the state bridging the divergent paths of industrialisation in cultural policy, for example, the discourse of ‘public investment’, which focuses on investing in the existing public broadcasting system instead of the private sector. The strategy clarifies the legalisation of investment by public funding, highlighting profit-creation as well as cultural citizenship, which might reconcile conflicts with cultural groups and civil groups. By doing so, the public broadcasting system can be the state’s ‘flagship project’ of industrialisation and bring along the development of CCIs in collaboration with other entrepreneurs, providing reasonable material support for cultural workers and offering accessible cultural resource to citizens.
For other countries with similar democratic progress, the case of Taiwan could provide significant experience and lessons to develop projects of cultural industries or CCIs. Taiwan’s case indicates that the cultural industries do not naturally contain the economic discourse; they can bear democratic meanings, such as empowerment, participation and cultural citizenship, by state projects and local practice to engage people in public affairs and cultural events. In particular, the four cases of this research show that the actors of the communities or civil society are not always confined within the meaning-frame set by the state’s policy, they are the meaning-makers and policy-makers to promote, negotiate, and compete with the state to construct the economic imaginary of industrialisation in favour of their needs. Furthermore, the development of the third phase in Taiwan demonstrates that the advance of digital technology and social media have enhanced people’s mobility and ability so that they could generate and distribute civil discourse more easily in response to the state discourse or increasingly influential market discourse.

Thirdly, this research has theoretical implications for cultural policy studies and CPE. In the field of cultural policy, this research adopted the theoretical perspective of CPE with three discourses of cultural policy (McGuigan, 2004) and unpacked the dialectic between the discourse formation and structuration. The essential concepts of CPE, such as economic imaginaries and the production of hegemony, could facilitate future research in cultural policy studies to account for how economic discourse has increasingly played the dominant role in cultural policy and to shed light on the structural conditions required for this. More importantly, it has presented the dynamics between the state discourse, market discourse and civil discourse and elaborated how some hegemonic discourses have been produced by specific actors and practices.

Jim McGuigan did not clearly explain the actors in these discourses and how the practices work. In this research, the state has played an influential role in shaping the three discourses in response to the political-economic-cultural conditions, while the key players from the CCA and MOC infused specific concepts or concerns into the meaning of those discourses. From the interviews with Chen, Chi-Nan and Chen, Yu-Chiou, it is evident that both of them showed high interest in promoting the industrialisation of cultural policy through a series of projects and managed to interpret their democratic meaning and Taiwan’s subjectivity as well as the economic benefits inherent to the three discourses. By comparison, the later chairpersons of the CCA
from 2006 to 2012 rarely developed new ideas in the meaning of industrialisation. It was the first minister of MOC, Lung, Ying-Tai, who proposed new terms and tried to add new distinctive meanings into the industrialisation of cultural policy. For example, the terms of ‘soilisation’ and ‘value-enhancing industrialisation’ are used to distinguish industrialisation in the different contexts between community industries and profitable CCIs. This research has shed light on the application of three discourses, which might help future studies to investigate the actors in the three discourses and analyse how the actors interact, negotiate or defend the discursive struggle for hegemony and configure the structuration.

From the theoretical perspective of CPE, the research provides an empirical approach with the supplement of three discourses of cultural policy for applying CPE in cultural policy studies to investigate the evolution of hegemonic discourse and structuration. As elaborated in section 3.1, the framework of CPE is very complicated and lacks an empirical research strategy to operationalise the analytical concepts (van Heur, 2010c); moreover, the theory of CPE does not explain clearly how to analyse the causal mechanisms of social reality. The analysis and case studies presented in this thesis demonstrate that the three discourses can serve as analytical tools of CPE to uncover the operation of semiotic struggle. In this case, they have revealed how the hegemonic discourse of industrialisation has been selected, constituted, implemented and managed between the state’s policy and local practice.

In addition, this research not only stresses the role of the state in semiotic practice of industrialisation but also highlights the operation of civil discourses and the implications of civil initiatives, which might bring new insights into future CPE research to investigate the dialectical constitution of social relations and phenomena.

7.2 Limitations and Suggestions for Future Research

Reflecting on the limitations of the study, there are two issues, which might both merit further investigations in the future.

First, this research has not presented a detailed analysis of the discursive formation and practice of entrepreneur actors, but has focused more on the discursive-practice struggle in the meaning-making of industrialisation between state actors and community actors. This is because these two
groups have played influential roles since the initial advocating of industrialisation in 1995, to date. As well as these two stakeholder groups, the research has analysed the role of the intermediary in local practice through the case of the New Homeland Foundation and the Lovely Taiwan Foundation, and found that they played essential roles in the ‘cultural translation’ between the abstract policy discourse and empirical experience. However, the role of entrepreneurs has been increasingly significant in the industrialisation of policy discourse and practice. More importantly, entrepreneurs were the most prominent actors in the CC Parks and in the investment projects of industrialisation. For example, in the ‘Creative Taiwan’ project, the state encouraged the business sector, including entrepreneurs, to co-invest in CCIs with the National Development Fund. Actually, this research attempted to interview some entrepreneurs for the project, but only one agreed to be interviewed, and therefore, the data was not sufficiently ‘rich’ to analyse the public-private partnerships and their power relations in the semiotic practice of industrialisation. The MOC revised the investment project in July 2015 and released regulations to encourage more entrepreneurs or companies to invest in CCIs (MOC, 2015), which may lead to the variation of discourse and bring about alternative economic imaginaries. Therefore, future research may fruitfully investigate the role of entrepreneurs in the constitution of the market discourse and the process of semiotic struggle.

The second limitation of the study is the absence of a ‘local government’ perspective and the connectivity between central government and local practice of community/tribal industries. In 1999 the Local Government Act was passed, which meant that more money and power were allocated to local government. The role of local governments has become increasingly important in interacting with state policy and local communities. This aspect was considered at the beginning of the project, but rejected because the state has played a more powerful role in regulating the related cultural policy of industrialisation and allocation of resources to local governments during the 2000s. However, according to the amendments of the Local Government Act in 2010, five special municipalities were allowed to have more financial resources and policy-making power. Moreover, the CCIs Law was passed in 2010, which delegated administrative power to local governments, especially the five municipal governments, and gave them more funding for creating local CCI projects (Article 5). According to the recent status, the five municipalities contained 78.42 per cent of the total of CCI enterprises in
2011, and generated about 89.27 per cent of CCIs’ overall turnover in 2013, which far outstripped the other 17 counties and cities (MOC, 2014, pp.171-172). Furthermore, Chung’s (2014) recent research found that the five municipalities played mediating roles between the state and the local residents to localise and reformulate the state’s CCIP in response to local needs and commercial businesses. Consequently, the role of local government in the discursive-practical constitution of industrialisation deserves further investigation in future research.

This research has examined the semiotic practice of industrialisation from 1994 to 2012. Since 2012, the political, economic and social environment has dramatically changed, leading to a radical transformation of industrialisation. Some of the issues have been discussed in Chapter 6, but much more needs to be explored about the variation, selection and retention of industrialisation. As a follow-up to this research, it would be fruitful to analyse the development of two issues in recent years. Firstly, the hegemonic discourse of ‘Industrialisation of Culture; Culturalisation of Industries’ has varied according to the discourse of ‘industrialisation of Wen-Chuang; Wenchuangisation of industries’ / ‘industrialisation of CCIs; CCIs-alisation of industries’ (文創產業化;產業文創化). This discourse emerged from the MOC’s new CCIs project entitled ‘Value-Enhancing Industrialisation – the construction and innovation of value chain in cultural and creative industries’ (MOC, 2013c). The project was proposed in 2013 to continue the project of ‘Creative Taiwan’. The variation of discourse is significant as the term ‘culture’ was replace by the abbreviation ‘Wen Chuang’ / CCIs (文創).

Secondly, the implications of the China Factor and the debates between free trade and cultural exception have raised a great deal of discussions since 2014. The Sunflower movement, which started from student-led protesters occupying the Legislative Yuan and soon gained support from civil society, took place in 2014 to protest a service-trade agreement signed between Taiwan and China without any transparent process or adequate legislative review. During the 24-day occupation, the issues of ‘China Factor’, ‘Free Trade’ and ‘Cultural Exception’ were the main focuses in Taiwan’s society and brought unprecedented discussions and debates. The movement not only prevented the agreement but also led to a new discursive-structural condition for industrialisation in cultural policy. In particular, the agreement was planned to deregulate the investments in Taiwanese cultural industries, which might pose threats to the cultural autonomy and cultural diversity of Taiwan (Liu, 2015). Therefore, the cultural workers and groups asked the
MOC to adopt the principle of ‘cultural exception’ in this service-trade agreement and other free-trade protocols. In addition, the implications of the Sunflower movement led to further cultural campaigns and civil discourses. In the election of local governments in 2014 and the presidential election in 2016, cultural groups held cultural forums and drafted the manifestos of culture to the main candidates (Liu, 2015; Ku, 2016). They emphasised the importance of cultural citizenship and proposed ‘cultural impact assessment’ in response to the controversy between free trade and cultural value.

These latest structural changes, cultural development and variation of discourse are worth further exploration. This research has laid significant groundwork, so that future research can focus on investigating the semiotic struggle and the hidden variation of the hegemonic industrialisation discourse and further explore the structural context, the state’s intention and the implications for local practice.
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## List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACE</td>
<td>Association of Community Empowerment</td>
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<tr>
<td>BCDA</td>
<td>Baimi Community Development Association</td>
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<tr>
<td>CCA</td>
<td>Council for Cultural Affairs</td>
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<tr>
<td>CCIs</td>
<td>Cultural and Creative Industries</td>
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<tr>
<td>CCIs Promotion Team</td>
<td>Cultural and Creative Industries Promotion Team</td>
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<tr>
<td>CCIs Law</td>
<td>Law for the Development of Cultural and Creative Industries</td>
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<tr>
<td>CCIP</td>
<td>Cultural and Creative Industries Project</td>
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<td>CC Park</td>
<td>Cultural and Creative Park</td>
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<tr>
<td>CC Village</td>
<td>Cultural and Creative Village</td>
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<tr>
<td>CCRM</td>
<td>Chinese Cultural Renaissance Movement</td>
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<tr>
<td>CEP</td>
<td>Community Empowerment Project</td>
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<tr>
<td>CEPD</td>
<td>Council for Economic Planning and Development</td>
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<tr>
<td>CPE</td>
<td>Cultural Political Economy</td>
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<tr>
<td>Creative Taiwan</td>
<td>Creative Taiwan – Development Program of Cultural and Creative Industries (2009-2013)</td>
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<tr>
<td>Cultural Age</td>
<td>Preparation Office of Cultural Age Foundation</td>
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<tr>
<td>DPP</td>
<td>Democratic Progressive Party</td>
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<tr>
<td>ECFA</td>
<td>Economic Cooperation Framework Agreement</td>
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<tr>
<td>KMT</td>
<td>Chinese Kuomintang or Chinese Nationalist Party</td>
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<tr>
<td>LCM</td>
<td>Local Cultural Museum</td>
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<tr>
<td>MOC</td>
<td>Ministry of Culture</td>
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<tr>
<td>NHF</td>
<td>New Homeland Foundation</td>
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<tr>
<td>L’Orangerie</td>
<td>‘L’Orangerie International Art Consultant Co. Ltd.</td>
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<tr>
<td>PRC</td>
<td>People’s Republic of China</td>
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<tr>
<td>ROC</td>
<td>Republic of China</td>
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<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>SRA</td>
<td>Strategic-Relational Approach</td>
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<tr>
<td>TCDA</td>
<td>Taomi Community Development Association</td>
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</tbody>
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Appendix 1
The List of Interviewees and Interview Questions

[Insiders to cultural policy-making]

Chen, Chi-Nan (陳其南) (29/03/2012)
Deputy Head of the CCA from 1994 to 1997
Consultant of the Executive Yuan from 2000 to 2004
Chairperson of the CCA from 2004 to 2006

Chen, Yu-Chiou (陳毓秀) (28/03/2012)
Chairperson of the CCA from 2000 to 2004

Kuo, Chi-Chou (郭紀舟) (15/11/2012)
Secretary of Chen, Yu-Chiou from 2001 to 2004

Interview Questions:
1. Why did the CCA launch the projects of industrialisation in the field of cultural policy, including CEP, cultural industries, CCIP and New Hometown CEP?
2. How did the CCA plan the projects of industrialisation in the field of cultural policy, including CEP, cultural industries, CCIP and New Hometown CEP? Did the CCA refer to relevant policy from other countries? If it did, why did the CCA choose to refer to the specific foreign policy?
3. How did the CCA implement and promote the projects of industrialisation in the field of cultural policy, including CEP, cultural industries, CCIP and New Hometown CEP?
4. Why did the CCA advocate the discourse of ‘Industrialisation of Culture; Culturalisation of Industries’?
5. How did the CCA define the meaning of ‘Industrialisation of Culture; Culturalisation of Industries’?
[Outsiders to cultural policy-making]

Hu, Yung-Fen (胡永芬) (19/11/2012)
A member of Cultural Age

Fang, Guo-Jian (方國健) (19/11/2012)
General Manager of Taiwan Wen-Chuang No.1

Interview Questions:

1. What is your opinion of cultural industries and CCIs?
2. How do you think of the state’s cultural policy related to the CCIs?
3. Have you participated in any form of policy-planning processes? In what way?
4. Does current policy affect or relate to you? In what way? Does it benefit or limit your industry?
5. What is your opinion about the recent event of ‘Dreamers’?
Four Cases of Local Practice

Case 1 : Baimi Clog Village

Lin, Ray-Mu (林瑞木) (13/11/2012)
Direct of Baimi Community Development Association

Hsiao, Yu-Chu (蕭玉珠) (13/11/2012)
Director of Tour in the Baimi Clog Museum

Case 2 : Taomi Eco Village

Liao, Chia-Chan (廖嘉展) (21/11/2012)
Director of New Homeland Foundation

Chung, Yun-Nuan (鍾雲暖) (21/11/2012)
Director General of Taomi Community Development Association

Case 3: Dragonfly Beads Arts Studio

Shih, Siou-Jyu (施秀菊) (26/11/2012)
Funder of Dragonfly Beads Arts Studio

Case 4 : Teihua Music Village

Anonymity of Lovely Taiwan Foundation (16/11/2012)

Fong, Jheng-Fa (豐政發) (20/11/2012)
Manager of Teihua Music Village

Interview Questions:

1. Why did you choose the specific cultural industries/CCI?
2. How did you develop the specific cultural industries/CCI? Do you get any support from the public sector, the private business sector or non-profit organisations?
3. Have you participated in any form of policy-planning processes? In what way?
4. Does current policy affect or relate to you? In what way? Does it benefit or limit your industry?

5. What do you think of the meaning of ‘Industrialisation of Culture; Culturalisation of Industries’? How did you put this discourse into practice?

6. What do you think of the meaning of ‘endogenous and indigenous approach’ and ‘endogenous and tourism approach’? How do you adopt the approach to your industries? In this process, how did the relevant project of industrialisation affect or relate to you?