The governance of professional baseball in Taiwan

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The Governance of Professional Baseball in Taiwan

by

Ping-Chao Lee

A doctoral thesis submitted in partial fulfillment of the requirements for
the award of Doctor of Philosophy of Loughborough University

March 2005

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Abstract

This thesis reviews the system of governance of professional baseball in Taiwan, which has developed since its inception in 1990. The analysis undertaken reviews three case studies of major events in the baseball world in Taiwan to provide an insight into the principal interests and forces in the governance system. In theoretical terms the study employs and evaluates classical theories of the state, strategic relations theory and governance theory to describe, evaluate and explain the processes evident in the three cases. The study concludes that the governance system is characterised by a tension between mechanisms of ‘modern’ liberal politics, and ‘traditional’ forms of political clientelism.

Key words: sport, baseball, governance, theories of the state, strategic relations theory, Taiwan, political clientelism
Acknowledgements

When it comes to finding some words to acknowledge people who have contributed to this thesis, there would seem to be too many to mention in short sentences. Nevertheless, I still have to attempt this task to express my gratitude to them.

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<td>ARATS</td>
<td>Association for Relations Across the Taiwan Straits</td>
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<td>BWC</td>
<td>Baseball World Cup</td>
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<td>CPBL</td>
<td>Chinese Professional Baseball League</td>
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<td>CTBA</td>
<td>Chinese Taipei Baseball Association</td>
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<tr>
<td>DGBAS</td>
<td>Directorate-General of Budget, Accounting and Statistics</td>
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<tr>
<td>DPP</td>
<td>Democratic Progressive Party</td>
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<td>DPE</td>
<td>Department of Physical Education</td>
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<td>EU</td>
<td>European Union</td>
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<td>IOC</td>
<td>International Olympic Committee</td>
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<td>IBAF</td>
<td>International Baseball Federation</td>
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<td>KMT</td>
<td>Kuomintang, Nationalists</td>
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<td>MAC</td>
<td>Mainland Affairs Council</td>
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<td>MLB</td>
<td>Major League Baseball</td>
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<td>MOE</td>
<td>Ministry of Education</td>
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<td>NCPFS</td>
<td>National Council on Physical Fitness and Sport</td>
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<td>NGBs</td>
<td>National Governing Bodies of Sport</td>
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<td>NUD*IST</td>
<td>Non-numerical Unstructured Data Indexing, Searching and Theorising</td>
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<td>PRC</td>
<td>People’s Republic of China</td>
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<td>PFP</td>
<td>People First Party</td>
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<td>SEF</td>
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<td>TML</td>
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<td>UN</td>
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Chapter 1

Introduction

1.1 The Research Questions and the Research Approach

Baseball was the first modern sport to be introduced into Taiwan and has remained the most popular sport on the island since its introduction during the Japanese occupation from 1895 (Lin, 2003). The development of the game has been bound up with the complex and often turbulent history of Taiwanese society, which underwent political, economic and social upheaval, particularly in the latter half of the twentieth century with the establishment of the Chinese Nationalist Government (KMT) under Chiang Kai-Shek in 1949. Over that period Taiwan experienced the gradual shift from the authoritarian military rule imposed by the KMT on a society with an undeveloped economy, to a multi-party political system with a highly competitive economy (Brown, 2004). By the beginning of the new century, Taiwan was ranked in the world’s top 16 trading nations and as having the world’s fourth most competitive economy (Howe, 2001) had held multi-party elections, and had seen its first non-KMT president elected. Along with these profound shifts in Taiwan’s internal political, economic, and social structures, Taiwan’s place in the global political system has, since the 1950s, oscillated precariously from that of favoured ally of the United States as a bulwark against the expansion of Communist China, to a position of marginalisation as the United States sought to woo the Communist authorities from the beginning of the 1980s. International sport (and in particular the relative positions of Taiwan and Communist China within the Olympic movement) gained symbolic importance as the issue of the ‘Two Chinas’ manifested itself in the sports domain, with both sides seeking to claim legitimacy in representing the interests of China. Sport thus became an important facet of claims to nationhood and national pride on the part of the Taiwanese, intensified by
the troubled relationship with Mainland China.

Within this context, in 1990 baseball became the first professional sport in Taiwan. A professional baseball league (CPBL 1990) was launched and was in 1997 joined by a rival league (TML 1997). In the years, which followed three major sets of events, exercised a profound impact on the development of the professional baseball system. First in 1997 a bribery and gambling scandal was uncovered involving organised crime in the fixing of baseball league matches. This had a major effect on public interest and support, and attendances declined dramatically, threatening the very survival of the professional game on the island. Then in 2001 Taiwan staged the Baseball World Cup (the 2001 BWC) and performed very creditably, restoring public interest and faith in the professional game, and reviving attendances. Finally in 2003 the two professional leagues merged following a period of intense rivalry. Government influence was brought to bear on the two contending parties to establish what it was hoped would be a more economically robust professional system by merging the two entities. These three key sets of events provide core elements for the investigation, which is undertaken in this study.

With the above context as background, this thesis aims to explain the development of the professional baseball system in Taiwan, and in particular to identify and explain the forces, which have shaped the development of that system. The core questions to be addressed are as follows:

- Who are the key stakeholders in the governance of professional baseball in Taiwan?
- What resources do they have available to them to achieve their desired goals?
How can we explain the outcomes in the struggles between contending parties in the governance system, in particular in respect of the three major events in the history of Taiwanese professional baseball?

In addressing these questions, the thesis considers explanation at three levels. At the macro-theory level consideration is given to the usefulness of pluralist, Marxist, and elitist accounts and their variations, in explaining the roles of the state and related actors in the development of (public, commercial and voluntary sector) policy. In particular consideration is given to how a strategic relations approach might be adapted to inform analysis of outcomes in the professional baseball system. At the meso-level governance theory is employed as a vehicle for conceptualising how the system of governance has developed over time. Systems of governance may be relatively pluralist in their operation, or dominated by social and political or business elites and such matters are amenable to empirical investigation. Investigation takes place at the micro-level of individual actors’ own accounts (directly through interview data, or indirectly through documentary analysis), which represents the focus of the empirical dimension of the thesis.

These three levels of investigation are underpinned, or logically preceded, by what might be termed meta-theoretical concerns of ontology and epistemology, which define what will count as evidence in an investigation of this type. The thesis argues for a critical realist approach, which suggests that underlying (if socially constructed) structures exist in social interaction, which though they may not be directly observable may be inferred from directly observable phenomena. Thus explanation of social phenomena such as the governance system of Taiwanese baseball should be based on an understanding of the underlying social, political, cultural, and economic structures,
which exist as resources and constraints on the social action of the actors involved, as well as on the explanations of the actors themselves. Any claims in relation to underlying structures however, have to be legitimated by reference to inductively or deductively derived claims made on the basis of the ‘visible’ evidence (actors’ statements, documents etc.). Figure 1.1 seeks to illustrate the logical flow of ideas and concepts, which form the basis of the research undertaken for this thesis.
Figure 1.1: Conceptual Schema for the Investigation of the Governance of Professional Baseball in Taiwan

Critical Realist Assumptions
- real structures exist as resources and constraints for individuals and groups of actors;
- such structures are socially constructed, (re)produced by social interaction;
- such structures may not be 'visible' but may be inferred from directly observable phenomena;
- social explanation will require explanation of structures as context and product of social interaction as well as actors' own accounts of their (acknowledged or unacknowledged) use of such structures.

Meta-theoretical concerns (what counts as evidence)

Macro-level theoretical concerns

Does social interaction in the field of baseball draw on/reproduce:
- Pluralist structures
- Elitist structures
- Economic structures
- Systems of strategic relations

Systemic Governance
- What is the system of governance for baseball?
- Who are the principal stakeholders?
- What are the structural resources for, and constraints on, social action within the governance system?
- How can we explain the outcomes of governance struggles (as illustrated by the three case studies of the gambling scandal, the 2001 Baseball World Cup, and the merger of the leagues).

Meso-level theoretical concerns

Actors’ Strategic Behaviour
- What is the nature of actors’ accounts of their own and others’ behaviours in respect of the governance of baseball?
- What strategies are adopted to achieve particular ends? Which are successful, which unsuccessful and why?
- What can be asserted or inferred in terms of acknowledged or unacknowledged access to structural resources?
1.2 The Structure of the Thesis

The purpose of the above discussion is to orient the reader to the rationale for the approach adopted. In terms of the structure, the thesis is developed in the following way. Chapter 2 will review relevant theoretical material including theories of the state, of governance, and global-local relations, as well as approaches about strategic relations. The review of theories helps to conceptualise the research background to provide a framework for the discussion of governance of the professional baseball system, which was developed within the context of global change and local responses. The traditional theories of the state such as the Marxism, pluralism and elitism and their neo/post accounts are discussed with an emphasis on reviewing their changing nature. In addition, the strategic relations approach is reviewed, and in particular its potential for application to the field of systemic governance in sport.

The third chapter reviews methodological concerns and strategies leading into the development of the empirical study, which will be organised around the questions identified above. This chapter adopts a critical realist ontology, suggesting that social structures are socially constructed and that therefore if one is to explain a social phenomenon there will be a need to identify both the relevant structures and the individuals' consciousness of them. The epistemological foundations of the social theories evaluated in Chapter 2 will be identified. A major attempt is made to synthesise this evidence to generate a framework for an examination of governance of Taiwan's professional baseball system by reviewing of documentary material and the conducting of interviews. The documentary-based element takes the form of qualitative content analysis, which was applied to the official records of the Legislative Yuan, the National Council of Physical Fitness and Sports (NCPFS), the Department of Physical Education in the Ministry of Education (DPE), the Chinese Taipei Baseball Association
Chaptcr I Introduction

(CTBA), and also of media discourse in the form of analysis of a number of newspaper articles, which trace and explains the development of the relationship between stakeholders within the system. In addition, a qualitative-based element consisting of semi-structured interviews, seeks to provide the perception of various stakeholders such as government employees, politicians, media, league, clubs, and players etc., who comment upon the processes of interaction, the exercise of power and the use of resources. Meanwhile, the computer software Non-numerical Unstructured Data Indexing Searching Theorising (NUD*IST) was employed to help code/categorise the gathering data and subsequently contributes to the analysis of data.

The fourth chapter will consider the development of the Taiwanese economy, society and the state, outlining the changing nature of the context within which sport as well as baseball has been developing in Taiwan. The first section of this chapter provides the political, economic and social perspectives to explore the social context of the Taiwanese state. Following that, the second section is mainly concerned with developments in sport policy. This is divided into five important periods of time: the period of Japanese occupation (1895-1945); the initial period of martial law (1949-1969); the later period of martial law (1970-1986), post martial law/the beginning of liberal democracy (1987-1996); and the period following the establishment of the National Council on Physical Fitness and Sports (NCPFS) (1997-present). The section also summarises the key chronological details of the development of the (professional) baseball system.

The discussion of the social and political context, and the development of sport is followed by the empirical section of the thesis, which comprises three case studies on the governance of baseball during the gambling crisis of 1997, the 2001 Baseball World
Chapter I Introduction

Cup, and the merger in 2003 of the two professional baseball leagues. Each of the case studies is preceded by a review of similar principal themes, which examine the key issues in the development of the professional baseball system to provide a context for conducting the empirical review. In chapter 5, an attempt has been made to identify a number of issues relating to the nature of the governance affected by the gambling scandal in the professional baseball system in 1997. It explores the local dynamics between various stakeholders within this system (systemic governance issues) and considers how good organisational governance was restored. In addition, it also highlights impacts, which the gambling crisis engendered such as a set of relations to policy considerations concerning a sports lottery and cross-strait sport relations.

Chapter 6, the case of the 2001 Baseball World Cup (BWC) in Taiwan has been used to help explore some of the dynamics of power struggles between the state and other relevant stakeholders in shaping policy outcomes in baseball governance system. The chapter begins by illustrating the implications of why and how the state bid to host this sport mega-event. Thus, issues focus on what the national sporting body, the Chinese Taipei Baseball Association (CTBA) intended to achieve by its bid as well as highlighting the implications of successful bidding for the state (Taiwan) and the international sporting body (International Baseball Federation, IBAF). Subsequently, the chapter goes on to look at the power struggles between various actors with a focus on local dynamics in particular between the north and south, major cities, local and central, and between KMT and DPP during the period of political change when the DPP took power in 2000. Finally, it examines relationship between the 2001 BWC and wider issues such as that of Taiwanese nationalism, and broader social values are discussed as well as the impacts of the event on the professional baseball industry.
Chapter 7, to begin with, is concerned with the emergence of the issue of the merger of the two professional baseball leagues from 2001, and explains the processes gone through and the rationales of stakeholders such as the state, the leagues, owners of clubs and so on. Secondly, it highlights the dynamics of the power-relations among stakeholders and explains the state’s involvement in the development of the merger as well as the consequences of its intervention. The final section deals with key implications of the merger, such as the consequences of political power struggles among stakeholders and the significant impacts on the professional baseball industry in the post merger period, raised within the first two elements.

The concluding chapter considers the implications of empirical findings for the theoretical framework, evaluating the application of concepts of the theories of the state in general, and the strategic relations and governance approaches in particular. Those theories are effectively developed to understand how the structure enables and constrains the agency and vice versa in shaping the outcomes of sport policy within the professional baseball system within the specific structural context of contemporary Taiwan which is affected by the phenomenon of globalisation.
Chapter 2

The Theoretical Context

2.1 Introduction

This thesis seeks to develop an account of the strategic action of, and strategic environments for, key stakeholders in the governance system of professional baseball operating around a specific period or context in Taiwan. Thus, literature from the major relevant theoretical debates will contribute to an explanation and understanding of events within this system. Traditional theories of the state such as pluralism, Marxism and elitism (and their neo/post versions) are reviewed in terms of their major premises and their implications for conceptualising the governance system. The focus however will not be exclusively on policy at the nation-state level but also on interactions in the wider global context. Thus, subsequent commentary will relate the focus of the theories of the state to a concern with the global system. Nation-states/national societies are recognised as a significant reference for the analysis of globalisation and globalisation reveals a process by which decisions and policy making in one place can affect the implications for communities and societies in distant parts of the world and vice versa.

Subsequently, a strategic relations approach to analysis is adopted to address an explanation of outcomes at the level of both structure and agency and interdependency. Thus, the discussion of a strategic relations approach helps to identify how outcomes are mediated and shaped, and in particular how different sets of interests were implicated, how power is exercised, and whose interests are provided for in Taiwan. Finally, discussion of a lower order set of concepts of governance (particularly, systemic governance) is complemented by a discussion of strategic relations theory which highlights access to, and the use of, resources to achieve preferred ends for
particular stakeholders.

2.2 Theories of the State

2.2.1 Pluralism and Neo-Pluralism

Pluralism has been used for the study of state-society relations and has often been used as a starting point for the development of other theories (Dunleavy and O’Leary, 1987). During the 1960s, the emphasis in pluralist studies related to political decision-making in local communities exemplified by Dahl’s (1961) study, which focused on the question of ‘who governs?’ Pluralism characterises society as constituted by various competing groups with different interests which manifest a diversity of social, institutional, ideological, values. For classical pluralists, all decision-making will be the outcome of a process of bargaining among a multiplicity of groups. Political power reflects the capacity of one or more actors to achieve ends against resistance by others (Dahl, 1961). The political system is characterised as a polyarchy, meaning ‘the power of the majority’. Pluralists use the term to describe the rule of the many as opposed to democracy, the rule of all citizens, or in contrast to oligarchy, the rule of the few (Judge, 1995). A central concern for the pluralist is thus with how the state apparatus ‘hears’ and meets citizens’ demands at different levels. Thus in prescriptive or normative terms most pluralists would advocate decentralisation of state power in order to maximise access to decision-making for all groups.

For pluralists, government is often seen as a site of conflict between government departments that represent a range of interest groups and external groups themselves. Pluralists advocate organisational pluralism or the dispersal of power between different governmental entities helping to prevent domination of any single interest (Marsh and Stoker, 1995). Smith (1995: 213) concludes, “For democratic society to work
effectively there has to be a degree of consensus concerning the fundamental values of a society shared by the competing groups”. Dunleavy and O’Leary (1987: 35) also point out that “group consensus is critical in liberal democracies...when interest group activity occurs involving groups voicing intense dissatisfaction, governments are likely to take more notice”. Thus, the act or process of government is described as the steady appeasement of relatively small groups (Dahl, 1956). Common to pluralists, is their focus on groups, and more specifically, the state/group relationship, which concerns the interrelationships between groups and society, since “through interest group representation, individuals and groups can mobilise collective influence that can press governments to make, discard or alter decisions” (Dunleavy and O’Leary, 1987: 35).

As noted above, the complexity of the modern state, its organisational fragmentation is such that no single group, class or organisation can dominate society. Pluralism describes/advocates a separation between the state and civil society, a difference between economic and political power. Power is non-cumulative and dispersed. The “role of the state is to regulate conflicts in society rather than to dominate society in pursuit of particular interests” (Smith, 1995: 210-211). Thus, the process of policy-making within the state is about a negotiation between ranges of different interest groups. Through the mechanisms of elections and pressure politics, the government is reflective of society’s demands and constrained by the countervailing powers of civil society and other organisations. Here, groups are often seen as influential in persuading government to adopt particular policies (Jessop, 1990; Smith, 1993). However, the state acts upon not the interests of external groups but also its own preferences. Thus, the state may “manipulate the taxation and expenditure policies to increase state revenues; control imports or exports for strategic reasons; or restrict union power to create an image of governing competence” (Marsh, 1995b: 18).
Pluralists acknowledge that certain groups are likely to establish close relationships with particular departments or agencies and argue that the state is often seen as a site of conflict among a range of interest groups. In this sense, not all pressure groups are seen as having equal resources, access or influence. For instance, pluralists acknowledge that business is often in a privileged position. However, there is a range of constraints on economic groups (Smith, 1995).

The pluralist conception of power dictates pluralist methodology. Pluralists examine observable behavior and observable outcomes. According to Smith,

There are some issues or research foci central to a pluralist approach: who is involved in the decision-making process? and who is successful in getting their preference accepted as decisions? who is it could be seen to influence outcomes (Smith,1995: 214)?

Polsby (1980) also argues that the core aim of pluralist study is to identify who gains, loses and prevails. In other words, a pluralist approach focuses on who does what, and who is successful in achieving his/her goals. Though it does conceptualise power in a particular way,

It does not assume anything about the distribution of power. It is possible to determine empirically who has power; by developing a notion of modern society and polity as fragmented, diverse and democratic, it provides a more accurate description of the distribution of power than monolithic Marxist or elitist theories (Smith, 1995: 214).

Marxist or elitist views, however, suggest that visible exercises of power may disguise the fact that “some groups wield power in less obvious ways and that expressed political preferences are not necessarily equivalent to real interests” (Marshall, 1998: 499). In fact, the pluralist emphasis on the state responding to powerful groups, involves a choice between such groups and such a choice prejudices equality and
balance. The state also suffers from the difficulty of responding equally to all demands with an increasingly complex set of interest groups pressing their own interests. Critics, who have lost faith in polyarchy, argue that the state has become overloaded by citizen demands and that the state often 'centralises' decision-making to insulate itself from 'overload'.

In Luke's "three distinctive views of power, he contends that Dahl's notion of power is misleading, Dahl, (1957) argued that A can be said to have power over B "to the extent that he can get B to do something that B would not otherwise do" (quoted in Smith, 1995: 213). Luke (1974: 46) suggests that this "one-dimensional view of power cannot reveal the less visible ways in which a pluralist system may be biased in favor of certain groups and against others". Hence, there are problems with the pluralist account of policy processes, and state/group relationships. This is well documented in Bachrach and Baratz's (1970) study of non-decision-making in Baltimore, where the interests of certain groups were systematically excluded from consideration by city authorities.

Another important problem has been raised, in terms of the Western (American and British) origins of pluralism in that the development of pluralism is culturally and historically specific and thus pluralism may simply not 'fit' the circumstances of the Taiwanese context. For example, the range of interconnections between the elites of business, finance, the military and political sectors that exist in Western societies such as the USA, are likely to be very be different from those in other societies. "The USA, for example, is a political system where interests groups play an important role in the policy process, and the political system is more open to their pressure" (Smith, 1995: 218). However, Taiwanese politics has been described by some commentators as traditionally being which more restricted in terms of the types of the interest group with

With regard to the theoretical and empirical critique, pluralist theories were criticised and rejected by the Marxists for reinforcing inequalities in society as well as failure to reflect adequately the dominant position of the capitalist class. In addition, critics focus on the pluralist tendency to deal with business as important pressure groups in understanding policy making and thus ignore other elements such as the role of ideology (Nassis, 1994; Smith, 1990, 1995). Clearly, business gained a privileged position to access resources, which are unavailable to other groups, thus the business is well served. Thus the pluralists such as Dahl and his followers were criticised for the failure to explain that power could be unequally distributed.

In methodological terms, there is an evident weakness in the gap, which exists between pluralists’ assumptions and pluralists’ application. Pluralists tend to assume that all hypotheses about collective action and/or interest should ultimately be reduced to the action and/or interests of the individual actors. Thus pluralists treat the interests of people as concrete interest groups (Nassis, 1994). Nevertheless, as identical behaviour does not necessarily imply identical interest (Dunleavy and O’Leary, 1987), pluralists may miss the real reasons for policy since they do not examine the ideological and structural context within which policy is made (Smith, 1990). Actually, the “influence of pressure groups does not derive solely from their direct access to resources but also from the institutional, historical and ideological contexts within which decisions are made” (Smith, 1995: 215). Thus, pluralists concentrate on observable behavior and fail to evaluate how ideology may shape the actions of policy-makers, leading to conscious or unconscious exclusion of interests.
Neo-pluralism was first developed in the United States following the recognition that business interests are often in a superior position to other groups and enjoy certain advantages over their stakeholders (Dunleavy and O’Leary, 1987). It developed in response to the combination of the emergence of new social movements, a perceived decline in the influence of the nation state, and the increasing role of business in state politics (Ross, 1991). Neo-pluralists acknowledge that not every pressure group has equal influence, some groups, in particular business have more resources to assert their preferences. Significant parts of government seem likely to be dominated by business interests. Thus, for neo-pluralists, “countervailing powers are not sufficient to check the interests of business” (Dahl, 1982: 51). As Lindblom points out,

Government is dependent on a successful economy and so has a tendency to provide inducements and advantages to business; second, in a market economy, many decisions are taken by business concerning investment and employment (Lindblom, 1977: 172-175).

According to Lindblom’s view, business does not have to operate through pressure groups, its interests are anticipated by the state. Indeed, Lindblom (1977: 175) emphasises that “public affairs in market orientated systems are in the hands of two group leaders: government and business, who must collaborate and that to make the system work government leadership must defer to business leadership”. Power here is structural rather than observable (Smith, 1995). The neo-pluralist’s position, as illustrated by Lindblom, would appear to be closer to that of some Marxists than it is to pluralists. Neo-pluralists acknowledge that, “power can be exercised in an unobservable way through structures, anticipated reaction and ideology” (Smith, 1995: 224). Thus neo-pluralism provides a more sophisticated but clear view of the modern state than its pluralist counterpart. It recognises that “business is privileged, but that it does not completely dominate the policy process” (Smith, 1995: 224). From this point,
neo-pluralists adopt a much more realistic analysis of power in the modern state than classical pluralism.

Despite the fact that neo-pluralism offers an advance on pluralism, for example, by pointing to the privileged position of business, there are some problems in relation to neo-pluralism. Neo-pluralism is unable to “specify the division and the conflicts within business and thus a notion of a business veto is oversimplified” (Smith, 1995: 224). As a result, “it does not really specify the nature of structural power and how it operates” (Marsh, 1983: 7). In addition, with the rise of public interest groups such as consumers and environmentalists “that push for policies which directly harm the interests of business” (Smith, 1990: 318), business does not appear to have been as that successful in vetoing policy since 1960s (Vogel, 1989). Furthermore, “it underplays the power that western industrial states have by virtue of their resources, to that extent, the government can enforce the policies that it wishes, regardless of the demands of business” (Smith, 1990: 318). Thus, the claim that business is invariably in a privileged position is open to challenge based on empirical investigation of specific policy contexts.

2.2.2 Marxism and Neo-Marxism

The core of classical Marxism is based upon a foundationalist ontology and a realist epistemology. For Marx,

There is a real world out there and there are essential processes and structures that shape or cause contemporary social existence. Consequently, it is the social scientists' task to uncover these essential processes and structures. However, they may not be directly observable. As such, to Marx the real causal relations often lie beneath the surface appearance may systematically obscure the reality and, in doing so, forward particular economic interest” (Marsh, 2002: 154).
Marxist theory emerged as a theoretical challenge to these traditional views by highlighting the importance of class interests and the power of capital over decision-making (Castells, 1977; Cockburn, 1977). Thus, in terms of a theory of the state, this theoretical tradition has sought to understand the relationship between the state and particular classes in society.

In a Marxist account, the most influential view of the state is to recognise the state as an instrument of the dominant class, which performs the crucial function of coordinating its long-term interests (Taylor, 1995). Additionally for Marxists, “the state is an agent of the ruling class. The economy caused or determined how the rest of the social system evolved and functioned. So, economic relations determined social relations between classes, the form and actions of the state” (Marsh, 2002: 154). From this point, the executive of the modern state is but a committee for managing the affairs of the whole bourgeoisie (Marx, 1973: 69, quoted in Taylor, 1995: 246). Marx depicted class struggle between two opposites: weak labour (the proletariat), which has usually been being exploited or preyed upon, and dominant capitalists, who exploit and rule over the former. The capitalist class has power, through its control of money, while by contrast, the working class is required to struggle to gain power. Marxists assume the importance of class in structuring social relationships when they identify the concept of ‘class interests’. And “class is seen as a property of social relationships which stems from the basic antagonism between those who own the means of material production (capitalists) and those who depend for their livelihood on selling labour power” (Cawson, 1986: 50). The conceptualisation of class as a relationship to ownership of the means of production, implies that the proletariat has little autonomy and capacity for exercising political power and thus becomes subordinate to the rule of capital (Cawson, 1986). The state thus seems to preserve and protect the interests of the capitalist class. Cawson
Further argues, the democratic state acts as a mask, mystifying social relations and engendering a false consciousness, which prevents workers from realising their real interests. An apparently ‘fair’ political domain in which interest groups ‘fight their own corner’ and may win or lose, is in fact a mirage since underlying class/economic structures determine political outcomes.

For theoretical Marxists, real social change can take place only by violent revolution. Indeed, there is a general Marxist precept: “nothing could prevent the replacement of capitalism by socialism if the working class tried to change its position” (Marshall, 1998: 394). Capitalism however is said by Marxists to contain the seeds of its own downfall and is destined to collapse due to the limitation of the rate of exploitation of labour. Accordingly, capitalist systems are reviewed as being, in the long term, unstable and the capitalist class is destined (according to theoretical Marxism) ultimately to lose its legitimacy. Thus, traditional Marxism has sought to “evaluate capitalism as an alienating, exploitative system that denatures humanity and subordinates human welfare to the pecuniary interests of a hegemonic elite” (Gorman, 1985: 22), but has characterised this system as ultimately unsustainable.

Marxist analysis has been associated with a view on the relationship between the state and a range of classes or class fragments in society. Marx attempted to stress the plurality of classes and the manner in which the state appears capable both of dominating civil society and restricting the power of the bourgeoisie (Taylor, 1995). However, Marxists also stress the “the state’s role could not escape indefinitely the constraints imposed by those who own and control the means of production” (Held, 1987: 119). Thus the state is viewed as having limited autonomy from the dominant class rather than as an instrument directly serving the interests of the dominant class.
One of the main criticisms of Marxist accounts is that they explain state activity only by reference to general principles (such as the need to produce labour power) and fail to explain how and why particular policies arise at particular points in time (Dunleavy and O’Leary, 1987). Marxists argue that all forms of state intervention, underpin the interests of capital even though some might appear to benefit the working class. Marxist theory is unable to accommodate the argument that the state might act against the interest of capital. On certain issues, the long term interests of capital will always be the deciding factor. The subordinate classes accept this state of affairs because, Marxists argue, they fail to perceive the underlying reality of class control. Instruments of societies (the education system, the family, sport, culture etc.) generate a false world view (false class consciousness), which militates against political resistance.

In methodological terms, because Marxist theory is not based upon empirical work, it has been described as an ideology rather than a theory. Marxist theory’s conclusions, drawn from empirical studies, are built into the premises of their arguments rather than reflecting an analysis of empirical findings (Marsh and Stoker, 1995). Empirical studies of liberal welfare states show that states can act in the interests of working class groups by promoting welfare increase, however, such concessions are seen as simply sustaining policies which often benefit the working class, but which are put in place because they provide conditions of stability to ensure the long term maintenance of capitalism.

In short, the classical Marxists face two problems. First, they have had to analyse the conditions thrown up by capitalism and the class struggle, which are quite different from those that Marx and Engel themselves had envisaged. Second, the theoretical equipment they possessed was ultimately inherently flawed since it could admit of no
counter examples. Apparent counter examples such as states acting in the interests of the working class, were dismissed as ‘misperceptions’. A further criticism of Marxist analysis has been that of class reductionism. Marxists regard class as of primary importance and dismiss other divisions, such as gender or ethnicity (Dunleavy and O’Leary, 1987). According to this point, any conflicts between such groups merely reflect conflicts among classes. Marsh (2002: 155) summarises such difficulties in arguing that, “classical Marxism is characterised by an irresolvable dualism between a logic of necessity, clearly visible and a logic of contingency, which emphasises the political and negotiated nature of economic, social and political development”.

Neo-Marxism “was born of an ambiguous legacy which generated new Marxian theories when circumstances judged old ones to be lacking” (Gorman, 1985: 21). This version of Marxism is seen as “more suited to modern political, social, economic and scientific developments which would have been beyond the knowledge and experience of the classical Marxist thinkers” (Wilczynski, 1981: 384). Central to neo-Marxist thinking is the concept of hegemony developed by Gramsci in 1971. Marsh (1995a: 274) indicates,

Gramsci’s concentration on the role of political or hegemonic struggle, the importance of ideology, and the manufacture of consent, and the significance of the actions of agents, introduced themes which have been taken up and developed in contemporary Marxist state theory (Marsh, 1995a: 274).

In Gramsci’s work, he suggests,

The state consists of an entire complex of political and theoretical activities within which the ruling class not only justifies and maintains its dominance, but manages to win the active consent of those over whom it rules” (Gramsci, 1971: 244).
For Gramsci, state ‘autonomy’ is significant but the state ultimately defends the interests of capital. Class is privileged as a social force but other calculating subjects, in particular intellectuals, play an important role as well. Thus, Gramsci moved away from the traditional Marxist notion that the state and other forms of social relation were always reducible to economic relations.

The work of Poulantzas (1974, 1978) was important to further developments in modern Marxist theory. Poulantzas attempts to escape economism by utilising the concept of structural selectivity because it allowed the state autonomy while retaining the determinancy of economic relations in the last instance (Marsh, 2002; Taylor, 1995). It is also important that Poulantzas tried to theorise (develop) the concept of relative autonomy of the state from Althusser. In Poulantzas’ mind, the state needs relative autonomy in order to forward the interests of ‘capital in general’ and the state’s form reflects the outcome of past class struggle, which Poulantzas calls structural selectivity (Marsh, 1995a; Marsh, 2002; Taylor, 1995). Thus the state’s autonomy is constrained by the outcome of previous historical episodes and it privileges certain class interests over others. Marsh (2002: 161) further specifies this concept (structural selectivity) as “mediating the interests of the different fractions of capital; mediating between classes in order to reduce the class tensions inevitable in a capitalist society; and as intervening in economic relations”. However, although Poulantzas discusses state strategy in his work, there is ultimately little space for agency or calculating subjects (Taylor, 1995) in his account. What actors do is an historical detail, since ‘in the last instance’ economic relations will determine the significance (if not the detail) of final outcomes.

Miliband, in his book, *The State in Capitalist Society* in 1969 tried to challenge pluralist theory and showed empirically that “the pluralist-democratic view of society, politics,
the state in regard to the countries of advanced capitalism, is in all essentials wrong” (Miliband, 1969: 6). He argued that the state is not neutral with respect to class interests in capitalist society. By and large, the state institutions serve capitalist interests more than they serve working-class interests. Therefore, capitalist states engage in a range of economic policies, which are explicitly designed to promote economic growth and the accumulation of private capital. In this sense, “business interests have more of a connection to what is characterised as the general interest than workers’ interests do” (Cawson, 1986: 52). However, according to Miliband, state agents do have some room for maneuver, an argument, which is allied to the ‘relative autonomy of the state’. During periods of economic growth the state is more autonomous and responds to a wide range of interests for classes (Miliband, 1973). Conversely, in a period of economic crisis, “options are foreclosed and the balance of power between contending classes shifts markedly in the direction of capital” (Cawson, 1986: 53). In order to defend the social order, “state action might go beyond the immediate demands of capitalists. Nevertheless, the state cannot act in isolation, acting as a ‘state for itself’ as it were, in societies with a well-entrenched dominant class” (Cawson, 1986: 54). In seeking to establish an autonomous perspective for politics, state actors can pursue policies in the ‘national interest’, which turn out to be disastrous from the point of the view of the interest of the capitalist class (Miliband, 1969).

As noted above, pluralist theory denies any logic of state system; Marxists often endowed it with a mystical unity as embodied in expressions like the ‘ideal collective capitalist’ (Cawson, 1986). Thus, while considering state activity, Poulantzas and Miliband both minimise the state’s role in coercion and in economic intervention. Disagreeing with Poulantzas’ claim, Jessop rejects ‘relative autonomy’ because he recognises that whether the state is autonomous or not will stem from an empirical
question. For Jessop, the state is potentially autonomous but its form and function reflect the outcome of past strategic struggles. Moreover,

The outcomes of past strategic struggles are not determined structurally; rather, they are the product of strategic decisions taken by calculating subjects, in contexts which privilege certain strategies between social forces (Marsh, 1995a: 275-276).

Building upon Poulantzas’s work, Jessop moves the argument in certain ways. Fundamentally, “Jessop rejects economism and determinism by arguing outcomes of state activity are contingent” (Marsh, 2002: 161). He emphasises the need for historically specific analysis using theoretically informed concepts rather than suggesting that a particular or ‘universal’ theory of the state is possible (Marsh, 1995a). In addition, he denies the primacy of class and emphasises the importance of other forces, such as gender, race, knowledge and so on, which are crucial bases of structured inequality in the state (Jessop, 1990). Meanwhile, he further stresses the need to acknowledge the dialectical nature of the relationship between structure and agency (Jessop, 1990). Nevertheless, Jessop acknowledges the difficulty of escaping the clutches of the state (Taylor, 1995).

With a similar argument to that of Jessop, Skocpol rejects economism. “Instances in which social groups or classes manage to tame the behaviors of parasitic state agencies must be probed carefully” (Skocpol, 1985: 365). He stresses that the key division of labor is between capitalists and state managers (Skocpol, 1985). In relation to the state, Skocpol also rejects the notion of ‘relative autonomy’. He characterises the state as totally autonomous, suggesting however, “that the interests of managers and capitalists usually coincide for structural reasons; in particular normally re-election depends upon a successful economy” (Taylor, 1995: 263-265). In short, on the one hand,
The state may be viewed as organisations through which official collectives may
pursue distinctive goals, realising them more or less effectively given the available
state resources in relation to social settings; while on the other hand, states may be
viewed more macroscopically as configurations of organisation and action that
influence the meanings and methods of politics for all groups and classes in society
(Skocpol, 1985: 3-28).

In addition, Skocpol (1985) also stresses manufactured consent, privileging class, and
the control of the state apparatus. It is evident that for Skocpol an analysis of the state
should consider seriously the strategic decisions of state managers. However, unlike
Jessop, Skocpol has made no real attempt to address the relationship between structure
and agency. This reflects a major weakness and in response critics have emphasised the
changes that have occurred in the real world which render it difficult to accommodate
Marxism despite recasting emphasis on flexibility in modern society (Marsh, 2002).

In the 1990s, the rise of environmental and feminist protest groups illustrated the
potential of groups to influence society. Such developments have had an important
bearing on contemporary Marxist theories of the state. In general, feminists and
environmentalists have raised arguments about Marxism, underlining “the appeal of the
concept of class rests on the dual function it performs as both a descriptive category and
an explanatory variable” (Taylor, 1995: 265-266). As Segal argues,

Many of the weaknesses in Marxism, such as economism or the way in which it has
homogenised class interests, have prevented it from theorising adequately on the
position of women and other non-class oppressions (Segal, 1991: 284).

The key concern is that Marxist categories are located in relations of appropriation and
exploitation, which were unable to consider the particular gender of the actors and
those whose labour is appropriated (Barrett, 1992). In similar vein, but from the
environmentalist perspective, the most pressing problem for Marxism is that “it is
rooted ultimately in a conception of society that neglects to consider one of the most serious problems facing society: ecological degradation" (Taylor, 1995: 266).

In addition to the influence of feminist or environmentalist thought, Marxists have also drawn upon work from the other two main traditions (Marsh, 1995b). Jessop's work might be considered as an example of one attempt to synthesise the claims of pluralism, elitism and in Marxism (see below our discussion of 'Strategic Relations Approach' in section 2.5). When neo-Marxists describe the outcomes of state activity as contingent, one can argue that this approach shares core features with neo-pluralist and neo-elitist accounts.

2.2.3 Elitism and Neo-Elitism

Classical elitism or early elite theory emerged at the end of the nineteenth century as a response to Marxist theory. Contrary to the strong egalitarianism proposed by Marxism, elitism advocates that a small elite class should rule at different levels in all societies (Michels, 1959). In general, classical elite theorists have attempted to articulate a theoretical account, which would demonstrate that in every society government by an elite group is inevitable (Dunleavy and O'Leary, 1987). While Marxists conceptualise the division of society between ruling class and working class, elite theories make the distinction between the few who rule and the many who are ruled. Thus, the governing group is recognised as the power elite, which is described by Marxists as the leadership or operating arm of the ruling class (Domhoff, 1979).

Classical elite theory argues that a social elite has power over the rest of society. According to the analysis of Mills (1956), USA "elites are composed of business, government, and military leaders, bound together by the shared social backgrounds of
these leaders and the interchange of personnel between its three segments” (Marshall, 1998: 521). A change in society could only occur when the newest elite class becomes dominant to replace the previous one. This means that the power always belongs to small elites in society even though the nature or membership of these elites may change over time.

Elites were inevitable as all societies are characterised by the dictatorship of the majority by the minority. The ruling class, though not necessarily economically dominant, really existed and was drawn from key office holders (Mosca, 1939). Within Mosca’s ‘formulation’, “each ruling class develops a ‘political formula’, which maintains and legitimates its rule to the rest of the population” (Evans, 1995: 230). The reproduction of elites will be fostered by inheritance, and power will pass on to another class if there is political failure, and collapse of the ‘political formula’. Elites are all pervasive and there would always be an elite group controlling the state and civil society (Dye and Zeigler, 1981). It is argued that even when a proletariat’s successful revolution has overthrown capitalists, they will still need ruling elites, such as military officers, to govern them and this would generate a new powerful elite. In addition, the failure of dispersed power also weakens the potential for pluralism, since the state becomes the coordinator of the national interest among competitive groups, deciding on how to allot limited resources to all groups in a plural society.

Michels’ (1962) explanation of the inevitability of elites implies further criticism of both pluralism and Marxism. He argued that, “in brief, direct government by the masses was impossible” (Evans, 1995: 230). Thus, for Michels (1962: 364), “who says organisation, says oligarchy.” This precept, ‘the iron law of oligarchy’ represents for Michels the key characteristic of formal organisation and it ensures the dominance of
the leadership over the others. In addition, the real existence of leadership (elites) is recognised by pluralists, though they may "reject the argument that elites act cohesively" (Evans, 1995: 231).

The classical elitist position has been criticised as both theoretically unsophisticated and conceptually underdeveloped (Evans, 1995). It is claimed that there is no rigorous empirical investigation of elitism since in methodological terms this presents major difficulties. For example, Mosca showed that governments in the past were often characterised as a self-serving elite, but did not establish that this was or would always be the case. Further while Michels argued that Western European political parties were characterised by elite domination, this was a difficult proposition to sustain empirically. As Birch (1993: 202) reminds us, "there is no adequate and convincing theory showing that democratic systems must always be elitist in practice", one cannot rely too much on elitism despite the fact that elite theory contributes much to the tools of political science (Olsen and Marger, 1993).

The behaviour of elites has been the source of some criticism. 'To govern' is recognised as the major goal of elites. However, economic or social resources and thus competition between different elites is not proportionate, thus it is not easy for a governing elite to apportion limited resources. This means the 'governing group' is not stable. On the contrary, when the elite has the power to rule an ordered society for a time, 'stable' society seems to become immobile and inactive and elites can therefore govern the state with little challenge, once in power, given the fragmentation of the state apparatus. The elitist approach is faced by the huge rise in the size and complexity of the capitalist state, and the emergence of new social, and political forms following globalisation. Thus, elite theorists have a new, fertile ground for analysis that will entail confronting an
important source of weakness in the elitist approach to date, which has been its nation-state centered character (Evans, 1995).

In general, elite theory of the state was extended by Weber’s work, *Economy and Society* (1968). For Weber, elite domination within the state apparatus was inevitable. As Weber himself puts it, “all ideas aiming at abolishing the dominance of men over men are illusory” (Weber to Michels, 1908, quoted in Mommsen, 1974: 87). Weber was concerned to explain the effective balance between political authority, skilled leadership, efficient administration and a degree of political accountability (Held, 1996). He argued that organisational elites, who were capable of promoting business interests, were formed by rational logic in order to control the factions. Such groups are located at the top level of the organisations, while other groups, which might threaten the established elites, are closed off from the positions of power.

For elite theorists, the state is seen as an institution, which needs successfully to maintain its central position of a monopoly of the legitimate use of force. “Domination, or the so-called ‘authoritarian power of command’” (Roth, 1978: 946) is a necessary and inevitable feature of the above process. Thus, state policy is dictated by the existence of numerous sources of pressure, which seek to influence the political agenda by their interests. Different notions about the existence of numerous elites, which seek to exercise pressure on the state apparatus, have raised different elite accounts of the state. For instance, radical elite theory concedes that the main source of influence relies on the administrative elites who can operate in their own interests, and who respond directly to ‘external’ elites. The outside dominant class in society is either the business elite or the interests of people who have similar socio-political backgrounds with those in official positions. In the application of elite theory, the small elite is the core of the
policy-making group and most of them, usually invisible among the population, are from business origins (Hunter, 1953). Thus, state organisations are likely to respond to the interests of those who are able to access the policy decision-making process. In effect, it is not easy to exercise external political force. In addition, one might question whether political pressure only represents pressure from the dominant business interests.

However, the view of the democratic elitists is that it is the ‘technocratic’ elite with key access to knowledge, which is able to exercise power. It is assumed that bureaucracy and democracy and elite competition are compatible. For example, in Schumpeter’s view, “the people are, and can be, nothing more than ‘producers of governments’, a mechanism to select ‘those who are able to make decisions’” (Schumpeter, 1976: 296). Within this formulation, democracy and socialism can only be compatible as a form of ‘competitive elitism’, and this will exist only if the conditions for its successful functioning are met (Held, 1996). So, it is not surprising that Schumpeter concluded that dictatorships might better serve the popular interest than democracy (Schumpeter, 1976). Following this point, bureaucracy, and rationalisation of administration with experts in major functions, might be the best way to govern a liberal democracy. Thus strong political control could enforce the advance of the public interest within a state.

As mentioned above, radical elite theorists suggest Weberian accounts are ideological, as they believe policy level bureaucrats are either directly controlled by an external business elite or they act for the “benefit of people with the same background, incomes and interests as themselves” (Dunleavy and O’Leary, 1987: 176). According to Mills (1956), there is a three level gradation of the distribution of power. At the top are those in command of the major institutional hierarchies such as national government,
business corporations, and the military establishment, which mould public policy to suit their own ends. The second level is made up of the semi-organised interaction between interest group and legislative politics. Subsequently, it is the politically fragmented 'society of the masses', which occupies the bottom level. Although Mills argued that political, military and economic elites all exercised a considerable degree of autonomy, were often in conflict, and rarely acted in concert (Evans, 1995), he also found a considerable amount of integration among elites in the national power structure to draw the power elites together. For example, he referred to,

The conception of power elite and its unity rest upon the corresponding developments and the coincidence of interest among economic, political, and military organisations. It also rests upon the similarity of origins and outlook, and the social and personal intermingling of the top circuses from each of these dominant hierarchies (Mills, 1956: 292).

Dunleavy and O’Leary (1987), describe a further three models of elitism, which incorporate related notions of the guardian state. First, the external control model describes the state as a ‘passive vehicle’, which is socially or economically dominated by external elites, especially business elites, who are able to remain quite apart from political struggles. The dominant external elites will control parties, and the state apparatus effectively. The second model, the autonomous model, presents a strong state in a strong environment where personal demands/needs prevail over societal preferences. In this model, the state is viewed as an organisation, which is controlled by politicians and bureaucrats who are isolated from broader social movements, political parties, and manage its organisation according to their interests. This model of the elite state emphasises state involvement in the economy. The key issue here is that the state is effectively free from the influence of private sector interests and therefore is able to allocate resources in ways that could expand its power. However, this argument relies
too heavily on the assumption that the state’s administrative elite will fail to fully consider structural constraints or economic conditions. The third approach, the liberal corporatist model, stresses, “that a closed process of accommodation between government, business and other institutional elites directs strategic policy in line with a shared conception of the national interest” (Dunleavy and O’Leary, 1987: 330). All the forms of state policy making are viewed as the result of the bargaining process between elite interests outside and in state institutions. The state requires governing elites to secure active co-operation from the leaders of other organisations (over which they exert control or influence on economic and social resources) in order to meet its needs.

In short, elite theory recognises social structure as the domination of an elite group over other groups in society. Meanwhile, it stresses that administrative and, business elites, or the corporatist conjunctures of the two, control the state directly or indirectly. According to Marxist accounts, such elite theory is ‘reductionist’, since it suggests that the state is seen merely as an instrument for meeting the demands of administrative or business elites. However, while the domination of elites within the state is taken for granted, the possibility of battles within the state or the resistance to elite groups by wider constituencies tends to be ignored. This undermines the adequacy of the ability of elite theory to explain or analyse the state.

In fact business interests are not in a unique or even a privileged position. As Vogel argues,

Lindblom underestimates the options available to politicians to manipulate business decisions and fails to appreciate businessmen are not unique in requiring inducements to perform their social role (Vogel, 1987: 385).
Similar criticisms come from other commentators, who argue that writers have concentrated on a power elite and particularly the role of business, and as such have underestimated the role of politicians (Dunleavy and O’Leary, 1987). A further criticism of neo-elitism comes from neo-pluralists, who consider corporate power to be on the decline. For example, “Kirkpatrick (1979) identifies the emergence of a new class, a knowledge elite that threatens the political aspirations of corporate power” (Evans, 1995: 243). He argues that, “this new class has been in the forefront of efforts to shift various responsibilities from the private sector to the government” (Kirkpatrick, 1979: 46).

Neo-elitists have also been criticised, like pluralists, for failing to consider the fact that power may be, exercised by confining the scope of decisions, and studies have been limited to relatively safe issues (observable decisions), while neglecting non-decisions. Actually, in the elite theory case, elite groups might exercise considerable power to ensure that only certain issues, rather than other more important ones, appear on the political agenda (Bachrach and Baratz, 1970).

2.3 Globalisation Theory

During the past generation, especially from 1980s to the present, the world has experienced fundamental changes. According to Bramham and Spink (2001: 112-115), such dramatic changes can be thought of in six separate dimensions. First of all, there has been a growing awareness of the ecological environment and the global impact of human activities upon a fragile and interdependent biosphere. Secondly, social action groups and political movements have tended to transcend the local and to make common cause at a transnational scale. Some of this activity has been facilitated by a revolution of global technology. Thirdly, there has been a cultural transformation,
particularly, in terms of the decline of tradition. Cultural values can no longer be contained and constrained within a single nation state. Boundaries become increasingly porous as they experience growing flows of people, culture, information, goods, and services. Fourthly, social transformations are taking place, which have loosened the constraints of traditional institutions and local communities on individuals. Fifthly, in relation to political change the growing importance of transnational institutions and agencies, such as the European Union has become increasingly apparent. Finally, there clearly are also economic changes at work in changing global patterns of investment, production, distribution and consumption. As Bauman indicates,

> While labor remains rooted in its historical locations, capital becomes footloose and less loyal to regions and nation states, constantly searching for new markets and places which may prove more profitable (Bauman, 1998, quoted in Bramham and Spink, 2001: 114).

With the radical changes taking place in this global context, a major concern has been raised with the consequences of the globalising flows in the cultural field. According to Appadurai (1990: 296), culture, is a set of flows in global processes. He proposes an elementary framework for exploring such disjunctures, suggesting that there are five dimensions of global cultural flows which can be termed: ethoscapes, mediascapes, technoscapes, finanscapes, ideoscapes. Appadurai’s concept of ethoscapes meant the make up of persons who constitute the shifting world in which we live: tourists, immigrants, refugees, exiles, guestworkers and other moving groups and persons constitute an essential feature of the world. In terms of media, there are two major and interrelated trends in the sphere of media, marketisation and globalisation.

Wagner (1990: 399) indicates that a number of trends are occurring simultaneously in international sport. One of them is the growing power of the media, which in recent
decades has had a substantial impact on sport in many Third World areas. This has generated excitement and interest in various sports in Asia and Africa. This is also emphasised by Sklair, who points out that, "what media do entail is that the viewer, by purchasing advertised and revealed products, has an objective relationship to the global corporations which make profits from business" (Sklair, 1997: 335). For Appadurai (1990), technoscapes are increasingly driven not by any obvious economies of scale, of political control, or of market rationality, but by increasingly complex relationships between money flows, political possibilities and the availability of both low and highly skilled labour. Subsequently, the disposition of global capital is now a more mysterious, rapid and difficult landscape to follow than before (Appadurai, 1990). Money generated through professional sports, international sports competitions and the televising of major sports events is substantial and increasing. Appadurai (1990: 299) also mentions that "ideoscapes are composed of elements of the Enlightenment world-view, which consists of a mixture of ideas, terms and images, including freedom, welfare, rights and so on".

Amin, a Marxist commentator, recognises the recent acceleration of globalisation as the latest stage of capitalist development. Although, he has not developed a grand theoretical framework to explain the shifts, he argues that the new globalisation is indeed a process of global polarisation, deepening the inequality between the periphery and the core and eroding the efficiency of economic management by nation states (Amin, 1996; 1997). Amin indicates that there are five monopolies of the centre that enhance the current trend to globalisation. They are a technological monopoly; financial control of worldwide financial markets; monopolistic access to the planet's resources; media and communication monopolies; and monopolies over weapons of mass destruction (Amin, 1996: 4-5). And these five monopolies, he argues, "taken as a
whole, define the framework within which the law of globalised value operates and become the new foundation of polarisation” (Amin, 1996: 5).

In line with the above description, in the sports field, Maguire (1993) has also identified the ways global flows of people, technology, finance, images, and ideologies have underpinned sports development. According to Maguire, such global development accelerated from the 1980s. The flow from country to country of sports goods, equipment and landscapes has grown. The development of the media-sport production complex, projects images to global audiences. Global sports events, such as the Olympic Games, have come to be the expression of ideologies and though they may be about national (city) image, they are also transnational in consequence. Here, globalisation can be understood in terms of “the attempts by more established groups to control and regulate access to global flows and also in terms of how indigenous peoples both resist these processes and recycle their own cultural products” (Maguire, 1999: 93).

Actually, the term globalisation was initially used around the 1960s, but public discussions of the concept increased significantly after the mid-1980s. It has been widely utilised not only by academics but also in the discourses of culture, the mass media, in the speeches of politicians, and the strategic reports of business organisations, over the past two decades (Held and McGrew, 2000; 2002a; Waters, 2001). Globalisation theory examines the emergence of global cultures and it suggests that such cultures are brought about by a variety of social and cultural developments such as the emergence of global patterns of consumption and consumerism, the cultivation of cosmopolitanism, the decline of the sovereignty of the nation-state and so on. Most importantly, globalisation involves the consciousness of the world as a ‘single body’.
Therefore, “globalisation has been described as ‘the concrete structuration of the world as whole’: that is, a growing awareness at a global level that the world is a continuously constructed environment” (Marshall, 1998: 258). In addition, globalisation is a social process in which the constraints of geography on social and cultural arrangements recede and in which people are becoming increasingly aware that they are receding (Waters, 2001). Thus, globalisation is more than simply the sociology of international relations. In that, “it acknowledges the increasingly transparent interdependence between markets, polities and everyday life in formerly spatially, culturally, politically, and economically distinct constituencies” (Henry, 2001c: 112).

Giddens defines globalisation as “the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa” (Giddens, 1990: 64). According to this account, the transformation of time-space is the main feature rather than simply economic shifts. He also stresses that globalisation processes are also dialectical in that local transformation is as much a part of globalisation as the lateral extension of social connections across time and space (Giddens, 1999). Harvey (1989) focuses on ‘time-space compression’, the speeding up of processes given technological and economic change, in particular across the period since the end of the 1960s. Like Giddens, who views globalisation as a consequence of modernity, Robertson (1992), also stresses the cultural dimensions of globalisation, arguing that globalisation predates modernity, “coming down in favor of globalisation as ‘reflexive modernisation’” (Sklair, 1997: 335).

Globalisation is thus seen as a process through which events, decisions, and activities in one part of the world can come to have significant consequences for individuals and
communities in quite distant parts of the globe (McGrew, 1992). Currently, goods, capital, people, knowledge, communications, culture, fashions and so on are evidently flowing across territorial boundaries. Thus, territorial boundaries seem to be insignificant in social activities and relations are continuously ongoing from continent to continent. Globalisation can, thus be, described as leading the global expansion of social interdependencies in addition to the interdependencies of the economic, political, and cultural fields.

However though we have stressed here the description of globalisation as interlinked interdependencies, many commentators try to explain the ‘causes’ of globalisation by stressing either an independent causal factor or a set of a number of factors. With regard to the importance of a single casual logic about the process of globalisation, emphasis tends to be given to one of these types of ‘cause’ economic, technological, or political. McGrew (1992: 69) points out that “Wallerstein has introduced the concept of the world system into the social sciences and has stressed the centrality of capitalism to the process of globalisation”, and indeed Wallerstein (1983) argues that economic factors are core in this globalisation process. There are in such economic accounts, phenomena that play a key role in globalisation processes. Transnational corporations are capable of exporting jobs to parts of the world where labour costs and workplace obligations are of a lower level. The global penetration of computer networks enables corporations to produce commodities through a division of labor in different parts of the world and also to distribute goods and services everywhere, rendering national and corporate labels illusory. As a consequence, corporations are in a position to pit countries or individual locations against one another, in a process of finding the cheapest fiscal conditions and the most favourable infrastructure in terms of profit. Thus, transnational corporations are able to decide on the most beneficial sites of investment, production, tax, and
residence, to meet their needs.

Thus, for most Marxists, capitalism is seen as the primary cause of globalisation, it is capitalism in general and multi-national corporations in particular which are the driving force behind the global system (Schiller, 1985; Sklair, 1991). Meanwhile, Marxists believe that the capitalist classes in the most powerful states which have played the most important roles in shaping economics rather than nation states or governments in the global system. This does not mean that capitalism equates to globalisation, rather, that capitalism is dominant in the global system. For example, Sklair (1991) proposes three distinct levels of transnational practices: the economic, the political and the cultural/ideological. In terms of economic transnational practice, it is the transnational corporation that produces (manufacture) commodities and sells them. In the political sphere, it is the transnational capitalists classes, which shape the political circumstances to allow the selling of goods in various countries around the world. Finally, cultural/ideological transnational practices are involved in the consumption of broadcast products of the transnational mass media, which produce the values and attitudes (e.g. brand loyalty), creating and sustaining the 'need' for products. Thus, the global capitalist system, which represents the economic transnational practices of a given class, drives the system of political and cultural ideological transnational practices.

While economic determinism of one form or another is evident in some accounts, others give causal primary to technological, political, and cultural aspects etc. According to McGrew,

Rosenau and Gilpin are located within the discipline of international relations and have
exploited some of its orthodoxies in accounting for globalisation. Thus, Rosenau associated globalisation with technological progress, whilst Gilpin considers it to be an expression of politico-military factors (power politics) (McGrew, 1992: 69).

In Rosenau’s attempt to make sense of the intensification of global interconnectedness, he attributes key significance to technology. As he points out,

> It is technology...that has so greatly diminished geographic and social distances; profoundly altered the scale on which human affairs take place...in short, that has fostered the interdependence of local, national and international communities that is far greater than any previous experienced (Rosenau, 1990: 17).

Rosenau (1990) and Smith (1990) argue that technology and its transformative capacities are imperative for a globalising process. The global system can be transformed by rapid technological developments such as the computer industry, biochemistry and the media, which have shifted from industrial society to a post-industrial society, and to a global telecommunication community. In the contemporary global system, international organisations (UN, the European Union, WTO, for example) as well as transnational corporations (such as Nike and Coca-Cola) are increasingly important actors, with the nation-state exerting declining influence on global developments. Hence, according to Smith, it is not capitalism and its transnational corporations, which are the ‘Drivers’, but rather, the omnipresent telecommunications systems and computerised networks of information that have made possible the construction of much larger institutional units in ‘transnational governance’ (Smith, 1990).

Unlike many Marxist critics who reject or are reluctant to utilise some globalisation theorists’ terms such as postmodernisation, deterritorisation, hybridisation, and informatisation, Hardt and Negri (2000) adopt these theoretical concepts to develop
some new arguments. For Hardt and Negri the quasi-monopoly of communication is crucial to the ideological maintenance of empire. They point out that “communication is the form of capitalist production in which capital has succeeded in submitting society entirely and globally to its regime, suppressing all the alternative paths” (Hardt and Negri, 2000: 347). Castells (1996) in his book, Network Society also provides an analysis, which focuses on the role of information technology, on current global transformation. He argues that the world economy was able to become truly global on the basis of the new infrastructure contributed by information and communication technologies. The new global economy is shaped by “instantaneous flow and exchange of capital and information and leads to greater productivity and efficiency, given the right conditions of equally dramatic organisational and institutional changes” (Castells, 1996: 67). As a whole, communication (information) technology is developing at a fast pace, and such technology helps to achieve cultural diversity because the integrated communication system weakens the dominant symbolic power of traditional senders of media messages and transforms space and time (Castells, 1996: 374-375). Thus Castells’ view of these processes tends to be more positive, placing him closer to the position of the neo-liberals than that of traditional Marxists.

Unlike Rosenau and Wallerstein, Gilpin argues that the process of globalisation is a product of political factors, in particular “the existence of a ‘permissive’ global order: a political order which generates the stability and security necessary to sustain and foster expanding linkages between nation-states” (McGrew, 1992: 71). For Gilpin, Globalisation is therefore a historically contingent process; contingent in the sense that it relies upon the hegemonic (i.e. dominant, most powerful) state(s) in the international system to impose a form of world order which fosters interaction, openness, cooperation and interdependence (Gilpin, 1987: 12).
The key point for Gilpin and those who share his analysis is that global interconnectedness (and its intensification) can only exist if there is a stable and secure world guaranteed by the power and military supremacy of a hegemonic (liberal) state; and Gilpin argues that the global order is determined by the political order that generates the conditions that secure global stability. Hence, global order needs the hegemonic power of a liberal state and it is the liberal states which enhance the sense of security in the global system to maintain (operate) the interconnections between nation-states. Therefore, the political, economic and military power of a single state sustains the conditions necessary for the existence of the world order. In McGrew’s (1992: 72) terms, “Globalisation is shaped primarily by a political logic: the rise and decline of hegemonic power in the interstate system.” However, this argument reduces globalisation processes essentially to the political, power of a single state, the USA (with its economic and military supremacy). Such a situation, however, fails to explain other hegemonic developments: such as the emerging role of intergovernmental organisations (e.g. European Union) or the relative power and interests of other nations-states. It thus ignores the existence of power in a variety of contexts.

Work from Perlmutter (1991) provides us with another type of causal explanation from a cultural perspective in terms of the concept of a global civilisation. He refers to,

‘The first global civilisation’, which means a ‘world order’, with shared values, processes, and structures: (1) whereby nations and cultures become more open to influence by each other, (2) whereby there is recognition of the identities and diversities of peoples in various groups, and ethnic and religious pluralism, (3) where peoples of different ideologies and values both cooperate and compete but no ideology prevails over all the others, (4) where the global civilisation becomes unique in a holistic sense while still being pluralist, and heterogeneous in its character, and (5) where increasingly these values are perceived as shared despite varying interpretations, such as the values of openness, human rights, freedom and democracy (Perlmutter,
This concept of a global civilisation is based on the argument that apparent cultural convergence (where one particular group of people is able to portray solutions as universal and seeks to ensure that others conform to these norms) underpins political and military super power hegemony, by persuading peoples to forego their roots and legacies. Perlmutter’s primary concern here is with seeking a global and local orientation to problems, and the use of a wide variety of technologies. Thus globalisation involves seeking a balance of local autonomy and interdependence. Thus, in such an account,

In a post-modern world of cultural fragmentation and the de-centring of power, globalisation is re-articulating on a global scale the pluralism, syncretism, and diversity of contemporary domestic society (McGrew, 1992: 79).

The accounts discussed above promote ‘monocausal’ explanations of the globalisation processes. Nevertheless, instead of a single causal logic, Giddens (1990) and Robertson (1992) both propose a multi-dimensional explanatory framework of globalisation processes. Giddens argues that the world capitalist economy is only one of the dimensions of globalisation and regards globalisation as one of the consequences of modernity (Giddens, 1990). For Giddens, there are four interrelated discrete dimensions, which have facilitated the spread of globalisation: capitalism, the nation-state system, military power, and the international division of labour. He also proposes in the modern era, “the relations between local and distant social forms and events become correspondingly stretched” (Giddens, 1990: 64) and suggests that globalisation has made people increasingly less bounded to local societies. Here, globalisation is viewed as a phenomenon with multiple causes, such as the economic interests of capital, the transformation of a service society, the inter-state forces, and the
needs of military power.

Beck, sharing much the same view as Giddens, also stresses the multidimensionality of globalisation and the dialectical relationship between the local and the global in the globalisation process. He argues that the central premise of the modernity project is “the idea that we live and act in the self-enclosed spaces of national states and their respective national societies” (Beck, 2000: 20). He calls this ‘the first modernity’. This premise might be questionable in terms of globalisation since it “denotes the processes through which sovereign national states are crisis-crossed and undermined by transnational actors with varying prospects of power, orientations, identities and networks” (Beck, 2000: 11). Therefore, Beck argues that we are now on the way to ‘the second modernity’. Held and McGrew (2000; 2002a) and Scholte (2000) also hold a similar concept on globalisation that focuses on the multidimensionality, time space compression, and global/local interaction.

Robertson (1992) adopts a fundamentally different approach from Giddens and advocates a theoretical approach that goes “…beyond simple models of ‘world polity’ or ‘world economy’ by pointing to the independent dynamics of global culture…to cultural aspect of globalisation” (Robertson and Lenchner, 1985: 103). Thus, global systems have resulted from the consolidation of culture, national societies, intra and cross-national movements and organisations, sub-societies, and ethnic groups, and many other kinds of collective or even individual actors (Robertson, 1992). Thus to understand globalisation we need to consider both ‘universal’ and ‘particular’, global and local processes. Thus we need to review the system in terms of the particularism for example of individual nations states, and the wider universal logic of, for example, intergovernmental organisations and multi-national corporations, which act beyond the
nations. Thus for Robertson it is the multiplicity of forces and interaction, which have transformed the concern from the nation-state to the global world.

Commentators, whether adopting similar arguments in relation to globalisation or not, largely agree that a macro world transition is in process. Thus, in the context of the research topic of this thesis it is important to understand the impacts of globalisation processes and their relationship to the specific Taiwanese society and to systems of local, national and transnational governance, making reference not only to the role of the nation-state, but also, where appropriate, to other actors such as transnational corporations, international sporting bodies and so on. The notion of governance is considered more fully in section 2.5 of this chapter. However its use and application is in part bound up with concepts of globalisation (Henry, 1999). In general, the term ‘governance’ is used in popular but imprecise ways. The term of governance, however, is used not as a synonym for government, but rather,

Governance signifies a change in the meaning of government, pointing to a new process of governing; or a changed condition of ordered rule; or the new method by which society is governed (Rhodes, 1996: 653).

When specifying this process, condition or method, Rhodes (1996) suggests that the term of governance has six separate uses: as the minimal state; corporate governance; the new public management; ‘good governance’; a socio-cybernetic system; and self-organising networks. On the one hand, the fact that replacing use of government by governance, more or less, reflects that governments within nation-states are no longer able to take governing decisions alone. Major decisions will invariably involve stakeholders from different sectors, such as the commercial sector, which have to be incorporated if truly effective decisions are to be made. Because economic competition
has increasingly globalised, nation-states face all forms of pressures. Such pressures from their citizens and domestic groups force the state “to regulate those transnational activities, which directly impinge upon their interests and livelihoods” (McGrew, 1992: 87). In other words, such conditions will compel nation-states to adopt some options such as “a neo-liberal, free-market philosophy, and reducing state expenditures in order to lower and maintain competitive position in relation to industrial costs” (Henry, 2001c: 113). Thus, in terms of governance, notions such as the minimal state etc., which are linked to globalisation of the economy, inevitably play significant roles in this global context. However, as Giddens comments,

No matter how great the economic power corporations have within the world economy, the nation-states are still the only political/legal entities having control of the means of violence and administration within a given territorial area.” (Giddens, 1990: 71).

As noted above, in terms of the new global economy, Ohmae even claims that “the traditional ‘middleman’ role of nation-state is obsolete and that we are witnessing ‘the end of the nation-states” (Ohmae, 1995). Despite such an extreme position, most commentators agree that the sovereignty and legitimacy of the nation-state are to some extent challenged and eroded in the global age. In fact, the importance of governance not only increases at transnational level, but also at the sub-national level, given the weakening condition of nation-states in a globalised economy. For example, contemporary modern cities have increasingly shown a preference to develop competitive inter-urban economies with less limitation from nation-state interventions (Barlow, 1995). Thus, city governments have increasingly become involved in economic development activities even in sport, “focusing more on ‘selling’ their cities to prospective investors, and less on the delivery and management of traditional public sector services” (Henry, 2001c: 114).
The weakening role of nation-states comes not only from economic factors, but also from the growing impacts of the increasing volume of international flows of cultural products on national identities and national cultures. One can see that global flows seem to create a global circumstance of multilateral cultural exchanges and facilitate cultural diversity though the flows of cultural products may be uneven between the West and the rest. Cultural commentators argue that globalisation processes diminish national cultural control and liberate the various local cultures to interact on a global scale creating enhanced cultural diversity and hybridity (Appadurai, 1990; Featherstone, 1990; Robertson, 1990; 1992; Tomlinson, 1999). In contrast, Schiller argues that the present structure of international cultural exchange and global communications serves to sustain imbalances in the world-system and threaten the national culture (Schiller, 1992). Hence, the impacts of culture represent another key element in the debates on globalisation processes.

Though the role of the nation-state may be undermined by globalisation it cannot be dismissed. According to McGrew (1992: 92-94), there are four main countervailing forces which sustain the role of the nation-state identified in the literature: first, the state's monopoly of military power which provides its citizens with relatively security in a highly global (dangerous) world (Bull, 1979); second, the potency of nationalism which holds central position in world politics and still remains of critical significance in structuring the political and social organisation of humankind; third, the empowerment of states through international cooperation which allows states simultaneously to pursue their national interests and to achieve more effective control over their national destiny; and finally, the 'myth' of interdependence questions whether globalisation is really creating a world convergence in terms of state policies (McGrew, 1992).
2.4 Strategic Relations Approach

The strategic relations view as developed by Jessop (1990) "was intended by its originator to provide a Marxist orientation, which would avoid determinist notions that the state invariably acts in the interest of capital" (Henry, 2001b: 236). Basically, the strategic relations approach does not intend to explain how the state operates. Instead, the strategic relations approach attempts to conduct the analysis of the state form adequately, and to develop an account of the state's functions. Thus, questions relating to the formulation and function of democratic states are raised by a strategic relations approach. In relation, for example, to the analysis of policy a strategic relations approach invites an evaluation of how policy change was influenced, by whom, and reflecting which composition of interests.

For Jessop, the state is viewed as being a strategic terrain and the emphasis has focused increasingly on strategic considerations (Taylor, 1995). Thus Jessop argues that,

> The state is not simply something towards which one must adopt a political strategy but is something (or more specifically, a social relation), which can be fruitfully analysed as the site, the generator, and the product of strategies (Jessop, 1989: 3).

According to this point, any theory of state has to produce an analysis of the strategic calculations and practices of the actors involved. Importantly, one must understand the interaction between agents and the state-specific structures, notwithstanding, the fact that the interaction is always dynamic and dialectical. The state structural factors focus on the context within which political events, outcomes, and effects develop, which are beyond the control of the actors. Accordingly, actors are involved directly in the context (structure). Finally, actors' behaviour, conduct, and agency are responsible for effects and outcomes from different actions, which one can observe and explain, within this
state structure.

Jessop (1982: 149) argues that “the state is a social relation, state power is a form determined condensation of the balance of political forces...the state as such has no power, it is merely an institutional ensemble”. As the state has only a set of institutional capacities, the state’s power could be seen in relation to the forces acting in and through these institutions. “Power and policy are executed through various, contingent mechanisms that form part of the dialectic of structure and strategy” (Kelly, 1999: 112).

It is not the state, which acts: it is always specific sets of politicians and state officials located in specific parts of the state system. It is they who activate specific powers and state capacities inscribed in particular institutions and agencies (Jessop, 1990: 367).

Thus, forces might exist beyond the economic interests of social classes or pluralist interests of groups. State managers, as well as class forces, gender groups as well as regional interests etc. are given different resources by various state organisations to act for multiple political purposes (goals). Thus, the state is a crucial site of struggle between social forces, the structure of which has been shaped by past struggles (Taylor, 1995).

Furthermore, actors (forces) within the state act in an historical context, which is dynamic (contingent). Hence, the form of the state should be treated in historical and relational terms. According to this view, the state can be seen as the institutionalisation of the outcome of historical battles among different forces. In fact, the interaction and the balance of diverse forces within the state are not stable but changeable. For this account, social explanation should consider all the forces, surrounding the state such as civil society (the voluntary and commercial sectors, sporting bodies etc.). This is what a
strategic relations approach emphasises, consideration of all types of forces that might act within, beyond and around the state while analysing the state form. Thus the state is likely to be linked in relational terms with diverse forces around it and to be embedded in the historical context where those forces have acted.

While the state is to be seen as a terrain where battles occur among all forms of forces and political projects, it should not be seen as neutral among these forces. Jessop (1990) points out that, “a given type, a given state form, a given form of regime, will be more accessible to some forces than others according to the strategies they adopt to gain state power” [Jessop, 1990, as quoted in Marsh, 1995b: 16-18]. Nevertheless, a strategic relations approach indicates that “any bias is always tendentious and can be undermined or reinforced by appropriate strategies” (Jessop, 1990: 353). What Jessop stresses as the main feature of the state is the state’s ‘strategic selectivity’. According to this, the state system attempts to understand certain interests of specific forces. Such interests could be established and linked to the state in relation to specific strategies during a fixed period. State selectivity does not necessarily privilege class. Other forces such as gender, regional or local interests, or any other kind of selectivity could be taken into consideration as well. It is very important to evaluate the access of different forces to the state resources and the outcomes of state action over certain forms of interests in a special period. Thus, persons might be able to identify the sort of state selectivity during this period and then explain the function of the state. However, ‘strategic selectivity’ is likely to “be suited to the pursuit of some types of economic and political strategy rather than others because of the mode of intervention and resources which characterize that system” (Jessop, 1990: 260). So, from Jessop’s perspective, there are “a limited number of interests dominating a variety of policy networks; as such, certain interests would have much greater access to policy making and their
strategies would be privileged” (Marsh, 1995: 18).

Agreeing in certain respects with Jessop’s account, Hay also argues, in this approach, structure is the starting point and action only takes place within a pre-existing structured context which is strategically selective, that is, it favours certain strategies over others (Hay, 1996). Strategic selectivity as a concept is however not limited to the state. For example, professional golf clubs in Taiwan are structured in a way which only privileges wealthy customers or political officials. The cost to be a member of such clubs can only easily be met by those who belong to the top level (class) of society. As a result, such golf clubs are structured to be strategically selective: this principle heavily influences who can visit these clubs, who can play and so on. This does not mean that ‘ordinary’ citizens are not able to gain access to the clubs. However, the fact is that it is much more difficult for them to do so. For actors within the structural context, they are “reflexive and formulate strategy on the basis of partial knowledge of the structures and it is possible for actors to formulate strategies, which overcome the problems created for them by strategically selective contexts” (McAnulla, 2002).

State theories, Jessop argues, generally fail to consider what he describes as the unifying forces behind state activities, “the role of state managers: politicians and career officials” (Jessop, 1990: 261). In effect, state managers, act in (through) the state system and thus their role in political of the struggles is significant for the materialisation (implementation) of state policy. Politicians and state officials struggle with one another in order to access state resources. The state is the site of class struggles and contradictions as well as the site of struggles and rivalries among its different branches. Therefore the role of state managers (both politicians and career officials) is crucial in understanding “how a relative unity is imposed on the various activities of the
state and how these activities acquire a relative autonomy from the conflicting pressures emanating from civil society” (Jessop, 1990: 261). Accordingly, we need to examine the various strategies that state managers develop to evaluate the coherence on the activities of the state. Then, the level of success of a policy relies on the strategic selectivity of the state during a specific given period of time which may or may not supply state managers with resources to meet their needs.

Jessop points out that a “strategic relations approach aims to produce theoretically informed analyses of strategic calculation and practices and of how they overdetermine social relations more generally” (Jessop, 1990: 264). The strategic relations approach brings specific implications of analysing sports policy development in a given context through a special period of time without necessarily dismissing some of the insights of other theories of the state. Thus, all forms of different forces, such as the pluralist interest groups, the economic interests of the capital classes, or technocratic elites should be taken into consideration for the analysis of the state form and policies. In this sense, the strategic relations approach tries to avoid limiting itself to identifying state power with a specific force or group. In addition, the state power is a “social relation that can indeed be analysed as the site, the generator and the product of strategies” (Jessop, 1990: 260). When one seeks to analyse the state power, the balance of forces he/she needs to consider would include class forces, gender and regional groups as well as effects within the state system. Henry (2001b: 237) also argues that “claims of pro-capital, class, gender or race bias of the strategy and selectivity of a state are to be decided on the basis of empirically informed analysis, rather than built into theoretical premises”. The strategic relations approach thus offers a wider framework of analysis for this study in a purposeful way without prescribing restrictive boundaries for empirical work.
Methodologically, Kelly argues that,

There is one particularly immanent problem [for a strategic relations approach] seems to be; how does empirical research actually alter theoretical concepts, as advocated in the dual movement between abstract and concrete? (Kelly, 1999: 113).

However, Jessop’s defense against this quotation is to claim that a strategic relations approach is not a theory as such. It does not posit specific relations but invites empirical analysis of how strategies are constructed and identified, what will come as resources for actors promoting particular strategies. Jessop (1990: 263) indicates that “he is not calling for a general theory of strategy”. Indeed, a general theory of strategy is no more possible than a general theory of the economy, the state, ideology or classes.

While recommending strategic concepts for social analysis, the strategic relations approach does not offer neat solutions to all questions. As Jessop himself admits that “there are no master strategies” (Jessop, 1990: 264). Indeed, there is no single master strategy of domination or hegemony, which can encompass all social relations. In relation to global strategy, for example, there is no pre-given global strategy that can be identified. “Any social formation is the tendential product of conflicting strategies of unification around different boundaries” (Jessop, 1990: 264). Particular concepts usually rely on how particular theoretical and research objects are pursued. This means that it would be not adequate if it applied alone. For example, capital or class theoretical approaches contain other concepts, which relate directly or indirectly, thus a strategic relations approach must involve more than concepts of strategy. Thus, a strategic–theoretical approach is still insufficient if its accounts are only subject to the limited concepts of strategic–theoretical reasoning (strategies).
2.5 Governance Theory

The term 'governance' has grown in usage in relation to arguments in political science, public policy, and international relations, and other areas in recent years. Traditionally, governance had been seen as synonymous with government, linked almost invariably to policies, politics, and polity of political systems. However, one can see an increasing expansion of the governance discourse, which embraces a variety of uses and meaning. As a reflection of globalising trends in policies, in the literature governance ranges from global governance (Bissessar, 2004; Held and McGrew, 2002b; Henry, 1999; Wilkinson and Hughes, 2002), through multi-level governance and the shift from government to governance (Adshead and Quinn, 1998; Borras, 2003; Stoker, 2003), to the stakeholding society (Hutton, 1999) and corporate governance (Keasey et al, 1999; Mallin, 2004). This refers a number of changes that have taken place both within and outside of government. One can find some examples such as, the development of new forms of public management (Hood, 1991) in which government is increasingly confined to 'steering'; or the blurring of the distinction between government and markets through the rise of public-private partnerships (Pierre and Peters, 2002). In addition, according to Rhodes it also refers the issue of recognition of the significance to policy formulation of policy networks of varying types in the contemporary system.

Networks vary considerably with regard to their degrees of cohesion, ranging from coherent policy communities to single-issue coalitions, meanwhile, policy networks facilitate coordination of public, and private interests and resources (Rhodes, 1997).

From the above statements, it is evident that multi-level governance has emerged in the globalised context of contemporary politics. Furthermore, in the past two decades, the increasing interest in organisational governance that straddles the private, public and voluntary sectors, has resulted in changes of government policy, with, for instance, in
Britain, the contracting out of public services, the local management of schools and the formation of NHS trusts (Hindley, 2002). Thus, the use of the term governance in place of government implies that significant governing decisions are no longer solely the remit of government, and that, effective decision-making will need to consider stakeholders from a variety of different sectors. In this sense,

Governance includes all those activities of social, political, and administrative actors that can be seen as purposeful efforts to guide, steer, control or manage sectors or facets of societies (Kooiman, 1993: 2).

Commentators related to governance have developed interest in the increasing complexity of business and policy circumstances which are characterised by the interaction of organisations and of groups working within and across organisations. In the academic and policy literature there are perhaps three key approaches to governance: systemic, political, and organisational governance (Leftwich, 1993). Systemic governance refers to the competition, cooperation, and mutual adjustment of policies between organisations in such a community (system), which is constituted by all the stakeholders. In the modern state, the concept of governance is thus wider than the formal institutional structure and location of authoritative decision making of traditional government. It also refers to “looser and wider distribution of both internal and external political and economic power” (Lofchie, 1989: 122). According to Leftwich,

Systemic governance refers to system of political and socio-economic relations or, more loosely...means a democratic capitalist regime, presided over by a minimal state which is also part of the wider governance of the new world order (Leftwich, 1994: 371).

Thus, the concept of systemic governance relates to the structure of political and
economic relationships and rules by which social and economic life is governed (Leftwich, 1993).

Political governance implies "a state enjoying both legitimacy and authority, derived from a democratic mandate and built on the traditional liberal notion of a clear separation of legislative, executive and judicial powers" (Leftwich, 1993: 611). Whether presidential or parliamentary, it will normally involve a pluralist polity with freely elected representative system, and it would be subject to regular elections to influence and check executive power and protect human rights. In addition, political governance also refers to the 'steerage' of the system. It tries to achieve the goals of organisations through indirect strategies such as regulation, rather than direct action. Importantly, the notion here is 'steering', rather than 'control' of the system within which actors work. In effect, the conception of governance as 'steering' has become the dominant notion in much of the current research in governance in different fields of political science.

Organisational governance is a term which employed, here rather than 'corporate governance' since it infers a wider set of tasks and responsibilities than traditional notions of corporate governance (Henry and Lee, 2004). Organisational governance means an efficient, open, accountable and audited organisational service, which has organisational competence to help design and impose appropriate policies. The report of the Chartered Institute of Public Finance and Accountancy (CIPFA) identifies principles, which apply equally to organisations in the public and private sectors. It recommends,

Openness or the disclosure of information; integrity or straightforward dealing and
completeness; and accountability or holding individuals responsible for their actions by a clear allocation of responsibilities and clearly defined roles (CIPFA, 1994, quoted in Rhodes, 1996: 654).

Such use reminds us that private sector (organisation) management practice has a significant effect on the public sector. In similar terms, the World Bank’s policy document focuses on four main areas of public administration in general, and the public sector in particular, for good governance: accountability, a legal framework of development, information, and transparency (Leftwich, 1994).

The discourse of good governance is merely the latest reproduction of the ‘dream of development’ (Abrahamsen, 2000). An organisation, which intends to achieve its goals, and develop its future, would be required to follow the principles of good governance, which incorporate mechanisms designed to incorporate the responsibilities of directors, employees, and other ‘stakeholders’. There is no definitive list of the principles of good organisational governance, though the following presents those which appear most regularly in the literature.

**Accountability**

The key concept in corporate governance is accountability. Accountability means that individuals and institutions are necessary responsible for what they do. They must account to others for their conduct and their use of resources. Generally, the growth and prosperity of organisations are not considered simply as immediate benefits for individual shareholders, but are valuable ends in themselves (Trompenaars and Hampden-Turner, 1997). In Anglo Saxon corporate governance, the main mechanisms for ensuring accountability are powers and responsibilities. For example, in line with their responsibilities, directors of companies are required to report periodically to
shareholders and receive the authorisation of shareholders for the certain corporate appointments and types of corporate actions.

**Transparency**

The implementation of good governance requires transparency of corporate action, such that assets, and agents are directed by all the stakeholders to achieve the purposes of an organisation. This implies making the objectives of corporate governance clear, to allow stakeholders to satisfy their needs, and to know by what mechanisms they can achieve these objectives in free competition in the marketplace. As a consequence, the more transparency an organisation displays, the more confidence the stakeholders will feel whether one is referring to a public, voluntary or private sector body.

**Democracy**

The meaning of democracy in corporations is different from that in government. Sternberg (1998) suggests that equivalent to the principle of democracy in government of ‘one person, one vote’ is in a corporation ‘one share, one vote’. Voting rights are in proportion to the percentage of the company owned and in such circumstances firms would be democratically controlled. In the sports context, democracy is taken to mean that “representation in decision-making should be available to those who make up the organisation’s ‘internal constituencies’ through democratic procedures” (Henry, 2001a). For example, stakeholders in a professional football club such as players, supporters, and, managers as well as owners it would be argued, should have the chance to be represented on the boards of such organisations for constituencies (Henry, 2001a). Sports bodies are seen as more than simply market agonistics in this context since the relationship between a professional club and its supporters is not a market relationship.
A growing number of businesses recognise the value of delegating power to employees, since this situation enables the employees to react with more confidence and creativity and decisions are more likely to be taken in harmony. Empowerment may avoid the need for combative management. The evidence of employee empowerment schemes such as those by Investors in People, is seen as positive, impacting on organisational effectiveness as well as employee satisfaction (Davies, 1999).

**Stakeholder Orientation**

In a stakeholder-oriented approach, organisations work actively to build reciprocal relations with stakeholders. Accordingly the organisation's management will find it easier to understand more fully what is the best way to meet real and potential market needs, and how to involve the stakeholders in that process. Such an approach involves identifying the organisation's stakeholders and agreeing,

How to involve them in the strategic agenda, establishing a program of key stakeholder visits in order to discuss and evaluate their relationship with the [organisation] and how it can be developed for mutual benefits, and revisiting key stakeholders to retune and realign values, strategy and process (Davies, 1999: 88-90).

**Responsibility**

To consider the sustainable development of an organisational system, all those investing resources, including the wider community need to be served. In addition, it is important for an organisation to take ethical issues into account. For example, when developing a proposal for planning purposes, one cannot ignore responsibility for the environmental and social impacts resulting from such development plans (Davies, 1999; Sternberg, 1998). In sports industries, in essence sport is a public good, not only in the welfare economist's sense of the word but also more generally in that something is produced and owned by a wider set of publics— not simply those who own clubs, or
players, but also supporters and spectators and the wider community (Henry, 2001a).

Equity
In terms of equality, a system of good organisational governance will consider, for example, gender, people with disabilities and other structurally disadvantaged groups in terms of participation and positions within the organisation. In the sports area, gender equality issues for have been raised with a number of international sporting bodies including the IOC (Henry et al, 2004). Issues of equality in relation to sport and disability, hosting of events, and access to events either directly or via the media are similarly matters of concern for a range of international sporting bodies (Henry and Lee, 2004).

Effectiveness and Efficiency
Effective governance identifies the key indicators of success and establishes targets for each. A key part of the maintenance of effective corporate governance is the use of a code of business practice, reflecting relationships inside and outside the company and the values to be shared with those stakeholders (Davies, 1999). Efficiency involves the achievement of goals with the least cost per unit whether in financial or other terms. Good governance implies both effective management of an organisation, that is, the achievement of appropriate goals (effectiveness) through appropriate processes (efficiency).

2.6 Conclusion: The Relationship between Governance Theory, Globalisation Theory and Macro-Theoretical Accounts of the State
What then is the relationship between governance theory and the earlier discussion of macro-theory? As is evident from the foregoing discussion governance approaches are
both ‘heuristic’, explaining how organisations work, and ‘normative’ or ‘prescriptive’ indicating how they should work (in for example promoting aspects of good organisational governance). However, this is also evident in some macro-theoretical perspectives (specifically for example pluralism and elitism). In contrast however, governance theory is a middle range set of accounts, which focus on:

- How stakeholders interact/negotiate/compete to achieve negotiation (or imposed) outcomes (systemic governance);
- How organisations identify the principles by which they should operate, or how analysts can evaluate the actor principles informing the way an organisation does operate (organisational governance);
- How governance seek to achieve policy goals through negotiation and the application of incentives/disincentives (political governance).

Governance outcomes may be subject to evaluation at a higher level of abstraction - pluralist, elite theory or Marxism - evaluating, for example, which set of stakeholders dominate? Whose interests are served by the principles of organisational governance adopted? Who is able to resist and or shape the system of political governance? But these questions are of a higher order than those which governance theory seeks to address.

Our review of pluralist, elitist, and Marxist theories of the state and of the strategic relations approach underlines the fact that an adequate account of the state will allow for contingent outcomes. That is to say that whether the state acts as a vehicle for an elite, for business interests, or as an arena for competition between a range of interest groups is a matter for empirical investigation of particular cases, rather than something
which can be decided in principle. The strategic relations approach underlines the fact that the historical context provides resources in specific situations, which allow some groups to pursue their own strategic goals. Globalisation theory reminds us of the interconnected nature of our societies, and the fact that individual states cannot necessarily achieve goals acting alone, while governance theory underlines the fact that a given set of stakeholders cannot achieve ends without interaction with other sectors and parties.

Thus we approach our empirical study of the professional baseball system in Taiwan informed by the above considerations to identify,

- Who are the groups of actors who have shaped the baseball system?
- What strategic goals have they pursued, and what resources were available to these actors given the historical context?
- What are the principles which guide particular organisations?
- Whose interests have been served by the development of the baseball system?
Chapter 3

Methodology

3.1 Introduction

In the previous chapter, a number of theories related to this study were reviewed. That chapter not only provided a theoretical context for examining the Taiwanese case but also raised issues relating to the development of an appropriate methodological approach to analysis of empirical findings. The central task of this chapter is thus to identify the theoretical, ontological, and epistemological positions adopted and their relationship to the research methods employed.

Since ontological and epistemological assumptions which inform the conceptualisation, design, implementation, and analysis of the research, are integral to and inform methodology (Guba and Lincoln, 1994), the opening section deals with the concerns of ontological and epistemological positions in this study. Subsequently, the second section explains the adequacy of theory, which helps to identify the relationship between the structure and agency in order to constitute a valid or adequate explanation of political effects or outcomes. The third section deals with the methods adopted in the analysis for developing empirical findings, which incorporates issues such as the appropriateness of method, and reliability of data. Meanwhile, the rationales for selection of the stakeholders (in 8 categories) within Taiwan's professional baseball system, together with issues of access and the sampling of interviewees are also articulated. Finally, the employment of a computer software programme, Non-numerical Unstructured Data Indexing Searching and Theorising (NUD*IST), is discussed in terms of its role to aid the management of data.
Methodology is the link between theory and method, which considers issues of theoretical adequacy, concept validity, appropriateness of method, and reliability of data. In order to judge whether a theory is adequate, we need to evaluate the ontological and epistemological assumptions, which underpin it. This chapter starts by identifying and evaluating the core assumptions.

### Table 3.1: Research Strategy and Methods

<table>
<thead>
<tr>
<th>Hierarchical Issues</th>
<th>Critical Realism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontological / Epistemological Assumptions</strong></td>
<td>A real world exists — with underlying structures, which may not be directly observed. These structures are constructed by, and are the context of social action.</td>
</tr>
<tr>
<td><strong>Theoretical Orientations</strong></td>
<td>Strategic Relations Theory, Governance Theory. Structures — Relations — Agents Experiences.</td>
</tr>
<tr>
<td><strong>Key Resource Question</strong></td>
<td>Understanding the governance structure. Strategic relations of governance.</td>
</tr>
<tr>
<td><strong>Approach</strong></td>
<td>Identify 3 key events in governance of Taiwanese baseball and explore the factors explaining outcomes.</td>
</tr>
<tr>
<td><strong>Methods</strong></td>
<td>Selections and interviews with key stakeholders. Government documents, Parliamentary Debates, and Media press.</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
<td>How can the governance system and its outcomes be best conceptualised and explained? Who were the key sets of actors involved in the process? Different perspectives of the different stakeholders. What resources did the governance structure draw on — what opportunities or constraints did actors encounter? What tactics did they employ? What strategic networks / relations were in evidence? How are policy processes best described? What are policy outcomes — why these not others?</td>
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### 3.2 Ontological and Epistemological Assumptions

This study adopts a critical realist ontology in investigating the professionalism of sport in Taiwan. The approach of critical realism is outlined in Table 3.2 and is compared with positivist and relativist methodology. Critical realism represents an appropriate approach because it aids in identifying the relationship between structural context
(political, economical, social, and cultural conditions) and agents' behaviour; namely, identifying how the Taiwanese professional sports system was shaped, probing into the meaning of events and activities of the people involved in this system. In general, critical realism ontologically asserts that the world is constituted not only of events directly in observation, but also by the unobserved entities, structures, and mechanisms. These exist and exert influence independently of researchers' or subjects' knowledge of them, influencing observable events. In terms of critical realists assumptions, within the Taiwanese professional sports system, the 'reality' of the concept of professionalism of modern sport can be directly recognised through illustrating the professionalisation of baseball, nevertheless, there were still structural elements that underpinned the shaping of the system, which could not be directly observed. Thus, the researcher has to assess key stakeholders’ perceptions and their discursive constructions in order to understand how the system was shaped.
In social research, it is important to understand the complex actions which "actors/agency have in co-ordinating the contexts of their day-to-day behaviour" (Giddens, 1984: 285). Critical realists indeed claim that structure and agents are the significant factors, which determine the outcomes of a social phenomenon. They perceive that the relationship between structure and agency is dialectical (Cassell, 1993; Giddens, 1979, 1984; Marsh, 1999). In essence, the concepts of structure and agency tend to be thought of as agents in the political, social structure (context), which interpret those structures. Meanwhile, structures can also be changed because of the outcomes of
the actions of agents operating within the structure. Thus, agents exist, and interact within the social structure, and affect the structural context and vice versa. In short, it is "agents who bring structure into being, and it is structure, which produces the possibility of agency" (Cassell, 1993: 12). Thus it is necessary to look at how structure and agency interact for understanding and explaining outcomes and "how the social structure shapes the networks and the resources, which members of that network have" (Marsh and Smith, 2001: 537). Additionally, it is important for the researcher to identify the position of structure and agents. Here, we recognise the state as a structure that cannot operate new policy programmes by itself, rather it needs agents' cooperation to assist the development of baseball. Those agents were located in the wider social context of the post-authoritarian period when the KMT regime declined in terms of political, economic, military control over the state, and the 'democratic' era emerged after 2000. Within the structure, those agents involved did not control the social context, nevertheless, they interpreted that context and their interpretation affects the strategic calculations and practices of the actors involved. Actually, the relationships between structures and agents' actions are unlikely to be 'fully' explained in terms of causality, but they are interpreted, and, the researcher, in generating explanations, should go beyond what is appearance, for example, what people say and do (Marsh and Smith, 2001). As Marsh and Smith have pointed out,

The role of theory in realism is to conceptualise observable behaviour by using theory to infer the underlying structure of a particular social situation...theory provides a way of constructing a narrative that helps us identify and explain the underlying structural relationships. Indeed it is impossible to make any sense of the world without some sort of theoretical framework (Marsh and Smith, 2001: 532).

The critical realist approach recognises that theory plays an important role in social research, the theories which address strategic relations such as theories of state, the
strategic relations approach and governance theory, were adopted to evaluate the relationships between the agents acting within the state. Notably, the ontological position that underpins these theories allows us to refer to interactions between the structure and agents. The strategic relations concept recognises that the outcomes of interactions within the state and between state institutions and civil society are contingent. Actors or agencies can affect outcomes, which are enabled or constrained by the structural contexts where individual action is undertaken. Then the outcomes of action reinforce or modify such structures and vice versa. For the research strategy, this has clear implications as it involves an evaluating of agents’ explanations of their action, their perceptions of the impact of structural contexts, and an analysis of structural contexts (Marsh, 1999; Hay, 2002).

3.3 Adequacy of Theory

While addressing the role of the state in areas of social action, the strategic relations theory provides the most appropriate framework. Strategic relations theory may be regarded as, in effect, a meta-theory, that is one, which articulates what counts as an explanation of the state’s role, rather an explanation of the state’s role per se (Nassis, 1994). It claims that policy outcomes are contingent, and, the analysis of policy outcomes in political, economic, and social contexts during specific periods would be appropriately explained by accounts of the structures within which state actions occur, the development and reproduction of such structures by the consequences of agents involved, and the power struggles, which take place between various forces (groups and individuals) within those structures. Specifically, the study seeks to address a number of key themes, which are summarised in the following: (i) an understanding of the relationship between policy goals, the political values, and the main political actors; (ii) identification of the implication of government sports policies goals, and
implementation resulting from the changing nature of the political, economic, and social structure; (iii) explanation of the significance of national, and international influences, and contexts for implementation of sports policy.

The major consideration for adopting a strategic relations theory is that both structure and agents are recognised as pivotal for the analysis of policy outcomes and thus, development of (sport) policy is seen as the consequences of the relations (interactions) between economic, social, and political contexts and various stakeholders. Giddens has remarked “every act which contributes to the reproduction of a structure is also an act of production, and as such may initiate change by altering the structure at the same time as it reproduces it” (Giddens, 1979: 69). Thus, the limits of social action are brought about from individuals’ positions within the structural context as well as from the opportunities provided by the structure, over a specific time horizon, for the realisation of actors’ interests.

What the strategic relations approach emphasises is that any analysis of the state form, all forms of forces that might act within, beyond, and around the state should be taken into account. For the analysis of sports policy development in a specific context during a specific period, the approach does not undermine the premises of other theories of the state. The strategic relations approach suggests that accounts from the pluralist, Marxist, elite theory should be considered in any analysis of the state form and policies. Thus, it could be argued that the main strength of the approach being able to avoid restricting itself to identifying state power with certain specific forces or groups. State power is analysed as the balance between various forces, which might include class forces, gender groups, and so on, together with influences within the state system. According to this, the strategic relations approach provides a theoretical framework, which is able
to broaden the analysis in an intended way rather than sketching the boundaries for empirical research. Indeed, “what this approach aims at is not imposing its premises on the research findings but informing the way research on the state’s form and function should be conducted” (Nassis, 1994: 59).

As noted above, the strategic relations approach was adopted for the analysis of sport since it recognises that both the structure of sport and interrelations of forces, and the role of individual actors are equally treated for a comprehensive picture of a specific context. Indeed, both the structures and their strategic selectivity are considered as significant as well as the role of various agents within and around sport. As such, the strategic relations approach could be utilised to investigate strategic links between stakeholders involved in state sport, and other political forces, and as a means to explore interdependencies that might affect the balance of forces around sport.

In terms of sport governance, Henry et al (2005) and Henry and Lee (2004) suggest a useful analytical model, which helps to examine the dynamics of the power struggles between various stakeholders within the sporting governing system such as the IOC and FIFA. Three approaches of sport governance between the stakeholders’ relations are recognised. Systemic governance emphasises the need for mutual adjustment between various stakeholders involved in the production of sport. Organisational governance is a normative approach, which requires sporting organisations to conform to wider societal expectations of good practice, and this in turn has implications for managers of such organisations. Finally, political governance places emphasis on governments ‘steering’ rather than commanding change such that key policy skills in defining policy goals and identifying policy incentives or forms of regulation (Henry et al, 2005; Henry and Lee, 2004). The concepts of systemic and political governance in
particular are directly relevant to this study.

The author recognises the fact that globalisation, the processes by which local conditions are more intensively and extensively linked has had major consequences in terms of a key shift in the way that sport is organised and controlled - a shift that is away from the government, or direct control of sport to one of governance (Henry et al, 2005). The emergence of new forms of governance, systemic governance in particular, underlines some major policy implications. For instance, Henry et al (2005) claim that significant policy change increasingly can only be achieved by negotiation, and/or trade off between various actors in the network. In addition, governing bodies of sport in such contexts no longer govern or wholly control their sport. Thus, while reviewing the three case studies in the thesis, what the researcher is concerned with is to highlight the network of stakeholders that make up the system and how their interaction shapes the system in a given specific context and time horizon. Moreover, the analysis will seek to trace the direction of government related sport policies whether they are targeting the needs of civil societies, citizens for example, or just along the line of particular political and/or economic interests.

3.4 Appropriateness of Method and Reliability of Data

Methods are selected because they provide the data, which the researcher requires to produce a complete piece of research. In order to explore issues of process and to explain how outcomes are achieved (or not, as the case may be), the researcher employed a range of qualitative research methods to conduct the study. Within the system, various stakeholders impacted upon outcomes reflecting the balance of their interests and bargaining strengths. Their on-going reflexivity helped them to see new strategies and possibilities for conciliation that advanced their goals. Thus it was
important to identify actors' own accounts of their actions (their propositional knowledge about how they and others acted and why) and to review reports of their actions (e.g. in press reports, government documents, the accounts of third parties,) to grasp their 'acquaintance knowledge' (knowledge of how to proceed effectively), which they may be unable to articulate themselves.¹

In order to address the issues surrounding the governance of baseball three key sets of events have been selected for investigation as case studies, which are dealt with in chapters 5-7. The selection of these three cases is constructed later in this chapter, but it is important to stress that these are selected not as 'typical' in any sense, but rather as the three most significant sets of events in the recent development of professional baseball in Taiwan.

The case study is seen as "an 'end product' viewing it as 'an outcome or a format for reporting 'qualitative/descriptive' work" (Wolcott, 1994: 36). The case study approach helped to identify actors’ explanations, values, and perceptions relating to specific events and situations. The case studies were premised on a range of interviews with key stakeholders as a way of gaining an insider perspective on their actions within the system, and supplemented by a review of relevant documents collected from the three public, volunteer, and private sectors, as well as media and 'academic' commentaries and analyses.

In these three case studies, a two-stage research strategy (gathering of primary

¹ Thus distinction between propositional and acquaintance knowledge is significant. If I want to understand the phenomenon of how a person learns to swim, I can ask them to explain this to me (propositional knowledge) or I can observe them and draw conclusions about their 'acquaintance knowledge' of how they learn.
The primary research method involved interviewing to collect information and thus a wide range of categories of subject were interviewed. Interviews with key stakeholders from the professional baseball system were undertaken since these actors could provide their perspective on what actually happened within this system. An emphasis on interviews in research requires the researcher to record the interviewees’ feelings and responses to events and situations, which contribute to reconstructing an accurate picture of what they perceived as having actually happened in the particular circumstance. Obtaining primary data from interviews with key actors from a range of constituencies on the formulation and implementation of sports policy in Taiwan provided a useful check against which ‘official’ statements could be evaluated and vice versa. In summary, primary data from interviews provided respondents’ explanations or perceptions of the structural configuration of power and resources, and how these were accessed and used by actors, and thus served the need for uncovering relations, struggles, and compromises within the structure (Nassis, 1994).

The study has additionally drawn on secondary, documentary sources. Secondary data, such as government archives, documents of parliamentary debates, policy documents, newspaper articles and so on are mainly concerned with policy outcomes, namely, they offer one or more versions of ‘what actually occurred’. Indeed, “documentary and archival sources offer great opportunities for political scientists to develop novel accounts and interpretations of significant events” (Burnham et al, 2004: 184). In this sense, secondary data helps to map out the aspects of the structural context of sport (baseball) development in Taiwan as well as to provide support for (to qualify or even undermine) various stakeholders’ claims. In sum, by using both semi-structured and qualitative document analysis, the researcher sought to triangulate data gained from
interviews with key actors involved in (professional) sport policy development with an analysis of, for example, policy documents relating to sport policy processes and outcomes.

Appropriate research instruments were selected and devised to enable the researcher to obtain the required reliability and establish validity. However, as the three events in the development of Taiwan’s professional baseball system were unique, the researcher was also aware that the data might be regarded as non-replicable. Moreover, since the interviews cannot be repeated, it is clear that reliability of interview data is difficult to assess. In this sense, obtaining the same data through interviews is not apparently important, rather, the key concern is with whether the method used for obtaining data was reasonable or not; that is to say, whether the questions asked were appropriate to the obtaining of frank and open responses, or whether issues of researcher bias were dealt with; and with whether conclusions drawn from the interview data were ‘reasonable’. It is also important to stress that the research was conducted to establish, for the most part, not ‘what actually happened’, but the individual actors’ perceptions of what had happened- thus the frankness and sincerity of responses is as, if not more, important than issues of ‘feasible accuracy’.

Nevertheless in order to establish the ‘real’ or ‘intended’ meaning of perceptions, more precisely, to enhance the reliability of the method of data collection, there is a need to conduct a crosschecking of accounts both provided by the primary interviews (triangulation) and secondary sources. In this study, triangulation both by data source and by method was adopted. By doing this, the researcher was able to provide validating information, which was gathered from interviews, by checking accounts, documents etc. that aided evaluation of what interview respondents claimed. Thus,
interviewees' claims of policy outcomes can be cross-checked with the picture of what 'had happened' as suggested by the records. In addition, the selection of interviewees which included various stakeholders such as government civil servants, members of parliament from different political parties, media, managers, players, and fans of professional baseball clubs, provided useful measurement for evaluating the range of perceptions of ‘what had happened’.

3.5 The Selection of the Three Cases

With reference to the case studies, perhaps the first issue to consider is that of the selection of the particular case for analysis (Henry, 1987). The decision to select the three major events, namely, the 1997 gambling scandal, the circumstances surrounding the bid for, and staging of the 2001 Baseball World Cup (BWC), and the 2003 merger of the two professional baseball leagues, as the cases on which to focus, was taken on the basis of their significance in the operational governance of Taiwan’s professional baseball system. Since 1990, the CPBL has experienced periods of major growth (1990-96), of dramatic decline in public attendance (confidence) after the 1997 gambling crisis (1997-2000) and of tremendous success in the 2001 BWC, as well as the 2003 merger of the two professional baseball leagues (2001-04). Such development seemed likely to have generated evidence within and between various stakeholders represented on the governance of this industry in a manner, which would have reflected power, and influence in the interaction/negotiation/competition among them. In the case of the 1997 gambling scandal, the dramatic decline in attendance and confidence in baseball of citizens, the crucial role of underworld criminal organisation (with some forms of support of political forces), and the failure of governmental departments and sport governing bodies to respond effectively to this crisis concerns, and has significant implications for, the governance of the baseball system. In the case of the 2001 BWC,
issues on the decisive role of the ‘arbitrator’ [IBAF], the new government [DPP] intervention in the hosting sought to achieve its political goals, and the ‘legitimacy’ of former government [KMT] claims, which was approved by the IBAF, reflect the ‘negotiable’ processes of the governance system. The case of the 2003 merger of the two professional baseball leagues, then illustrates how the President was able to take an active role in ‘encouraging’ the merger, the ways in which the interests of various stakeholders were reconstructed and the relationships between different stakeholders were affected. Thus it is evident that the development of these three key events illustrates the way of the governance of the game of professional baseball has been organised and shaped in specific contexts.

3.6 Data Collection: Documentary Selection, Interviewee Selection

The documents analysed in the study mainly originated from government documents as indicated in Table 3.3. For the purpose of accessing relevant data, the researcher visited in 2002 and 2003 two key government institutions, the DPE in the Ministry of Education, and the NCPFS, which provided the main sources of data, collected for the study. The list of documents represents all relevant policy documents relating to sports policy in general and baseball in particular held by the two organisations.
<table>
<thead>
<tr>
<th>Year</th>
<th>Publisher</th>
<th>Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>Ministry of Education</td>
<td>The 5th National Education Conference Report</td>
</tr>
<tr>
<td>1971</td>
<td>Ministry of Education</td>
<td>Education Law</td>
</tr>
<tr>
<td>1974</td>
<td>DPE</td>
<td>The Principle of International Sports Events Subsidy Application</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Five Year Physical Education Development Programmes, 1973-1978</td>
</tr>
<tr>
<td>1975</td>
<td>Ministry of Education</td>
<td>Ministry of Education Bulletin</td>
</tr>
<tr>
<td>1979</td>
<td>Ministry of Education</td>
<td>The Active Implementation of Sport for All Scheme</td>
</tr>
<tr>
<td>1984</td>
<td>DPE</td>
<td>Physical Education Regulation</td>
</tr>
<tr>
<td>1986</td>
<td>DPE</td>
<td>Active Sport for All Plan</td>
</tr>
<tr>
<td>1989</td>
<td>Ministry of Education</td>
<td>Ministry of Education Bulletin</td>
</tr>
<tr>
<td>1989</td>
<td>DPE</td>
<td>National Sport Four-Year Programme</td>
</tr>
<tr>
<td>1994</td>
<td>Ministry of Education</td>
<td>The 7th National Education Conference Report</td>
</tr>
<tr>
<td>1998</td>
<td>NCPFS</td>
<td>National Physical Education Law</td>
</tr>
<tr>
<td>1998</td>
<td>NCPFS</td>
<td>Four-Wheel Drive Plan</td>
</tr>
<tr>
<td>1999</td>
<td>NCPFS</td>
<td>White Paper: Sport in Taiwan</td>
</tr>
<tr>
<td>2000</td>
<td>NCPFS</td>
<td>The Active Scheme of Sport Development in the 21st Century</td>
</tr>
<tr>
<td>2001</td>
<td>NCPFS</td>
<td>The 2nd Preparation Report of the 2001 Baseball World Cup</td>
</tr>
<tr>
<td>2001</td>
<td>NCPFS</td>
<td>The Final Report of the 2001 Baseball World Cup</td>
</tr>
<tr>
<td>2001</td>
<td>NCPFS</td>
<td>The Proceedings of Discuss in the Merger of Two Professional Baseball Leagues</td>
</tr>
<tr>
<td>2001</td>
<td>NCPFS</td>
<td>A Report of People's Attitude towards the Development of Professional Baseball in Taiwan</td>
</tr>
<tr>
<td>2002</td>
<td>NCPFS</td>
<td>The 2001 Baseball World Cup Survey</td>
</tr>
<tr>
<td>2002</td>
<td>NCPFS</td>
<td>The Proceedings of a conference on the Cooperation between Sport and Marketing in the Baseball World Cup</td>
</tr>
<tr>
<td>2002</td>
<td>NCPFS</td>
<td>Statistics of Sport in Taiwan</td>
</tr>
<tr>
<td>2003</td>
<td>NCPFS</td>
<td>Guidelines of Cross-Strait Sport Relations</td>
</tr>
<tr>
<td>2004</td>
<td>NCPFS</td>
<td>The 2003 Annual Report of the NCPFS Major Administration Plan</td>
</tr>
<tr>
<td>2004</td>
<td>NCPFS</td>
<td>Challenge 2008: The Talent Cultivating Programme in the ‘Electronic’ Era and the Promotion of International Sport Interaction Programme in Taiwan</td>
</tr>
</tbody>
</table>
Empirical work involved interviews with stakeholders within the professional baseball system from three sectors, namely, the public sector, the private sector, and the volunteer sector in Taiwan. Basically, the interviewees were selected on their ability to shed light on specific aspects of the strategic contexts (systemic governance) of professional baseball with specific reference to the three case study events. Within the public sector, six interviews were conducted with the government officials, the Ministers of Sport, Directors of Department of Physical Education, and members of parliament from the DPP and KMT, who had responsibility for promoting sports policy in Taiwan. Within the private sector, the five interviews, included interviewees who represented the leagues, clubs, players and the media. Within the volunteer sector, seven people were interviewed who were representatives from Chinese Taipei Baseball Association (CTBA), fans association of clubs, academic experts in baseball, and principals of three Taiwanese specific sport universities, which mainly recruit players to the professional baseball leagues. Interviews with volunteer bodies aimed to provide information related to the stakeholders’ perception and response, which aided in informing the roles, the public sector and the private sector played. Preliminary interviews were conducted contemporaneously with some actors in the three sectors and thus presented the opportunity to evaluate the adequacy of the interview schedule as well as to elicit credible information in later interviews.

Subsequently, issues associated with the conduct of interviews are examined here in a general way. The researcher undertook preliminary contact with the interviewees through e-mails or over the telephone and this helped to provide concise and honest accounts about the nature and aims of this research as well as the reasons why the researcher wished to conduct interviews with them. After gaining their permission for interviews, the researcher subsequently provided the interviewees with a list of themes
to discuss in the interviews in advance and finally set up a specific time and place for the individuals to conduct the interviews.

The interviews were tape-recorded which allowed the researcher to follow the response and process of the interview and possibly explore some unanticipated issues. Indeed according to Gratton and Jones’ suggestions about the procedure of recording interviews.

Recording the interview will allow more rapport to develop, which may result in more information being divulged from the respondent. This will, however, result in much more data to be analysed, and a great deal of irrelevant material to be identified and discarded. As you are likely to have only one chance to undertake interview, we would suggest that the best option is to record it on tape (Gratton and Jones, 2004: 148-149).

During the interviews, the researcher kept alert to what the interviewees said and was not distracted by having to concentrate on writing notes on what was revealed. Although all the interviewees the researcher contacted agreed to participate and be tape recorded, there were some individuals who felt self-conscious at the prospect of their accounts being preserved. In order to gain frank responses and explore further unexpected perceptions from these interviewees, they were informed by the researcher that their responses would remain confidential and anonymous. In this sense, the researcher considered that the confidentiality of the interview might ensure reliability. Interestingly, as the researcher switched off the tape recorder, some of interviewees continued to ruminate on the topic of interest and revealed more ‘attractive’ information than in the interview. Thus, since it was not feasible to switch the recording machine on again, the researcher tried to write down some notes during and immediately after the interview.
The questions designed in the interviews were 'open-ended' since it was recognised as desirable to give the interviewees the opportunity to reveal their perceptions of development of sport policy. Indeed the open-ended question allows the respondents have being interviewed to select from his/her full repertoire of possible responses those that are most salient and to take the interview in the direction they wish, using their own mode of expression. Thus, questions in relation to sport policy issues sought to reveal the interviewees' perceptions of developments in the areas with which they were concerned.

As with all the interviewing methods, the researcher was not only aware of the content of the interview, but also able to record the nature of the interview and the way in which he asked the questions. Indeed "if the interviewer asks questions properly and the interview situation is propitious, the respondent will automatically convey the desired information" (Holstein and Gubrium, 2004: 141). The interviewer bore the responsibility to pose questions that made it clear to the interviewees what was being asked. Thus, questions were formed in a way which was not too technical or complex. Since "asking understandable questions facilitates establishing rapport and providing clarity in interview questions may mean avoiding using labels altogether" (Patton, 2002: 361). Multiple questions are also likely to be ignored and most of the questions employed contained one line of enquiry. This added to the validity of information. The informants felt comfortable, and appeared to be enjoying the interviews. Another issue was concerned with the fact that many interviewees seek to reply in socially desirable ways and demonstrate a positive image of themselves or their organisation when answering questions (Bryman, 2004). Nevertheless, ensuring the confidentiality and anonymity of responses and crosschecking of information (Gratton and Jones, 2004), were considered as an appropriate measure to resolve the problems, which might have
resulted in misleading information. Though 'accuracy' was not the sole goal of the interviews since differences in perspective between different stakeholders provided useful insights into how events and explanations were differentially perceived.
### Table 3.4: Time Table for the Interviews of the Research

<table>
<thead>
<tr>
<th>Date</th>
<th>Interviewees</th>
<th>Response</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>02 / Apr / 03</td>
<td>Chen, Academic Expert of National Taiwan Normal University (NTNU)</td>
<td>Very positive</td>
<td>Loughborough</td>
</tr>
<tr>
<td>05 / May / 03</td>
<td>Hsu, Academic Expert of National Taiwan College of Physical Education (NTCPE)</td>
<td>Very positive</td>
<td>Taichung</td>
</tr>
<tr>
<td>06 / May / 03</td>
<td>Cheng, Vice Minister of National Council on Physical Fitness and Sports, NCPFS, (2000-2002)</td>
<td>Very positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>08 / May / 03</td>
<td>Lin, Organiser of Sinon Bulls Fans Association</td>
<td>Very positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>13 / May / 03</td>
<td>Hsu, Minister of National Council on Physical Fitness and Sports, NCPFS, (2000-2002)</td>
<td>Very positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>13 / May / 03</td>
<td>Cheng, Principal of Taipei Physical Education College (TPCE)</td>
<td>Positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>14 / May / 03</td>
<td>Lin, Coach of National Taiwan Baseball Team in 2001 Baseball World Cup, Director of Scouting and Training Committee of Chinese Taipei Baseball Association (CTBA)</td>
<td>Helpful</td>
<td>Taichung</td>
</tr>
<tr>
<td>14 / May / 03</td>
<td>Chen, Principal of National Taiwan College of Physical Education (NTCPE)</td>
<td>Positive</td>
<td>Taichung</td>
</tr>
<tr>
<td>14 / May / 03</td>
<td>Tsai, Director of DPE (1982-1986)</td>
<td>Refused</td>
<td>X</td>
</tr>
<tr>
<td>15 / May / 03</td>
<td>Chao, Vice Manager of Sinon Bulls</td>
<td>Positive</td>
<td>Taichung</td>
</tr>
<tr>
<td>15 / May / 03</td>
<td>Shie, Legislator of Democratic Progressive Party (MP of DPP)</td>
<td>Positive</td>
<td>Taichung</td>
</tr>
<tr>
<td>16 / May / 03</td>
<td>Tzeng, Media Commentator of Videoland Channel and Expert of Baseball</td>
<td>Very Positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>16 / May / 03</td>
<td>Chien, Director of DPE (1991-1996)</td>
<td>Positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>17 / May / 03</td>
<td>Chao, Principal of National College of Physical Education and Sports (NCPES)</td>
<td>Positive</td>
<td>Taoyuan</td>
</tr>
<tr>
<td>17 / May / 03</td>
<td>Chang, Director of DPE (1987-1989)</td>
<td>Very Positive</td>
<td>Taipei</td>
</tr>
<tr>
<td>21 / May / 03</td>
<td>Huang, Former Player of Mercury Tigers</td>
<td>Positive</td>
<td>Taichung</td>
</tr>
<tr>
<td>28 / May / 03</td>
<td>Tsai, Player of Sinon Bulls</td>
<td>Helpful</td>
<td>Taichung</td>
</tr>
<tr>
<td>28 / May / 03</td>
<td>Hung, Legislator of Kuomintang (MP of KMT)</td>
<td>Helpful</td>
<td>Taichung</td>
</tr>
<tr>
<td>30 / May / 03</td>
<td>Lin, Manager (Coach) of Brother Elephants</td>
<td>Helpful</td>
<td>Taichung</td>
</tr>
<tr>
<td>02 / Jun / 03</td>
<td>Wu, Director of DPE (1998-2003)</td>
<td>Busy</td>
<td>X</td>
</tr>
</tbody>
</table>
3.7 Data Analysis

By virtue of the number of interview subjects and the length and depth of the interviews, there was an amount of data generated, together with documentary sources, which needed to be processed and analysed. By using various sources, including documents and interviews, the researcher sought to build up a picture of the relationship between theory and method. In order to gain a ‘full’ understanding of the meanings of relevant sources, it is important to understand criteria to assess quality of relevant data, which have applicability to qualitative content analysis. A set of distinctions made by Scott (1990) relate to the criteria for assessing the quality of any type of documentary evidence, namely authenticity, credibility, representativeness and meaning (cf. Bryman, 2004; May, 1997; Scott, 1990; Wellington, 2000). These are reviewed in the following section.

Authenticity refers to the evidence of genuine and unquestionable origin, and in particular it is concerned with the credibility of evidence of authorship. This study makes use of publicly available transcripts of the statements, speeches and reports of politicians from government archives relating to sport policy aims, goals and outcomes collected from 1990 to 2004, and of Parliamentary debates between policy makers (typically ministers responsible for sport) and politicians in the Legislative Yuan during the period 1990 to 2004. Such documents were important in developing an understanding of, and conceptualising relationships between, actors within the Taiwanese baseball system. Identifying the origin, position and background of these speakers and writers helped to explain the interests and motives which drove the stakeholders to take certain positions regarding the formation of sport policy. In relation to the other major source of qualitative data, that of interviews, the researcher was obviously aware of the identity of the interviewees (stakeholders, see Table 3.4) but
also took time to inform himself of the background of each interviewee before undertaking the interview. Thus, by these means the criterion of authenticity for this study was met.

Credibility refers to “the extent to which the evidence is undistorted and sincere, free from error and evasion” (Scott, 1990: 7). In undertaking interviews or in reviewing documentary sources there are three levels on which the data can be treated. These are as follows:

- Is the respondent telling us “what really happened” or “what really is the case”?
- Is the respondent telling us what they think really happened or what they think really is the case (they may be mistaken)?
- Is the respondent telling us what they would like us to think really happened or what they would like us to think is the case (they may be misleading us or putting a positive ‘gloss’ or ‘spin’ on events or policies)?

For the most part, since our concern is with understanding the perspectives of the stakeholders, our concern is with the second level above. However, since we are also concerned with underlying realities, we are concerned to triangulate evidence (e.g. interviews with reports and documents, and with press reports). Finally we are also concerned to understand how the stakeholders wish to present themselves or their own actions. To ascertain this we need to be conscious of the respondents’ or authors’ interests and value positions/ideologies. A detailed knowledge of the stakeholders’ positions and values was sought from background materials (e.g. political manifestos, ‘friendly’ and oppositional treatment by the press and media of the groups goals and
activities) and comparison of materials from different and often competing interest
groups/stakeholders was undertaken to establish the different heuristic/narrative
positions taken up by respondents as well as to identify the different normative
positions stakeholders occupied on given issues. Such an approach was intended to
allow the researcher to deal with the difficulties arising from the fact that,

Many official documents [and interview responses] are based on a political interest in
presenting one view rather than other, in transforming propaganda into apparently
sincere ‘information’ or in justifying a particular choice of action (Scott, 1990: 23).

Representativeness refers to the extent to which evidence is typical of its kind, or, if it is
not, the extent to which the nature of its atypicality is known. Although the researcher
had tried to consult a complete collection of ‘all’ governmental currently existing
documents in the relevant period, there may be some missing from the archives.
Whether or not official or government documents were typical of governmental or
party views, for example, or whether interviewees’ responses are representative of
stakeholders’ views, are issues which had to be considered in evaluating documents and
interview responses. However, Scott points out that,

Representativeness refers to the general problem of assessing typicality, or otherwise,
of evidence. It should not be assumed that the researcher always desires ‘typical’
evidence: what is important is that the scientists should know how typical it is in order
to be able to limits to be application of any conclusions drawn (Scott, 1990: 7)

Thus atypical views were of interest as long as they could be identified as such.

Finally, meaning refers to the “extent to which the evidence is clear and comprehensive
to the researcher. Two questions are of concern: what is it, and what does it tell us”
(Scott, 1990: 8). This criterion was vital for the researcher who sought to arrive at an
understanding of the significance of what the evidence contains, broadly speaking considering the social context within which the meanings were set (May, 1997). In essence, the problem of exploring the meaning of data usually arises at two levels, the literal meaning and the interpretative understanding (MacDonald and Tipton, 1993). Scott further claims that,

Interpretative understanding is the end-product of a hermeneutic process in which the researcher relates the literal meanings to the contexts in which they were produced in order to assess the meaning of the text as a whole (Scott, 1990: 30).

With regard to the literal meaning (reading) of documents and interview transcripts in this study, careful consideration had to be given for the purposes of translation of material from Chinese to English. This was both a further hurdle to overcome but also a means of checking that literal meaning was clear. The originally translated English texts were checked by an expert from the English Language Unit at Loughborough University, and the wording of translation of data was further checked by a scholar who has an expertise in this research field. Subsequently, the researcher sought to explore the whole context under which the texts of documents or interview data were produced. More significantly, the interpretation of the meaning of the text will emerge from the researcher’s judgment that this interpretation ‘makes sense’, given his understanding of the author’s situation and intention (cf. Altheide, 1996; Scott, 1990).

In this study, qualitative content analysis of textual materials was employed to document its claim to reflect experiences of the phenomena by reference to the collected data. The researcher undertook the qualitative content analysis of data with the assistance of the computer software programme, NUD*IST (see section 3.8). The stages in the analysis were as follows:
- The researcher drew on theories at the macro level (theories of the state, and specifically strategic relations theory) and at the meso level (governance theory) to identify concepts and approaches, which would be helpful in guiding preliminary decisions including the selection of key events, the identification of interviewees/stakeholders, and the selection of relevant documents to review.

- Subsequently, a coding frame was constructed which deductively drew from the theories reviewed. Broadly the items thus derived, fitted into six major categories - stakeholder identity, stakeholder interests, stakeholder and other interest group interaction, policy related issues, and policy related values, resources, and outcomes. The coding frame also identified categories, which grew out of inductive analysis of the data, some of which fell within the same broad categories, but some of which represented fresh insights and were initially tagged as free categories (i.e. not falling within the domain of the six categories identified above).

- A sample of interview transcripts and their coding was evaluated by an independent researcher who had not been involved in the interviews or document analysis (pragmatically the researcher’s supervisor performed this role) to ensure the reasonableness (or in Wood and Krueger’s (2000) terms ‘warrant ability’) of the definition of the codes, and the reliability of their application to the data. Coding and coding rules/criteria (memos) were subsequently confirmed or modified.

During the above process, the transcripts were regularly reviewed by the researcher who kept the aims and objectives of the research to the fore, looked for patterns and connections, and sought to map out the picture that constructed the specific details of this study. The sections of text (documents and interview transcripts) were carefully
examined in relation to relevant theoretical premises. The researcher was obviously fully involved in all phases of the investigation, which allowed an interactive relationship of the investigator with concepts, data, analysis, and interpretation. The activities of coding and counting helped to fulfill the goals of the quest for meanings and theoretical integration. In addition, the qualitative content analysis allowed the researcher to gain information about individual/group actors (stakeholders) to whom access for interview or via documentation could be difficult in relation to examining sport policy making (process/outcomes) within Taiwan's specific context (e.g. criminal gangs), but who nevertheless in the eyes of other stakeholders were very influential.

3.8 Computer Assisted Analysis with NUD*IST

In terms of scientific research, one of the most notable developments in qualitative research in recent years has been the arrival of computer software that facilitates the analysis of qualitative data (Bryman, 2004). Qualitative researchers now have available to them an array of functional computer software to conduct their research, and the assistance of software seems increasingly to be a regular part of qualitative research. As Lewins (2002) stresses, the CAQDAS can increase the efficiency of the researcher's access to data and flexibility, and preparedness to re-think. Computer software can explicitly support the researcher's intellectual efforts, making it easier for him/her to think coherently about the meaning of data (Lewins and Silver, 2004; Weitzman and Miles, 1995). Certain programmes provide good support for tracking cases through different documents, for example, programmes with highly structured code systems, such as the Non-numerical Unstructured Data Indexing, Searching and Theorising, NUD*IST, (Weitzman, 2000). NUD*IST which was designed in 1980 (N6 in 2002) increases significantly the limits on storing and exploring Non-numerical Unstructured Data and provides ways of managing ideas by indexing, searching, and theorising.
NUD*IST has some main strengths such as accurate collecting of data, interrogation of emerging themes, assessment of saturation, and keeping of log trails (Richards, 2004).

NUD*IST facilitates the process of comparing categories, as well as enabling exploration of the data. It [NUD*IST] invites the analyst to think about codes that are developed in terms of ‘trees’ of inter-related ideas. This can be a useful feature, in that it urges the analyst to consider possible connections between codes. (Bryman, 2004; May, 1997). In addition, NUD*IST “ensures that the mechanics of the field research do not draw attention away from the analytic process” and thus it “greatly enhances the generating and testing of theorising possibilities” (Lange and Burroughs-Lang, 1994, quoted in Seale, 2002: 659). Though having the above functions, this software itself is unable to ‘discover’ or ‘invent’ concepts (Richards and Richards, 2004). Thus, the researcher employed the NUD*IST package as a supplementary tool to aid the process of analysis and the recording of that process, and the management of data in particular.

The thesis is underpinned by a theoretical framework, major elements of which are strategic relations theory and systemic governance, which have given rise to little empirical work. Therefore, the researcher anticipated that this study will increase the corpus of work in the sport field and ultimately refine current theories. The application of the NUD*IST software programme utilised in this study enables us to build on starting data (literature reviews, research notes); deal carefully with created records (coded data, reports); provide access to the specific data needed for a purpose; integrate collected data; gather and manage the research ideas with which we started out from the literature; generate ideas from the data; store thoughts and reflections; and code data about an idea. The process adopted broadly followed Kelle (2000) in terms of sequencing of the following tasks.
Chapter 3 Methodology

- Formatting textual data
- Coding data with ad hoc codes (open coding)
- Writing memos and attaching them to text segments
- Comparing text segments to which the same codes have been attached
- Integrating codes and attaching memos to codes
- Developing a core category

(Kelle, 2000: 295-296)

Once theoretical concept codes had been created, the researcher reviewed the text carefully and assigned those codes to relevant paragraphs of text. In addition, the researcher remained open to new issues and thus developed codes and concepts grounded in the data. The coding process lasted six months (July to December 2003).

3.9 Conclusion

This chapter has outlined how the main methodological issues were addressed in the thesis. To approach the study, the ontological and epistemological assumptions were identified via a critical realist position. The adequacy of theoretical perspectives reviewed in chapter 2, the literature review, and which are in the form espoused here, consistent with a critical realist position, imply that empirical work should incorporate explanation of certain concepts in concrete contexts. The methods outlined seek to both achieve this, and to allow other concepts/constructions to be derived inductively from the data.

The evaluation of the theory was on the basis of undertaking inductive and deductive content analysis from the data collected. Computer assisted analysis via NUD*IST software to categorise data was employed to help the process of data analysis.
Consequently, in the three chapters (5-7) of case studies and the conclusion, the results of the content analysis, which deal with the empirical findings obtained, are interpreted and explained with reference to relevant political and social theoretical frameworks.
Chapter 4

The Social and Political Context, and the Development of Sport, in Taiwan

4.1 Introduction

In the previous chapters, the review of the theoretical approaches has contributed to an understanding of theorising and conceptualising the nature of the modern state and governance system. Methodological chapter also highlights how the epistemological implications of these theories are sought to be placed and applied to explain the nature of the Taiwanese state, Taiwanese society and, accordingly, their relationship to the sporting system. The major aim of this chapter is to provide a context for subsequent empirical analysis of the development of professional baseball in Taiwan. The chapter explores the development of the Taiwanese society since 1949, identifying key aspects in the political, economic, and social development of society in the period since the establishment of martial law, and highlighting more specifically how such changes are reflected in the sports system.

The chapter is thus divided into two main parts. To begin with, the exploration of the context of Taiwanese society is intended as an introduction to the historical development that will be discussed in subsequent sections in terms of its political, economic and social dimensions. Accordingly, five historical eras in the development of sport are identified, namely, the period of Japanese occupation (1895-1945), the initial period of martial law (1949-1969), the later period of martial law (1970-1986), post martial law / the beginning of liberal democracy (1987-1996), and the period following the establishment of the National Council on Physical Fitness and Sports (NCPFS)(1997-present). More specifically, attention will be directed to an exploration
of changes in the chronological development of the (professional) baseball system within the sporting structural context at local and international levels.

4.2 The Political Development of Taiwan

Taiwan has been transformed in political, economic, and social terms from an agrarian society into an industrial and commercial society in a very short period of time. This has been the result of a number of factors associated in large part with the arrival of anti-Communist forces from Mainland China in 1949. Such factors include a period of political modernisation with the state evolving quickly from a military dictatorship to a form of emerging liberal democracy. Three periods, namely, the Japanese occupation (1895-1945), the Kuomintang (KMT) authoritarian regime (1946-2000), and the Democratic period (2000-present), are identified in this section as politics and provide a perspective within which to explore political development throughout the modern history of Taiwan. The reason for inclusion of the period of Japanese occupation is because before the arrival of anti-Communist forces from the Mainland China, Taiwan had been colonised by Japan for five decades, which had a crucial influence on Taiwan's development. The period of Japanese occupation is important since it provides important antecedents of recent Taiwanese history.

The Period of Japanese Occupation, 1895-1945

At the end of the nineteenth century, Japan emerged victorious from the Sino-Japanese war. In 1895, China ceded sovereignty over Taiwan, in perpetuity, to Japan, via the Shimonoseki Treaty (1895). Japanese Imperial troops moved to the island, immediately crushing the embryo of a nationalist uprising and ruled the country until 1945. By the
mid-1930s, Japan was on the brink of a total war with China, and Taiwan had been transformed from a supplement to Japan’s capitalist development into a factory of military supplies. With the upgrade of Taiwan’s strategic value, measures were taken to strengthen the mobilisation capacity of the colonial government (Chu and Lin, 2001). During this period, Taiwanese leaders were fully incorporated into a new system in which they could participate but not dominate through several local elections held between 1935 and 1945. Many of the anti-government elite not only joined the election and got elected, but also participated in other collaborative organisations in the years to follow (Chen and Lin, 1998). In the political domain, most power was controlled by the Japanese bureaucrats and armed forces; a limited amount was also shared by local political elites and none was held by ordinary citizens. In order to maintain the authority of the Japanese Empire, the Taiwanese had been marginalised in political terms. Indeed, the colonisers designed their policies along two dimensions: whether to use force or not, and whether to assimilate or not which resulted in a confused identity on the part of the Taiwanese elites. Were they a secondary Japanese group who enjoyed some political power, or a non-Japanese group, which was disenfranchised (Chu and Lin, 2001)? The final outcome was determined by the strategic interaction between the two sides and the constraints each faced (Chou, 1996). However, during the late colonial period, “the regime in Taiwan had been completely transformed, from one based on repressive mechanisms into one relying on information superiority” (Chu and Lin, 2001: 111). After World War II, the Nationalist (Kuomintang, KMT) government took over Taiwan and inherited the Japanese colonial infrastructure, which significantly aided the installing of the KMT regime.

The Kuomintang (KMT) Authoritarian Regime, 1946-2000

At the end of World War II in 1945, the Japanese left Taiwan. However, the vicious civil
war in Mainland China was reaching a climax and the Communists, led by Mao Tse Tung ousted the Nationalists, led by Chiang Kai Shek, who took his defeated army into Taiwan and attempted to set up a government in exile. This ‘Kuomintang’ government was set up against the will of the indigenous Taiwanese people. Internally, on 28 February 1947, a single event of police brutality sparked an island-wide popular uprising (Lia et al, 1991). In order to establish his authority on the Taiwanese, Chiang Kai-Shek’s army slaughtered between 18,000 and 28,000 Taiwanese. This day is now remembered in Taiwan as the ‘February 28th incident’. Following the incident, the Nationalists (KMT) imposed a harsh military crackdown. Thousands of native Taiwanese, including numerous well-educated and well-respected social elites, were persecuted and purged. After this incident, the Nationalists made some attempts to placate the local people. “They upgraded Taiwan from a special military zone to a province and called for immediate local elections. But these measures were too late and too little” (Chu and Lin, 2001: 113).

Single party, authoritarian rule on the part of the KMT, was constructed on a quadripartite foundation - an elaborate and centralised party apparatus, a system of extra-constitutional legal arrangements and emergency decrees, a controlled electoral pluralism implemented at the local level, and structural symbiosis between the party and the state in the post-1949 period (Chu and Lin, 2001). Meanwhile, the monopolistic government, which was directed by the KMT, had also enforced martial law in order to maintain social order, security, and promote stability. Martial law was not subsequently lifted until 1987. The imposition of martial law greatly expanded the scope of power of the Taiwan garrison command and suspended the protection of civil rights guaranteed in the 1947 Constitution (Fu, 1987). Furthermore, many important provisions of the constitution were replaced or superseded by ‘Temporary Provisions’ and a series of
special legislative measures were introduced under the rubric of ‘Measures during the Period of Mobilisation and Combating Rebellion’. Together, they threw the country into a permanent state of emergency (Lin, 2003).

In Taiwan, this ‘Temporary Provisions’ act was applied even though no Chinese Communist rebellion had occurred. Basically, these ‘temporary provisions’ should have expired in May 1950. However, extensions were continuously made with the excuse that the ‘rebellion’ had not been completely suppressed. The KMT government had in effect put Taiwan, which was under the protection of the USA, in a State of Emergency during the ‘period of the Communist rebellion’ and ruled during this whole period through these ‘Temporary Provisions’. The ‘Temporary Provisions’ were further reinforced by martial law and some 160 other laws and regulations under the heading of ‘Measures during the Period of the Communist Rebellion’. In other words, the KMT regime used the Chinese communist rebellion as an excuse to justify its oppressive rule on Taiwan, trying to bring about stability and strengthen its ruling system (Chu and Lin, 2001: 166-174). During this special period, despite the KMT government implementing tight political control from 1950 to 1954, the government introduced popular elections, such as those for the Provincial Assembly, in order to incorporate a diversified local elite into the process of party building and provide the authoritarian system with a modicum of democratic legitimation.

Following this, a monopoly of economic and political privilege permitted the KMT regime to construct alliances with local factions (without considering their backgrounds) by sharing political power and material benefits with them in exchange for their KMT allegiance for decades (Brown et al, 1998; Hood, 1996; Kau, 1996; Kuo, 2000; Wang, 1994; Wu, 2001; Wu, 2003). Factions arose to mediate between the
mainlander state and local society, earning power and prestige by their ability to help individuals unable to appeal directly to the KMT controlled government and courts (Bosco, 1992). These approaches were generally successful: "the system of sharing economic and political interests between the KMT and local factions provided the foundation of the land’s political stability and the legitimacy of the regime" (Hung, 1989: 26-27). However, such kinds of patron-client link provided a space to form criminal links in big-money politics, involving ‘dirty money’, and such phenomena became widely evident with implications as we shall see for the governance of professional sport (Bosco, 1992; Cai, 1998; Hood, 1996; Kuo, 2000; Liu, 2001a).

Indeed, looking at the dark side of Taiwan’s history and culture, organised crime was an accepted agent of power as far back as when the KMT ruled China, which not only tolerated but often courted crime syndicates and whose ties with such organised crime continued in Taiwan (Brown et al, 1998; Reaves, 2002). This specific political phenomenon has imperiled Taiwan’s political and economic system, resulting in the creation of a corrupting political environment, a reduction of people’s confidence in judicial independence, and undermining the area for fair and competitive economic activity (Liu, 2001a).

In the early 1980s, the detente between both sides of the Taiwan Straits began to mitigate the siege mentality among the citizens and weakened the rationale for retaining martial law. The KMT government was aware of the need to reflect the context by enhancing its own democratic legitimacy in Taiwan through a gradual opening up of the electoral process. Limited open elections to national representative bodies were first instituted in 1972, and were expanded in 1980, and again in 1989 (Chu, 1992). The lifting of martial law, for example, the granting of freedom of association, and the formation of party competition, created opportunities for ordinary citizens to
participate in new modes of social organisation. With the upgrading of education among the population and increasing channels of communication, “the citizenry in Taiwan by degrees formalised its self-consciousness and a large number of social movements began to emerge in mid-1981” (Hung, 1997 quoted in Liu, 2003: 51). This helps to explain why the social movements of the early 1980s loosened the firm grip of the authoritarian state on civil society and provided a fertile soil in various social sectors in which the political opposition could take root (Chu, 1994). Over the period, the vice President Lee Teng-Hui, of Taiwanese origin, succeeded to two significant positions (the Chairmanship of the KMT and the Presidency of Taiwan) from President Chiang Ching-Kuo (son of Chiang Kai-Shek) who died on January 13 1988. Subsequently, after surviving a competitive internal political power struggle within the KMT, in May 1991, President Lee regained the Taiwanese Presidency and fully controlled the operation of the KMT. Though centralising the major sources of political power, President Lee did not intend to go back to the authoritarian period, rather he started to undertake constitutional reform, announced the termination of the ‘Measures during the Period of the Communist Rebellion’, completed the two-stage constitutional amendment process reconstructing the National Assembly and actively promoted party politics (Liu, 2003). Interestingly, in 1988, the main opposition party the Democratic Progressive Party (DPP) was set up and achieved important political victories in Taiwan, such as the city and county magistrate elections in 1993 (41% popular vote for the DPP, KMT gaining less than 50% the first time); in 1994, DPP’s Chen Shui-Bian (Taiwan’s President since 2000) won the Taipei City Mayoral elections with 43.6% of the vote while the KMT only received 25.8% (behind the Independent Party 30.6%) (Democratic Progressive Party, 2004). In short, Taiwan has been through a series of significant political transformations, since the late 1980s and moved toward a democratic society in 1996 when the general public could directly vote for the President
for the first time in Taiwanese history (Government Information Office, 2000).

On the international front, in 1951, the Korean War began. Taiwan thus became strategically important in the Far East and America was very keen to secure an agreement with the Nationalist Government (KMT) in Taiwan, which would allow an American presence on the island. The American government provided significant support for Taiwan and in 1954 signed the ‘Mutual Defence Treaty’ with Taiwan, which played a crucial role in providing political and economic stability for the island state. In addition to military security, an implicit purpose of the treaty was for the US to use its might and wealth to support the vanquished KMT and to build the island into a showcase of ‘how it should be done’ for an ‘authentic’ Chinese nation-state, thus aiming a double blow at Communism (Hsu and Hsu, 1999; Peng, 2000). For an extended period following the outbreak of the Korean War in 1950, Taiwan’s precarious sovereign status was sustained essentially by American hegemony. During the period, both Beijing and Taipei sought an exclusive representation of the whole of China in the international community. It was the United States-initiated international recognition that prolonged KMT’s fictional all-China sovereignty claim until the end of 1979 (Chu and Lin, 2001: 117).

In 1972, the American President Richard Nixon visited Mainland China and negotiated closer trade and economic relations with the Chairman of the Chinese Communists, Deng Shu Ping. This ‘move’ caused relations between the USA and Taiwan to suffer significantly. At the same time, Japan also severed diplomatic relations with Taiwan. The changes in direction from two major nations did nothing to aid Taiwan’s internal problems or to ease Taiwan’s integration into the international political arenas. After the severing of diplomatic relations with Japan in 1972, another major difficulty
occurred in 1977 when the USA also severed diplomatic relations with Taiwan. This was a major setback for Taiwanese development in many areas both nationally and internationally, and had a significant impact on sports.

In April 1993, the Straits Exchange Foundation (SEF), which was the only private organisation, empowered by the Taiwanese government to deal with 'diplomatic' relations with China, and its mainland counterpart, the Association for Relations Across the Taiwan Straits (ARATS) met in Singapore for the first cross-strait talks between the two sides in over four decades" (Government Information Office, 2000: 50). These talks sought to regulate the treatment of cross-strait affairs between the 'Two Chinas'. Both sides unfortunately failed to achieve agreement and since then, the relations between Taiwan and China have not improved. In March 1996, when Taiwan held its first direct presidential election, the China government was aware of the 'negative impact' of this election such as the fact that a formal declaration of Taiwanese independence would be likely to follow (Chuang, 2001). China test-fired guided missiles off the coast of Taiwan and attempted to influence the result of the election. The DPP candidate was seen as promoting an anti-Mainland China, independent Taiwan campaign. Since then, Taiwanese government leaders have made public appeals to the mainland authorities to resume communications and consultations. In October 1998, after more than a three-year hiatus, the SEF Chairman Koo Chen-Fu met with ARATS Chairman Wang Daohan in Shanghai. Although the two organisations agreed to expand exchanges at various levels, no significant breakthroughs were achieved (Government Information Office, 2000). There is little progress while the two sides continue to present competing definitions of the 'One China' and the Chinese authorities refuse to renounce the use of force against Taiwan. In general, differences in political systems and ways of life across the Taiwan Strait are recognised as the key
obstacles in unification. Popular will has repeatedly indicated that the common aspirations of the people on both sides of the Taiwan Strait can only be realised by ending cross-strait enmity and promoting mutual benefit (Government Information Office, 2000: 52).

While the two sides have been trying to reduce or solve the political dispute across the strait via different kinds of exchanges, simultaneously, the USA has sought to maintain a policy of neutrality in terms of her national interest and has tried to keep a balance among the communities of the Pacific Rim. The political hostility between the two states has not reduced, since, on the one hand, the Democratic Progress Party (DPP), which insists on promoting a policy of radical independence for Taiwan, gained control of the Parliament at the end of 2001 after winning the 2000 Presidential election, and on the other hand, China continues to constrict the political, diplomatic, and economic opportunities for Taiwan’s development reinforcing international tensions. In an analysis of Taiwan’s foreign policy, Kim (1994: 175) has pointed out that Taiwan has confounded “narrow and static connections of national identity and legitimation” by pursuing other relationships available to non-state actors. The former president of Taiwan, Lee Teng-Hui has characterised these practices as ‘flexible diplomacy’ to be accepted by other international actors and allow Taiwan to exploit its economic and political assets while avoiding direct confrontation with China on the sovereignty issue (Sundeen, 2001). Sundeen goes on to claim that,

The establishment of productive relationships under flexible diplomacy has lessened the impact of non-recognition, making symbolic concessions to the PRC such as changing Taiwan’s Olympic designation from ‘Taiwan’ to ‘Chinese Taipei’ easier to bear (Sundeen, 2001: 261).

Sport thus plays an important role in this historical stand-off for the Chinese
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The Democratic Period, 2000-present

As noted above, in 1996, the KMT chairman, Lee Teng-Hui won the first presidential election, nonetheless, the DPP representative Chen Shui-Bian gained power in the second such election in 2000 (though the KMT was still the majority in the Parliament) and this result effectively ended the era of one party [KMT] government. Though the DPP gained victory in the election with 39.3% of the vote, the percentage of the vote was not enough to dominate ‘main’ policy in Taiwan and the outcome might be said to have limited the policy mandate of the winner (Liu, 2003). After twenty months, the DPP defeated the other parties including KMT at the 2001 general election, gaining the biggest parliamentary majority of seats, which squeezed the position of Kuomintang (KMT) to a mere 68 seats from their previously held 123, a new situation in Taiwan’s history and the end of the election was also the start of cross-party cooperation (Lin, 2001). The Chairman of the KMT reflected on the failure and claimed that the party would do its best to negotiate with parties in the Legislature to come out with a consensus for national development and national stabilisation (Yang, 2001). Party politics was thus further shaped in a positive manner. These political changes imply that the liberal rights of citizens have been largely achieved and political transformation such as free elections, and the establishment of various political parties, provide visible indicators to illustrate that Taiwan has become more democratic in politics. In other words, Taiwanese society is moving away from a state-centric and state-dominant mode of state-society interaction. With the installation of democratic institutions, it is argued society is now able to arrange political contests to gain control over public power and state apparatus (Chu and Lin, 2001: 129).
In 2004, President Chen Shui-Bian was re-elected with a marginal victory by 50.12% against 49.88% vote when a controversial event (a gun shot was fired at the DPP candidate in southern Taiwan) occurred just before the Election Day. Unaffected by this event, after agreeing to appeals by the KMT-PFP alliance for a judicial recount and the conducting of an independent investigation of the shooting event, President Chen officially took up office on 20 May 2004. Though the DPP had had to fight hard to win, the party with 50.12 percent of over 13 million votes, (compared to 39.3 percent in 2000), was widely seen as symbolising the formation of a majority consensus in favour of a ‘Taiwanese national identity’. Thus the roots of legitimacy of the government of Taiwan, even though its name remains the ‘Republic of China’ [ROC] have shifted from the ‘virtual great China identity’ of the KMT authoritarian era to the identity of Taiwan as a sovereign state (Taiwan News, 2004). As the Chinese government sees a growing sense of Taiwanese identity, it uses traditional tools of threat such as sending a tough message to Taiwan’s business community (which has massive investments in China) that cross-strait relations could be harmed (Sneider, 2004), and accelerating a military build-up, with, for example, the deployment of hundreds of tactical missiles opposite Taiwan. Thus, such an escalation of the Taiwan issue to possible crisis levels will test the new global partnership between the United States and China. In this sense, Taiwan plays a significant role in setting a new agenda for regional peace and security and the confluence of numerous other changes in the regional and global political arena.

4.3 The Economic Development of Taiwan

In the 20th century, Taiwan has achieved momentous economic development and came one of the most remarkable economic performers from the early 1960s to the 1990s. At the beginning of the KMT regime, being a ‘government in exile’ the KMT had no other
way to survive but to swiftly obtain political stability and reconstruct the economy in Taiwan. Upon its retreat from the Mainland to Taiwan, the KMT as heir to the colonial state structure, reinvented itself, shook off its predatory nature, and provided political space for technocrats to implement a series of industrialisation strategies (Cheng, 2001). That could explain why the regime rushed to rebuild economy as a top priority while building up an authoritarian political system of one-party dictatorship. This was termed ‘dictatorial development’. “Not only was the rebuilding and redevelopment very successful, but an undeniably ‘miraculous’ economic growth was also achieved” (Peng, 2000: 216-217). Seen over the long term this small island economy has for most of its history been subject to external political control, whether by the mainland as part of a unified Chinese polity or, in very different modes, by Japan and the United States (Howe, 2001). As a result, historically, when one looks at the economic development in Taiwan, it is strongly related to political development.

When Taiwan was taken over by the KMT regime, there was misgovernment and economic chaos, mainly incurred as a result of the civil war between the KMT and the Communists. This situation rapidly worsened and it was not long before a critical situation was arrived at. “Among the many problems, galloping inflation was the most serious and between 1945 and 1950, prices had risen by as much as ten thousand times. In 1949 the inflation rate was above 3400%” (Howe, 2001: 219). The daily growth of inflation undermined all economic activities and mercilessly reduced the quality citizens’ lives to a critical condition. During this period, domestic policy priorities included Taiwanese land reform, currency stabilisation and a shift towards market institutions. The first two presented no fundamental problems to the KMT, whose administration was ready to correct the errors of the inflationary and currency debacle of 1945-1948 (Cheng, 2001; Howe, 2001). With land reform and a series of economic
development plans undertaken during the 1950s and 1960s, the government had drastically reduced the inflation of wartime years and rapidly increased the island’s productivity (Government Information Office, 1999).

In 1949, a new currency was issued, the Taiwan New Dollar, with one New Dollar being worth 40,000 old Dollars. This completely severed Taiwan’s monetary relations with Mainland China and, with some bitter sacrifices by the people of Taiwan, the vicious inflation was curbed and, starting from 1951, under the US aid programmes; the first ‘four year economic plan’ was launched. Thus, agricultural production during the 1950s recovered to the highest levels that had been achieved under Japanese rule, and the development of light manufacturing industries got under way and prospered. In terms of the market institutions, given the size of the Taiwan trade deficit and of shortfalls of food, crucial commodities and raw materials, all of which had to be purchased with US military or development aid, the American role in determining the shape of the trade sector and hence internal resource allocation was evident. In fact, American aid, geopolitical ties with the West, and the sub-ethnic divide between Taiwanese and Mainlanders had important implications for the development of the indigenous private sector (Cheng, 2001).

Taiwan’s economy more or less recovered from wartime destruction in 1955, but it began to soar only after turning outwards in 1960 to exploit export markets for light industry goods (Haggard, 1990). In the Japanese occupation era, personal relations were the most important assets for the Taiwanese in acquiring economic resources. As a result, family enterprises became dominant in formal economic activities (Chen, 2001). Family enterprise not only prevailed in the Japanese occupation period but also in the KMT authoritarian regime period. Despite the fact that the agricultural sector was the
focus of economic development in the 1950s, agricultural production was gradually replaced by the industrial and manufacturing sectors (Tsai, 2004). With the fruit of high growth in the 1960s, Taiwan was ready to switch over from a mainly export-intensive light industry to develop its heavy industries in the mid to late 1970s and the early 1980s. Additionally, it is at this time that Taiwan’s significant economic achievements via export-oriented, small or medium-sized enterprises changed its status to a newly industrialised country. During this period, related policies were followed by ‘industrial intensification’ in the 1970s and ‘industrial upgrading’ and diversification from the 1980s. The KMT government pursued a series of plans to upgrade Taiwan’s industrial environment, which included the creation of one of the most successful high technology parks in Asia, in Hsinchu, in 1979 (Liu, 2003). Most companies in high-technology industries were started up by entrepreneurs with engineering backgrounds and this industry is almost entirely devoid of family enterprises (Chen, 2001). Actually, since then, Taiwan’s labour-intensive industries have gradually been replaced by capital and technology-intensive industries. By 1986, departments of industry and manufacturing achieved respective peaks with shares of 47.11% and 39.35%, nevertheless, the relative importance of industry and manufacturing declined with industry falling to 30.4% in 2003 and the industrial sector gradually shifted into the service sector (Ministry of Economic Affairs, 2004). In addition, technology-intensive industries such as computers and semi-conductors have become the leading industries. While industry’s share of economic output has declined, the strategic industries policy, implemented in the 1980s, has gradually promoted industrial upgrading and structural adjustments. And the high-tech industry policy, which since 1990 not only continued to push for the upgrading of traditional industries, but also actively pushed for the development of mainly new emerging industries, translated into an expansion of the high-tech industry’s production value (Tsai, 2004). During this
period, the policy of opening its market by reducing import tariffs and encouraging the import of foreign products led to a dramatic plunge in the trade surplus. By 1998, for instance, Taiwan's hardware information technology industries yielded a total production value of US$ 33.8 billion and led to Taiwan becoming the world's third-largest computer hardware supplier since 1995, behind only the US and Japan (DGBAS, 2001). The information technology industry is now Taiwan's most important foreign exchange earner (Government Information Office, 2002a) and Taiwan is the fourth-largest manufacturer of semiconductors, of IT hardware, and the second largest manufacturer of LCD screens in the world (Ministry of Economic Affairs, 2004).

Indeed, the domestic high-tech industry's share of overall production in manufacturing industry continued to rise and was already close to 55% for the period of 2002-4, showing that Taiwan had already successfully become a high-tech industry-based economic system (Tsai, 2004).

At the beginning of the twenty first century, Taiwan was deepening its economic relationship with China, which had opened up in 1979, to allow cross-strait business activities to grow considerably. According to the Ministry of Economic Affairs, investment of 33.2 billion US Dollars by Taiwanese businessman in China, accounts for almost half of (Taiwan's) overseas investment and the invested amount is estimated to exceed US$ 60 billion from which Taiwan made a trade surplus of US$ 21.5 billion with China in 2003. Meanwhile, exports to China account for almost 25% of Taiwan's total exports, and more than one third if exports to Hong Kong are included (Ministry of Economic Affairs, 2004). This illustrates that cross-strait trade had become a significant part of Taiwan's economic development since China is not only Taiwan's largest export destination but also the largest source of its trade surplus (Lin, 2004). In general, these indices reflect that the mutual dependency in cross-strait trade continues
to grow and effects on the development of Taiwan’s economy, such as the transformation of trade structure, are evident. The change of the structural context of Taiwan resulting from these economic changes, will inevitably affect the political, social, and cultural cross-strait interaction between Taiwan and China and sporting issues are also likely to be affected.

Taiwan’s economic development has seen a shift from its initial family enterprises, though light industry and, heavy industry, to the current emphasis on computer technology or biochemical technology. There has been an influx of capital and entrepreneurial skills, which together with government policies and local labour resources have provided the labour conditions essential to rapid development. This, together with the availability of a work culture has fostered the exploitation of market opportunities. However, as noted above, due to China’s rapidly developing economy and Taiwan’s, more or less, external political and economic problems since the late 1990s, the island’s trade surplus had dropped behind China and Japan. Meanwhile, the recent world economic recession since 2000 is a warning signal that Taiwan’s economy is likely to experience a tough time in the foreseeable future. Partly because of economic factors and partly because of the political turmoil in Taiwan, the environment has brought about obstacles for the management of business enterprises and this has even had a negative impact on professional sports clubs, for example, helping to bring about the collapse of the Chinese Basketball Association (CBA, Taiwan’s first professional basketball league) in 2000.

4.4 The Social Development of Taiwan

Social changes can be revealed in various dimensions of society, such as social stratification, population structure, religious beliefs, social movements, value systems,
and life-styles and so on (Chen, 2001). Taiwan's special historical, cultural, economic, and political conditions have generated a special pattern of transformation in social change. It is a very special case that can contribute to an understanding of how greatly transformation of economic and political structures can affect social changes. This section will focus on some main current societal situations such as demographic patterns and education in Taiwanese society, which reflect radical change when compared with the situation several decades ago.

**Demography of Taiwan**

Taiwan's population of 22.61 million at December 2003 was over 19.5 million more than the 1905 population of 3.12 million (when the earliest census of population was taken) and around 15.2 million greater than in 1949 when the KMT government relocated in Taiwan (Ministry of the Interior, 2004b). By 1946, the 1905 figure had nearly doubled to 6.02 million. During the 1950s, Taiwan experienced consistently high rates of growth, with an average annual increase of 3.5% from the beginning of 1950 to the end of 1959. Thus, in 1964, the government attempted to encourage family planning and ease the pressure on population growth. The aim of the government was achieved when it saw the natural population growth rate fall from 3.158% in 1961 to 1.021% in 1992. Actually, in 1992, the government implemented a new population policy to promote the concept of 'two are just right' to reduce the number of single-child families as well as to encourage a moderate increase in the birth rate to counter an aging society and labour shortage (Government Information Office, 2004). During the period of the early 1990s, there was relative stability with growth at 0.95% to 1.00%; subsequently, it declined to 0.43% in 2003 due to a decreased birthrate, which had dropped from 1.55% to 1.01% during the last decade. According to the statistics, it is evident that Taiwan's population structure has seen a great change over the last decades. The shift of
population structure could possibly be attributed to factors such as increased opportunities for higher education and employment for females, delayed childbearing (Yue and Lan, 2003), delayed marriage, and comparatively fewer potential mothers between the ages of 20 and 34 which have reduced the birth rate (Government Information Office, 2004). Indeed, before modern industrialisation and the large population shift to the cities, people in Taiwan lived in large extended families and women bore many children. That trend has now been replaced, gearing more toward nuclear families, especially in large cities, such as Taipei City. Many newlyweds plan to have one or two children for economic and lifestyle reasons. This decreasing birthrate is reflected in the government’s latest family planning policy: in the past, it aimed at curtailing population growth; today it encourages a moderate growth (Government Information Office, 2002a).

Apart from the above change, in effect, the population of Taiwan has spontaneously undergone other structural shifts. For example, as of December 2003, the proportion of elderly people (65 years and over) in the population grew steeply from 2.6% in 1966 to 9.3% in 2003 while the proportion of those under the age of 14 fell by 16.83% from 36.63% in 1980 to 19.83% in 2003 (Department of Statistics, 2004). The transformation implies two new phenomena: strongly increasing budget allocations for government to improve social welfare services such as pensions and health care, in particular for the aging population; promoting the population replacement rate by encouraging normal families to produce a higher birth rate. In addition, the population is roughly divided into three groups. Taiwanese (Han Chinese) origin 84% Han (Chinese) people from China’s coastal provinces of Fujian and Guangdong began immigrating to Taiwan in large numbers to build a new homeland away from war and famine in the 16th century. Mainland Chinese origin 14% when the KMT government
retreated it brought a new influx of Han immigrants to Taiwan in 1949. Aborigines, 2%, the early settlers, from southern China or Austronesia during the period 12,000 to 15,000 years ago. The backgrounds of various ethnic groups, more or less reflect their national identities and attitudes toward Taiwan and China (Brown, 2004). The majority of old Han Chinese enhanced Taiwanese identity in particular when the DPP gained power in 2000, while the new Han Chinese (Mainlanders) are still struggling to fully accept the DPP’s political concept: an independent Taiwan. As for the aboriginal people, though they recognise themselves as the ‘real Taiwanese’, the group is largely ignored due to its weak political and socio-economic status.

The population had risen from 7.86m in 1951 to 22.5m by 2003 and the population density increased considerably from 219 p/km² to 622 p/km², making it the second highest in the world after Bangladesh (Department of Statistics, 2004). The three most populated areas were Taipei City, which covered 9720 p/km²; Kaohsiung City covered 9827 p/km²; and Taichung City had 6099 p/km². The government inevitably has to cope with problems such as traffic, noise and so on in heavily populated urban areas as well the disproportionate distribution of the population and increasing gap in development between the rural and metropolitan areas. Meanwhile, the government also maintains a strict policy on foreign citizens wanting to reside in Taiwan due to this high population density (Government Information Office, 2004). Recently, a dramatic increase in the number of people such as the farmers, fishers, and disabled groups from lower social classes have married foreign (Chinese) women mainly from Southern Asian countries and Mainland China, is evident. According to the Registry Department of Taiwan, during the 2001-03 period, the number of persons getting married in Taiwan averaged 170,000 per year, the average number of Southern Asian brides was 16,200 per year, experiencing stable growth (9.48% to 8.85%), while Chinese women constituted
28,300 of the 170,000 with a continual growth rate from 15.76% to 18.12% over the three years (Department of Population, 2004). The new pattern of marriage has resulted from potential social problems, which include cultural shock, language dyslexia, daily life adjustment, childcare, and education problem (Hsueh and Lin, 2003). Additionally, Taiwanese families having married ‘foreign’ (Chinese) wives/mothers have had a higher birth rate than those with Taiwanese wives/mothers. For example, statistics indicated that 5.12% of Taiwan’s new generation was given birth by the group of termed ‘foreign’ (Chinese) wives/mothers in 1998 and the rate further grew to 12.46% in 2002. Among these indices, significantly, more than one-third of Taiwanese total fertility was achieved by the Chinese wives/mothers (Ministry of the Interior, 2004b). Owing to sharing the similar Chinese culture and languages, such families are unlikely to experience cultural obstruction in daily life, rather, they suffer from the confusion of establishing Chinese identity and Taiwanese identity especially when they are educating the new generation.

**Education in Taiwan**

Education has been greatly emphasised since the anti-Communist (Nationalists, KMT) force came to Taiwan in 1949 and a large allocation of the national budget had been made for educational purposes (Government Information Office, 2002a). For example, the government expanded the educational budget from 9.93% of the total state fiscal expenditures in 1951 to 19.76% in 2002, that is from 1.73% (NT$ 213 million) of the GNP in 1951 to 6.40% (NT$ 608.6 billion) of the GNP in 2002 and experienced a stable average rate of 6.5% of GNP since 1991 (Ministry of Education, 2004a). With government financial support, the education system has developed effectively and thus the rate of national illiteracy is very low (3.03% of population over 15 years old in 2003 while 14.96% in 1976). Educational opportunities are selective and widely accessible
which contributes to a highly educated society with 29.46 percent of the total population having university (college) or higher degree in 2003 (Ministry of the Interior, 2004a). Since the state is able to create a highly educated, well trained, efficient, and disciplined labour force devoted to production via a successful education system (Aldcroft, 2000), the educational system has helped to develop the country in many respects and this phenomenon has clearly been a key factor in the period at economic development, which Taiwan has enjoyed.

As mentioned earlier, Taiwan has encountered significant changes in political, economic, and social dimensions, which inevitably have had a profound impact on the development of education and vice versa. Tracing back to the Nationalist (KMT) regime in Mainland China in 1929, the government established guidelines for education policy, which aimed to fulfill and reinforce three ideal concepts in the ‘Three Principles of the People’, namely, nationalism, democracy, and social well-being, promoted by the Dr. Sun Yet-Sen (founder of ROC, KMT). In the Constitution of the Republic of China (ROC) promulgated in 1947, Chapter 13 (Article 158 to Article 169) illustrated fundamental national policies related to education and culture which identified two major concerns,

All citizens shall be entitled to equal opportunities for receiving education, hence there shall be financial assistance offered for the poor to ensure their rights of education; for public and private institutions engaging in cultural and educational businesses which are established in conformity with relevant laws and regulations, their legal rights shall be properly secured (Ministry of Education, 2004a)

Significantly, among these Articles of the Chapter 13, Article 164 of the ROC Constitution stipulates that expenditures on educational programmes, scientific studies, and cultural services shall not be less than 15% to 35% of the yearly budgets of the
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Governments at all levels (Government Information Office, 2004). The emphasis put upon education was evident and even if the KMT government relocated to Taiwan in 1949, education policies were implemented and promoted mainly based on the principles set forth by the [1947] Constitution. In 1968, in order to reduce the pressure of attending secondary education (intensive assessments for qualifying), the state launched a nine-year compulsory education policy (extended from the initial six-year compulsory period) and thus it increased, for example, the enrollment of junior high schools growing from 58.2% before 1968 to 78.6% in 1970 and 99.8% in the last decade (Ministry of Education, 2004a). For five decades, the education programmes were well developed due to the state’s secure funding. However, in 1997, the second session of the third National Assembly promulgated a provision of Article 10 of the Additional Articles of the Constitution of the Republic of China, which states that,

"Priority shall be given to funding for education, science and culture, and in particular funding for compulsory education, the restrictions in Article 164 of the Constitution notwithstanding" (Government Information Office, 2004).

Under this legal regulation, although this provision gave compulsory education higher priority funding within the education budget, it removed the restriction of a minimum 15% of the total national budget spending on education and raised concerns for the requirement to allocate such funding to education in Taiwan in the future (Liu, 2003). Responding to the potential allocation of education funding reductions, the government enacted the Law of Educational Budget Allocation and Management in 2000 according to the Basic Law of Education promulgated in 1999, for the purpose of maintaining the development (Ministry of Education, 2004a). It stipulates that from the beginning of 2002, the educational budget shall not be less than 21.5% of the average of the three years and relevant affairs of the governments at all levels should be subject to such
In short, the development of the education system in Taiwan could be seen as a mixed success. In order to further meet the needs of Taiwan’s citizens in this rapidly changing society and gain a more sound educational system for cultivating high-quality human resources, the government launched a five-year education reform programme which cost a total of NT$ 157 billion and consisted of 12 main mandates since 1998 (Ministry of Education, 2004a). Generally, the current phase of implementing the reform programme is regarded as a new stage for the transformation of Taiwan’s education system, which will inevitably affect social, political, and economic development in the future.

4.5 The Development of Sport and Baseball in Taiwan

By 1949, the KMT withdrew to Taiwan and then took control of the island. In fact the tension between both sides of the Taiwan Straits never reduced and led to the enforcement of martial law in Taiwan on May 20th 1949. For almost four decades, martial law was maintained, with strict curfews being imposed, dancing prohibited and most forms of leisure activity seen as subversive, and banned. There was a general repression of the people in Taiwan.

Any attempt to look at ‘policy’ under the rule of Chiang Kai-Shek reveals very little. During the first years of his government, there was virtually no effort to put in place a ‘policy’ for anything. The whole energy of his government was spent on preparing to defend his position against the Communists now ruling the Mainland and to plan his return. In other words, “returning to the Mainland and rebuilding the country” was the first priority of the KMT government” (Dai, 1998: 176). As a consequence, all policies
of political, economic, and social development were completely aligned to this ‘goal’. Education was seen as an important tool in achieving this aim and, as will be seen, physical education was to become a significant part of the educational programme and, in fact, became fundamental in achieving the goals. Because of the unstable political and economic situation, the development of sport in society in general was very difficult to implement. Indeed, during the 1940s and 1950s, there was no implementation plan for sport in general (Wu, 1981: 229-237). The development of sport was only focused on schools’ physical education and sports programmes; and the then sport governing body, Department of Physical Education (DPE), was set up under the Ministry of Education in 1973. “It was not until 1997 that the National Council on Physical Fitness and Sports was established, an organisation that was independent from the education system” (Tzeng et al, 1999: 10).

Following the ‘White Paper Sport Policy in Taiwan’ (NCPFS, 1999), the development of sports policies in Taiwan could be roughly broken down into four important periods of time. These are: the initial period of martial law (1949-1969), the later period of martial law (1970-1986), post martial law / the beginning of liberal democracy (1987-1996), and the period following the establishment of the National Council on Physical Fitness and Sports (1997-present). The next section will discuss these periods in more detail. Before addressing this, however, we begin by reviewing the development of sport in the period of Japanese colonial rule.

The Period of Japanese Occupation, 1895-1945

Historically, Taiwan had been colonised by Japan through the Treaty of Shimonoseki from 1895 to 1945. During the colonial period, the Japanese government enforced the adoption of Japanese customs, religion, language and even names (Chu and Lin, 2001).
Meanwhile, the Japanese regime also established a number of schools, which were designed to eliminate Chinese cultural influences on Taiwan, so that students were indoctrinated into the Japanese language, culture, and tradition through the education system. Along with education, sport and games were introduced to Taiwan by the Japanese government through the implementation of physical education programmes.

In 1898, the government published the ‘Taiwan Common School Regulation’ in which physical education became a compulsory element in the curriculum (Lin, 2003). The aims of physical education included “to rectify improper posture, to maintain a physically and mentally healthy body, and to cultivate good behaviour among students” (Tsai, 1997: 48). In 1912, the Regulation was slightly amended and further advocated the importance of the readiness ‘to obey the rules’ since the colonial government intended to socialise the Taiwanese, who still had a strong sense of identity, through physical education (Lin, 2003). By 1927, the ‘Taiwan Common School Regulation’ was removed by the Taiwan Governor’s Office when the Office inaugurated the implementation of the ‘First Revised Regulation of Physical Education’, which adopted the same programmes as the Japanese homeland. The new Regulation which proclaimed that “Physical Education could be used to develop the physical body and agility, to promote physical and mental health, and to foster the spirit of obeying rules, teamwork, and determination among students” (Tsai, 1997: 93). This seemed to share the majority of the principles expressed in the previous legislation. Nevertheless, the concern at physical education programmes was to promote concepts of national (Japanese) prestige and reinforcement of the national (Japanese) identity. In order to meet the government’s political needs, the ‘First Revised Regulation of Physical Education’ was further revised just before World War II broke out in 1937 and programmes intended to improve physical fitness and strengthen national defence were promoted. For example, in 1939, Japanese martial arts such as judo and kendo, which
emphasised physical and mental training, were introduced into the physical education programmes. Indeed, when “parents saw their children performing gymnastic exercises they were horrified. They were sure their offspring were being trained to serve as soldiers” (Toyotoshi in 1933, quoted in Slack et al, 2002: 344). Thus, to some extent, physical education could be seen as a means of militaristic training and would aid the state’s political action in many respects during that period.

During the Japanese colonial period, baseball was the most popular sport in Japan and was introduced to Taiwan as a part of play programmes by Japanese physical education teachers in 1898 (Liang, 1993). By 1906, the first baseball team in Taiwan was established by the Principal, Tanaka Keichi, of the Taiwan Governor’s Office Secondary School, which was a ‘Japanese only’ school without any Taiwanese students (Lin, 2003). In the same year, the new Taiwan Office Governor, Sakuma Samata, promoted baseball at all levels of schools and advocated Japanese students to participate in this sport. Though this action inspired the development of baseball through the Taiwanese educational system, baseball was only promoted in the Japanese schools. In general, baseball did not become popular until 1915 when the Northern Baseball Association, which had a profound effect on the development of baseball around the island, was set up (Lin, 1995). Subsequently, in 1917, friendly matches between Waseda University and Taiwan’s baseball clubs were held (though Waseda won seven out of eight matches) and further promoted the popularity of baseball among citizens (Liang, 1993).

In 1920 a government official, Shimomula Kouji, promoted the “formation of the Taiwan Sports Association and also set up sub-departments in nine main Districts in Taiwan to aid sport development. The aim of this Association was to improve the
physical health of citizens as well as their mental health” (Taiwan Annual Report, 1940: 211, quoted in Lin, 2003: 74-75). The formation of this Association not only promoted the role of sport among the Taiwanese, but also contributed to an increasing popularity of baseball and the introduction of the game into native Taiwanese society (Liang, 1993). Indeed, during the 1920s, “the baseball game had become less of a symbol of Japanese imperialism and Taiwanese adults and children started to participate” (Slack et al, 2002: 345). The special appeal and competitive spirit of Yakyu [baseball], along with the Taiwan people’s sport consciousness, became increasingly widespread and the sport of baseball experienced rapid development. Notably, ‘baseball exchanges’ between native islanders and Japanese newcomers became popular (Hsieh, 2001). In 1931, the achievement of the Chia-Yi School of Agriculture and Forestry in southern Taiwan, which won second place in the Pan-Japanese High School Yakyu [baseball] Tournament in Koshiyen, constituted a glorious moment in Taiwan baseball history. The success of the team, with a majority of Taiwan Aborigines and Han Taiwanese players (Gao, 1994), was seen as an indication that the Taiwanese were the sporting equals of their colonial oppressors (Slack et al, 2002) and motivated Taiwanese to participate at all levels in the sport. However, as the Pacific War broke out in 1937 and, with the subsequent outbreak of World War II in 1941, Taiwan was forced to become involved in the war due to its position as a colony of Japan. During the war period, numbers of Taiwanese (including students) were recruited to the battlefield, which led to an uncertain and unstable society in which all sports activities inevitably ceased (Liang, 1993).

The Initial Period of Martial Law, 1949-1969

As indicated earlier, the ‘domestic’ political atmosphere was very tense between Taiwan and China when the Nationalist (KMT) government completed its move to
Taiwan in 1949. In the international political arena, the Korean War from 1950 had left the Americans searching for a base in the Western Pacific to reinforce their strategy of 'east versus west'. The geographical position of Taiwan made it strategically important in the Far East and America was very keen to secure an agreement with the KMT government in Taiwan, which would allow an American presence on the island. In 1954, after the formal partition of Vietnam, the US signed the ‘Mutual Defence Treaty’ with Taiwan and this alliance not only produced a period of much needed stability for Taiwan, significantly, it also provided a good opportunity to develop a stable political and economic environment. During this period, the primary political objective of the KMT regime was related to the return to Mainland China on the one hand, and the control and monitoring of the islanders’ society (and of their thinking) on the other. As the authoritarian regime understood, the best way to foster and cultivate the loyalty of the young people to the KMT government was through education. The sports and physical education policy in schools in this period was much influenced by these political aims and ideologies (Lin, 2003). Thus, the Ministry of Education proclaimed from time to time through policy statements in (e.g. ‘Guidelines of Senior High School Student upon the Spirit and Military Physique and Defence Skill Training’ in 1952; ‘Scheme of Students’ Deportment Training Outlines for Every Level of School’ in 1955; ‘Scheme of ‘Physical Education Implementation Scheme in all Levels of School in 1964) that sport policy should be based on support for militarism and strengthening defensive capability (Hsu and Hsu, 1999). Nevertheless, due to the fact that the political intention of the government was to develop the national defense force and to alleviate poor economic conditions, the development of sport was virtually ignored and little was undertaken (Hsu, 1993; Wu, 1981). There are certain pre-requisites for the development of sport and sports policy in any country [such as a basically stable political and economic system]. However, during the 1950s, neither of these existed.
Indeed, only a few sports activities were staged in this period and very few policies for the development of sport were planned. Additionally, participation in international level sports was significantly inhibited by Mainland China, which used every opportunity to impede Taiwan’s entry into important sporting arenas (Liu, 2003). In short, relevant elements influencing the development of sport during this period conspired to severely constrain any significant progress.

In the 1960s, Taiwan developed its economy effectively under its now stable political system. However, the KMT government was unable to allocate additional resources to sports development (Chen et al, 1990: 117-122). In 1965, the policy for developing sport and physical education, “the ‘Taiwan Provincial Physical Education Implementation Scheme’, was proclaimed to provide guidelines for promoting the quality of physical education programmes and teachers in school” (Tsai, 1994: 6-7). In 1968, as the Hung-Yeh (meaning Red leaf in Chinese) primary school baseball team achieved tremendous result by beating (7:0) the ‘world champion’ Wakayama team from Japan, citizens were encouraged by the success, and public confidence in, and enthusiasm, towards both the nation and baseball were boosted. Aware of this phenomenon and subsequently making use of this ‘atmosphere’, the government initiated the first central sport programmes since its retreat to Taiwan, entitled ‘Developing Sport for All and Cultivating Sport Elites Programmes’, which had as its title main policy directions: ‘Sport for all’ and ‘Elite Sport’ (Ministry of Education, 1968). Sport policy in Taiwan has retained these goals from that period up to the present day (Liu, 2003).

When Japan ceded control of Taiwan to the KMT regime after World War II, the new government’s residual anti-Japanese animus was manifested in the guise of
‘de-Japanification’ measures in the realms of culture, education and daily life and thus playing baseball was not encouraged since it was recognised as a symbol of Japanese colonialism (Hsieh, 2001). Consequently, baseball in early postwar Taiwan was marginalised by the intrusion of politics since “the new government ignored the majority of its people’s wishes and feelings, and gave its conscious concern to the development of basketball instead, leaving the game of baseball to a ‘laissez-faire’ development” (Lin, 1995: 26). Besides the government’s attitude, the main difficulty of developing baseball was the cost of equipment (imported from abroad) which not many citizens could afford (Lin, 1995). Baseball was thus declining without the state’s support at this time, but the US military presence on the island seemed to sustain Taiwanese interest in baseball and the zeal shown for the game came to the KMT government’s attention (Liang, 1993).

Over the politically and economically more stable period of the late 1960s, the development of sport (policy) also underwent significant changes and the development of baseball also benefited. For example, in 1962, baseball was included in the physical education programmes at the primary school level for the first time (Fan, 1993) and became an item of the physical education curriculum in Junior High School in 1966 (Chen et al, 1990). The Taiwan Provincial Governor, Huang, also advocated that organisations from the public or private sectors should set up baseball teams in order to align with the ‘sports for all’ policy in 1967. In addition, the Chinese Daily News staged the ‘Chinese Cup’ every year and the quality and popularity of baseball in Taiwan was thus promoted through these regular baseball competitions and interest fostered through media coverage in newspapers from 1965 (Lin, 2003).
The Later Period of Martial Law, 1970-1986

In the period of the 1970s-1980s, Taiwan’s politics underwent significant changes. Following the death of President Chiang Kai-Shek in 1975, Chiang’s son, Chiang Ching-Kuo, was the premier of the Executive Yuan and became the President of Taiwan in 1978. At that time, domestic politics moved towards a more democratic system specifically in the late 1980s period when Martial Law was about to be lifted. Changes to the political, economic, and social contexts were believed to have profound effects on the development of sport (Liu, 2003). For instance, in 1970, the Ministry of Education conducted the 5th National Education Conference stating that “developing sport-for-all and a sound and healthy body for every citizen is of great importance…the Ministry planned to improve the implementation of physical education not only in schools, but also in society” (Ministry of Education, 1970). This announcement removed the militaristic emphasis from the development of mainstream sport and this new approach seemed to signal an opportunity for sport development in the future. With regard to developing sport policy strategies, one of the decisions of this congress provided a basis to build up

A sport administration system which included the establishment of the Department of Physical Education (DPE) within the Ministry of Education and the introduction of a structure through all levels of government from the central administration through provincial and municipal levels down to county level to oversee the implementation of new policy (Lin, 2003: 110-111).

Thus, in 1973, the Ministry of Education set up a separate section, the Department of Physical Education, which was involved in the management and administration of physical education programmes as well as overseeing sport development. Indeed, the establishment of the DPE provided a new stimulus for the development of sport in Taiwan and it was recognised that “sport until this stage had understandably simply not
been one of the central concerns of the KMT regime" (Liu, 2003: 95). Given that the
DPE was a child of central government, a number of policies and programmes were set
out such as the inauguration of a ‘Five Year Plan for Developing Physical Education
Programmes, 1973-1978’ which promoted physical education in school and society,
international sports affairs, and academic research (Department of Physical Education,
1974). In the initial five years, although the main task of the DPE was to promote
physical education and sport development, it seemed to pay more attention to
international sport matters such as achieving medals or applying for staging
international events. This reflected fact that Taiwan was suffering from a series of
international political setbacks such as expulsion from the UN in 1971, US President
Nixon’s visit to Mainland China in 1972 with the severance of diplomatic relations
between US and Taiwan in 1979 following the previous severing of diplomatic
relations with Japan in 1972. During that period, the term ‘Sports Diplomacy’ was an
important part of the substantial diplomatic strategy of the KMT government, which
felt that sport would be a more effective vehicle than more formal diplomatic means to
break through the resistance from the Mainland China (Lin, 2003).

In 1979, the DPE followed the guidelines of ‘Developing Sport for All and Cultivating
Sport Elites Programmes’ which was published in 1968, to promote a programme
called ‘The Active Implementation of Sport for All Scheme’, which attempted to
“achieve mental and physical balance through healthy exercise for the population and
develop elite sport to achieve medals on the international stage” (Liu, 2003: 98). The
implementation of this programme was subsequently expanded to put emphasis on two
more specific dimensions, which were ‘sport-for-all on a leisure dimension’ and ‘elite
sport’ (Department of Physical Education, 1984). Significantly, in contrast with the past,
the programme was fully supported by significant subsidies from the state, which all
levels of the government were mandated to contribute to, as well as listing the funding in their fiscal budgets (Ministry of Education, 1979). This was the first time that concept of sport as a leisure activity had been promoted as Taiwan had been effectively improving its economy since the late 1970s. In short, during this period, the development of sport evidently paralleled the shift of Taiwan’s political and economic structure. Politically, the state’s sport policies were transformed from militaristic considerations in order to deal with the political context in which the development of elite sports was promoted to enable Taiwan to combat its isolation, and maintain an international presence. On the other hand because of Taiwan’s rapid economic development, which had improved the local quality of life, the government promoted sport development as well as an initial emphasis on leisure issues.

As mentioned, in the 1970s, Taiwan (ROC) withdrew from the United Nations and diplomatic relations were severed with a number of countries including Japan (in 1972) and the United States of America (in 1979). Responding to these diplomatic setbacks, the KMT government launched a series of activities aimed at bolstering people’s confidence domestically and internationally, and sport became one focus of this ‘spiritual mobilisation’ at that time. In terms of sport, it was in baseball that Taiwan could most readily compete internationally, and Taiwan won the title of the World Little League Champions thirteen times from 1969 to 1982 (CTBA, 2004). As a consequence the government allocated considerable grants to develop baseball during this period (Lin, 1995). By the early 1980s, the development of baseball in Taiwan had seen significant changes such as improvements in operation, training, and coaching etc. through the huge grants provided by the government’s ‘sports diplomacy policy’ and, importantly, Taiwan’s baseball performance had subsequently achieved world class level.
Retrospectively, the little league whirlwind of the 1970s helped Taiwan’s people get through the crisis of confidence and transcend internal ethnic divisions. It provoked a massive surge of nationalism, and consequently the series of victories conferred upon baseball the effective status of ‘national game’ (Hsieh, 2001). In order to achieve success in the ‘World Championships’, the government provided numbers of training programmes, and ‘reward’ schemes. These included: ‘The Programme of School Admission Assistance for Elite Sport Students in Secondary Schools’ in 1975, the ‘Self-Respect and Self-Reliance Scheme’ in 1976, the ‘One School, One Sport Development Scheme’ in 1977, all of which helped to develop baseball (Lin, 1995; Lin, 2003). Additionally, since the baseball players in Youth and Senior levels could continue ‘to win’ for Taiwan in international competitions, incentives were given to students, for example, guaranteeing entry into higher education without assessment for those achieving ‘excellence’ in sport (Lee, 1986). Thus, the scheme of ‘Recommending Excellent Students in Physical Education for Admission to Senior High Schools’ was announced in 1973, and subsequently an amendment of the scheme in 1975 was implemented (Ministry of Education, 1975). This new scheme not only coped with the problem of how the ‘high performance’ athlete students (in baseball in particular) continued their study, but also served the political interests of the KMT regime (continuing world championship success). The term of ‘World Champion’ symbolised the phenomenon of Taiwan’s baseball development in the 1970s and reflected the political goals, which the KMT government sought to achieve.

This system, which sacrificed the individual student’s/sportsperson’s academic career to ensure time was available for training, came to be viewed negatively by the population. This led to a gradual disenchantment by the Taiwanese at the way the game was being developed and a gradual reduction of enthusiasm towards baseball. In
addition, the phenomenon of luring excellent players to enroll in the top teams resulted in a situation in which only a few ‘strong’ teams could win championships. This was reflected “in the reduction of teams from the early 1970s from five or six hundred teams in the youth baseball levels to thirty-nine by 1984” (Lin, 1995: 86). People were no longer actively responding to the idea that achievement in baseball represents national honour, which had been proposed by the government in the 1970s and the early 1980s (Lin, 2003). During the early 1980s, in order to deal with the return of Mainland China to the international arena, the KMT regime no longer focused on mobilising people’s recognition of the legitimacy of the government, but rather started to establish international contacts and diplomatic recognition with other countries. Internationally diplomatic recognition of the legitimacy of Taiwan’s autonomy [ROC] was the government priority in politics, and sport, specifically baseball, was utilised as a tool of maintaining and developing foreign relations at that time. As a consequence, the development of baseball was inevitably affected by the political changes, and the role of baseball shifted from its initial nationalistic element (engendering championship success) to giving priority to participation in more international competitions since Taiwan wished to achieve more international visibility.


During the late 1980s and the beginning of the 1990s, Taiwan’s economy boomed and martial law was removed. According to Lin,

The development of political changes during this period incorporated two main elements: one was that the polity was changed from ‘martial law’ system back to the ‘Constitution’; another was to show a reconciliation of government with oppositional parties (Lin, 1995: 92-93).

By 1990, the politically significant changes such as the appeal to move back to full
constitutional government, [The initial Taiwan [ROC] Constitution was suspended in 1948 due to the introduction of martial law], ‘forced’ the government to increase its education and sports budgets. This was because the opposition (DPP) party’s scrutiny of governmental budgets revealed that the budgets for sports and education were well below those stipulated in the Constitution (no less than 15% of GDP). The former Director of DPE, Chien also highlighted that “there was a transition of sports policy in a number of directions after 1987 when President Chiang removed martial law. This was clearly evident in the national four-year plan” (Chien, 1994: 5, quoted in Liu, 2003: 102-103).

Indeed, as the KMT government was aware, there was the potential that social conflict could occur after rapid economic growth, and provision of opportunities for participation in leisure and sports activities could diminish the dissatisfaction of subordinate classes. So, in 1987, the Executive Yuan drafted the ‘National Sport Four-Year Programme’. The main purpose of proposing this policy was not simply to achieve excellence in sport, but to provide the options for citizens to take part in sports activities. This, it was anticipated, would allow society to avoid the increasing occurrences of violent crime and thus to control (maintain) social order more effectively (Ministry of Education, 1989a: 32). The 1987 draft plan was not published until 1989, following Taiwan’s frustration at failure in the 1988 Seoul Olympic Games (no medals for Taiwan) and the Executive Yuan instructed the Ministry of Education (DPE) to provide a plan to promote sport particularly in terms of the Olympic Games. Thus, the DPE introduced a ‘new’ four-year plan, ‘National Sport Four-Year Programme’ (Department of Physical Education, 1990) which was the biggest programme in sport in central government after 1968 with a focus on six aims.
To establish a school-league match system at all levels of schools.

To set up county-league matches and to encourage formation of sport teams through all three sectors to participate in any sport competitions. Promoting the professionalisation of sport and advocating private enterprises to set up professional sport leagues, which would increase the popularity of sport, and thus achieve the goals of the ‘Sports for All’ policy.

To strengthen the training sessions for ‘targeted sport teams’ to achieve medals at Asian Games, World Cup, and Olympic Games.

To provide a full-time coaching career development system which would allow more excellent athletes and coaches to involve themselves in sport development.

To upgrade sport science and academic research.

To improve school and community-based sport facilities in order to persuade the youth to take part in sporting leisure activities.


The aims of this programme can be summarised as follows: to promote sport participation at all levels; to promote participation in international competitions; to upgrade sports (academic) research; and to improve sport facilities. Importantly, the implementation of this programme had some significant implications. It implied a tremendous increase in the sports budget on the one hand, and the introduction of a more democratic policy when it came to the allocation of those funds on the other. From the 1960s to the early 1980s, the government exercised full control over the sports budgets, which were mainly allocated to achieve political aims such as promoting national (ROC) identity in the 1960s-70s and sports diplomacy in the 1980s. However, due to Taiwan’s political, social and economic transformation in the late 1980s, the government could no longer enforce its ‘political promotion’ by controlling the
distribution of the sports budget since it had to accommodate and negotiate with subordinate groups “in order to achieve its desire of establishing a degree of hegemony” (Lin, 2003: 171). Additionally, the budget expenditure gave some indication of the importance that the government intended to ascribe to ‘Sport for All’, which was a transition from the previous emphasis on creating champions during the 1970s. In 1989, the Ministry of Education drafted the ‘Leisure Education Implementation Scheme’. This programme evidently recognised that leisure had played an important part in modern life and ‘leisure education’ was introduced into schools for the first time (Ministry of Education, 1989b: 5-6). Apart from the school system, the government spontaneously encouraged people to attend to sport or leisure activities by provision of free admission or easy access.

In 1994, the seventh ‘National Education Congress’ was conducted, and articulated seven important goals in relation to developing sport, which had guided the implementation of the main sport policies of the DPE until 1997. These were:

- To provide appropriate sport policies and strategies for developing sport.
- To establish the sports administration in order to implement the administrative work more efficiently.
- To utilise the social resources more effectively and to promote the implementation of ‘Sport for All’ policy.
- To provide more sport facilities and to manage them effectively.
- To train sports elites effectively in order to enhance sport performance.
- To be actively involved in international sports affairs and establish contacts in all possible areas and to provide policy for sport exchanges between both sides of the Taiwan Straits.
• To promote the development of physical education and the quality of teaching in school. (Ministry of Education, 1994).

This statement of goals was seen as the most significant, multidimensional, and all-encompassing policy statement to date. It recognised that up until this time (before the establishment of the NCPFS in 1997), there had been no cohesive policy for the development of sport in Taiwan.

During the 1980s, because of a series of achievements in international baseball competitions such as a bronze medal in the 1984 Los Angeles Olympic Games; runner-up in the 29th Baseball World Cup in Netherlands in 1986; champion of the 14th Asian Baseball Cup in Japan in 1987 (CTBA, 2004), though with failure in the 1988 Seoul Olympics, the level of Taiwan's baseball was widely acknowledged around the world, in particular following its success in gaining the silver medal in the 1992 Barcelona Olympics (Hsieh, 2001). During this period, the development of baseball served to promote the name of Taiwan on the international stage. By the late 1980s, it was no longer simply associated with national prestige, and a new emphasis was placed on the game's leisure meaning in order to encourage people to take part (Lin, 2003). In 1980, one of the reasons for introducing 'The Active Implementation of Sport for All Scheme' was to inaugurate the development of professional sports (Ministry of Education, 1980) with baseball as the first sport considered for professionalisation (Lin, 1995). In 1989, the government implemented the 'National Sport Four-Year Programme', which was utilised for the promotion of sport participation in general, through the provision of more sports facilities by the government. The programme also sought to encourage business enterprises to set up professional sports teams (Hsu et al, 1999: 148).
The government recognised that several benefits could be obtained from promoting the establishment of a professional sport industry. Firstly, citizens participating in professional sports perhaps provided a way for the government to promote positive leisure and thus counter, to some extent, social problems associated with violent crime, and social disorder, which were taking place at that time (Lin, 1995). Secondly, professional sports would not only provide a means to cultivate people’s passion for sport, but also would help to manage their leisure time effectively. The third benefit of promoting professional sports was to enhance performance standards in elite sports (Department of Physical Education, 1990) as well as sharing the benefits and responsibility through the cooperation between the government and private sector while promoting professional sport. For the private sector, the professionalisation of sport seemed to be able to provide numerous commercial niches for exploitation by businesses. Out of all of the sports in Taiwan, baseball was the most popular sponsors’ choice for private corporations to invest in, since baseball was regarded as Taiwan’s national sport and there had traditionally been a strong public following for the game (Lee and Henry, 2004). Thus, a professional baseball league, the Chinese Professional Baseball League (CPBL) was established in 1990 with a rival professional league the Taiwan Major League (TML) inaugurated in 1997.

However, in the professionalism-oriented period of baseball from 1990, baseball did not always develop as the stakeholders initially had expected. For example, the Chinese Taipei Baseball Association (CTBA, the amateur sporting governing body) was shocked by the rapid exodus of amateur players to the professional ranks, and their subsequent refusal to attend national squad sessions. Conflicts of interests between the three sectors (the government, CTBA, and the two professional baseball leagues) may have contributed the phenomenon of Taiwan’s worsening performance in international
competitions such as failure to qualify for the 1996 and 2000 Olympic Games during this period. In addition, the development of baseball was rocked in 1997 by revelations of bribery and gambling and the involvement of criminal elements seeking to manipulate games in professional baseball leagues which resulted in attendances dropping, along with a decline in public confidence (Lee and Henry, 2004).

**National Council on Physical Fitness and Sports, NCPFS, 1997-present**

By 1997, affairs related to sport development were incorporated within the civil service framework of Education and the ‘Sport Department’ [DPE] was seen as one part of the Ministry of Education. In terms of the implementation of sport policies, however, given educational priorities and the lack of financial resources, the development of sport was not proceeding effectively. In 1997, the National Council on Physical Fitness and Sports (NCPFS) was set up following a number of political struggles between key actors over a period of a decade (Liu, 2003) and the NCPFS became an independent official apparatus with the aim that sport could be developed in a more independent and effective way. It was a tremendous transition for sport in Taiwan; not only was the NCPFS inaugurated in this year but also its budget and the sport budget were upgraded to a new level, which represented a six fold increase when compared to the previous budget of the DPE (Liu, 2003). Indeed, the inauguration of the NCPFS significantly boosted the role of the sport at a central government level. As a consequence, the role of the DPE was redefined and it became responsible for promoting the development of ‘Physical Education’ which included physical fitness, PE curricula, and health care at all school levels, while the major responsibility of the NCPFS involved sport development in the wider society, promoting policies such those related to ‘Sport for All’ and the ‘Sport Excellence Campaign’. The Policy objectives of the NCPFS were twofold, promoting the citizens’ participation and enhancement of citizens’ physical
fitness on one hand, while strengthening athletic standards and participation in high-level competitive sports on the other. Thus, in the ‘Four-Wheel Drive Plan’ by NCPFS in 1997, four key strategies were identified, namely, enhancing research on sports, establishing a comprehensive sporting context, upgrading the training of (potential) sport elites, and providing more sport and exercise facilities in schools and communities (NCPFS, 1998). As for the DPE, it launched a programme, the ‘333 Physical Fitness Project’, which aimed to enhance pupils’ physical fitness at all school levels, which had been at a lower level than that for many other countries in East Asia. Indeed, the implementation of the ‘333’ programme was intended to promote sport “through school systems with local community resources to target the goal of sport for all and related health improvement for residents” (Liu, 2003: 113). To some extent, the aim of the ‘333’ project was literally to promote ‘Sport for All’ in schools which the NCPFS also sought to develop in the wider society as well. Nevertheless, it was evident that the government could promote a sport policy through the DPE (e.g. the ‘333’ scheme) and consequently seeks to bridge the gap between schools and the community in terms of sport development. At the beginning of 2000, the NCPFS launched a programme, ‘The Active Scheme of Sport Development in the 21st Century’, which was designed to promote the aims of the ‘White Paper- Sport in Taiwan’ in 1999. This scheme continued to focus on the importance of ‘sport-for-all’ and ‘elite sport’, and aimed to develop active sport in urban and rural areas; to enhance citizens’ health; and sporting excellence, but with an accompanying emphasis on Taiwan applying to stage a world sporting event before 2010 (NCPFS, 2000a). The implementation of this scheme was divided into two stages in an eleven-year period, from 2000 to 2003 (National Medium Term Sport Developing Plan) and from 2004 to 2010 (National Long Term Sport Developing Plan).
With the DPP gaining power in 2000, Taiwan underwent another significant change in politics, which also had a profound impact on sport development since the ‘new’ government recognised sport as an important part of national policy, and as a useful tool to establish Taiwanese identity, specifically through developing the national game of baseball (Lin, 2003). At the end of 2000, the DPP government developed a new form of regulation for sport development, which reflected the implications of the change in the sports structure, which had occurred with the establishment of the NCPFS in 1997 (Liu, 2003). In 2002, the Executive Yuan announced a four-year policy, ‘The Medium Term Development Plan (2002-2005)’, which was later expanded (incorporated) to another programme, ‘Challenge 2008: The National Development Plan (2002-2007)’, which to enhance Taiwan’s sporting representation at a time when Mainland China was rapidly developing and successfully bidding to host the 2008 Olympic Games in Beijing (The Executive Yuan, 2003a). According to this plan, the NCPFS was responsible for promoting sport-for-all, sport participation, and citizens’ health; excellence in elite sport in international levels; and interaction with international sporting [organisations] governing bodies (NCPFS, 2004b). For its part, the Ministry of Education’s (DPE) responsibility was to promote sport through the school system and aimed to achieve the goal of ‘one student one sport; one school one team; sport the whole life’ (Ministry of Education, 2004b). In general, the DPP government’s ‘Challenge 2008 Plan’ in relation to sport development was based on the goals of the programme, ‘The Active Scheme of Sport Development in the 21st Century’, which had been set up during the KMT period and the focus of sports development over the coming years was thus reinforced.

In respect of baseball, professional baseball in particular, the gambling scandal in 1997 engulfed the sport, resulting in a loss of confidence by the population in the game (see chapter 5), which had profound impacts on its development (Lee and Henry, 2004).
During the post gambling crisis period after 1997, in order to save baseball from its parlous position, the government implemented a series of programmes aimed at combating crime in the professional baseball system through cross-department cooperation. For example, a scheme entitled ‘How to Completely Uncover Criminal Forces: The Case of Professional Baseball Gambling’ [Ministry of Justice, 1999] was promoted by the Department of Police and the Ministry of Justice. The NCPFS also proclaimed a programme, ‘Leading the Professional Sports to Healthy Development and Providing High Quality Sport For the General Public’, which emphasised four main guidelines as aims for professional sports in 1999 (see chapter 5) (NCPFS, 2000b). Subsequently, the NCPFS went on to promote a scheme of ‘Developing Sports Industries’, which was supported by ‘The Active Scheme of Sport Development in the 21st Century’ in 2000 (see chapter 5). Though policy programmes were promoted, the government and its partners met with limited success. In effect, during this period (by 2001), professional baseball leagues were suffering from a survival crisis on the one hand; development of amateur baseball at all levels (from primary school to national team) was also stagnating since public confidence, and participation and, corporate investment had, declined dramatically.

Taiwan won the right to host the 2001 Baseball World Cup in 1999 and in accord with this award, the NCPFS initiated the implementation of a short-term plan in 2000, the ‘Programme for Developing Baseball in ROC (2001-2004)’ (NCPFS, 2000c). According to the range of the aims, goals and strategies set by the NCPFS (see chapter 6), the programme clearly illustrated that the government was intending to use the 2001 BWC as a vehicle to revitalise the sport of baseball. Because of Taiwan’s great performance, the successful hosting of the 2001 BWC did help to reestablish the legitimacy of the sport and represented a turning point, which was to have a profound
effect on the development of baseball in Taiwan.

In 2003, boosted by the success of the 2001 BWC, the merger between Taiwan's two professional baseball leagues not only further revived interest in a sport struggling to recover from the gambling scandal and financial difficulties but also boosted public morale and crowds returned to the baseball stadia (Lee and Henry, 2004). In September 2003, Taiwan's baseball national squad won second place in the 22nd Asian Cup in Japan and automatically qualified for the Olympic Games again for the first time since 1991. Encouraged by qualification for the 2004 Athens Olympic Games, and in order to align itself with government policy as expressed in 'Challenge 2008: The National Development Plan (2002-2007)' (Chen, 2003; Weng, 2003), the Ministry of Education (DPE) announced its own programme, 'Developing Students’ Baseball Scheme (2003-2007) ' with a NT$ 269.5 Million grant, to promote baseball development at all school levels (Chen, 2003; Weng, 2003). In 2004, the NCPFS introduced a scheme, 'The Principles of Budget Allocations for Cultivating Sport Elites at Local Levels' which aimed to foster (scout) potential elite athletes in primary schools, secondary schools, and high schools, and baseball was targeted within the programme (NCPFS, 2004a). The government was thus keen to sustain its development of baseball at school levels, which was the basis for much of the nation's sporting success.
## Table 4.1: The Chronological Development of the State, Sport and Baseball in Taiwan since 1895

<table>
<thead>
<tr>
<th>Year</th>
<th>The Development of the State</th>
<th>The Development of the Sport</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Internal</td>
<td>External</td>
</tr>
<tr>
<td>1895</td>
<td>Shimonoseki Treaty</td>
<td>Baseball was introduced by the Japanese in 1898</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Regulation of Physical Education in 1927</td>
</tr>
<tr>
<td>1945</td>
<td>Civil War between KMT and Communists in Mainland China</td>
<td>The end of World War II</td>
</tr>
<tr>
<td>1949</td>
<td>The KMT regime relocation to Taiwan</td>
<td>The Korean War in 1951</td>
</tr>
<tr>
<td>1954</td>
<td>The agreement of Mutual Defence Treaty between Taiwan and the US</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Taiwan Provincial Physical Education Implementation Scheme in 1956</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Baseball became an item of PE curriculum in school from 1962</td>
</tr>
<tr>
<td>1968</td>
<td>Launch of the nine-year education compulsory policy</td>
<td>Developing Sport for All and Cultivating Sport Elites Programmes in 1968</td>
</tr>
<tr>
<td>1971</td>
<td>Taiwan withdrew from the UN Diplomatic severance with Japan in 1972</td>
<td></td>
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<tr>
<td>1973</td>
<td>National Ten Construction Plan</td>
<td>Middle East War and the crisis of oil supply</td>
</tr>
<tr>
<td>1975</td>
<td>Death of President Chiang Kai-Shek</td>
<td>Self-Respect and Self-Reliance Scheme in 1976</td>
</tr>
<tr>
<td>1979</td>
<td>Formosa social movement in Kaohsiung</td>
<td>Diplomatic severance with USA</td>
</tr>
<tr>
<td>1982</td>
<td>Taiwan rejoins the Olympic Games</td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>The creation of the DPP The lift of the Martial Law in 1987</td>
<td>Taiwan baseball team won the bronze medal in the 1984 Olympic Games</td>
</tr>
<tr>
<td>1993</td>
<td>Taiwan-PRC talks in Singapore</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>The first general Presidential election</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>The DPP won the Presidential election</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>Taiwan joined the WTO</td>
<td>PRC joined the WTO</td>
</tr>
<tr>
<td>2004</td>
<td>The DPP rewon the Presidential election</td>
<td></td>
</tr>
</tbody>
</table>
4.6 Conclusion

This chapter has reviewed the social context within which baseball developed, namely, the political, economic, and social transformations experienced in Taiwan, and has also outlined the development of sport and baseball since the start of the Japanese colonial period in 1895. Shifts in the role and nature of the Taiwan state have had a profound effect on the structure, the approach of the government to sport, and the provision of sporting facilities and services. During the period of Japanese occupation, Taiwan was an agrarian society, and acted as a military reserve to the resources of the colonial government. Physical education (sport) was seen as a means of pro-militaristic training and complementing the state's political goals. Baseball, a team sport, which could help to cultivate 'a spirit of teamwork' and 'loyalty to a leader' was thus introduced and promoted. At the end of World War II, the Chiang Kai-Shek [KMT] regime relocated to Taiwan in 1949 and implemented the 'Temporary Provisions Act', following the enforcement of 'Martial Law'. In the context of militaristic confrontation with Mainland China, the military dominated the state in the initial period of martial law. As a consequence, physical education in school and sport in wider society were utilised as the means to achieve military preparedness. Because of the politically and economically more stable period of the late 1960s, the development of sport (policy) underwent significant changes and the development of baseball also benefited.

Domestic politics moved towards a more democratic system following the presidency of Chiang Ching-Kuo from 1978 and the Taiwanese economy started to develop rapidly and subsequently experienced a long-term boom in the 1980s. A number of diplomatic setbacks, which occurred both in the international political context and in the international sports arena in the 1970s and 1980s, influenced the shift of sports policy from the demands of military preparedness to its role in promoting diplomacy for
Taiwan. The Department of Physical Education [DPE] was established in the Ministry of Education to respond to the changing nature of the internal and external environment of Taiwan following pressure from sports experts (Liu, 2003). The government promoted international connections and drew attention to its political status through international sports competition, in particular through the game of baseball.

Following the lifting of martial law in 1987, the first political opposition party (DPP) was established. In 1988, vice President Lee Teng-Hui, of Taiwanese origin, succeeded Chiang Ching-Kuo to the Presidency of Taiwan and initiated a series of political and economic reforms. After an eight-year presidency, President Lee was reelected through the first direct presidential election in Taiwan in 1996. In the post martial law period, Taiwan has experienced a successful transition into a high-tech industry-based economic system and has deepened its economic relationship with China. During the post martial law period, the government began to emphasise ‘Sport for All’ which was a major shift from the previous emphasis on creating champions during the 1970s and the state started to promote leisure activities. The development of baseball in the late 1980s was no longer fully associated with the nation’s diplomatic goals and a new emphasis was placed on the sport’s leisure meaning. Thus, a professional baseball league, the CPBL was established in 1990 with a rival professional league TML inaugurated in 1997. The game underwent a ‘golden period’ in the initial years. However, the gambling scandal in 1997 engulfed the sport and had profound impacts on its development.

In addition, the KMT regime was to be challenged by the DPP, which took power in 2000, and President Chen Shui-Bian was re-elected in 2004. In 1997, the establishment of the NCPFS was a significant transition for sport in Taiwan. The NCPFS initiated a
whole range of programmes related to ‘Sport for All’ and ‘Elite Sport’ with considerable growth in sport grants in contrast with the past. Significantly, the DPP government has recognised sport as an important part of national policy and a useful tool to establish Taiwanese identity, specifically through developing the national game of baseball. Thus, the active involvement of government in the staging of the 2001 BWC and the merger between the two professional baseball leagues in 2003 was a product of this new governmental emphasis.
Chapter 5

The Case of the Gambling Scandal and Criminal Activity in 1997

5.1 Introduction

The following three chapters report three key events (the baseball gambling scandal of 1997, the circumstances surrounding the bid to stage the Baseball World Cup of 2001, and the merger of the two professional baseball leagues in 2003) with a focus on the roles and interaction of various stakeholders such as government employees, politicians, media, league, owners, players, and even underworld criminal gangs in the professional baseball system, to elucidate the conceptual framework reinforcing relevant issues as well as illustrating empirical work. The three cases studies seek to deal with decisions regarding the policy for professional sport of the Taiwan government and its consequences for the development of professional baseball since the 1990s. They also allow us to characterise features of the system of professional baseball and understand the practices of the stakeholders in the system as well as the dynamics of the power-relations among them. Within the professional baseball system, these three events represent the most significant occurrences in the last decade in Taiwan. All three had clear implications for the development of the sport (Lin, 2003). The gambling/gangster scandal of 1997 led to a decline of baseball attendances and provoked a crisis for the leagues. Subsequently, the hosting of the 2001 Baseball World Cup helped to reestablish the legitimacy of the sport and to revive it after it had stagnated since 1997 and public participation and corporate investment grew again. In 2003, boosted by the success of the Baseball World Cup, the merger between Taiwan’s two professional baseball leagues further revived interest in a sport struggling to

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1 The three sets of events chosen as primary case studies were selected by the author following review of the literature on sports policy, and were confirmed as the most significant in preliminary discussions with academic and policy experts, who were subsequently interested in the main study.
recover from the gambling scandal and financial difficulties. An analysis of the strategic relations evidenced in part by a number of stakeholders’ perceptions and from primary statements and key documents are thus intended to make important contributions to our understanding of the governance of the professional baseball system.

The review of literature and the conducting of interviews provided both a description of the main professional baseball context since 1990 (especially after 1997) and complemented the empirical work. As a result, gathering secondary data such as government policy documents, parliamentary debates, newspaper articles etc. from 1990 to 2004 not only maps out a picture of the structural context of the professional sport system but also aids an examination of the actors’ ‘accounts’. Meanwhile, interviews with key actors or stakeholders provide respondents’ perceptions or evidence of the process of interaction, the exercise of power, and the use of resources in the networked governance system, and thus serves to reveal changing relations, struggles, and compromises between actors within this structure.

In order to contextualise this study, firstly, it is necessary to provide historical information on these three events and the way professional baseball in Taiwan was influenced by them. In essence, the form of the three events is treated in historical and relational terms, in order to evaluate the interests and influence of various actors (stakeholders), the selective strategic opportunities and constraints open to these individuals or groups, and their significance in terms of systemic and political governance of professional sport in Taiwan. The remainder of chapter 5 will review the case regarding the gambling scandal in 1997 drawing on the analysis of information derived from documents (e.g. government policy, parliamentary debates, newspaper
articles and so on) as well as interviews with actors (stakeholders) such as government employees, politicians, media, league, clubs, and players.

5.2 Professional Baseball and Illegal Gambling: the Cases of the USA, Japan, and Taiwan

This section considers the wider historical context for professional baseball, in general, from 1919 onwards and, more specifically, the emergence of gambling scandals during the development of professional baseball in the USA, Japan and Taiwan. Americans began playing baseball in the early 1800s and some time in the early years (1867-1873) of the Meiji Era, baseball was introduced to Japan. Later in 1906, baseball was introduced by newly arrived Japanese administrators and companies to the Japanese colony of Taiwan and the sport soon became the most popular on the island (Slack et al, 2002). From this point, there was a clear link between these three countries in terms of the development of baseball. Subsequently, with a gap of 50-60 years, after the Americans professionalised baseball in 1871, professional baseball leagues were inaugurated in Japan in 1936 and in Taiwan in 1990 (Reaves, 2002). Interestingly, gambling scandals in professional baseball in Japan (1968) and Taiwan (1997) also resembled a major scandal in American professional baseball in the 1920s. As Reaves has pointed out,

A young boy in Chicago who watched the great ‘Shoeless’ Joe Jackson emerge from the hearing in which Jackson and seven other Chicago White Sox players were accused of rigging the 1919 World Series. The Urchin is supposed to have looked up at Jackson and begged: “Say it ain’t so, Joe”…Eight decades later in Taiwan, the world was a different place. Even the most sheltered schoolchild knew better than to look into the eyes of a President Lions pitcher and plead: “Say it ain’t so, Kuo” (Reaves, 2002: 153-155).

Although the gambling scandals mirrored the dark side of developments of professional
baseball in both the United States and Japan, Taiwan was unable to learn from history and suffered a similar experience. Some discussion of the gambling scandals in the USA and Japan, in which the professional baseball environment was reconstructed after those events, provides a background for looking at the case of Taiwan. One point which is thus reinforced by these three histories of corruption is that in terms of stakeholders in the development of baseball, and actors in the (corrupt) governance of baseball, criminal groups have been a relatively under-discussed element of the system, but one which has had a profound effect on the popularity of the games, the size of crowds and therefore also on its economic vitality and sustainability.

**The Cases of the USA and Japan**

Professional baseball in the United States has had its ups and downs over the years, particularly as a result of political in fighting but it seems to have reached its lowest point in 1919 when a scandal broke over the ‘fixing’ of the World Series (Riess, 1999). The Chicago White Sox lost the series to the Cincinnati Reds, and eight members of the White Sox were found guilty of receiving bribes in what became known as the ‘Black Sox Scandal’. Most recent historians have pointed out that the ‘Black Sox Scandal’ in 1919, taken as a whole, uncovered the dark side of gambling which overshadowed Major League Baseball for many years although “baseball management largely ignored the problem of player gambling and game-fixing and unconsciously encouraged it through the combination of salary penny-pitching and automatic reinstatements of suspended employees” (Burk, 1994: 229). In the 1919 World Series, players of the White Sox were indicted of offences associated with throwing games in which they had under-performed, when losing to the Cincinnati Reds. Several observers had identified examples of suspicious play by the White Sox, and soon the grand jury investigation uncovered evidence that some players had approached a gambler, who was a former
Major League player, and had solicited bribes of US$ 100,000 to throw the series. Testimony pointing to overlapping efforts to secure player fixing by different groups of gamblers indicated that players would receive US$ 20,000 after each game. At the end of the legal case, only one player had been dropped by the baseball authorities and other suspected players accused of either knowing about or participating in the fix were announced innocent by the court without direct evidence and were acquitted by a jury of all charges. However, when Kenesaw Mountain Landis, a former Federal Judge was appointed the sole commissioner of organised baseball in the United States in 1921, he decided to place a lifetime ban on all the suspected players (Chen, 1994). On August 3rd 1921, Landis issued this statement:

Regardless of the verdict of juries, no player that throws a ballgame; no player that undertakes or promises to throw a ballgame; no player that sits in a conference with a bunch of crooked players and gamblers where the ways and means of throwing games are planned and discussed and does not promptly tell his club about it, will ever play professional baseball (ESPN, 2002).

In his effort to ‘clean up baseball’, Commissioner Landis suspended all eight of the Black Sox players for life and any player who associated with gamblers could also expect to be banned from the field. By 1924, Commissioner Landis had expelled nine more players and one coach for gambling related offenses. The 19th and final suspension Commissioner Landis handed down was in 1943 when he expelled Philadelphia Phillies owner William Cox for gambling (Black Sox, 2002). From then on, gambling rumors seldom appeared and “the game’s own growth in popularity and the dramatic increase in America urban population created repeated opportunities for baseball” (Burk, 1994: 238).

On October 7 1968, an exclusive report in the Yomiuri News exposed a scandal which
indicated that one famous pitcher of the Seibu Train Rail team was offered bribes by a criminal group of JPY 200,000 to JPY 300,000 per game to throw games. As the scandal gradually surfaced, it was believed that there were six other players of Seibu Train Rail also involved in game fixing. These rumours destroyed the public image of Japanese professional baseball and nearly ruined this industry. In that year (1968), the committee of the Japanese Professional Baseball League decided to ban this pitcher from baseball for life. On May 20 1969, another three players were permanently expelled for receiving bribes and conspiring to defraud the public through the throwing of games. Additionally, two players who had accepted bribes but failed to throw games were banned from the baseball field for one year (Latham and Matsuzoe, 2000). One player who had been approached by a criminal group but returned the bribe and refused to play fixed games, was given the ‘most serious warning’ by the committee.

As this, the most notorious scandal in Japanese baseball history, was exposed, the public reaction ranged from outrage to disbelief. Baseball was in turmoil and this had a serious effect on other parts of Japanese life (Su, 1998). Fortunately, within six months of the breaking news of the scandal, the Committee of the Japanese Professional Baseball League had taken decisive action. Together with the outstanding performance of Giant’s Sadaharu Oh (a Taiwanese player) who had set a record of 868 home runs in a twenty-two year career (1958-1980), exceeding the records of both Babe Ruth and Hank Aaron in the USA (Latham and Matsuzoe, 2000), this nine-time ‘Most Valuable Player’ helped to dispel the dark cloud of the gambling scandal of Japanese professional baseball and won people’s trust back (Kao, 1994).

The Case of Taiwan

Just as the USA and Japanese professional baseball systems had been subject to bribery...
cases, so Taiwan also suffered from criminal influence and bribery scandals in the six years after the CPBL was inaugurated in 1990. On June 16, 1996, Hsu, the coach of the Weichuan Dragons received a letter from a criminal group, attempting to blackmail him to fix games, and this revelation exposed the influence of gambling and the involvement of violent criminal groups in the CPBL (Lin, 2001). On August 3 1996, gangsters kidnapped five players of the Brother Elephants team to influence the outcome of matches making manifest what had been previously suspected, that attempts at match fixing were rife. It was revealed that gangsters tempted players to throw games and this provided evidence of a long-suspected problem. On August 7, 1996, after the arrest of two of the criminals involved in Taichung City, Kuo, chairman of the Player’s Union, and the CPBL Commissioner Chen jointly issued a statement promising fans that no games had been rigg (Chen, 1999). Ironically, on January 28, 1997, Kuo was one of the first three players to be placed on charges for brokering deals between players and gamblers (Huang, 1997). It transpired that Kuo was the ringleader of this infamous game-fixing scandal, and he admitted accepting US$ 1.5 million from gangsters. He received the heaviest sentence among the 22 players and was convicted and sentenced to 30 months in jail with a NT$ 3 million fine (Wilson, 2002). The continuing emergence of cases where players were associated with gambling compelled the CPBL Commissioner, on February 14 1997, to apologise to the general public and to outline the action to be taken to deal with this crisis.

Players, taken into custody, have to be suspended from duties and payment of salary; players, released on bail, withdraw from games but still receive 50% salary; players, convicted by the court, will be dropped from this league forever (Su, 1998, translated by the author).

Thus, despite this declaration, the formal powers for intervention in this scandal on the part of the CPBL were still limited and a steady flow of information concerning bribery...
began to emerge. For example, on March 13, 1997, Chen, the coach of the China Times Eagles was the first coach to be charged though he was released on bail of NT$ 100,000. Then, on 20 June 1997, nine players of the China Times Eagles and one player from the President Lions team were interrogated by the public prosecutor and subsequently released on bail. During that period, there were only two domestic players of the China Times team available for selection since players who were under suspicion were suspended and could not play games in the CPBL. The China Times Eagles finished the rest of the season’s games by using the other clubs’ bench players and, in 1998, it was decided to dismiss the club from the League. The scandal not only tarnished the integrity of baseball, but it nearly ruined the game itself. Comments by Lee, the CPBL Secretary-General, illustrates this point:

Without any doubt the gambling and game-fixing scandal hurt baseball deeply, and many organisations have suffered a great deal because of the unpleasant situation that occurred (Quartly, 2003c).

Gambling is in fact illegal in Taiwan. The Criminal Code, promulgated in 1935, prohibited public gambling or the provision of a place for gamblers to assemble for profit (Quartly, 2003a). In terms of moral sanction, derived from traditional Chinese attitudes, such activity would be deemed totally unacceptable. However, on August 2 1997 criminals kidnapped seven players of the Mercury Tigers team and four other foreign players in Kaohsiung to get them to throw games, which deepened the crisis of the CPBL. The China Times Eagles bribery scandal and a subsequent series of criminal interventions undermined the operation of the CPBL and the baseball market. Table 5.1 summarises the key chronological details of the evolving gambling scandal of the professional baseball system.
<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>16/06/1996</td>
<td>Hsu, the coach of the Weichuan Dragons received a letter from a criminal group, attempting to blackmail him to fix games.</td>
</tr>
<tr>
<td>16/06/1996</td>
<td>The Secretary-General of the CPBL asked clubs and players to clarify (identify) any links between themselves and criminal groups.</td>
</tr>
<tr>
<td>03/08/1996</td>
<td>Gangsters kidnapped five players of the Brother Elephants team to influence the outcome of games.</td>
</tr>
<tr>
<td>07/08/1996</td>
<td>Kuo, chairman of the Player's Union, and the CPBL Commissioner Chen jointly issued a statement promising fans that no games had been rigged.</td>
</tr>
<tr>
<td>10/09/1996</td>
<td>The CPBL announced Regulation of Clubs and Players.</td>
</tr>
<tr>
<td>07/10/1996</td>
<td>The Taichung local court announced five players of the Brother Elephants innocent of charges related to match fixing.</td>
</tr>
<tr>
<td>09/11/1996</td>
<td>The CPBL Commissioner Chen and managers of clubs met the Minister of Justice with providing 13 records of suspected fixed games.</td>
</tr>
<tr>
<td>28/01/1997</td>
<td>Kuo was one of the first three players to be placed on charges that they had brokered deals between players and gamblers and with accepting US$ 1.5 million from criminals. He was sentenced to 30 months in jail with a NT$ 3 million fine.</td>
</tr>
<tr>
<td>01/02/1997</td>
<td>The CPBL announced it had developed a number of strategies to deal with the scandal and the 1997 season games would start like previous years.</td>
</tr>
<tr>
<td>14/02/1997</td>
<td>The CPBL Commissioner Chen apologised to the general public and outlined the action to be taken to deal with this crisis.</td>
</tr>
<tr>
<td>20/02/1997</td>
<td>Clubs and players of the TML signed a joint pledge of against gambling.</td>
</tr>
<tr>
<td>21/02/1997</td>
<td>The Department of Physical Education requested that players under suspicion or on bail should not appear on playing lists.</td>
</tr>
<tr>
<td>13/03/1997</td>
<td>Chen, the coach of the China Times Eagles, was the first coach to be charged but was released on bail of NT$ 100,000.</td>
</tr>
<tr>
<td>16/06/1997</td>
<td>Kuo and another 4 players admitted playing fixed games, however subsequently denied.</td>
</tr>
<tr>
<td>20/06/1997</td>
<td>Nine players of the China Times Eagle and one player from the President Lions team were interrogated by the public prosecutor and subsequently released on bail.</td>
</tr>
<tr>
<td>25/06/1997</td>
<td>The new China Times Eagles team was established by support from other clubs' players.</td>
</tr>
<tr>
<td>07/07/1997</td>
<td>Kuo and other players denied they threw games.</td>
</tr>
<tr>
<td>02/08/1997</td>
<td>Criminals kidnapped seven players of the Mercury Tigers team and four other foreign players in Kaohsiung to get them to throw games.</td>
</tr>
<tr>
<td>15/08/1997</td>
<td>The TML announced regulations of 'ten forbiddance' to players.</td>
</tr>
<tr>
<td>10/09/1997</td>
<td>22 players and coaches were convicted and sentenced from 8 to 30 months in jail, however on bail later and be subject to appeal.</td>
</tr>
<tr>
<td>14/11/1997</td>
<td>The China Times Corporation ordered to suspend its operation for one year pending investigation related to possible game-fixing involvement.</td>
</tr>
<tr>
<td>07/09/1998</td>
<td>Former players of the CPBL indicated that the fixed games are still being played in the two leagues.</td>
</tr>
<tr>
<td>15/09/1998</td>
<td>The China Times Eagles is disbanded due to its players' involvement in accepting bribes and gambling.</td>
</tr>
<tr>
<td>26/04/1999</td>
<td>Hsu, the coach of the Weichuan Dragons was assassinated by criminals in his home.</td>
</tr>
<tr>
<td>08/11/1999</td>
<td>The Mercury Corporation decided to disband its club due to losses of NT$ 1 billion made by the team.</td>
</tr>
<tr>
<td>13/12/1999</td>
<td>The Weichuan Corporation disbanded its club for losing money and damage to the corporation's image.</td>
</tr>
<tr>
<td>31/12/2004</td>
<td>Taiwan highest Court announced that 22 players and coaches were convicted and sentenced from 7 to 22 months, 1 player was innocent, however, all of their convictions were suspended in different forms.</td>
</tr>
</tbody>
</table>
As earlier noted, such gambling scandals are neither new nor unique. The tales of gambling scandals in the USA and Japan provide an example of the involvement ‘powerful leagues’ in such crises and, seem to have come as a result of success in securing and reconstructing the system of professional baseball in terms of development. Taiwan’s case is a different story in which a weak league (CPBL) was unable to deal with the crisis and needed to seek support from the government. Thus these cases emerged from very different patterns of systemic governance in terms of interaction among stakeholders. However, the study is intended not to compare different types of governance of professional sport business facing crises, but rather its focus is on the Taiwanese case.

Before looking at the local dynamics of the gambling crisis in Taiwan, one cannot ignore the context of baseball, and the ways in which this global sporting phenomenon is locally mediated. The governance of professional baseball reflects this phenomenon. Where we can see the most striking example of the transnational power of sports organisation is in Major League Baseball (MLB), which has extensive economic and cultural influence, for example, in both Asia and Latin America (Rosentraub, 2000). Thus we would not wish to deny the increasingly obvious impact of globalisation on professional sport, however we wish to illustrate ways in which such global phenomena have a local specificity (Henry et al, 2005). The case of Taiwan should thus be conceptualised as both locally specific and an element in a wider global system.

5.3 Local Dynamics of the Gambling Crisis: Taiwan Case

Since the gambling scandal is usually considered as a symptom, which can undermine the development of professional baseball, its mere existence was a cause for concern for the government, which started to focus on this scandal as part of a rethinking of its
role in sport. Hindley points out in relation to British Sport that “generally, government intervention has predominantly been confined to responses to specific crises within the game” (Hindley, 2002: 95) and this is certainly true of the Taiwan case. Before the eruption of the gambling scandal, the emergence of continuous rumors that criminal activity and the involvement of gangsters had penetrated professional baseball, prompted legislators to request the government to take action.

The gambling money for professional baseball is estimated at NT$ 30 billion per year in Taiwan. On the one hand, players were threatened by criminal groups, on the other hand, the players also accepted bribes such as money, sex services and so on from bankers [criminal forces]. Professional baseball has become a paradise of crime (Chang, 1996b: 166, translated by the author).

Violent criminal forces have penetrated the professional sport business in many ways. They have threatened the personal security of coaches, referees, and players, encouraging them to cheat in the games. So, the government should take action to prevent possible future scandals and similar events (Lee, 1996: 284, translated by the author).

The professional baseball business was penetrated by criminal violence and the government should be responsible for this in order to save this industry and provide a healthy and safe environment for professional baseball (Shen, 1996: 161, translated by the author).

In Taiwan, sports affairs had traditionally been ignored by government, which gave priority to political and economic developments. Given the diffusion of rumors about gambling and criminal violence in professional sport, one of the interviewees perceived the government as acting simply as an onlooker rather than dealing with them.

In my opinion, I think the government was very slow to respond in sports affairs, and was thus little involved in dealing with the crisis of players’ cheating and the invasion by criminal forces of the professional baseball industry (Interview with the Principal of the TPEC 13/05/03, translated by the author).
For example, the Ministry of Education (DPE) reflected to the legislature, the
government attitude in its initial response to the gambling scandals and criminal
violence.

The Ministry of Education has written to inform the Republic of China Sport
Federations (ROCSF) and the Chinese Taipei Baseball Association (CTBA) to say that
it should ask the CPBL and clubs to draft preventive gambling regulations immediately

The Ministry of Education, acting alone, that is, without the cooperation of other
departments (e.g. Department of Police), attempted to exert ‘moral persuasion’ on the
CPBL. Curiously, however, it chose to communicate with the CPBL indirectly through
the medium of two non-governmental sporting bodies, the ROCSF and the CTBA. The
Ministry of Education already had leverage on these two organisations since they both
received almost 90% of their grants from the Ministry. In response to this (indirect)
approach, the CPBL restated the claim that it would ‘fully cooperate’ with the
government and draw up the ‘Regulations for Games and Players’, which would ensure
that players abandoned any links with criminal elements (Lee, 2003). However,
perhaps the Ministry failed to press this set of requirements partly because it feared the
undermining of the baseball industry in Taiwan, fearing any potential impact of such
action on baseball owners and sponsors who were known to have links with supporters
of, or to be in the KMT government. Thus, the government was unable to properly
regulate or control potentially harmful activities immediately, resulting in a significant
failure of governance (Henry and Lee, 2004). This failure stemmed from the
unwillingness to tackle the problem of corruption directly in its early days.

As one might expect, the legislators, members of the parliamentary assembly, were
basically dissatisfied with the government position in relation to regulation of the
sporting market. More and more politicians of the two main parties were aware of the seriousness of the situation in the professional baseball industry and they urged the government to resolve this crisis as soon as possible, given the threat faced by professional players from criminal elements involved with illegal casinos (cf. Chang, 1996a, 1996b; Kao, 1996; Pan, 1996; Yeh, 1996). A DPP legislator argued that, “The criminal elements want to control the results of games and earn extortionate profits. The government should take action in relation to this” (Chang, 1996a: 222-223), while another DPP legislator maintained that “Cheating in the games is everywhere in professional baseball. Players are living in an environment with threats of violence and the lure of money” (Yeh, 1996: 2229-2230). Similarly, a KMT legislator stated that “The value of watching professional baseball is doubtful and the social order is under threat. The general public is seriously affected by this criminal violence” (Kao, 1996: 2310). Responding to these legislators, the Executive Yuan (the Cabinet) provided legislators with a consistent explanation, which sought to show what the government had achieved on this issue. The government’s main aim was to prevent gambling and crime in the professional baseball system as is evident from its parliamentary statements.

The Department of Police has been making an effort to enforce a ban on gambling. Beside the Regulations on Banning Gambling, the report, *The Evaluation of How to Ban Professional Gambling*, was also approved by the Ministry of Interior recently. The department has showed its determination to fight professional baseball gambling. For example, when five baseball players of Brother Elephant were kidnapped by gangsters and threatened to throw games in Taichung City in August, the police responded without hesitation and arrested criminals in Taichung and Kaohsiung (The Executive Yuan, 1996a: 163-164, translated by the author).

And;
When the Ministry of Justice was informed that criminal forces had undermined professional baseball, the Ministry immediately demanded that its local branches investigate suspected cases. Such actions really did work and petrified the criminal elements (The Executive Yuan, 1996a: 163-164, translated by the author).

The gambling scandal was fully exposed in 1997 although protective measures had been taken by the government and the CPBL. In addition to exhorting the CPBL to clean up its own sordid mess, it was felt that the government should make an effort to deal with this scandal. Following the eruption of this scandal, and after the initial weak 'advisory' means had been criticised, the related government departments did reinforce measures against crime and a number of actions were undertaken to improve the situation of the professional baseball industry. Table 5.2 below provides a general description of what the government (Ministry of Justice) did to combat crime.

<table>
<thead>
<tr>
<th>Courts</th>
<th>Investigation</th>
<th>Defendant</th>
<th>Prosecution</th>
<th>Sentence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taipei Court</td>
<td>4</td>
<td>33</td>
<td>5</td>
<td>NA</td>
</tr>
<tr>
<td>Hsinchu Court</td>
<td>4</td>
<td>6</td>
<td>6</td>
<td>NA</td>
</tr>
<tr>
<td>Taichung Court</td>
<td>21</td>
<td>43</td>
<td>39</td>
<td>NA</td>
</tr>
<tr>
<td>Chiayi Court</td>
<td>13</td>
<td>24</td>
<td>18</td>
<td>NA</td>
</tr>
<tr>
<td>Tainan Court</td>
<td>13</td>
<td>17</td>
<td>4</td>
<td>NA</td>
</tr>
<tr>
<td>Kaohsiung Court</td>
<td>7</td>
<td>13</td>
<td>4</td>
<td>NA</td>
</tr>
<tr>
<td>Taitung Court</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: (Ministry of Justice, 1997) (10/06/1996 - 20/03/1997)

Meanwhile, the Department of Police, also established a scheme to prevent gambling from occurring again. This scheme required the following:

- Interviews with clubs or players to understand whether they had been threatened by gangsters before games.
• Patrolling of baseball stadia and nearby areas reinforced by more police during games.

• Establishing a network of information to collect all relevant clues and monitor betting stations.

• Reinforcement of messages concerning the negative impacts of gambling and cooperation with professional baseball clubs to ‘clean up’ their internal affairs.

• As soon as cases of betting are detected, police would clamp down on them immediately.

(The Executive Yuan, 1997: 77-78, translated by the author).

Government departments, as noted above, cooperated in the fight against crime, meeting with some success. However, the legislators were still dissatisfied with the government’s achievements and criticised the fact that the associated departments had not acted effectively. They pointed out that,

Professional baseball has been invaded by gambling, criminal violence has caused bloody and violent battles for players...The government has done nothing to alleviate these crises except to announce attractive slogans, hold activities, and award money to players. This is the so-called ‘supporting sport’ project, which the government is so proud of (Kao, 1999: 195, translated by the author).

The government lost its legitimacy when it failed to deal with the criminal gangsters in professional baseball. The government did not concentrate on these cases and tended to respond sluggishly to them. Therefore the professional baseball industry has become a paradise for criminal elements...undoubtedly, the government should take full responsibility (Hsu and Yang, 1999: 198, translated by the author).

I really appreciated those government departments such as the Ministry of Justice and Department of Police who were greatly involved in investigating the professional baseball scandal. However, the main criminal forces behind these events have not really been cleared out and a number of factors hindering development are still there
Responding to legislators on the one hand, and showing determination by the government to clear criminal forces on the other, the Ministry of Justice cooperated with the Department of Police and further implemented a scheme entitled ‘How to Completely Uncover Criminal Forces: The Case of Professional Baseball Gambling’ (Ministry of Justice, 1999: 236). The creation of this scheme incorporating the two government departments was regarded as the way in which the government should resolve the problems of crime in the professional baseball industry and ensure collaboration between its own organisational apparatus and the CPBL. The above scheme marked further progress in comparison with the early days. Thus, a report by the Ministry of the Interior indicated that,

The Department of Police, authorised by the Ministry of the Interior, had created a specific section to fight criminal forces in professional baseball. At the end of last year, we not only arrested criminals who managed illegal betting stations but also gangsters in Taichung who threatened players to get them to throw games...Actually, the department, collaborated with the Ministry of Justice and professional baseball clubs, intending to resolve more such cases (Ministry of the Interior, 2000: 319, translated by the author).

Amongst the government departments, the Ministry of Education (DPE) played a gradually reduced role. It even withdrew from relevant affairs in professional baseball when the National Council on Physical Fitness and Sports (NCPFS) was created in 1997. After inauguration, taking over professional baseball administration from the DPE, the NCPFS was encouraged by the legislators to take a more proactive role than the DPE since it was given greater authority (it was in effect a Ministry for sports). From the perspective of the further involvement by the state in respect of the professional baseball crisis, it is unsurprising that the NCPFS as the highest sport
authority produced more explicit statements of policy on preventing professional base-
ball gambling in the form of the White Paper, *Sport in Taiwan*, published in 1999. One aim of the White Paper was to identify the needs of the developing sport industries and to outline ways in which such goals should be pursued. Section III, which is entitled ‘Leading the Professional Sports to Healthy Development and Providing High Quality Sport For the General Public’, emphasises four main guidelines as aims for professional sports:

- To establish the guidance of professional sports and consolidate the development of professional sport (Guidance Consolidation).
- To guide all types of professional sports to construct stadia, boosting the opportunity to develop professional sports (Stadia Construction).
- To help professional baseball players to create positive action for obeying the law, self-control and promoting the public image of professional sports (Law Education).
- To provide assistance to create a ‘sport organisation regulatory framework’ for professional sports organisations and promote the maintenance of order in professional sports (Maintaining Order).

(NCPFS, 1999: 138, translated by the author.)

With such aims it is understood that the NCPFS intended to be closely involved with the management of professional sports. Together with the above four emphases, one more guideline promoting ‘cooperation with the Ministry of Justice to prevent the criminal forces eroding professional sports and undermining the healthy image of professional sports’ (Crime Prevention), was added to Section X, ‘Developing Sport Industries’, of the policy document, *The Active Scheme of Sport Development in the 21st*
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*Century.* This document was designed to promote implementation of action on the aims of the White Paper. A total budget of NT$ 20.3382 billion was planned by the NCPFS for this Active Scheme, and of this sum, NT$ 234.5 million would be allocated to the goals of Section X, which was intended to develop sports industries from 2000 to 2003. The budget for Section X of this scheme would grant NT$ 109 million for the achievement of its five main guidelines relating to the professional sports industry after the baseball gambling scandal in particular (NCPFS, 2000a: 1-48). The proposed allocation of this scheme is illustrated in Figure 5.1.

![Figure 5.1: Proposed Budget for Development of Professional Sports](image)

Source: (NCPFS, 2000a)
Interestingly, according to this figure, the proposed funding on crime prevention was all allocated in the first year (with NT$ 2 million), and in the subsequent three years this had a zero allocation. The proposed grant aid seemed to place the emphasis on constructing notions of morality and respect for the law among players, and it was therefore decided to allocate grant to promote year-by-year for players’ education concerning the law, to inhibit illegal gambling. Although the budget for work related to the prevention of gambling was only a limited percentage of the NCPFS overall expenditure, nevertheless, it represented a sharp rise compared to the 1999-2000 approved fiscal budget of NT$ 0.481 million allocated to professional sport for Law Education (Chao, 2000: 33).

Prior to 2000 (before the DPP took control of the Presidency), despite a series of attempts to do so, the state failed to regulate the professional baseball system. The state employed public sector bodies to combat criminal gambling through coordination between various governmental departments, and voluntary and commercial sector bodies such as Chinese Taipei Baseball Association (CTBA), and the CPBL. The government and its partners met with limited success, since political factions (with criminal backgrounds) affiliated to the ruling political party (KMT), were believed by many to be involved in the scandal (Reaves, 2002). Thus the problem presented a difficult issue to crack, in which organised crime with political support could involve itself in gambling in professional baseball, with huge potential profits. As the China News reported during the height of the scandal in 1997,

Gambling in [Taiwan] baseball has long been a known, even tacitly accepted, fact. Claims of match rigging have been rife for years, with huge sums involved as players throw games in return for kickbacks from gamblers. But not many followers of the sport expected the Justice Ministry’s investigators to be quite so ruthless in their
crackdown and some seriously heavyweight business interests must have been caught off-guard (China News, 1997).

In addition, Hu also claims that,

What happened in baseball was merely the logical extension of long-standing ‘patron-client’ relationship between crime triads and Taiwan’s ruling political party [KMT]. The attempts by gangs to control professional baseball is yet another manifestation of the bigger problem at hand (Singapore Straits Times, 1996).

We will use two examples to illustrate what we mean by the diversity of patron-client relations between different regimes, groups of politicians and organised crime in this governance structure. Hsiao, a former KMT supporter and one of the many gangsters-turned-politicians in Taiwan, comes from a noted political family in the Chiayi County (The China Post, 2001b). In 1997, he was arrested in an organised nationwide anti-crime campaign, implemented jointly by the Ministry of Justice and the Ministry of the Interior, for his alleged role in a series of professional game fixes and several other scandals (The China Post, 2001a). He was later released on bail, and decided to distance himself from the KMT party at that time after one of his brothers came under judicial investigation for alleged involvement in illegal activities (The China Post, 2001a). Subsequently, by August 21 2003, the Taiwan High Court further considered Hsiao’s case supporting accusation that he had invited and bribed the China Times Eagles players including the captain Kuo (the most crucial intermediary between players and gangsters) to throw games, making a huge illegal gambling profit in 1997. The court approved a two and half year sentence for Hsiao (Taiwan Daily News, 2003). The judgment both demonstrated the DPP government’s determination to clean up professional sport and rid it of criminal influences, while it also attacked the former KMT patron-clientelist networks and restructured political factions at local levels to some extent. Interestingly, for the DPP itself, even though in the past it had harshly
denounced local factions and discussions about investment by the state, however, “the DPP now pursues a faction-based electoral strategy of the increased political and economic privileges associated with patronage” (Wu, 2003: 106).

A current legislator\(^2\) (a former KMT member), who is unaffiliated with any political party, is another example of a politician with reported links to criminal elements in Taiwan. The importance of political patronage is evident in that, despite disputed claims about this individual’s criminal background, his support was surprisingly sought by three main candidates from KMT, DPP, and PFP in the Presidential elections in 2000 and in 2004 (Lin, 2003; Prelypchan, 2000; *Taipei Times*, 2000). This prominent politician, with alleged criminal links, is a product of Taiwan’s phenomenon of ‘dirty money politics’ certainly known to be “involved in connections between organised crime, political influence and the local and central government” (Liu, 2001). This individual had also been accused of running an illegal lottery and masterminding baseball activities, though investigators had found no evidence to support these claims (*Taipei Times*, 2000). Relevant investigations were still proceeding at the time of writing despite the fact that this politician is shielded by his political position with privilege against court summons and arrest while the legislature is ‘in session’ (Kennedy, 2000). The decision of the judiciary had yet to be taken in respect of this politician, but it is clear that any resulting problems would send shock waves through Taiwan’s political establishment.

The preceding section of this chapter has reflected Henry and Lee’s suggestion that, “environments of professional sport are characterised by the interaction of

\(^2\) These allegations are public, that is reported in the media the subsequent commentary indicates. However, since the legal case is preceding, the individual is not named in this passage.
organisations and groups working within and across organisations” (Henry and Lee, 2004: 26). If we think about the role of the state, political parties, leagues, clubs, players, fans, and even under-world gangsters in the professional baseball system, such stakeholders, whether they hold influential positions or not, invariably struggle to realise their interests. Figure 5.2 illustrates the network model of systemic governance in operation during the gambling crisis in Taiwan. The state, for example, used moral persuasion, and regulation to influence other actors and pursue its own goals in this system. Politicians were able to apply pressure on the state to regulate this market to meet the interests of leagues or clubs (for direct or indirect commercial profits), fans (for honest and competitive games) and players (for stable employment and a safe environment) and to serve societal demands. However, the corrupt process of match rigging, and the criminals associated with that process, involved deep relationships among a variety of actors such as political parties, factions, individual politicians, and criminal interests, and was successful in generating considerable illegal profits for some.
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If systemic governance represents a complex web of interrelationships between stakeholders in which different groups exert power in different ways and in different contexts by drawing on alliances with other stakeholders (Henry and Lee, 2004), then Figure 5.2 reflects that system. For instance, in the case of the gambling scandal, players and fans are insufficiently influential to negotiate with other stakeholders. Nevertheless, the criminal under-world was able to act with the support of political interests, which some governmental organisations (such as the Ministry of Justice) seemed initially reluctant to challenge (Kuo, 2000; Reaves, 2002). Perhaps because the ‘dirty money politics’ culture is such an entrenched part of politics, the government’s anti-corruption campaign has thus far barely scratched the surface of this phenomenon (Taipei Times, 2003a). Thus, Taiwan’s gambling case is recognised as a failure in
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Governance in terms of organisational (corporate), or even political governance and reflects a failure of coordination and mutual adjustment among the governmental departments, political parties, and governing bodies of professional sport.

Approaches such as governance theory have invited analysis of the dynamics between the state's role and other stakeholders in the professional baseball system during the gambling crisis. We now turn to issues ironically related to this scandal, but ones, which were to be evidently controlled and legitimated by the state. These are the debates around the possibility of issuing a sports lottery (positive alternative to illegal gambling) and a policy of cross-strait sport exchange opening up the professional sports system from its 'parochial' Taiwanese context.

5.4 Effects of the Gambling Crisis

Of significance beyond the strategic relations and interaction of stakeholders in the governance network and their impact on relevant policy, are wider effects of the gambling crisis. The ensuing discussion will therefore outline the two linked issues: proposals for a sports lottery and the impact on cross-strait relations, which had been directly and indirectly affected by this scandal, in order to understand actors' explanations (governmental departments in particular) associated with sport policy in the post-baseball gambling crisis period.

The Controversy Concerning the Proposal to Establish a Sports Lottery

Legislation to allow the introduction of a national lottery to Taiwan in the form of 'The Public Welfare Lottery Issuing Rules and Regulations' was approved by the Legislative Yuan on June, 1995. However, a great deal of political activity and argument between interest groups created controversy, and the adoption of the lottery was not brought
about until late 1998. Eventually, the legislature proposed further amendments to the legislation and passed a controversial bill on December 1, 1999, giving central government the exclusive right to run lotteries. On 16 January 2002, the first issue of the national lottery proved very successful and attracted a remarkable level of participation (Taipei Times, 2002b).

Inspired by the successful launching of the national lottery and having the legal basis for issuing a sports lottery provided by Section 2 of Article IV of ‘The Public Welfare Lottery Issuing Rules and Regulations’, which indicates that, ‘for the purpose of developing international elite sports activities, it is legal to launch the issuing of a specific type of lottery after approval from the Ministry of Finance’ (Ministry of Finance, 1999), the Cabinet again considered developing plans for a sports lottery related to gambling on professional baseball to ‘regulate’ the forces in this sport market. The DPP Premier Chang addressed this point in the opening ceremony of a meeting to consider the development of national elite sport,

The Cabinet is planning to allow state-sponsored betting on baseball and other sporting events in an effort to seek more sports funds by launching a sports lottery. Proceeds from the lottery could be used to fund the development of sports in Taiwan. I have already ordered related government agencies to ‘cooperate fully with each other’ on this matter and hope the plan will be approved by the legislature early next year (Taipei Times, 2002a).

Later on January 17, 2002, President Chen during a ceremony for awards to outstanding archery athletes in the 12th Asian Cup, emphasised the importance of the sports lottery.

A consensus between various government ministries and agencies on the issue of the sports lottery, for a sport development fund has been reached after ‘The Meeting for the Development of National Elite Sport’. Related government departments have to propose plans and put them into action. Through the implementations of these plans
elite sport in Taiwan will be boosted (Chen, 2002, translated by the author).

In effect, during the period of office of the KMT, the government had faced pressure to inaugurate a sports lottery from legislators, especially after the revised edition of ‘The Public Welfare Lottery Rules and Regulations’ had been passed. Legislators, encouraged by the above ‘regulation’, regularly appealed to the central government to consider the possibility of issuing a sports lottery to raise money for developing sport and to aid the development of the professional baseball system particularly after the effects of the scandal had been felt since baseball is the ‘national game’. Comments by Lo (KMT) and Lee (New Party) illustrate this point.

The Public Welfare Lottery went on its way and is doing well. Is it possible for the government to launch a sports lottery in the future to raise revenues to promote elite sport, sport for all and professional sport, baseball particularly (Lo, 1999: 117, translated by the author)?

The government should provide related policies to develop the professional sport industry and guide this business away from gambling, confrontation, and the decline of spectators. My main suggestion here is to ask for the issuing of a sports lottery by the government to raise funds to help this business and the development of Taiwan’s baseball (Lee, 2000: 177-179, translated by the author).

However, the former KMT Premier Hsiao reflected the attitudes of those who opposed the proposal. He stated his position in the Legislative Yuan,

The launching of a sports lottery would involve many perspectives and such an issue is very complicated. ‘The Public Welfare Lottery Issuing Rules and Regulations’ disallows the use of a surplus from a national lottery to subsidize professional sports... it is improper and illegal to issue such a sports lottery (Hsiao, 1999: 118, translated by the author).

The motives of the government for launching a sports lottery are also illustrated in a parliamentary debate initiated by the Minister for the NCPFS, Chao, when she
indicated that,

Perhaps the launching of a sports lottery would be positive for the development of professional sport since we have seen certain successful cases around the world. However, in Taiwan, the conditions are so complicated compared to other countries in terms of sport development. Currently, we are not ready to launch a sports lottery (Chao, 2000: 66, translated by the author).

From the above statements given by the former KMT Cabinet, it is understood that the government did not intend to launch a sports lottery because it feared negative impacts which may stem from it. The debates over legalising a sports lottery continued to rage and, in fact, the Cabinet was never able to reach a real consensus on the issue because of arguments between government departments even after the DPP took power. For example, in a series of conferences on the theme of ‘Professional Baseball Development’, which were held by the NCPFS in 2000, a conclusion of one set of proceedings was that,

The health of the professional baseball industry has worsened since the gambling scandal, however, illegal gambling related to this sport is still thriving...therefore, the government could establish a committee on gambling and lead the illegal gambling activities to become legal leisure activities through legalizing sport gambling. If this could be carried out, the open legalisation of sport gambling perhaps would mean that players would be less subject to criminal influences (NCPFS, 2000b: 42, translated by the author).

Peng, the deputy of the NCPFS, in a later conference on 31 January 2002 on ‘The Cooperation between Sport and Marketing in the World Cup Baseball’, held a cautious position stating that,

The national public welfare lottery has generated feverish interest, however, the public is mainly focused on winning the Jackpot rather than on public welfare. Therefore, it is not easy to inspire people to promote sport through launching a sports lottery. I
emphasise here that a sports lottery...needs cooperation between government departments. It will be almost impossible to launch it next year (NCPFS, 2002c, translated by the author).

Meanwhile, the DPP legislator Wang indicated the uncertainties involved in legalising the procedure to which Peng was referring. As Wang pointed that,

The launching of a sports lottery will benefit a few particular interest groups and construct a mutual form of crime and interests which would be connected with government bureaucrats, politicians, business corporations and even underworld criminal organisations. A super scandal is predictable in the future (Wang, 2002: 162, translated by the author).

Subsequently, when the new Minister Lin came to office in the NCPFS in 2002, in contrast to the President Chen and Premier Chang, the notion of launching a sport lottery was opposed by him. In an NCPFS press conference when Lin had been in position for only one month, he stated that,

Some people may suggest that launching a sports lottery can raise revenues for sport and inspire people to be more involved in competitive games. However, in my view, a sports lottery is unlikely to bring the benefits that people expect, and negative impacts are likely to have been underestimated (Chou, 2002, translated by the author).

The relationship between sport and a sports lottery, which involves gambling, should be clarified. The NCPFS would slow down the steps being taken for the administration and legalizing of a sports lottery. An investigation into the development of a sports lottery is still taking place and, perhaps, the NCPFS will consider launching such a lottery when Taiwan’s sport is appropriately organised (Lee, 2002: 206, translated by the author).

Responding to the NCPFS’s changed position, there were legislators who supported the launch of a sports lottery to raise revenues for developing sport who criticised the policy of promoting sport through the NCPFS without substantial financial support.
The suspension of the launching of a sports lottery has undermined the intention of raising sport grants. I was wondering how the NCPFS would promote sport under conditions of increasing financial difficulties on the part of the government (Lee, 2002: 206, translated by the author).

The Executive Yuan decided to withdraw the measure ‘Setting the Sport Development Fund’ which proposed to collect revenues through issuing a sports lottery, from its ‘Medium Term Policy’. This is inappropriate and will greatly influence the development of sport. The general public wants to be clear about the government’s attitudes toward developing sport and a sports lottery. The government should revive the scheme of ‘Setting the Sport Development Fund’ (Cheng, 2002a: 328-329, translated by the author).

The NCPFS’s position, however, was simply that it was unconvinced by the idea of launching a sports lottery, and the NCPFS thought that there were other issues, which needed to be taken into consideration.

Although a common consensus in the evaluation of whether to launch a sports lottery was achieved during ‘The Meeting for the Development of National Elite Sport’ on January 12, 2002, in Taiwan, the sports lottery lacks an adequate rationale since the size of the professional sport industry is small and hosting world sport events is rare. It is unlikely to attract people to participate in sport through issuing a sports lottery. Importantly, we should emphasise sport itself could attract people’s attention. In addition, we have seen the negative impact of the launching of the ‘Public Welfare Lottery’. It is difficult to prevent the penetration of criminal interests and gambling by players after issuing a sports lottery. What the NCPFS feels is that more consideration is needed before launching a sports lottery (NCPFS, 2002b: 238-239, translated by the author).

In determining whether a sports lottery should be introduced or not, the NCPFS Minister’s attitude played a vital role. Minister Lin decided to suspend the idea of the sports lottery since he felt that a sports lottery would boost gambling and make it impossible to guarantee the impartiality of the games (Chang, 2002). Apart from the NCPFS Minister Lin’s views, the Ministry of Finance was also in favour of delaying or
canceling the sports lottery. The Minister of Finance Lin indicated that,

The contemporary lottery issuing regulations and rules regulate the national public welfare lottery, but fail to affect a sports lottery. If the government attempts to manage a sports lottery through ‘The Public Welfare Lottery Issuing Rules and Regulations’, the government will need to develop a tight management mechanism and will have difficulties in monitoring it (Chinesenewsnet, 2003, translated by the author).

A similar concern about the promotion of sport gambling through the issuing of a lottery was also provided by an insider at the Ministry of the Interior.

The attitude of the government toward gambling was of ‘effective management’. From the government’s point of view, it has to be very careful about managing gambling since it might involve the mafia and lead to dire consequences. The government has been burned before. Baseball went from a minor league to a major betting scandal a few years after the CPBL was founded in 1989...the public realised the games were being rigged and the young league split into two and nearly died before its time (Quartly, 2003a).

Given the state’s role as the lead agency in the field and as a prominent contributor to relevant debates on a sports lottery launching, it is likely that the rest of the system will gradually adopt the state’s brand of governance (Weiss, 2000). However, as has already been illustrated, it is likely to understand that key actors of government did not really oppose the launch of a sports lottery, but they were concerned about the impacts a sports lottery may have. The sports lottery, it was felt, should be regulated with rules in relation to issues such as gambling, violence and so on (Lee, 2003). Therefore, debates on the issuing of a sport lottery will continue between proponents and opposition. In addition, the cross-strait sport relations after 1997, which we shall discuss below, have also stimulated interest in relation to this gambling crisis, given that the state was faced with a range of constraints and opportunities, to which it often responded with relevant policy ‘solutions’ when dealing with the Mainland China.
Concerning the Cross-Strait Sport Relations between China and Taiwan after the 1997 Professional Baseball Gambling Scandal

Having had political struggles with China for decades, the development of the KMT dominated central government in Taiwan has complex implications for sport policies, more specifically, the cross-strait sport policy. Issues such as that of the 'Two Chinas' in the Olympic Movement have made sport one of the significant areas of power struggle in international society after 1949 between the ROC (Taiwan) and PRC (China) (Liu, 2003). Whilst the DPP gained power in 2000, this does not mean that the political tensions have reduced. On the contrary, political 'conflicts' have continued to emerge. In this vein, cross-strait sport policy, an element of policy in which government has largely failed to negotiate with China, is seen as a 'stagnant' policy area. However, between citizens, related flow of sports people and business is lively, and the political stance of both sides is quietly ignored when possible. Within this particular context, we will use the example of professional baseball after the 1997 gambling crisis to illustrate the relationship between sport development and sport policy and government’s underlying political ideology/values.

As we noted earlier, former professional baseball players of the CPBL, such as Kuo and Chang, who were convicted of being involved in the gambling scandal, were subsequently released on bail. Both went to China to continue their baseball careers. These 'pioneers' have influenced the development of (Mainland) China’s baseball since the Ministry of Sport in China announced the setting up of a 'professional' baseball league in 2002 (Chen, 2001). Surprisingly, both are fully integrated into PRC sport,

Kuo doubles as the Tianjin Lions’ pitching coach for the new professional baseball
league and the China national team later on while, Chang, who won a silver medal for Taiwan at the 1992 Barcelona Olympics, was named as a manager of the PRC national team as well (Wilson, 2002).

Basically, the PRC’s main purpose for establishing a professional baseball league was focused on the Olympic Games 2008 in Beijing rather than commerce. Yu has supported this and pointed out that,

Baseball does not enjoy as large a popularity as soccer or basketball in China, but the 2008 Olympics in Beijing has forced the government to improve its baseball standard level, in order for it to be competitive in 2008 (Yu, 2002).

The result of the moving to China of baseball players (exiled by the CPBL) and of professional basketball clubs (after the collapse of Chinese Basketball Association in 2000) has been to once more raise political arguments about sport exchange between the DPP government and legislators from opposite parties. For example, the KMT legislators Lee and Chen suggested that the government should adopt a ‘suitably open’ sports policy of cooperation with China when Taiwan’s professional sport industry was in difficulties. They pointed out,

Taiwan has not had professional basketball games for two years, when can Taiwan’s clubs go to China to play…I the government should greatly loosen restrictions of relevant related sport policy and let Taiwan’s players or clubs play on China’s sports stage (Chen, 2001: 370-371, translated by the author).

And;

Sport exchange is meaningful for the government…the sport exchange policy has to be reevaluated since people think sport is difficult to develop, such as with the occurrence of the gambling crisis in professional baseball in Taiwan and perhaps moving to China is a crucial way for sport to survive (Lee, 2001: 370-371, translated by the author).

The Minister for the Mainland Affairs Council (MAC), Tsai, replied firmly to this
pressure, indicating that,

According to current related policy, the government allows clubs and individual athletes to attend China’s sport market under the authority of associated government departments…yes, they can go whether as clubs or individuals, however, the government would not compromise political disputes such as China recognising Taiwan as a local province and so on. Sport clubs or athletes should know what the government insists is behind China’s combined policy of lure and threats (Tsai, 2001: 370-371, translated by the author).

Indeed, the ‘Statute Governing Regulations Between the People of the Taiwan Area and the Mainland Area’ dictates that Taiwan’s organisations, institutions and individuals are not allowed to involve themselves in Mainland China organisations, institutions or individuals without permission from the supervising government departments (Mainland Affairs Council, 2003). Ironically, since the early 1990s there have been many skilled Taiwanese baseball coaches working for Tianjin and Beijing teams and four basketball players participating in China’s national league, all without the permission of the National Council on Physical Fitness and Sports (NCPFS) (Tsai, 2001).

Despite the political debates between Taiwan and China, earlier government statistics showed that over 10,000 visitors came to Taiwan from the mainland for cultural, technological and economic, exchanges and athletic exchanges have also been increasing (Government Information Office, 2000). Recognising the ambivalent nature of the government’s attitude, its formal, and its practical actions, together with the recession of Taiwan’s professional sports in particular after the gambling scandal in professional baseball, the People First Party (PFP) legislator Cheng (the most famous basketball player in Taiwan) appealed to the government to take note of this, suggesting that,
Taiwan should cooperate with China to promote sport in Taiwan and argued that the NCPFS had been very conservative on the cross-strait exchange issue (Tsai, 2001).

And;

Sports activities are growing in China. I would completely support cross-strait sports cooperation, under the condition that it would not downgrade Taiwan’s national dignity.
The NCPFS should propose how to promote sport in Taiwan and draw up a complete blueprint with China, rather than just regulate cross-strait sport exchanges (Taipei Times, 2001e).

Tsai further points out, “The NCPFS, Taiwan’s highest ranking government body in charge of sport affairs, however has ignored the trend of cross-strait sports exchanges and avoided establishing guidelines for conducting these exchanges” (Tsai, 2001). Lee, the NCPFS’s official spokesman in relation to that the first Taiwan-based team (Sina) to join the China’s national basketball league, admitted this arguing that,

The NCPFS has not been in place long enough to conduct these exchanges. The NCPFS was only established about three years ago, but we have tried our best to catch up. New regulations will allow Taiwanese athletes to participate in commercial competition in China, such as its basketball league (Taipei Times, 2001e).

Later in the Legislative Yuan, Cheng again made an appeal there and recognised that the Sina case was not unique, and that there would be more professional athletes (baseball players for example) seeking a career in China. He urged that the government should deal with this in a sensitive manner directly and properly rather than ignoring it. He pointed out,

Taiwan’s capacity is too small to satisfy the needs of athletes in terms of its market size. We have to expand our sport market and be involved in the Asian market. Therefore, it is unreasonable to ignore China’s market. Actually, besides Taiwan, Japanese and South Korean players have also tried to develop their sport careers in China. This is an easy logic: under the tendency of globalisation, people are unable to resist it and human
resources and capital will flow to the biggest market... Taiwan, with its over developed political context and its lack of understanding of the sports industry, has lost the opportunity to develop a strength in joining China's sports market and this is very negative for sports development (Cheng, 2002b: 219, translated by the author).

The Executive Yuan underlined this point, indicating that,

If the government allowed an ‘overall open’ policy to be implemented, the impacts would be serious... in addition, political relationships between Taiwan and China are more complicated than can be imagined... in order to prevent offending against temporary related laws and regulations such as ‘The Regulation of Relations Between Taiwan and China’, ‘Sport Exchange Between Taiwan and China Regulations’, and to consider Taiwan’s sport development, the policy is still limited when sport clubs and individual athletes intend to go to China (The Executive Yuan, 2003b: 220-222, translated by the author).

Whilst the gambling crisis has undoubtedly troubled the local dynamics of the professional baseball system, this scandal has also provoked the escalation of both the controversy concerning the possibility of launching a sports lottery and the nature of the state’s (sport) policy towards to China. What is important to emphasise here is that the government always seeks to maintain its legitimacy and authority when considering the best way to deal with a particular problem as well as seeking to protect the interests of citizens (Richards and Smith, 2002). At the time other stakeholders were also pursuing their own (individual or collective) interests. Specifically the DPP's position on the critical issue of “Taiwan Independence” (a phrase used by the government as a campaign slogan) (Brown, 2004) is such that, compared with KMT or even the PFP, the DPP government is more likely to be cautious of any possible prospect of cross-strait sport exchange which was based on the premise of ‘reciprocity’ between two sides (NCPFS, 2003). Thus, although in some ways there is a battle between the states, legislators, and players (clubs) etc, often, states are in a strong position because of their administrative power (resources), and decisions are mainly made by the national
government (Richards and Smith, 2002). Nevertheless, despite its formal power, the
Taiwanese state machinery, as we have seen, has not always been effective in ‘policing’
the implementation of its own regulations. Viewed in this light, the above two
mentioned issues will remain an important component in Taiwan’s politics for the
foreseeable future.

5.5 Conclusion

In this chapter, an attempt has been made to identify a number of issues relating to the
nature of the governance affected by the gambling crisis in the professional baseball
system. It has sought to explore the local dynamics between stakeholders within this
system (systemic governance issues): to consider how good organisational governance
was restored; and finally, to illustrate how the crisis engendered a set of policy
considerations concerning a sports lottery and cross-strait sport relations.

Thus, in respect of the response to the gambling scandal the strategic relations between
groups influencing policy are varied. This case illustrates how policy is not simply a
product of the interaction between government departments and sporting, or even
commercial, interests in civil society. Criminal interest groups, by virtue of the impact
of their tactics on the game, demanded a response by government agencies.
Consequently, the professional baseball system here may be characterised as “an
environment where interest groups act mainly as a vehicle for the interests of
individuals belonging to patronage networks and not for those of groups as whole”
(Kurer, 1996: 663). Meanwhile, the state’s response is in part one of force (the force of
law bringing criminals to trial, fining and incarcerating guilty parties), and it is in part
‘ideological’- promoting respect for the law through legal education. The action taken
overlaps between the interests of the legal policy community and the sports policy
community in overt ways, which make this case of sports policy somewhat different.

The impact of globalisation in sport, with the opening up of Mainland China's market for baseball, illustrates how the governance of the problem, or indeed two of the individuals (Kuo and Chang) within the Taiwanese system, is difficult to achieve. The Taiwanese baseball economy is not hermetically sealed within the world of Taiwanese sport. Business, political and even criminal interests impinge. Neither is it even hermetically sealed within Taiwan. Mainland China is a significant influence either directly - offering positions to Taiwanese players and coaches, and business opportunities to Taiwanese investors - or indirectly, influencing government policy since independent Taiwan versus Taiwan as an element in a greater China provides the major policy cleavage between the political parties.
Chapter 6

The Case of the 34th Baseball World Cup (BWC) in Taiwan in 2001

6.1 Introduction

In the preceding chapter, we focused more generally on the relationship between the state and relevant stakeholders in the gambling crisis of 1997. The state has been described as playing a role in 'exploiting' relations. Associated with this, the chapter undertook a review and analysis of the role of the government, public agencies, and the private sector in sport and sought to identify the dynamics in the interactions between actors within this system; as well as to examine the main considerations in proposing public policies in relation to the launching of a sports lottery and cross-strait sport relations. These issues reflected amongst other things, the governance system having failed to resolve the crisis. Four years later, fortunately, the successful hosting of the 34th Baseball World Cup (BWC) in Taiwan in 2001, which represented a turning point, not only influenced the development of baseball as a sport but also provided an important stimulus for the professional baseball market, which was experiencing severe difficulties.

The aim of this chapter is, firstly, to illustrate the implications of why and how the state bid to host this major sporting event. Thus the first issue to clarify is what the Chinese Taipei Baseball Association (CTBA), amongst others, intended to achieve by its bid. Secondly, it will summarise some of the implications of successful bidding for the state and the international sporting body [IBAF]. Subsequently, as with the previous chapter, the discussion of the 2001 BWC case also attempts to identify and explain local dynamics in particular between the north and south on the island, major cities, local and central government, and between KMT and DPP, which characterised the social,
political and economic struggles that shaped the baseball governance system. In doing so, the analysis of the 2001 BWC case will consider how the governance structure was being developed, highlighting the significance of baseball for Taiwanese sporting perceptions (Liu, 2003), and will document the role and importance of locally embedded institutional structures and systems in framing governance outcomes under international pressure, in particular from the International Baseball Federation (IBAF). Finally, the relationship between the 2001 BWC and wider issues such as that of Taiwanese nationalism, and broader social values are discussed as well as the effects of the event on the professional baseball industry.

6.2 Bidding for the 2001 Baseball World Cup in Taiwan

As the preceding chapter noted, it is evident that the government struggled to deal with the gambling crisis. In spite of support from the state for the professional sport industry, domestic baseball declined in popularity and attendances at the CPBL remained low. Statistics (Figure 6.1) produced by the NCPFS (NCPFS, 2002e) and CPBL (CPBL, 2004) show that after the revelations concerning the gambling scandal, the fans’ attendance fell dramatically to 50% of their 1997 level. Government recognised this phenomenon and acknowledged that the sport of baseball had contributed much not only to the achievements of its political purposes such as enhancing national prestige, aiding international diplomacy, but also to economic goals such as reducing unemployment, and expanding business opportunities (Lin, 2003). Attempts at rejuvenating Taiwan’s baseball community and promoting further development of Taiwanese sports thus brought the state, the sporting governing bodies, and the commercial sector together in coping with this issue.
Figure 6.1: The Total Attendance of CPBL and TML

Source: (NCPFS, 2002e) and (CPBL, 2004)
As a consequence, in 1998, when Peng was elected to be the new Chairman of the Chinese Taipei Baseball Association (CTBA), his main task appeared to be to restore the reputation of the sport. The Secretary-General of the CTBA, Lin confirmed this stating that,

When Chairman Peng took over the duties of the CTBA in 1998, the game of baseball in Taiwan suffered the most difficult crisis. Chairman Peng realises that it was necessary to re-consider the strategies of baseball development in Taiwan. Although the strategy for domestic development is important, it is vital to focus our development on international aspects. He believes that that is the only way to revive the future of baseball development in Taiwan. To host international baseball events in Taiwan is the first step in such a strategy and to gain an important position in international baseball organisations is the second step (Lin, 2003, quoted in Lin, 2003: 206-207).

Chen (2004) acknowledges the claim of the CTBA, which plays a crucial role in the development of baseball, more particularly, in professional baseball. He provided comments to illustrate how baseball has been recognised by actors within the Taiwanese system.

The structure of baseball in Taiwan is unique compared to the rest of the world. In Japan, Korea and USA, the professional baseball industry plays a paramount role, which leads the development of baseball. In contrast, in Taiwan, the professional baseball market needs to utilise the great performance (reputation) of the Chinese Taipei team, which is composed of amateur and professional players and importantly, controlled (organised) by the CTBA, to promote its attendances. The fact is that Taiwan's baseball national team enjoys most fans' loyalty, then, fans transfer their support to individual players of different clubs in professional leagues (Chen, 2004, translated by the author).

By the end of 1998, under Peng's leadership, the CTBA had committed to plan and to organise the bid for the 34th Baseball World Cup in 2001. In late October 1999, a specific delegation, led by the chairman of the CTBA, Peng, a former vice-chairman of the NCPFS, Hung, and baseball expert Professor Huang, was created to organise the
mounting of the bid in Sydney. On 3rd of November 1999 the final decision on bids was made at the International Baseball Federation Congress. Initially, three countries (Taiwan, the Netherlands, and the USA) had declared an intention to bid for the right to stage this championship. The Netherlands decided to drop out early on in the process leaving the USA and Taiwan. Subsequently, the Taiwanese delegation gained support from the IBAF, which had sought to persuade the USA to give up its bid (Chang, 2002, quoted in Lin, 2003: 207-208). However, competition intensified after negotiations broke down between members owing to the fact that the State of Florida in the USA was planning to host the 2012 Olympic Games and it intended to show its ability to host different mega-sports events in support of its application for the hosting of the Olympic Games (Lin, 2003).

Before the vote was conducted, Taiwan and the United States each gave a final 10-minute presentation to put forward their respective ideas for hosting the international championship (Taipei Times, 1999b). During the presentation, the USA promised a deposit of US$ 250,000 to the IBAF to host this championship and to finance members’ attendance at the tournament with one-week’s free board and lodgings. The CTBA only had a total budget of US$ 200,000 with which to operate in the beginning (Tsai et al, 2000: 167-168). However, in Henry’s accounts, “…influence can flow in other directions given an appropriate strategic context and intelligent use of tactical resources” (Henry, 2001b: 249). Whilst the Taiwanese delegation utilised tactical skills during the lobbying process and visited the member nations from time to time, together with the decision of “the CTBA which offered US$ 1 million to the IBAF for its ‘administration expenses’ whereas the USA offered 15% of ticket income from the event” (Chang, 2002, quoted in Lin, 2003: 207-208) were significant factors in Taiwan winning this bid. In addition, the geography of bidding was also significant:
“fourteen members of the Asian Baseball Association, Cuba, and five central Asian nations were key to Taiwan’s successful bid” (Chang, 2002, quoted in Lin, 2003: 208). Eventually, Taiwan, specifically, Taipei city managed to obtain the right to host the 2001 Baseball World Cup series after beating the United States with 31 votes to 28 votes and one abstention (Lin, 2003). The IBAF congress, by taking this decision, allowed a return of the Baseball World Cup finals to an Asian country following a 19-year absence of senior world competition from the continent since Japan had hosted the tournament in 1980 and Korea in 1982 (IBAF, 2003b).

Tracing the transformation of the IBAF’s decision relating to the allocation of hosting rights, Table 6.1 can be used to help highlight the disproportion in treatment of constituencies in terms of locations of hosting nations (continents) for this baseball world cup. For instance, Europe had to wait forty years to host the cup in Italy (the first time it had been held away from the Americas), the IBAF having been established in 1938, and when Japan became the host in 1980, the event extended to Asia for the first time (IBAF, 2003b). Perhaps, Taiwan’s winning the right to host the championship, to some degree, reflects the concern for a more equitable distribution of event hosting (Henry, 2001a). Indeed, according to the IBAF’s Statutes (Article 6(a) of the Chapter II) a major aim of the organisation is ‘to promote, encourage, and develop Baseball throughout the world and especially in the countries where affiliated Federations, Associations or Organisations exist (IBAF, 2003a). For instance, premised on the wish to highlight the significance of the 2000 Sydney Olympic Baseball Tournament, was the debut of the continent of Africa in Baseball Olympic history, as well as participation from all five continents, which exemplified the growth of baseball internationally (IBAF, 2003b).
The IBAF has been conscious in recent years of the need to spread the game globally by exposing a wider audience to the world championships, in line with the example of FIFA and the soccer World Cup. In terms of the allocation of the right to host major tournaments this implies some form of geographical rotation (Katwala, 2000), and helps to explain why the IBAF chose to take the Championships from Cuba as host (2003) to the Netherlands (2005) and to Taiwan (2007) (Lee, 2003c; Stoovelaar, 2003; Wang, 2003).
<table>
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<tr>
<th>N</th>
<th>Year</th>
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Source: International Baseball Federation (2003a)
6.3 Local Dynamics of Hosting City in the 2001 Baseball World Cup

In Taiwan, the right to host the 2001 Baseball World Cup was seen as a credit to both the CTBA and Taipei City, which won the bid in Sydney in 1999 (In that time the KMT still controlled central government as well as acting government in Taipei City). In accord with this award, the NCPFS added to the subsidy, with an estimated NT$ 115.6 million, for implementation of a short-term plan, the ‘Programme of Developing Baseball in ROC (2001-2004)’, for baseball development and clearly demonstrated the government commitment to the project. The range of the aims, goals, and strategies adopted by the NCPFS, itemised in Table 6.2, indicated that the government intended to use the ‘forthcoming’ 2001 BWC as a vehicle to revitalise the sport of baseball.
### Aims
To promote the national game of baseball, which contributed to international image and national integration of Taiwan over past decades, however, declined since recently.

### Targeted Tournaments
- **2001**: the 21st Asian Cup in Taiwan.
- **2001**: the 34th Baseball World Cup in Taiwan.
- **2002**: the 14th Asian Games in South Korea.
- **2002**: the 14th Intercontinental Cup in Cuba.
- **2003**: the 22nd Asian Cup in Japan (qualification for 2004 Athens Olympic Games).
- **2003**: the 35th Baseball World Cup in Cuba.
- **2004**: the 28th Olympic Games in Athens.

### Periods
- **2001**: focus on the 34th Baseball World Cup in Taipei.
- **2002**: focus the 14th Asian Games in South Korea.
- **2003**: focus on the 22nd Asian Cup in Japan (qualifying for 2004 Athens Olympic Games).
- **2004**: focus on the 28th Olympic Games in Athens.

### Strategies
- **2001**: to scout young talented players and proceed long term training session to prepare for the 2001 BWC in Taiwan.
- **2002**: to explore young talented players and proceed long term training session domestically and abroad.
- **2003**: domestic and abroad training sessions, and friendly games in the USA and Japan.
- **2004**: domestic training sessions and friendly games in Latin America and Europe.

### Evaluation of Goals
- **2001**: the 21st Asian Cup in Taiwan (top 2). **First**
- **2001**: the 34th Baseball World Cup in Taiwan (top 3). **Third**
- **2002**: the 14th Asian Games in South Korea (top 2). **Second**
- **2002**: the 14th Intercontinental Cup in Cuba (top 3). **Fourth**
- **2003**: the 22nd Asian Cup in Japan (qualifying for the 2004 Athens Olympic Games) (top 2). **Second**
- **2003**: the 35th Baseball World Cup in Cuba (top 3). **Fourth**
- **2004**: the 28th Olympic Games in Athens (top 3). **Fifth**

### Guidelines
- To seek support of the CTBA, CPBL, TML and other relevant organisations.
- To create a specific directive committee to deal with the overall programme.
- To foster and establish the strongest baseball national team.
- To provide high quality and quantity of training sessions to baseball national team.
- To enhance the ability to gather information from other competitive countries.
- To upgrade the levels of coaches and judges.
- To cooperate with the Ministries of Education and Defence to deal with relevant administrative affairs surrounding players.

### Budget
- **NT$ 115,600,000 (US$ 3450,000).**

Source: NCPFS (2000c)
However, after the DPP gained power in 2000, the hosting issue became problematic, with the Executive Yuan’s proposal that the NCPFS negotiate with the Taipei City government, and the IBAB to see whether it was possible to move the opening and closing ceremonies to Kaohsiung County. Liu emphasises this point and indicates that, "The political intervention by the DPP and ensuing power struggles amongst the international governing body, central government, and two local governments with different political affiliations were evident" (Liu, 2003: 226). Thus, arguments among political actors such as the Executive Yuan, the Legislative Yuan, Taipei City (KMT) and Kaohsiung County (DPP), sport governing bodies such as the IBAB and the CTBA gained momentum.

With the successful experience of having staged the World Senior Youth Baseball Tournament in 1999 behind it, the Kaohsiung County government sought to be involved in the 2001 Baseball World Cup when its DPP Magistrate, Yu, suggested it would be ‘logical’ for his county to jointly host the event with Taipei City. He accused Taipei City of trying to monopolise the tournament. However, the reality was that Taipei City would only host twenty one of the tournament’s sixty eight matches and fourteen would be held at the Kaohsiung County baseball stadium, Chengching Lake.

Indeed, when the IBA [formally IBAB] chief executive Ortin visited Taiwan in March 2001 to inspect baseball facilities, the National Sport Council [NCPFS] asked that the final game be held at the Chengching Lake [in Kaohsiung]. But the association chose Tienmu stadium in Taipei instead and approved the tournament schedule (Taipei Times, 2001c).

Despite the fact that the IBAB had made its decision, the Kaohsiung County government still clamored for the final game and the closing ceremony. This matter, then, raised arguments in the Executive Yuan which,
...supported the Kaohsiung County government's proposal to negotiate this issue with the Taipei City government. The head of the DPP supports the request of the Chief Magistrate of Kaohsiung County to discuss this issue with Taipei City government (China Times, 2001a, quoted in Liu, 2003: 228).

Following this, the Cabinet proposed the rescheduling of the tournament's final, its closing and award ceremonies, and moving them from Taipei City to Kaohsiung County. In effect, in 2000, similar concerns were expressed by the Legislative Yuan where the DPP legislators had suggested that,

It is greatly appreciated that Taiwan won the bid to hold the 2001 Baseball World Cup. Hosting this sport event is expected to be positive for Taiwan in terms of baseball development and economic benefits. Therefore, we suggest that the government should consider the distributions of venues around this island, as we believe benefits should go to all the citizens (Tsai, and another 11 DPP legislators, 2000: 167-168, translated by the author).

The DPP legislator Yen had previously (at the beginning of 2000) proposed that the 2001 Baseball World Cup should be placed in the Kaohsiung Greater area, he has pointed out that,

Hosting international sport events could promote cities' diplomacy and let foreigners further understand what the cities are. I suggest that the 2001 Baseball World Cup should be held in the Kaohsiung area, but not Taipei City where many international activities have taken place for many years...I am looking forward to your Minister's promise to hold this event in Kaohsiung, which has many strengths that Taipei is unable to offer (Yen, 2000: 33-91, translated by the author).

At that time, the KMT NCPFS Minister Chao responded to Yen and she indicated that,

As far as I am concerned, the NCPFS is still evaluating in which city to hold this specific tournament. We are negotiating with Taipei City and Kaohsiung County and decision-making is yet to come. Importantly, the NCPFS will finish the evaluation in one month and make a final decision (Chao, 2000: 33-91, translated by the author).
The NCPFS did not propose any decision at that time since the KMT government lost power in 2000. Such arguments concerning the hosting site were re-addressed in 2001 as mentioned above by the DPP Magistrate of Kaohsiung County, Yu had put forward a proposal, and following its victory the new DPP central government decided to support Yu’s proposal. Therefore, the Minister responsible for the NCPFS, as a member of the Cabinet, was urged to liaise not only with the local governments but also the IBAF and the CTBA to renegotiate the location of the opening ceremony, the closing ceremony and the schedule of playoffs. Press reports suggested that, “The NCPFS is under pressure both from the local governments and from the International Baseball Association [IBAF]. It claims to serve as the ‘negotiator to work out everything about the World Cup’” (China Times, 2001, quoted in Liu, 2003: 228). The NCPFS Minister Hsu, who was former Minister Chao’s successor, reflected the main direction of the central government as he argued that,

The tournament’s final schedule has not been completed. The schedule is a draft. It doesn’t necessarily mean that a change of venues cannot be made. The International Baseball Association [IBAF] will make its third inspection tour to Taiwan some time between July 20 and August 15 and, during that time, the final decision will be made with consent from the organiser (Taipei Times, 2001c).

The ‘political interference’ by the NCPFS immediately led to criticism from both the Taipei City government and the Chinese Taipei Baseball Association (CTBA). The KMT Mayor of Taipei City, Ma, lashed out at the DPP political intervention and responded that it was inappropriate to reschedule the tournament under international sport regulations. He remarked that “I have no idea how the Executive Yuan could change the schedule of the World Cup without going against international rules” (China Times, 2001a). Subsequently, he further reported in the weekly Cabinet meeting,
The International Baseball Federation, on June 26, notified all sixteen participating countries of its schedule, finalised June 2, which it said couldn’t be changed. I therefore don’t see either the possibility or the reason for a change of venues...if the Cabinet insists on making changes, damage will be done to the nation’s image. Only in the event of a national disaster can a change be made (Taipei Times, 2001d).

However, the Premier Chang supported his DPP Magistrate from Kaohsiung County, and intended to create a renegotiation between these two municipalities. Chang pointed out,

I would leave the decision to be reviewed by the Cabinet’s ad hoc task force, which is in charge of coordinating the tournament. I hope the Taipei City government would not be offended by the likely change and ‘turn it into a clash’ between the central and local government (Taipei Times, 2001d).

The debate over who should host the ceremonies became a string of political spats between Taiwan’s two municipalities (and/or the two political parties which controlled them). Premier Chang made the above comment in response to criticism that political intervention and party interests lay behind the Cabinet’s proposal,

One of the reasons for this, according to the Cabinet, is to help create a better balance between the country’s north and south by benefiting the southern counties. Interestingly, most southern cities and counties are controlled by the DPP (Taipei Times, 2001d).

In addition, countering the accounts of political intervention from the Taipei City Mayor, the central government spokesman Su again emphasised the state’s attitude toward this matter as he indicated that,

The Cabinet’s proposal was simply intended to provide the tournament with a better stadium than Taipei could offer. The tournament, which aims to promote the sport and increase the country’s supporters, is not a regional one...the Chengching Lake Baseball Stadium in Kaohsiung County can accommodate 20,000 spectators, three times as many as Taipei’s Tienmu Stadium (Taipei Times, 2001d).
Understanding the KMT Taipei Mayor’s firm attitude, the DPP Magistrate of Kaohsiung County decided to change his previous attitude and adopted a ‘soft’ appeal to try to persuade Ma to have an open mind and ask for the tournament’s final and closing ceremony to be held in the south. Whereas, backed up by the Mayor, the Taipei City government spokesman, King, insisted,

That the tournament’s schedule, including its venues for baseball is 100 percent finalised. Someone has given the Cabinet incorrect and distorted information (Taipei Times, 2001b).

The Deputy Director of Bureau of Education of Taipei City, Chen, further emphasised this point and indicated that,

I am optimistic that there will be no change of locale...we received a letter from the federation [IBAF] in June saying that the original schedule cannot be changed (Taipei Times, 2001b).

The Secretary-General of the CTBA, Lin, at this time, expressed the same view and pointed out that, “When we had breakfast with him [Ortin] this morning, he reiterated that the schedule cannot be altered” (Taipei Times, 2001b). Two days later, Lin further indicated that,

Both events (final game and closing ceremony) would take place in Taipei’s Tienmu Baseball Stadium as originally scheduled. The ball-game schedule announced previously remains effective...I greatly appreciated Kaohsiung County’s enthusiasm in co-hosting the tournament’s games (Huang, 2001).

In effect, according to the agreement of the IBAF annual meeting in Sydney in 1999, Lin reported the initial schedule of hosting the 2001 Baseball World Cup in Taiwan at that time,
The high-profile championship will be held in Taipei in November 2001. Most of the games will be held at two venues, the Tienmu stadium in Taipei City—currently under construction—and the Hsinchuang stadium in Taipei County. Three baseball stadia in the greater Taipei area, including the Tienmu stadium will be ready to host games soon (Taipei Times, 1999b).

Thus, the IBAF, as an international sport governing body, played a crucial role in this political debate as a source of external authority. During the chief executive Ortin’s third inspection tour in Taiwan July 25 in 2001, he still refused to give a definite answer as to whether the IBAF had decided to reject the Cabinet’s proposal as Ortin commented that,

I am pleased with the improvements made to the Taipei’s Tienmu Baseball Stadium. I am very impressed with the work done to it within such a short period of time. Although it’s not in perfect condition to hold the games tomorrow, only small changes need to be made…the current venue is in excellent condition (Taipei Times, 2001b).

This illustration reflected no signal whether the IBAF had made its final decision, however, at a meeting with the Premier Chang two days later, Ortin decided to turn down the Cabinet’s proposal, putting an end to the ongoing political debates between the Taipei City government and the Kaohsiung County government. Ortin was quoted as saying in a press statement released by the Cabinet’s Government Information Office,

The federation [IBAF] has held a series of meetings to discuss and finalise the schedule; therefore, it will be very difficult to change the schedule at such short notice (Huang, 2001).

In response, Premier Chang told Ortin that he fully respected the Federation’s regulations for determining the schedule (Huang, 2001). The dispute over the hosting over the 2001 Baseball World Cup, which had been turned into a partisan political
struggle, was effectively ended with Ortin’s announcement, which reflected the IBAF’s position. Subsequently, agreeing to follow the IBAF ruling, the Executive Yuan and the Kaohsiung County government achieved a compromise for the event over the distribution of games. Meanwhile, it also resolved the dilemma of the NCPFS, which was forced to seek to challenge (authority) regulations of the international sports governing body (IBAF) under political pressure from its domestic Cabinet and the ruling party (DPP).

Within this context, the main purpose of this section has been to highlight arguments which reflected power struggles within and between central and local government and among members of Taipei City government (KMT), Kaohsiung County (DPP), the NCPFS, and the International Baseball Federation (IBAF). In this discussion, a three-fold governance of a sport approach also helped to inform the investigation of the significance of specific historical settings in which state-society relations evolved as the background context for sport decision-making. Figure 6.2 maps out the relationships identified in this section between various stakeholders. The nature of these relationships, reflected in the governance system, is both in relation to political parties (KMT, DPP) influence and related to the national (CTBA), and international (IBAF) sporting governing bodies in the sport. Liu has pointed out,

Before 2000 with the KMT in power in central government, the access for bidding for the Games can be seen as controlled by the cooperation between the KNIT, NCPFS and CTBA. After 2000 the DPP’s first term in power in central government, the DPP made use of political advantage and attempted to intervene in the decision made by International Baseball Association [Federation] (Liu, 2003: 230).

As for the above claim, it is evident that the state (DPP regime) had thus become more accessible to certain forces (the DPP governed county) than others (the KMT controlled
city), according to the political strategies (affiliation, ideology, and so on), which particular stakeholders adopted to achieve preferred ends. However, as Jessop suggests, "The state is a strategic terrain, as the crystallisation of political strategies, as a specific political form, which offers structural privileges to some but not all kinds of political strategies" (Jessop, 1990: 270). The Taipei City government and KMT interests were also able to appeal to international regulations and thereby legitimate their claims as well as drawing on the strength of the IBAF, which lay beyond Taiwan’s own sporting and political constituency (Liu, 2003). Indeed, the state thus represents “a strategic terrain where these have to be established in struggles, the outcomes of which are always uncertain [contingent]” (Girginov, 2001: 175).

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Figure 6.2: Systemic Governance Issues in Relation to the Staging of the 2001 Baseball World Cup in Taiwan - A Web of Interaction between Stakeholders
6.4 Effects of the 2001 Baseball World Cup

The chief message to be extracted in the preceding paragraphs represents an example of political struggle between central government and local government, between political parties, and between the North and the South, which represented a battle between stakeholders with various interests in sport. The issue is mainly concerned with whether the pressure from the IBAF (the international sporting authority) could ‘persuade’ the Taiwanese government to amend its attempt to reschedule the proceedings of the 2001 BWC. Following the formal ‘ratification’ by the IBAF of the decision that Taipei City should host this tournament political tensions were calmed, and the overall review of the 2001 BWC recognised it as “a great success” (IBAF, 2003b). Subsequently, what follows below is a more substantive description of the impact on Taiwanese nationalism of the successful ‘hosting’ of major sporting events. The second part of this section will consider the influence of the event on the development of baseball, more precisely, the professional baseball industry.

The Relationship of Taiwanese Nationalism and Broader Social Values to the 2001 Baseball World Cup

As the successor to the KMT fifty-year governing regime in 2000, the DPP gained power in Taiwan’s second presidential election. Given Taiwan’s upheaval, it was thought that the new government would be wise to maintain stability in political, economic, and social terms, in particular since the economy was worsening, unemployment numbers increasing, and society in general seemed restless after the DPP had taken power. Therefore, diverting the attention of the public to avoid, for example, any strikes in significant areas was important, as it was for the new government to maintain its political power, especially with the Parliament (where the KMT still dominated) until elections took place at the end of year 2001. Coincidentally,
the Baseball World Cup in 2001 was considered as positive proof of diverting the attention of the public while Lin suggests that,

In line with the previous government’s view, the 2001 BWC became a crucial political means for the DPP government to make it a focus of intense public interest, within and beyond the country. In appearance, the new government positively supported the public demand for the rejuvenation of baseball although, as will be shown, in fact the 2001 BWC was manipulated by the new government in attempts to achieve its desired political hegemony in a number of ways (Lin, 2003: 211).

In support of the argument promoted by Lin, media reports and comments by interviewees promote similar views.

As the misery index spreads across population, the arrival of the Baseball World Cup at this time is like fresh air or cooling rain… the tournament can add some fun and excitement to people’s lives (Liberty Times, 2001).

... during the World Cup, baseball regained its position in Taiwanese minds and related baseball news became the headlines in the media again… The heat wave on baseball, more or less, temporarily distracts them from their concerns in their daily lives such as a higher rate of unemployment (Interview with the Videoland commentator, 06/05/03, translated by the author).

The Baseball World Cup of 2001 created another climax due to the extraordinary performance of Taiwan’s Team. It aroused public attention and full support for baseball. It offered a focal point for the general public and thus diverted people’s attention from political turmoil, economic recession, and societal unease during that period (Interview with the NCPFS vice Minister, 06/05/03, translated by the author).

The players are heroes and have been praised for their efforts and athletic spirit by the people. The baseball tournament and the performance of the Chinese Taipei team became the key to a collective psychological healing during a frustrating period in the same way the Yankees helped New Yorkers emerge from the gloom cast by September 11 attacks (Taipei Times, 2001b).

Additionally, The China Post also points out that,
The hosting of the competition in the Republic of China [Taiwan] is not just an honour for the ROC [Taiwan], but also serves to divert people’s attention away from the political scene surrounding the countdown to the year-end elections (*The China Post*, 2001c).

Lin further suggests that five political goals of the government through hosting this sport event could be identified. Among the five political goals, the main concern of the DPP government was the ‘diverting of public attention’ at a time when this inexperienced political party was grappling with the problem of how to ‘govern’ the country effectively.

...the [DPP] government was hoping the 2001 BWC would divert the public attention away from the impending economic recession, which might affect the forthcoming Legislative Yuan election (Lin, 2003: 212).

After the championship, this point was reflected in the DPP legislator Wang’s comment when he stated that,

The outstanding performance of Taiwan’s baseball team has not only provided a feast of high-quality baseball, it has also given us a temporary escape from the economic recession and the chaos of the coming election...anyway, this is positive for the new government, which is looking to win (Wang, 2001).

Thus, it is evident that, again, sports have been used by political actors for their specific purposes (Manzenreiter and Horne, 2002). During the period of the World Cup, the DPP President Chen (DPP chairman) used to call on the ‘nation’ to cheer for Taiwan’s national team, whilst utilising the tournament to attack the KMT and suggesting the KMT could learn about sportsmanship from this competition. As he stated in a campaign for DPP legislature and county chief candidates,

The only way to win the game is for all team members, as well as fans, to unite and express their support for the team. You shouldn’t demonstrate impolite behaviour such
as chanting at the visiting teams during the games. The fans shouldn’t demand that the team be replaced because they don’t score in the early innings...please give the DPP and me a smooth two-and-a-half years, which would be possible through a DPP victory in the year-end elections (Lin, 2001).

Politically, according to interviewees, issues such as Taiwanese nationalism and Taiwanese identity which the sport event had raised, were reflected in the result of the Parliamentary election in 2001 since the DPP became the majority with 87 seats in Legislative Yuan ending the KMT’s fifty years dominance as it declined from 123 seats in the previous election in 1998 to 68 seats (Low, 2001). Interviewees have pointed out,

For me, frankly speaking, in 2001, Taiwan’s economic situation was worse, the DPP government did not perform well which was a great disappointment to the citizens. However, the DPP won the Parliamentary election after the World Cup, which has contributed to the establishment of people’s national confidence, dignity, identity and social solidarity (Interview with the NCPFS Minister, 13/05/03, translated by the author).

Politicians and businessmen are glad to reevaluate the value of baseball...An interesting case to mention is that although the DPP government did not perform well at that time, the DPP won the Parliamentary election after the World Cup. Some political commentators suggest that the success of the World Cup benefited this inexperienced ruling party (DPP came to power in 2000) since this event intensified the Taiwanese sense of national identity. The Taiwanese, encouraged by the World Cup, decided to give a chance to the DPP again since the sense of national identity had been raised (Interview with the Principal of the NTCPE, 14/05/03, translated by the author).

The 2001 Baseball World Cup, which promoted Taiwan’s international visibility and intensified a sense of national identity, to some extent, had contributed to the DPP’s success in the Parliamentary election. Interviewees have also highlighted how a major sport event, the 34th Baseball World Cup, was experienced as a powerful means by which to influence Taiwan’s political system. Since the Taiwanese (ROC) government relocated to Taiwan in 1949, Mainland China (PRC) has undertaken a painstaking
suppression of the development of Taiwan’s international ‘visibility’.

Under pressure from China, Taiwan is squeezed in the international arena not only does China push around Taiwan in politics and diplomacy, but even when it comes to the non-political arena of sporting events (Liberty Times, 2001).

Liu goes further to claim that “The two sides did not reduce tensions but increased conflicts through international sporting events whilst the PRC insists on the ‘one China principle’ and avoids…images of ‘two Chinas’ at a global level” (Liu, 2003: 138). Interestingly, to some degree, the hosting of the 2001 BWC seemed to effectively provide ‘advantage’ for Taiwan’s government, which recognised the sport event as a diplomatic resource to maintain relations with existing allies and to explore the contacts with the others internationally. For example, in his speech at the opening ceremonies of the 34th Baseball World Cup, Taipei City Mayor Ma noted,

Hosting the games would enhance Taiwan’s visibility in the international sports arena. It is an important step for Taiwan to engage in the international community (The China Post, 2001c).

President Chen, who was also at the opening of the competition, further echoed Ma’s observations that, “Taiwan was honoured to have these opportunities to host first-rate games and allow fans to watch first-rate players on the field” (The China Post, 2001c). The championship, as a result, was able to both demonstrate Taiwan’s ability to host mega-sports events and to enhance Taiwan’s visibility internationally (NCPFS, 2001b, 2002a). Interviewees’ attitudes towards this issue were broadly similar and were revealed in comments such as the following:

The promotion of sport such as introducing the great performance of the ‘national game’ baseball to the world community, undoubtedly, enhances and glorifies Taiwan’s diplomatic image despite the fact that Mainland China has made efforts to constrict and
Chapter 6 The Case of the 34th Baseball World Cup in Taiwan in 2001

block Taiwan in political, economic, and military terms (Interview with the former Mercury Tigers player, 21/05/03, translated by the author).

Supporting the development of elite sport can promote Taiwan on an international level. This would function in a diplomatic context, promoting Taiwan’s image under the circumstances in which Taiwan is not a member of the United Nations and is subject to Mainland China’s ruthless attempts at humiliation. Sport could be recognised as a sharp weapon to help the government to break out of its tough diplomatic predicament. (Interview with the Principal of the TPEC, 13/05/03, translated by the author).

As for the above description, on the one hand, the result that Taiwan successfully hosted the 2001 BWC implies “a successful step on its quest for greater diplomatic recognition and for enhancing its visibility in the international arena” (Lin, 2003: 229) whilst the government (both the KMT and the DPP regimes) is still suffering from long-term suppression in many perspectives by Mainland China internationally (Government Information Office, 2002b). On the other hand, the 2001 BWC also provided a historical stand in which new, shared feeling, and identities could be experienced, and new symbols advanced and embraced. Indeed, according to Jarvie,

Sport itself often provides a uniquely effective medium for inculcating national feeling...shared memories of specific events and personages which [may be] turning points for a collective or national history (Jarvie, 1993: 74-76).

In addition, Henry (2001b: 240) claims, “sport was one policy area in which government could demonstrate, at least in symbolic terms, its affiliation to the protection of national identity in a way, which was likely to have a wide appeal”. In some sense, the BWC was utilised indeed as a vehicle to manipulate the passion of the Taiwanese for baseball by the DPP government and thus it reinforced the basis for a new conception of ‘Taiwanese identity’. As Krich noted when he interviewed many of Taiwanese baseball players and officials during the 2001 BWC,
...the [baseball] game has become so crucial as a cultural marker distinguishing Taiwan from mainland China...It has become a means to enhance Taiwanese identity and the legitimacy of our government (Krich, 2002).

Together with the effective international exposure externally, the sport event also contributed, internally, to enhance the concept of national identity. According to Kao, who made the following remarks at a forum entitled 'Rectifying the Name of Taiwan', the victory fuelled the Taiwanese new feeling.

When the entire nation celebrated the third place position at the 34th Baseball World Cup, few people knew that the name of our team was 'Chinese Taipei'. I think people would have preferred the name of the national team to be 'Taiwan', which is an independent sovereign state that China has never governed (Kao, 2001).

In effect, the societal phenomenon during the World Cup reflected a tide of popular feeling among the nation's citizens as a whole in Taiwan. Over recent years, Taiwan has endured difficult times both domestically and internationally. For many commentators, people's support and passion for the national team promoted a mass response of positivity. Notions associated with the contributions to Taiwan’s national identity having been intensified by the 2001 BWC are also notable in interviewees' comments.

About the World Cup in 2001, I think it greatly aroused Taiwanese national identity and created an ambience of social solidarity (Interview with the NTCPE academic expert, 05/05/03, translated by the author).

The World Cup not only provided practical benefits but also produced invisible ones such as the integration of social solidarity and national identity (Interview with the NCPFS Minister, 13/05/03, translated by the author).

Such means to cultivate Taiwan’s nationalism and further to reconstruct Taiwan’s national identity unambiguously went against the old conception of ‘Chinese identity’ promoted by both the former KMT regime in Taiwan and even the communist
government in Mainland China. Thus, the event has not only successfully rejuvenated
the national game which the DPP government proclaimed; overtly, it also achieved one
of the new regime’s main goals of fostering the Taiwanese identity to replace the
Chinese identity - an ideological goal which defines perhaps the main difference
between DPP and the KMT.

The Rehabilitation of the (Professional) Baseball System Resulting from the 2001
Baseball World Cup

The above section has sought to show what implications the 2001 BWC had in different
ways from a political perspective. Subsequently, the chief purpose of this section is to
going on to discuss some of the effects which the 2001 BWC had in respect of the
development of baseball, more specifically, professional baseball. Beyond the ‘psychic’
and emotional benefits (Crompton, 2001) which such a sports event can bring, there are
material goals with which they are associated. Such benefits are after citied to justify
public management by their backers, typically coalitions of politicians,
businesses/sponsors and sports organisations (NCPFS, 2001a: 4). For example,
according to a report evaluating the benefits of hosting the 2001 BWC, the NCPFS
indicated that, “There were more than NT$ 752 million in direct economic profit and
over 800 jobs were created during the 34th Baseball World Cup” (NCPFS, 2001b: 14).
The former Minister of the NCPFS, Hsu, also pointed to visible benefits that the
Baseball World Cup made available when he pointed out that,

The Baseball World Cup has provided practical benefits. At that event, as I understood,
the Chinese Taipei Baseball Association (CTBA) earned a great deal of money
(estimated NT$ 50 million) by selling sport products and broadcasting right fees. This
was a positive inspiration as Taiwan’s baseball was experiencing a tough time
(Interview with the NCPFS Minister, 13/04/03, translated by the author).
Indeed, this event appeared as a significant turning point in the development of baseball in Taiwan. After 1997, baseball in Taiwan had undergone a great transformation with fans and the public hurt by the gambling scandal and becoming skeptical of the value that this sport could provide. Despite the effort of cooperation to save the crisis between the public sectors, private sectors and voluntary sectors, the consequence was not satisfied to the public expectation until a crucial shift since the 2001 BWC. Interviewees commented on how this major sporting event had efficiently reversed people’s obsession with corruption in professional baseball following the gambling scandal.

Were it not for the World Cup, I don’t know which way professional baseball would have gone. The World Cup was successful in dispelling people’s prejudices about baseball and won fans back. Because of the players’ great performance in the World Cup, the fans’ passion was trigged and this was positive for the development of baseball in Taiwan (Interview with the Principal of the TPEC, 13/05/03, translated by the author).

A miracle happened after the World Cup! The great success of the World Cup had a positive impact within baseball since it resulted in increasing not only fans’ participation but also the flow of a new generation of players. The players now have an objective because they realise that professional baseball still exists and thrives (Interview with the former Mercury Tigers Player, 21/05/03, translated by the author).

Fortunately, we had the 34th baseball World Cup in Taiwan in 2001 and it was able to secure the future of baseball at a point when it was collapsing. The good performance of Taiwan’s national team (mostly with players from the CPBL) during the event won back the fans’ passion and baseball brought people together. This event won people back and baseball became a hot topic in people’s daily lives again. This is very positive for the development of baseball and we have to give thanks for this competition (Interview with the Organiser of Bulls Fans Association, 08/05/03, translated by the author).

Contemporarily, it would not be easy to provide more direct evidence that the 2001
Baseball World Cup brought significant medium or long-term improvements to Taiwan's economy. However, it was generally claimed that the event did have certain positive industrial impacts such as reviving the baseball industry and related business industries in Taiwan.

Thanks to the Baseball World Cup in 2001, the professional baseball industry seems to be rising again. I think such a significant event in the history of professional baseball has had an economic impact on it since it can influence the sponsors' intention to invest money into this business (Interview with the NTNU academic expert, 01/04/03, translated by the author).

I think the media successfully broadcast games and made a huge profit from the 34th Baseball World Cup and they thought the audiences' passion would transfer to professional baseball games. Hence, there were many TV companies competing keenly for this year's broadcasting rights and two of them cooperatively (Interview with the Organiser of Bulls Fans Association, 08/05/03, translated by the author).

Internally, the above statements have reflected on those facts which show famous domestic corporations such as Hey Song (beverage company), Golden (sports restaurant), and Chung-Hwa Motor (car company) etc. spending money on sponsoring different clubs and players after the 2001 BWC. For example, the Chung-Hwa Motor Corporation signed a sponsoring contract, estimated at more than NT$ 21 million for three years, with the Brother Elephants and this contract was the biggest sponsorship for this club since its debut in 1990 (CPBL, 2002). Externally, famous international broadcasting companies were also expressing interest in Taiwan, especially in relation to the development of baseball after the 2001 BWC. 'The Asian Wall Street Journal' and the USA CNN Broadcasting Company reported on Taiwan baseball development and the British Broadcasting Cooperation (BBC) also came to gather the news on Taiwan's professional baseball matches in 2002 (CPBL, 2002). In effect, the two professional baseball leagues, in particular the CPBL (with 15 players represented in
the national team) had gained significant benefits such as a dramatic increase in
attendances of spectators and gate income, which was attributed to the initially
Survey* shows that in the 2001 Final Game of the CPBL (there were seven matches in
the Final Game) the ticket income was NT$ 13,400,000 and average attendance at each
match was 10,500 spectators. This compared very favourably with previous years since
1997 (NCPFS, 2002a: 26). Quartly acknowledged this and goes further to indicate how
the CPBL was developing after the 2001 BWC,

Borrowing from the successful experience of the Baseball World Cup last year (2001),
Chung-hwa Telecom and the Chinese Professional Baseball League (CPBL) yesterday
announced a plan to provide Internet coverage of games…the CPBL Secretary-General
Wayne Lee said that after last year’s World Cup fans were flocking back to the game
and that the Internet service would further boost enthusiasm. He further said that there
had been a 51% increase in attendances and a 148% increase in gate income (Quartly,
2002d).

Such was the impact in the 2001 BWC, there has been an attempt to stimulate for
desirable capital spending on new projects and rejuvenation of sporting and urban
infrastructure, as much as “NT$ 50.322 million was spent on projects to upgrade a
number of the baseball stadia around the country to conduct the baseball world
tournament in 2001” (The Legislative Yuan, 2001: 15). In addition, capital spending
and infrastructural effects of the tournament were also recognised by the 2003 IBAF
Congress in Cuba, which pointed to the fact that, during the event in 2001, a beautiful
new stadium [Taipei Tienmu Stadium] in Taipei City had been inaugurated (Stoovelaar,
2003). The implementation of projects in relation to baseball stadia reconstruction for
the 2001 BWC has been recognised as benefiting the professional baseball industry
directly since state-owned baseball stadia which received this investment were
subsequently to be used for professional league games.
From the above sections, comments about evaluations of the impacts of the 34th Baseball World Cup suggest that its consequences were generally viewed positively. They were generally positive in raising national morale and politically for example, to the interests of the DPP (in raising Taiwanese identity) and to the interests of investors in baseball (who could benefit after the championships from major public sector investment in facilities to be used for professional sport). Apart from the impacts already mentioned, one great consequence of this event and the subsequent revival of baseball was embodied in the inauguration of the issue of merger between the two professional baseball leagues, which was directly promoted through the state's involvement. Relevant issues of the merger in 2003, subsequently, will constitute a central theme in the following chapter.

6.5 Conclusion

In this chapter, the case of the 2001 Baseball World Cup in Taiwan has been used to help explore some of the dynamics of power struggles, relationships between the state and other relevant stakeholders in shaping policy outcomes in the baseball governance system. Thus, it explained some key themes from this case: (i) competition of sport events bidding at an international level; (ii) the political power struggles through baseball between the KMT and DPP, the South and North, central and local government, domestic and international institutions; (iii) effects of hosting an international sport event and; (iv) implications for the development of (professional) baseball.

Reviewing these themes, with regard to a strategic relations perspective, the issue of hosting shows tensions between the world of international sport and governments, but also between KMT and DPP, and between South and North in Taiwan. It is evident that intervention jointly conducted by the central (DPP) government and its governed
county (Kaohsiung County) provided an example of the DPP regime exerting its influence upon the nature of the hosting, as well as its governing bodies (NCPFS and CTBA). However, the Taipei City government (KMT) interests were successfully defended by appeal to the international regulations of sport when the IBAF decided to approve (strengthen) the legitimacy of the KMT’s claims. The points raised here implied that actors, who presented resources, have thus constrained or enabled the actions taken. Significantly, a strategic terrain [the state] is where these have to be established in struggles, the outcomes of which are always contingent (Jessop, 1990). Meanwhile, it is clear that competition, cooperation and mutual adjustment between stakeholders are involved in the production of sport (Henry and Lee, 2004)). More precisely, stakeholders (e.g. the DPP government) involved within the system could no longer simply impose their will without negotiating with the other interested parties and organisations in terms of systemic governance (Henry, 2001; Henry et al, 2005; Henry and Lee, 2004).

In summary, the circumstances surrounding the 2001 BWC illustrate tactics, benefits and disbenefits, which stemmed from the hosting of the event. Table 6.3 below provides a description of what actions/tactics the stakeholders (see Figure 6.2) had undertaken; and the benefits, as well as the disbenefits, they gained from the 2001 BWC.
Table 6.3: Actions/Tactics, Benefits, and Disbenefits of Stakeholders in the 2001 Baseball World Cup

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Actions/Tactics</th>
<th>Benefits</th>
<th>Disbenefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DPP</strong></td>
<td>Intervention through the Cabinet</td>
<td>International recognition, Taiwanese national identity, Majority of the Parliament, Political party image, Media exposure</td>
<td>Political party image, International image</td>
</tr>
<tr>
<td><strong>Kaohsiung County</strong></td>
<td>Involvement through the assistance of both from the DPP and the Cabinet</td>
<td>County image, Media exposure, Gaining stronger support from constituency</td>
<td>International image</td>
</tr>
<tr>
<td><strong>KMT</strong></td>
<td>International sporting regulations, Drawing on the strength of the IBAF</td>
<td>International recognition, Political party image, Media exposure</td>
<td>Political party image, Declining seats in Parliament, Declining Chinese identity</td>
</tr>
<tr>
<td><strong>Taipei City</strong></td>
<td>International sporting regulations, Drawing on the strength of the IBAF</td>
<td>International recognition, City image, Media exposure</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>NCPFS</strong></td>
<td>Implementation of Programme of Developing Baseball in ROC (2001-2004), Negotiation with the IBAF and the Taipei City</td>
<td>Rejuvenation of national game, Increasing construction of new baseball stadia, Reimage of baseball</td>
<td>International image, Domestic image</td>
</tr>
<tr>
<td><strong>IBAF</strong></td>
<td>International sporting regulations (authority)</td>
<td>Wider popularity of baseball, Maintenance of international sporting authority</td>
<td>Unknown</td>
</tr>
<tr>
<td><strong>CTBA</strong></td>
<td>Bidding the host right by gaining support from Asian members of the IBAF, Promise of administrative payment to the IBAF</td>
<td>Unexpected income (NT$50 million), International commendation, Reimage of baseball, Increasing sport funding, Increasing construction of new baseball stadia, Increasing corporate sponsors</td>
<td>Minor tensions between the CTBA and leagues in relation to picking up players from their clubs to the national team</td>
</tr>
<tr>
<td><strong>CPBL</strong></td>
<td>Supply of players (15), Promoting the CPBL</td>
<td>Increasing attendances, fans, and income, Media exposure, Reimage of league, Increasing corporate investment, Sport facilities</td>
<td>Rundown of popular and talented players, Increasing wage bills, Seemed to be subordinate to the CTBA which would be likely to ask full cooperation of two leagues to supply to support the national team in any ways</td>
</tr>
<tr>
<td><strong>TML</strong></td>
<td>Supply of players (1), Promoting the TML</td>
<td>Media exposure, Enterprises sponsorship, Sport facilities, Reimage of league</td>
<td>Declining attendances and fans, Marginalisation, Seemed to be subordinate to the CTBA which would be likely to ask full cooperation of two leagues to supply to support the national team in any ways</td>
</tr>
<tr>
<td><strong>Players</strong></td>
<td>To be members of baseball national squad</td>
<td>Certainty of employment, Baseball career upgrade to Japan or USA, Media exposure, Increasing income, Reimage of players, Concern of military service</td>
<td>Competition, Marginalisation</td>
</tr>
</tbody>
</table>
Chapter 7

The Case of the Merger of the Two Professional Baseball Leagues in Taiwan in 2003

7.1 Introduction

The cases cited in the previous two chapters have reviewed the process of baseball, more specifically, the development of the system of professional baseball in Taiwan. Chapter 5 examined a number of issues relating to the nature of the governance affected by the gambling crisis as well as reflecting strategic relations between groups influencing policies such as the launching of a sports lottery and cross-strait sport relations. In chapter 6, we have shown that an examination of circumstances surrounding the 2001 Baseball World Cup period, illustrates the dynamics of the power struggles, and relationships between the state and other relevant stakeholders in the governance system for baseball. Thus these two chapters have provided a basis to highlight the local dynamics in the interactions between stakeholders within this system and to identify the main implications of these two significant sets of events.

This chapter also has a similar structure to that of the two previous chapters and is thus organised around similar principal themes. It focuses on the case of the merger between the two professional baseball leagues in 2003. The first section is concerned with the emergence of the merger issue since 2001, and explains the processes gone through and the rationales of, stakeholders such as the state, the leagues, owners of clubs and so on. The second section considers the dynamics of the power-relations among the stakeholders, and looks to articulate the state’s intervention in the development of the merger as well as identifying and explaining the consequences of the intervention and how such intervention can be understood in the context of the network of relations.
within and between Taiwan’s polity and its professional baseball system. The third section draws together and summarizes key implications raised within the first two elements, thus, a main concern here is to highlight not only the outcomes of political power struggles among stakeholders but also the significant impacts on the professional baseball industry.

7.2 The Emergence of the Merger as an Issue, 2001-2003

All the clubs in both of Taiwan’s baseball leagues had been losing money since the advent of the leagues in the early 1990s and were the subject of complaints by their shareholders. The Taiwanese professional baseball industry had faced severe difficulties in the late 1990s, whilst, in the CPBL, after the gambling scandal of the China Times Eagles, the Mercury Corporation Tigers decided to disband its club mainly due to the club’s losses of NT$ 1 billion. The Weichuan Dragons team was also disbanded in 1999 because of major financial losses, the declining image of baseball, and therefore of the business associated with it. The decline continued throughout the period 1997-2001, but crucially, the situation changed in the post 2001 period. For example, average attendances at the CPBL championship series dramatically declined in 1997, following the gambling scandal, but actually started to grow again after 2001 as Table 7.1 illustrates.
Table 7.1: Attendances of the CPBL Championship Series 1996-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Teams (Winners showed in bold font)</th>
<th>Results</th>
<th>Total Attendances</th>
<th>Average Attendances</th>
<th>Annotation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>Uni-President Lions Wei Chuan Dragons</td>
<td>4:2</td>
<td>62003</td>
<td>10334</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>Wei Chuan Dragons China Times Eagles</td>
<td>4:2</td>
<td>37212</td>
<td>6202</td>
<td>Gambling Scandal</td>
</tr>
<tr>
<td>1998</td>
<td>Wei Chuan Dragons Sinon Bulls</td>
<td>4:3</td>
<td>49166</td>
<td>7024</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Wei Chuan Dragons China Trust Whales</td>
<td>4:1</td>
<td>35605</td>
<td>7121</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Uni-President Lions Sinon Bulls</td>
<td>4:3</td>
<td>52086</td>
<td>7441</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>Bother Elephants Uni-President Lions</td>
<td>4:3</td>
<td>72485</td>
<td>10355</td>
<td>Baseball World Cup</td>
</tr>
<tr>
<td>2002*</td>
<td>Bother Elephants China Trust Whales</td>
<td>4:0</td>
<td>25601</td>
<td>8534</td>
<td>Brother Elephants were ceded the gained Championship title</td>
</tr>
<tr>
<td>2003</td>
<td>Bother Elephants Sinon Bulls</td>
<td>4:2</td>
<td>86696</td>
<td>14450</td>
<td>Merger</td>
</tr>
</tbody>
</table>

Source: CPBL (2004) *Brother Elephants won first titles of the first term and second term, then with a 1 game leading advantage for the 2002 Championship Series. Only 3 games were undertaken eventually.

The interviews with the NCPFS vice Minister and Principal of the National Taiwan College of Physical Education (NTCPE) also reflected on the changes seen in the CPBL,

It is true that the gambling scandal in 1997 almost destroyed this system. Luckily, in the CPBL four sponsoring companies did not give up (three withdrew their support) and stood their ground. In fact, in 2000, before the World Cup, the fans were starting to attend the games again (Interview with the NCPFS vice Minister, 06/05/03, translated by the author).

The gambling scandal and criminal violence in 1997 almost destroyed this business. Most people thought that professional baseball would finish at that time. Fortunately, we had four corporations, which sponsored professional baseball clubs with their passion, patience, and money. Professional baseball seemed to have regained its life after the 2001 BWC. This event also led to the merger between leagues in 2003 (Interview with the Principal of the NTCPE, 14/05/03, translated by the author).
Nevertheless, in contrast to the CPBL, the second league TML was thought to have sustained huge financial losses made over the six years from 1997-2003, amounting to NT$ 1.6 billion (Wang, 2003a). Given that since the position of the TML showed danger signs right from its inception in 1997 and its market slumped seriously, the TML seemed likely to look for an incorporation or merger with the CPBL to safeguard its long-term development. Indeed, “...peace talks came up from time to time, often when the TML was assumed to be running into some kind of financial trouble” (Wang, 2002). The exigency of a merger for the TML was evidenced by the perceptions of interviewees.

The main reason for the merger was that clubs were no longer able to tolerate huge losses in investment, especially the TML (Interview with the Principal of the NTCPE, 08/05/03, translated by the author).

TML did not have enough spectators (revenue) to support its huge financial deficit. The merger here means the positive restructuring of a collapsing company. So, the TML was eager to discuss the merger with the CPBL (Interview with the Sinon Bulls vice manager, 15/05/03, translated by the author).

Owing to many factors in management, the sponsors were losing money in the TML in particular. They saw a merger as being a solution to this problem. The merger could restructure the system and provide the chance to make a profit by increasing market size (Interview with the NTNU academic expert, 02/04/03, translated by the author).

The specific operating pattern of the TML has brought out this huge loss in the professional baseball business and forced it to seek survival. With good relationships with the government, together with the victorious passion after the World Cup among citizens, the TML found an excellent opportunity to ask for a ‘merger’ with the CPBL (Interview with the former Mercury Tigers Player, 21/05/03, translated by the author).

The TML has put a lot of money into this business; unfortunately, this league is unable to retrieve it. So, it had to ask for help from different fields and the merger seems to be the only way open to it (Interview with the Principal of the TPEC 13/05/03, translated by the author).
Before the 2001 BWC, though the TML, together with central government (NCPFS) and national quangos (ROCSF, CTBA), might have been seeking to negotiate with the CPBL in respect of a merger between the two leagues, it seemed that the decision to manage was wholly dependent on the CPBL. In the period 2000-2001, indeed, despite a set of talks initiated by the NCPFS as a mediator between the two leagues (see Table 8.2), these efforts proved fruitless. Fortunately, the unexpected success in the 2001 BWC evoked concern for baseball on the part of the government and thus ‘political’ and ‘social’ elements drove the proceedings of the merger forward.

After the World Cup, some of key political actors such as President Chen, and the political parties began lobbying the two leagues to establish a merger to regenerate this market. The support for such a move was seen as the most crucial step for producing conditions to move the merger forward. To the satisfaction of most stakeholders in professional baseball system, the TML announced its agreement to set up four independent companies to manage its own clubs in order to meet the CPBL’s conditions. Such initiatives were recognised as the first sign that the merger would proceed (*China Times*, 2001b). On November 26 2002, the TML officially announced that it was to reorganise itself and prepare to affiliate with the CPBL (Liao, 2002a). The decision was approved by the shareholder board meeting of the TML on 18 December 2002, and the baseball leagues agreed in principle to merge before the 2003 season (ICRT, 2002). The agreement was ratified at a top-level CPBL board member meeting, which was also attended by TML chairman Chen. As the CPBL Secretary-General Lee said,

> We have come to a consensus to merge the two baseball leagues. If everything goes smoothly as planned, Taiwan will have one professional baseball league for the coming season. I believe this is what the fans want and it is good for the future development of baseball in Taiwan (Pan, 2002).
The TML general manager Chao also indicated that, “The agreement was a move in the right direction for Taiwan’s baseball community, and that the TML would actively proceed with the plan after the league’s board approves the merger” (Pan, 2002). On January 13, 2003, President Chen heralded the new era for professional sports in Taiwan when he witnessed the signing of the agreement to officially complete the merger between the two rival professional baseball leagues. The merger event was held at the National Council on Physical Fitness and Sports (NCPFS), with the merger agreement signed by the CPBL’s four franchise owners, the CPBL Commissioner Chen, the NCPFS Minister Lin, and Chen, the CEO of the Naluwan Corporation (owner of the TML). President Chen praised,

The efforts made to achieve the difficult consolidation process between the Chinese Professional Baseball League and Taiwan Major League, which it is hoped will boost support for the game and lead toward the country’s future success in international competition (Pan, 2003b).

President Chen further concluded that,

It is a pleasure to witness this very important moment in our country’s sports history... Although there have been unpleasant events in the past, the public’s passion for baseball did not fade away. We are very glad to be able to bring the two leagues together today. Not only is this merger great news for those in the baseball industry, it is also what all the people have hoped for (Pan, 2003b).

With the signing of the pact, the fierce competition between the two leagues over the past six years came to an end. The agreement represented the product of hard bargaining by the government and baseball officials. In general, the CPBL and the TML have operated with different business plans since the CPBL was run as a league with independent franchises, rather than the TML, which operated as one business entity responsible for all four clubs. According to the agreement between the two leagues, the
new league would follow the CPBL model: one company owning one club. The TML’s attendances that had averaged in the hundreds per game and its reportedly weak financial outlook, gave it little leverage in the merger negotiations and it was thus forced to agree to conditions set by the CPBL (Chia, 2003). Under the merger agreement, the Naluwan Corporation had to dissolve the TML and restrain its members from organising or participating in any other professional baseball organisations. The agreement also called for the Naluwan Corporation to complete the sale of the Agan franchise by January 31 2003 and the sale of the Gida franchise to another third party by the end of 2003. Most importantly, the Naluwan Corporation was to be responsible for all expenses incurred in relation to the dissolution of the TML. Most analysts and baseball fans endorsed the deal as a way to bring stability to, and foster the healthy growth of, the professional game in Taiwan (Huang, 2003b). In effect, the CPBL was widely regarded as the winner in the merger as it expanded from four to six teams by setting conditions for the dissolution of the TML and strict conditions for the remaining two clubs to participate in the CPBL. Such comment was indeed reflected in the CPBL’s official declaration to the public when its Commissioner Chen stated that; “…from now on, there will be only one professional baseball league in Taiwan. The Year 2003 will be the CPBL’s 14th season” (Taiwan News, 2003b). Thus having emerged victorious in the contest for fan support and corporate backing, the CPBL planned to dictate the terms of the merger and also to keep its name for the 2003 season. Table 7.2 summarises the key chronological details of the evolving merger of the professional baseball system between the state, the CPBL and the TML and others, which in some respects simply describes the struggles between these stakeholders. Accordingly, to what extent such forms of exercising of power which have underpinned the network of this system, were overt in the new DPP context will be a matter for discussion following empirical analysis.
Table 7.2: Key Issues in the Development of Merger of the Taiwanese Professional Baseball System

<table>
<thead>
<tr>
<th>Year</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>21/08/2000</td>
<td>First official meeting between CPBL and Naluwan Corp. to discuss possible merger issues.</td>
</tr>
<tr>
<td>31/10/2000</td>
<td>Conference, held by NCPFS, to consider the requirement for professional baseball development.</td>
</tr>
<tr>
<td>09/01/2001</td>
<td>Meeting, held by NCPFS, to design common draft-system in two leagues.</td>
</tr>
<tr>
<td>09/02/2001</td>
<td>The two leagues held discussions concerning the possibility of merger.</td>
</tr>
<tr>
<td>15/08/2001</td>
<td>Second official meeting, held by NCPFS, between CPBL and Naluwan Corp. Two leagues consider merger for the following year. TML agrees to the 'one company one club' principle.</td>
</tr>
<tr>
<td>18/11/2001</td>
<td>Chinese Taipei Baseball Team won bronze medal of the 2001 Baseball World Cup.</td>
</tr>
<tr>
<td>21/12/2001</td>
<td>The TML announces the setting up of four independent companies to manage four clubs under pressure from the CPBL.</td>
</tr>
<tr>
<td>02/10/2002</td>
<td>Memorandum signs between the CPBL and the Naluwan Corp. regarding detailed merger conditions.</td>
</tr>
<tr>
<td>26/11/2002</td>
<td>Officially the TML announced its agreement to merge with the CPBL for the first time.</td>
</tr>
<tr>
<td>12/12/2002</td>
<td>The draft of the merger agreement agreed by the CPBL.</td>
</tr>
<tr>
<td>30/12/2002</td>
<td>Naluwan Corp. reaches a decision to dissolve the Taiwan Major League. The shareholder Board meeting of the TML approves the plan to reorganise the league and to join the new CPBL.</td>
</tr>
<tr>
<td>13/01/2003</td>
<td>The CPBL franchises signs agreement with Naluwan Corp. to announce the new status of professional baseball in Taiwan. President Chen Shui-bian delivers an indication of the government's blessing at the merger press conference.</td>
</tr>
<tr>
<td>01/03/2003</td>
<td>Merged and expanded CPBL opens its 14th season at Taipei Tienmu Stadium.</td>
</tr>
</tbody>
</table>

7.3 Local Dynamics of the Merger of the Two Professional Baseball Leagues in 2003

Yang points out “in Taiwan, professional baseball not only can evoke the strongest feeling in the majority of the public but also can give expression to collective passion” (Yang, 2001: 104). This helps to explain why, when the government found professional baseball leagues were struggling, the NCPFS would be likely to intervene and hold official conferences to invite government officials, MPs from various political parties, chairmen of the two leagues, and owners of clubs, to discuss and plan the development
of professional baseball, such as, the draft system and, more specifically, the possibility of a merger (NCPFS, 2001c: 1-7). Indeed, with the hosting of the 34th 2001 Baseball World Cup in Taiwan and President Chen's announcing that the year 2001 was 'the Year of Baseball', the NCPFS seemed more actively involved in professional baseball affairs. In relation to the issue of the merger at that time, the NCPFS did not work in isolation; rather it gained some forms of support from legislators (MPs). On 15 August 2001, during a conference to discuss the merger of two professional baseball leagues, legislators expressed their views on the merger between the leagues.

I would praise the fact that the NCPFS is actively involved in the negotiation of the merger issue. As I understand it, the contemporary environment of professional baseball is tough and I suggest that the two leagues should think about this. The leagues will mutually benefit if they can cooperate in such a merger, however, if confrontation is still on going, the position of two leagues will deteriorate (Yu, DPP legislator, Chief Magistrate of Kaohsiung County, 2001, quoted in NCPFS, 2001c: 2, translated by the author).

As President Chen recognised this year as 'the Year of Baseball' with the 2001 Baseball World Cup to take place in Taiwan, the two leagues should take advantage of this to restructure the professional baseball system. The Legislative Yuan will fully support all proposals or regulations, which could benefit the development of the professional baseball industry. Here, I suggest the NCPFS should take some action such as creating a committee to organise (guide) a merger or draft affairs for the professional sport (Tsai, 2001, DPP legislator, quoted in NCPFS, 2001c: 2-3, translated by the author).

Sensitive issues relating to the relations between China and Taiwan, political parties and others are negotiated to reach agreements through a certain mechanism. I hope the two leagues will copy this style and try to cooperate in many respects to develop the industry (Chen, KMT legislator, 2001, quoted in NCPFS, 2001c: 3, translated by the author).

In response to the NCPFS and the politicians in the conference, it was firstly revealed that owners of the professional baseball clubs 'jointly expected' to secure their
businesses through cooperation and a possible merger. For example, the owner of the Sinon Bulls (CPBL), Yang, proposed that,

The Taiwanese professional baseball industry should learn things from Japan or the USA and this industry does need government guidance to create an ‘effective system’ for its survival....normal development of professional baseball is significant for the different levels of baseball. It is widely recognised that Taiwan’s market cannot support eight clubs and I suggest that both leagues should cooperate in a merger (NCPFS, 2001c: 3, translated by the author).

The Chairman of the Naluwan Corporation (TML) Chen went on to provide a significant view of professional baseball development, concentrating on cooperation between the leagues, referring in particular to the merger issue or the incorporation. He stated that,

The TML has always tried to follow the NCPFS’s sport policy (guidance) and meet the supporters’ expectations on the issue of the merger or cooperation between leagues. The TML places no consideration on cooperation and expects the two leagues to keep in full communication. In the business field, no one is an enemy forever and we should cooperate with each other for the sake of long-term mutual benefit. Professional baseball could be a good example and I do hope that the two leagues can do something for this sport (NCPFS, 2001c: 3, translated by the author).

The above statements seemed to reflect the fact that the two leagues were not against a merger, and actually, according to the NCPFS, some significant agreements were achieved between the NCPFS and the two professional baseball leagues. The process of merger seemed to develop well from that moment.

Leagues would mutually benefit if cooperation was put into practice; the two leagues should abandon their previous confrontational attitudes and be ready to make concessions to each other in terms of the development benefits of professional baseball; the two leagues should not influence the fans’ rights and create a satisfactory environment for the clubs’ owners, players and, fans (NCPFS, 2001c: 2, translated by
Chapter 7 The Case of the Merger of the Two Professional Baseball Leagues in Taiwan in 2003

...the author).

In effect, prior to this conference, legislators had already suggested that the NCPFS should be closely involved in the merger between the two professional baseball leagues as they pointed out,

Basic rights of players and citizens were undermined during the period of confrontation between the leagues. In order to retrieve the situation, the government has to be closely involved in the process of promoting the merger to win back popular support. I propose that the role of the government is to arbitrate or protect the rights of players, people, and leagues...actually, professional baseball cannot simply be seen as a commercial activity, it has the character of ‘public property’ in political, social, and economic terms (Huang, 2000: 289-290, translated by the author).

The government should be more involved in resolving the difficulties of professional baseball management and in the interaction with international sport bodies. In addition, I also suggest that the government advocates the merger between the two leagues strongly and tries to get rid of gambling and criminal violence from the system (Chen, 2001: 121, translated by the author).

In response to the appeals made by legislators, the NCPFS reported its ‘achievements’, which showed what the NCPFS had done to foster the merger,

In November of 2000, the NCPFS invited the Secretaries-General of the CPBL and the TML to have a formal meeting which tried to seek a common consensus on the merger...this year [2001] Minister Hsu had several meetings with leaders of the TML and the CPBL to invite their opinions about the possibility of a merger...meanwhile, the vice Minister, Cheng, also met the Chairman of the CPBL and vice chairman of the TML to exchange opinions related to the merger, draft system, trickle down system, all star games, and prevention of gambling and criminal activities...however, the two leagues’ attitudes are not yet clear. Nevertheless, the NCPFS will make great efforts to promote a positive outcome (NCPFS, 2001e: 384-385, translated by the author).

The government departments put forward various initiatives over the years to achieve the merger, saying that, “a single league would be better for Taiwan baseball in terms of
international competition and would be popular with fans...the intransigence of two competing leagues had made this impossible” (Quartly, 2002c). However, individual considerations in progressing the merger would not be simple as the above agreements stood, and relevant interpretations from the two leagues had to be further identified. In the process of promoting the merger, despite the NCPFS intention to ‘steer’ the two professional baseball leagues’ compromise according to its own (the NCPFS’s) ideals, the proposal of the merger continued to be problematic for the NCPFS since the two opposing parties did not share their views. Former Minister Hsu stated that,

The owners of clubs, especially owners from the TML, contacted me frequently on the merger issue. The NCPFS convened many conferences, however, their outcomes were really disappointing since the two leagues always doubted the attitude of the opposite camp. When the TML proposed some point of view, the CPBL always resisted, thus the merger had become a difficult issue between them (Interview with the NCPFS Minister, 13/05/03, translated by the author).

The CPBL recovered its position to some degree with the help of an exciting championship series and the 2001 BWC, which was widely acknowledged to have brought fans back to the professional baseball games in general and the CPBL in particular. The CPBL saw a 57 percent attendance increase and 149 percent revenue increase in the 2003 season (CPBL, 2004) and thus “strengthened its bargaining position as a result and though it agrees a single league is better than the present structure, it insists the merger should be fair and reasonable” (Wang, 2002). Agreeing with Wang, Quartly points out that

The real victor, it now seems, is the CPBL, which proved itself to be the stronger league in terms of the quality of play and fan’s support...it is clear that the CPBL would play hardball and is now insistent it will not be dissolved, but will accept two teams from the TML (Quartly, 2002b).
Perhaps, one main reason behind the CPBL’s reluctance to incorporate the TML was that the TML might undermine the claims of ‘superiority’ that the CPBL had been making in relation to the TML since its debut in 1997. The TML Deputy General Manager Huang indicated what issues over the merger concerned the TML but which met the CPBL’s opposition,

Forming one league is essential to the well being of baseball in Taiwan. We, at the TML, are hopeful that a reasonable compromise can be struck to help the long-term cause of this great game of baseball even if it means one or two seasons of tough going under a new system. We all realise that doing nothing will lead both leagues into further financial burden and make the overall quality of play and level of competition suffer even more...most TML staff believe it is the CPBL that has primarily resisted a merger to this point (Huang, 2002).

Nevertheless, the Director of the CPBL International Affairs, Wang, took a different view of this point and explained the CPBL’s concern,

The abnormal operating structure of the TML, in which four clubs belong to one holding franchise, was made to give the league greater control of all teams. Not only did the organisation make it difficult for fans to support but it also created a huge financial burden to the parent company ERA ...the CPBL’s only insistence at all talks on inter-league play or merging, was that the TML break up the sole ownership that controls all four clubs (Wang, 2002).

The owner of the Brother Elephants, Hung’s, emphasis in relation to the merger issue, had tended to be on this point as well, and he outlined the characteristics of an ‘ideal merger’ as follows,

The Taiwanese professional baseball system has to get back to the ‘normal’ mechanism in terms of management (one league) and I hope that leagues or clubs can compete freely and openly. If one company, which holds some clubs to play games still exists, the equity of games may be doubted...the issue of ‘one owner, one club’ is the bottom line we [CPBL] ask for (NCPFS, 2001c: 5, translated by the author).
As earlier mentioned, because of its league’s weak position, the vice chairman of the Naluwan Corporation (TML) Chiu had to respond to this in a ‘flexible and conceding’ manner as he stated that,

If the overall environment could be improved, it would not be difficult for one company to own one club. The TML is not against this approach. I expect that, in the future when the two leagues complete the merger, the new league will be an independent organisation, which cannot be controlled by companies (NCPFS, 2001c: 5, translated by the author).

However, the development of the merger seemed stagnant though the TML had conducted a concessionary step to promote it. The TML and the NCPFS, to some extent, were disappointed with the progress on the merger. In effect, the role of the NCPFS in attempting to promote merger in ‘cooperation’ with both the CPBL and the TML was challenged by individual stakeholders, in particular the ‘dominant’ CPBL, which established conditions for the ‘weak’ TML. Feeling such circumstances surrounding the merger issue were actually problematic, the NCPFS adjusted its strategies proposing some suggestions relating to the merger of the leagues and clubs during the change of the NCPFS Minister in 2002. When the new Minister Lin came to office, in an attempt to seek a way to resolve this impasse, he suggested creating a new professional baseball league, which the NCPFS would provide administrative resources to support. He stated that,

I think the attempt to generate a merger (a new league) should be carried through. The NCPFS welcomes and encourages all the current professional baseball clubs to join this new league without capacity limit...the NCPFS will obviate political intervention through its efforts. Professional baseball organisations, which are incapable of participating in this new league, will no longer be able to access the NCPFS’s administrative resources (support) (Liao, 2002b, translated by the author).

However, the NCPFS was unable to clearly explain what forms of ‘administrative
resources' it could provide and thus left an ‘imaginative space’ without realistic
guidance on the implementation of policy for the two leagues. Subsequently, Minister
Lin was further involved in discussions which were aimed at cutting the number of
CPBL clubs from four to three and-a-half, with the Sinon Bulls folding and linking with
the TML’s Kaohsiung Fala. According to this meeting, “The TML will also lose Chiayi
Luka. Both leagues would then voluntarily disband and allow the formation of a new
six-team league which has been given the working name the Taiwan Professional
Baseball League” (Quartly, 2002c). Under these negotiations, the NCPFS suggested
that, “The initial founders of the CPBL should pay the TML NT$ 80 million in
compensation for losing its teams” (Quartly, 2002c). Such a suggestion by the NCPFS
immediately raised controversy between itself and the Legislative Yuan and the owners
of the CPBL’s clubs. In political terms, the NCPFS failed to consider the attitude of the
Chairman of the TML, Wang, who was also the Chairman of the Legislative Yuan as
well as the KMT vice Chairman. The NCPFS sought to ‘arbitrate and develop’ the
merger by its own designation without negotiating with the relevant groups, making a
solution more difficult to achieve, and in addition, the NCPFS seemed to over-estimate
the value of its ‘administrative resources’ as a bargaining counter. Liao criticised that,
“If the attraction of its ‘administrative resources’ had worked effectively, the two
former NCPFS Ministers would have been able to sort this tough issue out” (Liao,
2002b). Fortunately, Wang expressed his support of the merger in a meeting to welcome
Taiwan’s professional baseball players who play either in the USA or in Japan,

The merger is the only way to save this professional sport from crisis. Taiwan’s
professional baseball market is very limited and we would greatly appreciate a
compromise in the form of a merger between the two leagues. I expect the merger will
happen and I promise I will do my best to urge this merger (Huang, 2002, translated by
the author).
However, the proposal of asking the CPBL to pay NT$ 80 million to buy out the TML to allow a merger was unacceptable to the CPBL’s leaders, who were very critical of the offer of ‘compensation’ money to the TML. For example, the CPBL spokesman asked, “Why should we pay to dissolve ourselves, pay other people and then lose our league. It is crazy. The sports council [NCPFS] Web site has been deluged with complaints over the weekend, causing it to crash” (Quartly, 2002c). The owner of the Brother Elephants (the most popular club in Taiwan), Hung, also emphasised this view,

There is no way we should give NT$ 80 million to the TML, lay off our hard-working staff and dissolve ourselves in the name of forming a new league (Wang, 2002).

Ironically, apart from the CPBL’s disagreement, this proposal also invited criticism relating to the improper political intervention of the NCPFS from its DPP legislators as Lee pointed out,

I think it is the gambling scandal that led the professional baseball industry to its downfall, and not the co-existence of two leagues at the same time. The NCPFS was unable to spot the key factors for managing a professional baseball business. It is obviously improper that the NCPFS intervened in this industry using its political power...although the NCPFS is responsible for developing all kinds of sport in Taiwan, professional sport is different from ‘sport for all’ since it is a commercial activity, and a market mechanism should decide its operation and not political intervention. The government should guide, rather than intervene in it (Lee, 2002: 230, translated by the author).

Moreover, one specific league seemed to have a great deal of advantages from the NCPFS’s initial proposal to negotiate a merger between the two baseball leagues. Undoubtedly, this action of partiality has created resentment from the other league and damaged the government’s image (Lee, 2002: 230, translated by the author).

In response to Lee’s appeal, the NCPFS denied any partiality in its political intervention between the two leagues’ merger and claimed its position as the following:
For the merger, the NCPFS, like an instructor, attended many negotiations with leagues but was not involved in the operation of the leagues. It is unfair to say that ‘forces of political interests have intervened in the sport field’. One thing, which needed to be clarified, is that there is no league able to be advantaged from the NCPFS’s leading a proposal to negotiate a merger. The two leagues had proposed legal contracts, which regulated rights and duties and were drawn up by their lawyers. The NCPFS found it impossible to control them and the comment of ‘public power of intervening in private professional sport’ was simply mistaken... much of the work of the NCPFS has focused around the creation of a new league... providing administrative support for professional baseball (NCPFS, 2002d: 209-210, translated by the author).

Inspired by the success of the 2001 Baseball World Cup, the state’s interest in the development of baseball, particularly professional baseball had grown. Although an official survey provided by the NCPFS, shows that “45.3% of the Taiwanese did not support the government’s involvement in the merger when the two leagues had initially failed to reach it with only 24.5% supporting the government’s involvement at that time” (NCPFS, 2001d: 22), the NCPFS still continually sought to link government officials (President, legislators) with the leaders of professional baseball leagues in the process of negotiating cooperation, as its Minister Hsu pointed out,

It is impossible for the government to provide money to encourage the two leagues to merge. All that the NCPFS could do was to persuade the two sides in a soft rather than a forceful way. Actually, it would have been improper for the government to directly intervene in the industry. (Interview with the NCPFS Minister, 13/05/03, translated by the author).

Indeed, attempts to encourage the merger did not develop in ways close to the desired outcome of the NCPFS and the proceeding of the merger could be described as a difficult task for the three NCPFS Ministers: Hsiao, Hsu and Lin. “The era of the two-league system, which lasted for seven years, including planning time for the merger, was marked by a standoff between the two sides, with a solid agreement being reached only at the conclusion of last year’s baseball season” (United Daily News,
Subsequently, because President Chen himself placed a clear emphasis on progressing the merger, a quick and decisive turn on this issue emerged. According to Tseng,

Last May (in 2002), President Chen declared that he aimed to guide reconciliation between the two opposing professional baseball leagues, (to the DPP legislators, who have been devoted to the restructuring of professional baseball system for a year). The President further consulted on this issue with experts on the Japanese professional baseball leagues (Tseng, 2003b, translated by the author).

Some months later, President Chen received a letter, which was described as an appeal for the government to involve itself in the professional baseball industry, from an owner of a professional baseball club. He immediately assigned a specific assistant, who had a strong family connection to Chairman Chen of the CPBL, to accelerate the steps for negotiating the merger (Tseng, 2003b). Recognising and pandering to the President’s ideas about the merger as well as realising the weak position of the CPBL, on December 27 2002, an emergency board meeting of the parent company of the TML, the Naluwan Corporation, approved the decision to disband the league and establish a partnership with the CPBL. According to the proceedings of the meeting, the representative of the TML Chien described the decision of the TML,

The decision was based on an agreement reached between the two leagues in extended talks beginning earlier this year. Basically, TML just followed the decision that was agreed upon by the CPBL to merge the two leagues. The original idea was for both leagues to dissolve and then employ people for the new league. As it is, the TML is the first league to go (Quartly, 2002a).

The TML had no choice but to accept agreements, which the CPBL set, because of its weaker financial position. Therefore, it was expected that the CPBL would retain most of its employees and possibly put some former TML staff such as umpires, grounds
men and some officials on the payroll of the new league. However, there were still certain practices that the CPBL insisted on and some of them raised a new set of circumstances to hinder the process of merger to some extent. For example, the CPBL claimed that, “Players who broke their CPBL contracts to join the TML after it was formed in 1996 should remain on a blacklist even though many of these former players are now coaches or managers” (Quartly, 2002a). The owner of the Brother Elephants, Hung, and the Secretary-General of the CPBL, Lee, emphasised this view as they stated that,

It is impossible for players who left the CPBL to go the TML to rejoin this new league to be either coaches or players again...this is a simple issue and nothing to do with the law, rather, clubs should stress the importance of ‘societal value’ and ‘justice’. As we understand it, it is the new generation of players which will create a golden era for this industry again and it is unfair for them if such ‘traitors’ should attempt to share the ‘harvest’ of the professional baseball industry at this moment...the two leagues are going to merge and we do hope this issue does not stall this process (Liao, 2002c, translated by the author).

Opposed to this suggestion, the consultant for the TML Chien considered that the rejection of the TML players (former CPBL players) by the CPBL would generate a negative image for the new league as he indicated that,

The CPBL was now playing a hard ball since it had the upper hand in negotiations with the TML. I’ve got a feeling that it is not truly a merger any more and that is what I am kind of worried about...The merger idea seemed to get rid of a lot of problems that came up (with the CPBL) in the bad old days, such as gambling, player contracts and a bad system. Proposed penalties from the CPBL against former players who broke their contracts to join the TML were inspired by ‘revenge’ rather than sound commercial sense. I am concerned that we’ll go back to the past and the bad old days, rather than to a bright new future (Quartly, 2002a).

Similar concern about interference from clubs, the Brother Elephants in particular, in
relation to the merger with the CPBL and the refusal to allow former CPBL players to join the new league, was expressed by the president of the Naluwan Corporation (TML), Chen, in a short emergency shareholder meeting on 30 December 2002.

I confidently expect the merger of the two leagues to be achieved... meanwhile, about the ‘CPBL traitors rules’, proposed by the CPBL, I would renegotiate this matter with the CPBL and find a solution for it. I hope all the excellent players from the TML will be able to continue their career in the new league without their backgrounds being considered by the CPBL (Wu, 2002, translated by the author).

In a press conference, on 26 February 2003, held by the legislators from various political parties, they made an appeal to the government and the owners of clubs in the CPBL for the CPBL ‘Traitors Rule’ to be abolished.

The so-called ‘CPBL Traitors Rule’ has evidently offended against the Taiwanese Constitution and the Law. I would ask the relevant government departments such as the NCPF and the Council of Labor Affairs to negotiate with the CPBL immediately. Meanwhile, President Chen who successfully urged the two leagues to merge has to take the whole responsibility for dealing with these players... the powerlessness of the government has made certain syndicates monopolise the professional baseball market and failed to protect the players’ rights (Lin, 2003, quoted in Fang, 2003, translated by the author).

If the government allows the clubs to negotiate among themselves, the clubs will sacrifice the players’ rights and this will be harmful to the development of the national game (Lee, 2003, quoted in Fang, 2003, translated by the author).

The government should be involved in this labor-management controversy between leagues and players, otherwise, these players will be forced to continue their career in China or withdraw from baseball. This is unfair not only for players but also the development of baseball in Taiwan (Fu, 2003, quoted in Fang, 2003, translated by the author).

Even though the legislators criticised the government for simply acting as an onlooker and the CPBL for depriving the players’ working rights, which the Constitution should
have ensured for people, these ‘CPBL Traitors’ were ultimately not allowed to participate in the new league under the CPBL’s insistence. According to the merger agreement, Section IV of Article II mentions, “The two clubs from the TML agreed to obey all the regulations, decisions etc. made by the CPBL” (CPBL, 2003d). This guideline was identified as the ‘CPBL Traitors Rule’ that authorised the CPBL to deal with the former CPBL players, although one is unable to find any words relating to ‘Traitors’ in the agreement of merger (Huang, 2003a). Thus, the Chairman of the CPBL, Chen, adopted the tactic of simply denying the existence of the problem and this controversy ended with a corollary of the move having been the sacrificing of rights to certain specific group of players.

We did discuss the issue of the former CPBL players with the TML. I must say that the CPBL did not create any alleged ‘CPBL Traitors Rule’. I don’t think we have any problems with ‘traitors’ in the professional baseball field (Huang, 2003a, translated by the author).

From the preceding discussion of the development of professional baseball, much of the environment surrounding by the introduction of the merger from 2000, and more particularly, after the 2001 Baseball World Cup, is clearly related to the issue of local dynamics of stakeholders within this system. As we have noted, “...governance embraces not only the actions of government but also wide range of institutions and practices involved in the process of governing” (Newman: 2001: 4). Our description of events highlights interaction between stakeholders including the NCPFS’s intervention; the support and criticism of, and power struggles between, the CPBL and the TML; and the emergence of President’s involvement. It is possible to conceptualise the dynamics of the merger as a web-like governance network (see Figure 8.1). The network model of governance helps to characterise the system (environment) as the interrelated processes of organisations and of groups working within and across organisations, which reflect
As for the processes of promotion of the merger, in the beginning, the government (NCPFS) adopted moral persuasion to promote negotiation between the leagues and clubs. However, the CPBL and the TML, which recognised themselves as commercial bodies, tended to ‘reject and ignore’ the NCPFS’s authority to some extent. Indeed, the NCPFS sought to manage the network of relations. However, the fact that it only employed tax exemption and failed to render further financial or other incentives, or to exercise regulation and control, meant it was unable to motivate the two leagues to work together to develop the industry. After the 2001 BWC, when the new Minister Lin came to power in 2002, the NCPFS maintained the desire of promoting the merger between the two leagues, but it modified the government’s direction through the NCPFS’s proposal to set up a new league by means of provision of ‘administrative resources’ and prescribed rules and norms to attract professional baseball clubs (whether from the CPBL or the TML). The NCPFS also sought to promote ‘incorporation’ and ‘cooperation’ with the TML to ‘negotiate’ with the CPBL. Nevertheless, with disputes arising from such moves, the legislators and the CPBL criticised the political intervention of the NCPFS, as tending to favour a specific group [the TML] rather than presenting the CPBL as the ‘natural’ lead body for the merger. Thus, the process reflected “interrelationships between stakeholders in which various groups exert power in different ways and in different contexts by constructing alliances with other stakeholders” (Henry et al, 2005). In such a context, baseball is thus characterised by a diversity of interests, preferences, values and, ideas, which the individuals or groups seek to promote or protect (Leftwich, 1994). The situation underlined the fact that there was no single national body, which was the sole author of the sport’s own destiny (Henry, 2001a; Henry et al, 2005; Henry and Lee, 2004). Henry
and Lee claim that the emergence of such a form of systemic governance has a major implication,

Governing bodies of sport in such contexts no longer govern, or wholly control, their sport, or at least if they do, they do by virtue of their ability to negotiate outcomes rather than by dictating those outcomes to passive recipients of message (Henry and Lee, 2004: 29).

The power struggles (alliances) between interests groups were overtly acknowledged since both in the state apparatuses and in sports policy, there were core and peripheral agents (stakeholders) who attempted to promote their own projects and change their places in the system (Jessop, 1990; Girginov, 2001). The government (NCPFS) did seek to influence and steer the professional baseball system, even if the ‘administrative resources’, which were brought to the system were not seen by others as crucial. Actually, the negotiation of the merger did not proceed in ways consistent with the NCPFS’s desired outcomes to some extent due to the dominance of the CPBL, which controlled the negotiating process because of its competitive advantage. The CPBL was capable of attracting more fans and emerged as the stronger league after years of fierce competition with the TML (Quartly, 2002a). As the process of the merger was unfolding, it was unclear which direction it would take, as stakeholders sought to promote or protect their own interests. Dramatically, the fragmented interests and considerations of leagues, clubs, and the NCPFS in relation to negotiating the merger were integrated by a ‘powerful’ group of ‘purposeful and determined’ elites, but the intervention of the President, was crucial here. President Chen’s direct involvement, as with his political predecessor, was “fuelled by varying combinations of political, ideological and nationalist considerations” (Leftwich, 1994: 378). In the post 2001 BWC period, the prestige of success in the BWC assisted political powers in driving the process of merger to completion. This was reflected in the comments of two
As I understand it, the merger was a hurried decision. In fact, the CPBL was not interested in the merger at all, however, with powerful political intervention from the government under President Chen’s guidance, the merger was finally achieved. That’s why President Chen claimed that he was the most important player in this merger during his speech at the press conference for the merger ceremony (Interview with the Videoland commentator, 06/05/03, translated by the author).

The success of the World Cup has rekindled the fan’s passion, and the intervention of the DPP government forced the clubs to think about the merger. Since the owners of clubs have strong political links to central government, I think the government’s, or more precisely, the President’s attitude drove the businessmen to carry out the merger. Because owners from both leagues tend to establish or sustain a good relationship with the central government (the President) and gain relative preferential treatment, they decided to merge and restructure this market (Interview with the Organiser of Sinon Bulls Fans Association, 08/05/03, translated by the author).

Indeed, in the case of the merger between the two professional baseball leagues, political factors, such as nationalism and patron-client relations, have shaped the thrust and pace of the developmental strategies in the specific Taiwanese political, social, and economic structural context. More precisely, to some extent, compliance and compromise from leagues and clubs with the state’s [President] political power, contributed to shape the goals and strategy of the development of the merger. However, it is evident that both CPBL and the TML interests were able to appeal to the outcomes of those negotiations between political elites and business elites within this system. Thus, such power struggles and relationships between stakeholders involved in sports governance have implications “…not only for the organisations but also for the skills required of the people who work within them. The skills are much more those of negotiation and mutual adjustment than rational ordered planning and control” (Henry and Lee, 2004: 29).
7.4 Effects of the Merger in 2003

The preceding section identified the local dynamics in relation to the 2003 merger in the professional baseball system, which highlighted the interactions between stakeholders within the Taiwanese specific context. The roles of stakeholders such as the state, politicians, leagues (clubs), and players etc. in the development of professional baseball are significant and have had profound effects on conducting the merger. Thus, what is provided below is, firstly, a evaluation of the influences of the merger on the development of the professional baseball system and subsequently, a discussion of the transformation of political-economic relations resulting largely from governmental influences at the national level, of the reinforcement of Taiwanese nationalism and of power struggles amongst political parties in the post 2003 merger period.

The Impacts on the Development of Professional Baseball System Resulting from the 2003 Merger

As one might expect, the CPBL has been successful in many respects since the introduction of the merger (Lin, 2003; Tsai, 2003), which has indeed been reflected in the fact of increasing attendances and gate income as well as the regaining of media and sponsors' confidence in the professional baseball business (cf. Interview with DPP MP; Principal of the NTCPE; former Mercury Tigers Player; Videoland commentator; Organiser of Bulls Fans Association, 2003). The following accounts help to identify these positive effects, which the merger deserved. The Principal of the NTCPE claimed that the merger has won the fans back again after the World Cup and this merger shows its importance in reconstructing this business. People have decided to discard the shadow of the gambling scandal and threatened violence and have thrown themselves into baseball again (Interview with the Principal of the NTCPE, 14/05/03). A former
player of professional baseball club agreed with this comment and maintained that, “the merger means the games between clubs will be more competitive and attractive. This is very good to the fans and the development of this industry” (Interview with the former Player of the Mercury Tigers, 21/05/03). In addition, the media commentator pointed out that, “…after the merger, more spectators will join in since the games will be more competitive and attractive. I also think sponsoring corporations will invest more in their clubs” (Interview with the Videoland commentator, 06/05/03). In agreeing with this view, a DPP legislator, together with an organiser of fans association, went on to argue that the event [merger] has proved that there is interest that still exists. A fact of increasing fans’ attendances means a new market for businessmen. It would encourage sponsoring corporations to invest more money in terms of expected commercial interests (Interview with DPP MP, 15/05/03; Organiser of Bulls Fans Association, 08/05/03).

According to the above interviewees’ accounts relating to the positive effects on the professional baseball system, most of them agreed that the industry had enjoyed a growth period after the 2003 merger. This is reflected in some comments referring to direct or indirect effects on local economics and expanding business opportunities. For instance, it is claimed that many shops, which located around the baseball stadia areas, produced a turnover of more than five-times the level of business before the merger (Tsao, 2003). And a recent survey, analysing and evaluating the potential economic benefits of the professional baseball business after the merger, suggested that,

The economic effects of the merger appeared to be significant and beneficial and estimated profits from the merger were anticipated to be higher because of the order of five million consumers would be incorporated in this market and the potential of the market cannot be ignored (Huang, 2003, translated by the author).
Actually, by the beginning of the post merger period, certain direct financial profits were evident and the merger certainly appeared to have resulted in immediate gains. For example,

This year the merger, which has inspired more spectators to participate in the games made its great contribution to the professional baseball economy, leading to a 115.84% increase in ticket revenue from NT$ 65 million in 2002 to NT$ 140 million in 2003, meanwhile, the average attendance at each match was 3241 spectators which also drove up growth in 2003 to a 6-year high of approximately +8.35% by October of 2003, which was the highest year growth figure in the past six years (Chang, 2003, translated by the author).

The total income of the CPBL in 2003 rose dramatically and the output value of professional baseball produced NT$ 454 million. Significantly, the Brother Elephants become the first professional baseball club, to generate NT$ 136 million this year and to start to make a profit since the league’s inauguration in 1990. This was a very significant event in professional sport history in Taiwan” (Lin, 2003, translated by the author).

In addition to the emergence of these positive financial indices resulting from the merger there have various impacts on other stakeholders within this system. Here I will restrict my discussion to some main stakeholders such as media, players, and local residents. To begin with, interests of media in professional sport have been evidently boosted by the merger. Pan has pointed out that,

The stakes have been raised for the TV rights, with much improved fan support due to the successful merger of two TML teams into the CPBL, along with the recent good form of the national team at a number of international competitions (Pan, 2003a).

Accounts both from the NCPFS Minister and staff of the Videoland channel company, which were concerned about the impact of the merger on the media, also described the context in the following terms:
It (the impact of merger) is not obvious at this moment. One thing that has been confirmed is that the exposure of professional baseball related news in the media has greatly increased. The media pay more attention to professional baseball since this sport grabs people’s attention again and more fans are enjoying these games. Of course, the massive support of professional baseball by the media has brought a positive image, free promotion for sponsoring companies and the total benefit is not easy to evaluate (Interview with the NCPFS Minister, 13/05/03, translated by the author).

Basically, the result of this merger is positive despite the fact that there are some criticisms. It is predictable that more corporations or media will pay a lot of attention to this business (Interview with the Videoland commentator, 06/05/03, translated by the author).

Indeed, according to the CPBL, all three major sports cable networks (ERA TV, ESPN, Videoland Sports) in Taiwan were involved in fierce bidding for rights to broadcast games of the expanded CPBL in 2004, which featured 100 games for each club and a total of 300 games overall for the CPBL’s 14th season (CPBL, 2003a). The development of bidding for the broadcasting rights between media companies evidenced by the accounts of Pan, had seen negotiations between the stakeholders.

Having been the CPBL’s regular broadcaster for the last six years, Videoland Sports has the inside track and priority rights to renew its current contract. It has reportedly opened with a NT$195 million bid for this year with each club receiving NT$ 32.5 million. ERA TV has offered a higher price at NT$ 210 million. ESPN is also negotiating with the CPBL, and might broadcast portions of the regular season in conjunction with the winner of the TV bidding war (Pan, 2003a).

The motivation of the ESPN in bidding for the rights was in part to help to acquire one of the popular clubs [Sino Bulls] in the CPBL in 2002 (Yang, 2002). This also explains why its Deputy CEO, Becker, visited Taiwan to consult with Commissioner Chen of the CPBL (Lin, 2004). However, the proposed acquisition of the club by ESPN met with frustration when the owners of the Sino Bulls rejected it (Yang, 2002). The attempt to bid for TV broadcasting rights also failed when Commissioner Chen agreed a deal, on
27 January 2003, between the CPBL and the Videoland Sports and ERA, which would jointly share rights to the 300 seasonal games by paying NT$ 210 million to the league (Lin, 2004).

Considering the media’s growing interests and their important roles in the promotion of professional baseball since the merger, the CPBL not only expanded the Internet service [on line live broadcasting] to boost fans’ enthusiasm but also authorised, without any charge, some domestic broadcasting companies such as the Central Broadcasting System Radio and the Taipei Broadcasting Station to broadcast live free-to-air games around the island (Wu, 2003). Meanwhile, the CPBL also allowed a TV Company, MAC Satellite, sponsored by the Overseas Chinese Affairs Commission (a governmental department), to broadcast relevant professional baseball news (of games) to overseas Chinese all over the world when the MAC felt the recovery of professional baseball had been sufficiently successful (CPBL, 2003e).

After the merger, with an upgrading of the CPBL’s online broadcasting optical fibre system (speed 10MB) cooperating with Chunghwa Telecom, the record for the highest number of online visits per day was usually broken. For example, we saw 110,602 people visiting the CPBL website on June 5, 2003, then shortly afterwards we received 135,625 on June 8, 2003. Moreover, it was common to see over 13,000 people on line at the same time to watch online broadcasts of games and this passion has only been evident since the CPBL established the official website in 1999 (CPBL, 2003b, translated by the author).

Subsequently, on the one hand, player satisfaction with the merger increased as professional baseball players’ employment became more stable than had been the case in the years since 1997. The merger did have a positive effect for players. The merger restructured the system and signalled a brighter future for their career. As interviewees stated: 
It is not only positive for the development of professional baseball...Players are greatly encouraged by this merger (Interview with the Principal of the NTCPE 14/05/03, translated by the author).

Fans will have more spectacular games to enjoy and players feel confident about their employment (Interview with the DPP MP, 15/05/03, translated by the author).

I am really happy that the merger has come true. The merger means the provision of ‘employment’ will remain stable and I personally can foresee a bright future if I work hard. This has greatly inspired players since the 1997 gambling scandal (Interview with the Sinon Bulls Player, 28/05/03, translated by the author).

Nevertheless, on the other hand, a reduced capacity for player recruitment (with only one league left) could also mean that some players would be unemployed which was recognised as an ‘invisible’ problem. These concerns were notable as interviewees pointed out that,

When reflecting on people’s opinions about the impact of the merger of the league in 2003, it is important to consider (a number of) points of view...the league can effectively control the recruitment of players since there is only one league left...[and] the fact of arranging games in one league instead of two (Interview with the NTCPE academic expert, 05/05/03, translated by the author).

One can find that after merging, inferior players will be selected out and the level of players will be enhanced. Only maintaining a high level of games can ensure that fans will continue to support professional baseball and its development (Interview with the NCPFS vice Minister, 06/05/03, translated by the author).

Although I think the merger was positive for the development of the professional baseball industry, I have to admit that many players in the two leagues with poor performance or injuries were worried about their future since the single new league may possibly abandon them. Sometimes, this doubt also came to my mind although I tried to ignore it (Interview with the Sinon Bulls Player, 28/05/03, translated by the author).

However, when we look at the result of this merger, players will experience
complicated emotions. On the one hand, players should be delighted since fans have come back and this market is flourishing again. On the other hand, the fact that there is a merger means there is only ‘one league’ left and employment for players dramatically declines. Of course, if players are excellent in performance, they don’t need to worry about this (Interview with the former Mercury Tigers Player, 21/05/03, translated by the author)!

The above concern was not only about pressure on ‘subordinate’ players and staff in the TML, but also the former CPBL popular players who participated in the TML since 1997, as we have already noted. Thus the success of the merger implied a brighter future for some players but an end to the playing careers of other. This may explain why some of the popular former players retired to become sport channel commentators, or coaches at different levels (from schools to amateur clubs) in the baseball system (Lee, 2003a; Liang, 2003b). By the beginning of the 2004 season, after many negotiations between clubs, the CPBL eventually allowed the TML ‘Traitor’ players to rejoin the league with a promise from the two former TML clubs’ of payment of ‘trickledown money’ [La New: NT$ 4.5 million; Motoco Bank: NT$ 6.75 million] to the CPBL, which could only use this money to develop Taiwan’s baseball at various levels (Liao, 2004).

In Taiwan, not all local residents near baseball stadia welcome the professional baseball games and the Taipei Tienmu Baseball Stadium provides perhaps the best example of local opposition with fear of traffic snarl-ups, litter problems and noise. Although successful in overcoming strong resistance from local residents, and despite creating a supervisory mechanism, and the provision of a 20% discount for residents to attend games (Quartly, 2002e), the local residents’ concerns on a variety of potential difficulties such as traffic, noise and environment remained, and even worse conflicts and tensions were created between clubs, fans, and local residents during the 2003
Chapter 7 The Case of the Merger of the Two Professional Baseball Leagues in Taiwan in 2003

The result of the 2003 merger attracted more spectators to professional baseball games and the Championship Series in particular was well supported. However, before the sixth game in the Taipei Tienmu Baseball Stadium, several thousand-baseball fans camped outside the stadium for three days to be sure of getting hold of tickets and found that there was a shortage. They refused to move from outside the ground and turned into an irate mob. The police had to call for reinforcements and added two hundred policemen to maintain order at the stadium and the traffic in nearby streets (Lo, 2003). The fans’ camping outside the stadium and the excitement brought on by the match, generated large volumes of traffic, loud crowd noise, security problems, and then left the neighborhood to deal with the accumulated garbage. According to the report in the ‘Taiwan News’,

The excitement of the games in Tienmu has irked nearby residents. Doing its job as mandated by local by-laws and under pressure from the residents, the Taipei City Environmental Protection Bureau issued three fines to the CPBL and the Elephants totaling NT$ 72,000 for violating 65 decibel noise limits in the area during Saturday night’s championship clincher (Taiwan News, 2003a).

On the following day, Wu, the deputy of the Taipei City Environmental Protection Bureau, also reported the mess which the game had produced,

The Taipei City Environmental Protection Bureau reported that close to 12 tons of garbage had to be cleaned out from outside the Tienmu Stadium following the fan protests. I have never seen such a huge amount of garbage after a major event since I came to office. In order to clean up this mess, 80 cleaners spent one day to work around the baseball stadium area. NT$ 6000 fine will be issued to the CPBL for ‘polluting the public surroundings’ (Cheng, 2003, translated by the author).

Thus the environmental and societal concerns of local residents, who had to contend with the impact of the professional baseball games in the Tienmu area, cast something of a shadow over the success of the first ‘Taiwan Series’ since the 2003 merger. Local
citizens indicated that,

I can understand fans’ passion for baseball. However the fact that they camped here for days and produced loud noise, traffic jam and lots of garbage had a real impact on people’s daily lives around this area. Even outside the championship series, this mess also happened during season games. I believe that, for most Tienmu citizens, professional baseball is nothing but a disaster (Lee, 2003, quoted in Hsu, 2003, translated by the author).

It is common to see fans’ strong passion for baseball. Nevertheless, fans should keep ‘social morality’ in their minds. For me, current professional baseball fans behaved quite badly and with these rioters Taiwan could almost be seen as an undeveloped country (Chang, 2003, quoted in Hsu, 2003, translated by the author).

I have never before seen a mess like that of the Tienmu Baseball Stadium, which was buried (surrounded) by mountains of garbage. I think baseball fans failed to consider local people’s feelings. I respect fans’ rights to enjoy baseball matches. However, I also expect that fans could show consideration to local people’s rights to a quality of life (Wang, 2003, quoted in Hsu, 2003, translated by the author).

Reflected in the above responses is the fact that local residents’ experiences are part of a very complex phenomenon of regional impacts. While it is possible to compile a list of environmental and societal impacts, including noise, traffic congestion, garbage, and security, associated with the professional baseball industry, one should not lose sight of the fact that this industry can also produce benefits. Therefore, it seems likely that this problem and other stadia restrictions will continue to plague relations between the league and local residents in the post merger period.

Finally, a major justification was offered in the case of the merger in that it provided a stimulus for capital spending on new and rejuvenated sporting facilities and improvements, notwithstanding some questions concerning who benefits from such spending. For instance, the NCPFS had granted approximately NT$ 100 million to the
Taipei Hsinchuang Baseball Stadium which intended to expand its capacity of seats from 7500 to 11000 and to provide a colorful LED screen to satisfy the needs of the professional baseball league and the fans and this ‘expanding construction’ was completed in 2003 (ET Today, 2003). Earlier, on July 14 2003, the Council for Economic Planning and Development approved a scheme for creating a multifunctional international standard baseball stadium in Yunlin County, which is located in the middle of Taiwan, to boost the development of professional baseball and the local economy. It is estimated that as much as NT$ 800 million is going to be spent on this project and this new stadium will not only hold 60 professional baseball games per year (domestic and international tournaments as well), but will also provide a commercial centre to promote agricultural products, which is usually seen as Taiwan’s midland primary economic activity (Yunlin County Government, 2003). Meanwhile, after witnessing the riot in 2003 caused by the small capacity of Taipei Tienmu Baseball Stadium, the Taipei City Government again announced a promise that NT$ 24.8 billion, which had been approved by the City Council last year, is to be used to build a new 40,000-seat ballpark with a retractable roof in Taipei next year (2004) and construction of this multifunctional stadium is likely to be completed in 2007 (Liang, 2003a). Taipei City Mayor Ma stated that,

The city has long needed a large-scale stadium for baseball games and other entertainment activities. The need for the Big Dome was highlighted by the limited number of seats for last month’s Taiwan Baseball Series (Huang, 2003).

This year (2004) the NCPFS and the Taichung City Council will spend NT$ 700 million to build a 25000-seat baseball stadium, which will be used as a spot for tourists and (professional) baseball games in 2006 (Lee, 2004). Perhaps, due to the historically privileged position of baseball in the past era, Taiwan was uniquely well equipped with
baseball facilities (Lin, 2003). However, since hosting the 2001 BWC, it is believed that the fact of the 2003 merger between professional baseball leagues has further inspired the government to develop this sport and the capital spending and infrastructural effects of the merger were evident as mentioned above. The baseball stadia planned or under construction are designed not only for baseball tournaments which include international, domestic, and professional baseball games, but also to develop local prestige (culture) as well as promoting economic activities with cooperation between the central and local governments (NCPFS, 2004a). The implementation of these programmes will be mutually beneficial for both the public sector and the private sector. Table 7.3 illustrates the locations and amounts of baseball stadia budget allocation granted by the central and local governments since 2003.

<table>
<thead>
<tr>
<th>Stadia</th>
<th>Programmes</th>
<th>Values (NT$ million)</th>
<th>Auspices</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hsinchuang Baseball Stadium</td>
<td>Expansion of seats, LED screen</td>
<td>100</td>
<td>NCPFS</td>
<td>Taipei County Council</td>
</tr>
<tr>
<td>Yunlin Baseball Stadium</td>
<td>New multi functional stadium, Tourism</td>
<td>800</td>
<td>Ministry of Economic Affairs, Yunlin County Council</td>
<td></td>
</tr>
<tr>
<td>Tienmu Baseball Stadium</td>
<td>New multi functional stadium, Tourism</td>
<td>24800</td>
<td>Taipei City Council</td>
<td>Taipei City</td>
</tr>
<tr>
<td>Taichung Baseball Stadium</td>
<td>New multi functional stadium, Tourism</td>
<td>700</td>
<td>NCPFS, Taichung City Council</td>
<td>Taichung City</td>
</tr>
<tr>
<td>Taoyuan Baseball Stadium</td>
<td>New multi functional stadium, Tourism</td>
<td>8500</td>
<td>NCPFS, Taoyuan County Council</td>
<td>Taoyuan County</td>
</tr>
<tr>
<td>Tainan Baseball Stadium</td>
<td>Expansion of seats, LED screen</td>
<td>160</td>
<td>NCPFS, Tainan County Council</td>
<td>Tainan County</td>
</tr>
<tr>
<td>Lite Baseball Stadium</td>
<td>Reconstruction of the existing stadium</td>
<td>1300</td>
<td>Kaohsiung City Council</td>
<td>Kaohsiung City</td>
</tr>
</tbody>
</table>
The Changing Orientation of the Major Political Parties to the Professional Baseball System in the Post-merger Period

The process of the professional baseball league merger with the involvement of political and business elites, and of individuals, and organisations from the state and the private sectors, created a high level of government and public concern about the state of the professional baseball system and its relationship to the political domain. The success of the merger in 2003 not only changed the structure of the professional baseball system, to some extent, it also restructured the politic-economic relations between the state, political parties, and leagues, the clubs and their parent companies. 'As Chiang said in the Korean Daily Sports, “For Taiwan, baseball is politics”. The game has been utilised as a means to exercise the government’s political hegemony' (Lin, 2003: 232). In the merger process, President Chen’s direct involvement brought about a radical change in the confrontational positions taken by the leagues and was instrumental in ending all the controversy between the two leagues. Here, baseball was not just sport but was being interwoven closely with Taiwan’s politics. “No matter how much people may want the game [to be] free from politics, whilst power networks exist, baseball is never going to be free from politics” (Lin, 2003: 232).

Reflecting on this point, we look at the political circumstances surrounding the CPBL, which was established and sponsored by some corporations with strong connections to political interests, in particular to the KMT (Liang, 1993). For example, Mr. Ku, the president of the China Trust Corporation and Mr. Lin, the president of Uni-President Corporation are members of the Central Committee of the KMT, which was so powerful and influential, particularly when the KMT was in office, that it was said to exert influence in all significant policy areas in Taiwan. Today, the professional baseball clubs (China Trust Whales and Uni-President Lions) sponsored by the China
Trust Corporation or the Uni-President Corporation are still important stakeholders in the CPBL. Interestingly, in the former TML, with the exception of the Commissioner Wang (vice Chairman of the KMT), those key leaders of the TML who were either parliamentarians or government officials mainly came from the DPP. Thus it is clear that there had been a complicated relation between political parties and professional baseball leagues, as a comment by Krich illustrates,

Only in Taiwan, where connections to political parties are crucial in operating franchises and constructing ballparks, would a baseball official, TML Executive Director Robin Tseng, explain: our league is more DPP while the other league (CPBL) is more KMT (Krich, 2002).

However, the apparent political party affiliation of the former professional baseball leagues in the ‘New CPBL’ was obscured following the close involvement in the merger of President Chen (DPP). The new CPBL manifested a change in the established politics of baseball. Prior to progressing the merger, Tseng indicated that, “Actually, the Chairman of the CPBL, Chen, has strong family connections with the president of the Naluwan Corporation (TML) Chen. The friendship between them has helped to push this merger forward” (Tseng, 2002). In addition, it is recognised that both the Chairman of the CPBL Chen and the president of the Naluwan Corporation (TML) Chen have strong family connections with the Presidential Office (DPP) (Tseng, 2002). The interrelated politic-economic relationships between them were acknowledged as a crucial factor contributing to the pressure for the merger as the key actors in this issue were seen to be closely linked in political, economical and familial terms. Owners of professional clubs were not only concerned about overcoming worsening financial deficits, but also with maintaining their political and economic relationships with the government. Two interviewees illustrated the main points,
When we look at this successful merger from a different angle, the merger reflected the fact that the owners wanted to maintain their good political and economic relationships with the government, especially after understanding the president’s attitude towards this issue. Here, we cannot over emphasise how powerful the political force is (Interview with the Videoland commentator, 06/05/03, translated by the author).

Because the owners of the TML have good political relationships with the central government, the league was successful in communicating its views to the government. We can see the DPP MPs, the President, the NCPFS were greatly involved in this issue and the CPBL accepted such an arrangement without many dissenting voices (there are always different opinions in the CPBL). Therefore, I think party political power really worked this time (Interview with the Principal of the TPEC, 13/05/03, translated by the author).

Indeed, it is clear that leaders of the CPBL, despite their KMT affiliation, not only attempted to restructure this industry but also importantly sought to establish (maintain) good political relationships with the DPP ruling government in terms of access to relevant resources. In other words, what the leaders of the CPBL considered important was the long-term development of this industry and they clearly felt that the government’s attitude would play a vital role in the future. Two interviewees described the government’s attitude after the merger,

The merger of professional baseball and its development...encouraged the government to continue supporting professional baseball activities (Interview with the NCPFS vice Minister, 06/05/03, translated by the author).

Of course, the government, which was once greatly involved in this issue of the merger, was satisfied with this outcome since this merger meant a positive side for the development of the ‘national game’ and I believe that my DPP government will do more for this industry in the future (Interview with the DPP MP, 15/05/03, translated by the author).

As we noted earlier, particular political considerations, especially after the 2001 BWC, such as the notion of the national game, promotion of national solidarity, identity, and
international recognition through baseball, had motivated government actors and the ruling party to resolve this tough issue (Chen, 2003b). The direct intervention of the DPP government, more precisely President Chen's involvement, did contribute the success of the 2003 merger (Lee, 2003). The CPBL, however, in the early stages was severely critical of NCPFS and the government involvement. Certainly, the DPP government/NCPFS proposal for CPBL (KMT-Linked) to pay the owners of the clubs of the TML (DPP-Linked) NT$ 80 million each was seen as politically partial and was effectively restricted by the CPBL. Nevertheless, responding to the fact that the 'contribution' of President Chen had successfully promoted to the merger, the (previously KMT-orientated) CPBL adjusted its position to some extent. For instance, the announcement of the way in which the CPBL named the Championship Series in 2003 illustrated such a shift,

In the 14th year of professional baseball, the merger was successfully completed. With the recovery of Taiwan's professional baseball industry and the increasing international visibility around the world's professional sports field, this year, the classic annual grand occasion- the Championship Series of the CPBL will be entitled '2003 Taiwan Series'. This change signals that the Series is the most important event in Taiwan's baseball calendar, on the one hand; and it also created a clear, simple and authoritative image of the CPBL internationally on the other (CPBL, 2003c, translated by the author).

For the first time, the Taiwanese national identity (with the use of the term Taiwan in the title of the event) was promoted by the CPBL while China was still in the development stage in relation to baseball (Yu, 2002). This reflects the DPP position on Taiwan as an independent entity, a core difference with the KMT. When President Chen attended the '2003 Taiwan Series', the new league championship games (which was the fifth time that the President had visited professional games), he stated that,
I am very happy to have successfully promoted the completing of the merger of the two professional baseball leagues this year. I think everyone is also satisfied with this result since the merger has been through efforts from many perspectives. I hope that professional baseball can develop well and fans and players can fully support baseball (Lee, 2003b, translated by the author).

I like to see professional baseball games and strongly support the development of professional baseball. If the CPBL has any problems or needs any help, I would be glad to do my best to provide help (BCC, 2003, translated by the author).

From these statements, it is evident that President Chen acknowledged his contribution to the merger and his concern for the development of the professional baseball. The emergence of the merger between professional baseball leagues has provided the DPP government with an opportunity to link its political goals through fans’ support of baseball, as the use of the 2003 championship to promote Taiwan’s national identity illustrates. In fact, the two main opposition parties, the KMT and the PFP, which had jointly recommended candidates for the Presidential election in 2004, were also aware of this political manoeuvre. Therefore, the two parties decided to invite, and sponsor the visit to Taiwan of a popular Japanese professional baseball club, Daiei Hawks, which is managed by a Taiwanese, Sadaharu Oh, to have friendly games with Taiwan’s national team or the CPBL all-star players in November 2003. Ironically, a simple series of friendly games between Japan and Taiwan raised political debates among the DPP, KMT, PFP, and the CTBA since the ruling and opposition MPs had a difference of opinion over who would be the VIP to throw the first pitch in games. As the DPP legislative leader Tsai stated,

It is a matter of course that the ROC Amateur Baseball Association [CTBA] would invite President Chen Shui-bian to start the international baseball game. We’d like the chairmen of the opposition parties to stop their defiance of this international custom, though we appreciate their interest in nurturing the development of local baseball in such an impressive way... indeed, a NT$ 40 million grant from the Chinese Nationalist
Party [KMT] was made to the advertising agency commissioned by the Amateur Baseball Association to run the event. The grant was not directly to the association (Lu, 2003).

MPs of the KMT and the PFP pointed out that it was their parties that had invited the Japanese professional baseball club, the Daiei Hawks, to play these friendly games in Taiwan and argued that the two opposition party chairmen, Lien (KMT) and Soong (PFP), should share the honour of throwing the first pitch of the games. However, the DPP government continued to pressure the CTBA to allow President Chen to pitch the first ball. According to the Secretary-General of the CTBA, Lin, “Inviting national leaders to start games is an international convention...however, it is also feasible to have the opposition chairmen start one of the...games” (Lu, 2003). Lin further emphasised his point,

The CTBA felt upset about this debate. The CTBA never thought this would happen and this can be attributed to the coming of the 2004 Presidential election. However, the CTBA would sort this out according to an international convention and would not be influenced by any political parties (Leadtesports, 2003, translated by the author).

In disagreeing with the suggestions from the DPP and the CTBA, both MPs of the KMT and the PFP claimed that,

An informal documented agreement between the Daiei Hawks and Lien and Soong explicitly states that Lien and Soong should throw the first pitch. Nevertheless, we have no problem in giving President Chen precedence out of courtesy if he were to send us a letter expressing his desire to start the game (PFP Legislator Liu, 2003, quoted in Lu, 2003).

The DPP government always aims to seek baseball fans’ support by cheating or fraud and fails to contribute itself to the development of baseball. The KMT and PFP paid NT$40 million to invite the Daiei Hawks to entertain baseball fans but not for the President. The DPP government should be clear about this (KMT Legislator Hung, 2003, quoted in Liu and Hsu, 2003, translated by the author).
The attitude of the DPP was not appreciated since it always led to issues of political debate. I hope the DPP can take a healthy attitude toward this event and baseball development in general as well. For the issue of throwing the first pitch during games, the KMT and DPP thought the CTBA received pressure from political influences. We have to take notice of this condition (KMT Legislator Liao, 2003, quoted in Liu and Hsu, 2003, translated by the author).

The KMT legislator Hung further argued that,

The CTBA misled the media and announced that the CTBA was the official title sponsor, which would host games and attempted to invite President Chen to throw the first pitch. This was incorrect and raised a political dispute since the KMT and PFP was the real sponsor (Hung, 2003, quoted in Liu and Hsu, 2003).

Responding to this, later on, the Secretary-General Lin again declared his position,

The contract for this series of games was agreed (signed) by the Daiei Hawks and the CTBA. It is the CPBL that should be the real hosting organisation. Actually, the CTBA commissioned the advertising agency to find sponsors to run this event and the CTBA has no opinions about sponsors. The CTBA has no right to ask the advertising agency to decide who could throw the first pitch. Please let baseball go its own way and politics should be abandoned in this field (Chen, 2003a, translated by the author).

The accusations of stealing the opportunity from opposition parties to throw the first ball in the series of Taiwan-Japan baseball exhibition matches were also denied by the Presidential Office. The President’s Office urged politicians from various parties to simply be happy baseball fans rather than bringing political struggles into sport. The Presidential Office spokesman Huang stated that,

The Presidential Office has neither been informed of, nor been invited to attend, the first baseball game... As you all know, President Chen Shui-bian often goes to watch baseball games and sits in the stadium from the beginning to the end of the games... the president is a very happy baseball fan and he has never asked to serve as the guest of honor to pitch the first ball. He is not doing it now and he won’t do it in the future (Lin, 2003).
The president last year received the manager of Daiei Hawks, Sadaharu Oh, at the Presidential Office. If the president had wanted to pitch the first ball, he would have done so last year. The President hopes all politicians will enjoy the baseball games but should not involve the sport with politics, which may only hamper baseball development in Taiwan. Meanwhile, we must show sincerity in loving the baseball game and not use the game to further political struggles (Lin, 2003).

One month later, after winning the Japanese Professional Baseball championship on 27 October 2003, in a meeting with the Chinese Taipei National Baseball Team, which was participating in the Asian Cup (and qualifying for the 2004 Athens Olympic Games), the manager of Daiei Hawks Sadaharu Oh, expressed his point as he stated that,

Except for official international baseball tournaments, it seems a convention that the hosting organisation is not required to invite the President to attend ‘friendly games’ between professional baseball clubs. The Daiei Hawks will keep to this principle (Lin, 2003, translated by the author).

This political argument caused by the question of who was going to share the honor of throwing the first pitch when the Japanese professional baseball club visited eventually ceased after the announcements by the President Office and Oh. However, a key long-term factor was the fact that Taiwanese support for baseball was again boosted by the successful merger after the 2001 BWC. Political parties (the DPP particularly) also identified a new realisation by the baseball supporters that they would be satisfied with the achievement of merger in general and did not just see it as a commercial operation. Thus in the post merger period the orientations of the major political parties to professional baseball have changed significantly. While professional sport had previously not been regarded as a high profile political domain, popular interest in baseball seems to have raised their awareness of the possibilities for engendering a positive political image through association with promotion of professional sport.
Figure 7.1: Systemic Governance Issues in Relation to the Merger of Professional Baseball in Taiwan - A Web of Interaction between Stakeholders

7.5 Conclusion

This chapter constitutes an attempt to link and identify the concept of strategic relations to the political struggles within the professional baseball system via the notion of systemic governance. Specifically, discussion has focused on the case of the merger between the two Taiwanese professional baseball leagues in 2003. The chapter has thus described some main themes from the case: (i) the emergence of the merger in the 2001-03 period; (ii) the exercise of political power through the merger with struggles between various actors such as the state, political and business elites, leagues, clubs and players; (iii) the effects of the merger and; (iv) the implications for the development of professional baseball as well as the Taiwanese politico-economic domain.

While explaining these themes, the account of the transformation of the Taiwanese
professional baseball system since the 2003 merger indicates the nature of the network system of governance developed in the Taiwanese context with culturally specific characteristics. The merger illustrates specifically how political actors (including state agencies and individuals) behaved in order to achieve strategic goals. The state, though the dominant actor within the Taiwanese sporting system in terms of having the most resources of income (taxation), personnel, information, and if necessary force of law (Wu, 2003), sought to steer but not to directly control the professional sports field. Relationships between the state’s various actors in the policy process changed after the DPP took power in 2000, and though the state [in particular the President] remained a major force, nevertheless, significant policy change was only to be achieved by negotiation and/or trade-off between various parties in the network. Thus, a major concern for this research has been, as the notion of systemic governance implies, the identification of the various forms of competition, cooperation and, mutual adjustment between stakeholders (both organisations and individuals) (Henry et al, 2005; Henry and Lee, 2004) involved in the professional baseball system. This has required identification of the formation of various alliances, which were constructed under conditions of mutual interest and/or clientelistic relations (family/personal connections) between stakeholders who had competed, negotiated, or cooperated in achieving outcomes.

In summary, the circumstances surrounding the 2003 merger between the professional baseball leagues illustrate tactics, benefits and disbenefits, which stemmed from the operation of the governance system. Table 7.4 below provides a brief summary of what actions/tactics the stakeholders (see Figure 7.1) had undertaken; and the benefits, as well as the disbenefits, which resulted from the merger.
### Chapter 7: The Case of the Merger of the Two Professional Baseball Leagues in Taiwan in 2003

#### Table 7.4: Actions/Tactics, Benefits, and Disbenefits of Key Stakeholders in the 2003 Merger

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Actions / Tactics</th>
<th>Benefits</th>
<th>Disbenefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State (President)</strong></td>
<td>President’s direct intervention with leaders of leagues and clubs</td>
<td>Promotion of Taiwanese national identity</td>
<td>Minor defeat in having to ‘climb down’ following failure of his supporters to gain the right to open the high profile game with Japanese team</td>
</tr>
<tr>
<td></td>
<td>Persuasion and negotiation with leaders of leagues and clubs</td>
<td>Gaining more support for its ruling party</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Use of politico-economic relationships</td>
<td>Media exposure</td>
<td></td>
</tr>
<tr>
<td><strong>Politicians (KMT, DPP)</strong></td>
<td>Moral persuasion</td>
<td>Political party image</td>
<td>KMT seen as of secondary importance, because of President’s active and successful involvement in merger</td>
</tr>
<tr>
<td></td>
<td>Family and economic connections Taiwan’s Constitution</td>
<td>Media exposure</td>
<td></td>
</tr>
<tr>
<td><strong>NCPFS</strong></td>
<td>Drawing on the strength of President to persuade and negotiate with leaders of leagues and clubs Administrative support</td>
<td>Redevelopment of national game Domestic image</td>
<td>Criticism from other sport governing bodies of privileged position and grants for size/number of developing baseball</td>
</tr>
<tr>
<td><strong>Local Communities</strong></td>
<td>Appeal citizens’ concerns to the local governments and mass media</td>
<td>Positive economic impact Business opportunities</td>
<td>Environmental problems such as security, traffic and noise</td>
</tr>
<tr>
<td><strong>CPBL</strong></td>
<td>Use of family connections between owners and particularly political actors in KMT Alliance with the politicians to ‘negotiate’ with the NCPFS</td>
<td>Increasing attendances, fans, income and media exposure Expansion of league Maintaining or exploring politico-economic connections to the ruling elite Increasing corporate investment and sponsorship Sport facilities</td>
<td>Increasing wage bills Increasing tensions in some instances between the CPBL and local residents nearby the baseball stadia as spectators volume increases</td>
</tr>
<tr>
<td><strong>TML</strong></td>
<td>Use of politico-economic relationships to negotiate with the CPBL Alliance with the President’s office and the NCPFS</td>
<td>Rescue from financial difficulties Survival of its clubs</td>
<td>Elimination of the TML Reducing clubs from 4 to 2 Reducing employment for staff and players</td>
</tr>
<tr>
<td><strong>Players</strong></td>
<td>Alliance with the politicians to negotiate with the CPBL</td>
<td>Stable employment Media exposure Increasing income Increasing corporate investment</td>
<td>Reducing employment sources competition for jobs Marginalisation Failure to generate position of CPBL ‘traitors’, players who had previously transferred to TML from CPBL clubs</td>
</tr>
</tbody>
</table>
Chapter 8

Conclusions

8.1 Introductions

The aim of this chapter is to provide a synthetic overview of the conclusions which can be drawn from the three case studies concerning the governance system in professional baseball. In doing so the chapter will revisit the aims of the thesis, and the theoretical premises developed in the early part of the study (chapter 2) and will review findings through the prism of such theoretical comments. A core criterion for the evaluation of a doctoral thesis is the demonstration of a contribution to knowledge made. This final synthesis therefore seeks to summarise and consolidate the nature of insights gained in relation to sports governance in the Taiwanese context.

8.2 Research Aims

In the opening chapter we identified the core aims of the study as follows:

- to identify the key stakeholders in the governance of professional baseball in Taiwan;
- to examine the resources the stakeholders have available to them to achieve their desired goals;
- to explain the outcomes in the struggles between contending parties in the governance system, in particular in respect of the three major events in the history of Taiwanese professional baseball.

In addition the study has sought to employ and evaluate theoretical perspectives, which may be used to explain and account for above.
8.3 Theoretical Context

The policy system in respect of the governance of sport may be characterised as operating at three particular levels: the macro-context, in which global geo-political and sporting influences impinge on, or form part of, the strategic context for governance; the meso-level in which national social, economic, and political features form aspects of the strategic context for governance activity; and the micro-context of individual policy action (see Figure 8.1).
Figure 8.1: The Framework of the Interrelations of Macro, Meso, and Micro Levels in Sports [Baseball] Policy in Taiwan

Macro Level
- Global Politics and Economy and Media
- International Regulations
- Olympic Games
- International Sports Governing Bodies
- International Baseball Federation (IBAF)
- Major League Baseball (MLB)

Meso Level
- National Sports Governing Bodies
- Chinese Taipei Baseball Association (CTBA)

Taiwan State
- Sports Policy System

Meso Level
- National Political, Economic, and Social Context
- Political Parties, Business Elites, and Interest Groups
- Individual/Group Actors

Micro Level
- Politicians (KMT, DPP, and Others)
- Criminal Organisations (Gangsters)
- Civil Servants
- Professional Baseball Leagues, Clubs, Players
- Sponsor Companies
- Media
- Fans
- Specific Sport Universities

Three case studies of policy activity were selected for the purpose of analysis and illustration of the governance system. Given the claims made in chapter 3 about the need to incorporate explanation at both the level of individual agency and broader structural concerns, it was seen as important that the study should incorporate analysis at all levels from global context, through organisational 'behaviours' to individual
actions, perceptions, and explanations. Chapter 4 provided a discussion of the global context and the organisational developments in the national system, while chapters 5-7 both reported analysis at the level of individual actors and their perceptions and explanations of action, and the articulation of such actions with the wider organisational framework. In chapter 3, the set of assumptions associated with a critical realist position were highlighted, and these informed the approach to the study. Specifically, these were:

- The world exists independently of our knowledge of it.
- There are deep structures, which cannot be directly observed.
- There is necessity in the world – objects/structures do have causal powers, so we can make causal statements.
- While social phenomena exist independently of our interpretation, our discursive construction, of them, nevertheless that discursive construction affects outcomes.
- Structures do not determine outcomes, rather they constrain and facilitate; social science involves the study of reflexive agents who are capable of constructing, deconstructing and reconstructing structures.

(Marsh, 1999: 13-14)

Such a position takes structures to be 'immanent' that is produced in and through action, and therefore subject to change through action but also constructing the context for past and future action. While Hay (2002: 127) claims that a strategic relations approach dismisses claims about the reality of structures and agents, our view is that though such phenomena are relational and dialectical, they are nonetheless real in that they exist independently of our perception of their relational character.

Bearing in the mind the ontological assumptions of the critical realist approach, the thesis reviewed the contributions of the major theoretical traditions in theories of the
Chapter 8 Conclusions

state, Marxism, elitism, and pluralism, and a major variant, strategic relations theory. The review of theory concluded that while traditional Marxist, elite theory, and pluralist accounts had been modified in the face of theoretical critique and empirical evaluation, into various forms of ‘neo-’ positions (neo-Marxist, neo-elitist, neo-pluralist), such modified positions overlapped considerably in terms of the nature of the accounts they gave. Thus while neo-pluralist accounts for example, reject classical pluralist descriptions of policy as being the outcome of relatively balanced competition between a variety of interest groups, they accept that some interest groups (elites) will have a disproportionate impact across a range of issues, and that amongst such disproportionately influential groups, we are likely to find business interests. Strategic relations theory, although Marxist (or more strictly neo-Marxist) in origin, seeks to develop an account of how the relations between individual (or groups of) actors, form the context and outcome of policy action - the product of strategic selectivity. Strategic relations therefore reflect the resources available to the particular groups by which to press their interests, while unavailable to others. It thus incorporates issues of Luke’s (1974) three dimensions of power, ‘decisions’ ‘non-decisions’, and ‘interests’ (of which actors may or may not be aware).

8.4 The Strategic Context of the Governance of Baseball in Taiwan

The account of the historical development of Taiwan provided in chapter 4 provides a picture of a society moving from pre-modern form at the time of Chiang Kai Shek’s arrival in 1949 through rapid economic development and authoritarian political control, to an advanced economy and an emerging multi-party democracy. ‘Modern’ forms of governance thus were simply not available in the early stages of

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1 A case might also be made for arguing that insofar as language is a strategic resource, strategic relations theory might incorporate a Foucaultian approach of discourse as power.
Nationalist/KMT control. Martial law and domination by the military elite were the norm. Ethnic/familial relations were crucial features of a Taiwanese society whether in overt terms (such as the crushing by the Nationalists of Taiwanese resistance in the ‘massacre’ 28 February 1947, see chapter 4) or in hidden ways as in the development of the links between the military elite and business interests. Such links were generally ethnically or family oriented (Bosco, 1992; Cheng, 2001; Chu and Lin, 2001; Kau, 1996; Kuo, 2000; Wang, 1994).

As political activity was ‘normalised’ with the relaxing of martial law it is unsurprising that the emerging political system did not conform to the modernist ideas of liberal pluralism, but rather maintained a strongly clientelistic character (Bosco, 1992; Hood, 1996a, 1996b; Kau, 1996; Kuo, 2000; Wang, 1994; Wu, 2001, 2003). Thus the strategic context for the development of professional baseball in the 1990s was one of both emerging political liberalism (with the arrival of a real challenge to KMT dominance and the development of new political parties, in particular the DPP), but also of enduring clientelistic relations.

Political clientelism is defined by Henry and Nassis in the following terms:

Clientelism, or relations of patronage, involves direct and indirect support of ‘one’s own people’ (e.g. family friends, ethnic group). It has traditionally been seen as a feature of Gemeinschaft-type societies, based on Weberian notions of traditional power, where individuals and groups are bound into relations of reciprocity, with social and material benefits being disbursed in exchange for commitment and support (Henry & Nassis, 1999: 46).

Henry and Nassis go on to cite the conditions under which clientelism might be expected to flourish.
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The existence of a strong state (in particular, one which controls a considerable proportion of the economy); a lack of consensus concerning the operationalisation of objective measures of social justice (such a consensus might be said to be inscribed within a welfare-state system, with ‘objective’ measures of need, calculated by welfare bureaucracies); and a lack of public confidence in the objectivity of measures and processes employed in resource allocation, such that political intervention on more partial grounds is accepted as legitimate and/or inevitable (Henry & Nassis, 1999: 19).

It is clear that these pre-conditions for political clientelism existed in Taiwanese society from the outset of the nationalist regime. Strong, central control of the economy by the state was a fact of life under martial law, and ‘trust’ in the mechanisms for social distribution of benefits was clearly lacking. Redistribution and welfare took place through family and ethnically based mutual aid organisations (Kau, 1996; Kuo, 2000; Wang, 1994). As politics liberalised, spaces were opened up for plural interest groups, but their development took place in the context of a social system with more than simply residual clientelistic links between the military, political, social and, economic elites (and as our first case study illustrated, also with ‘criminal elites’). Clientelism thus can be characterised as a form of strategic relations in which ethnic and familial relations provide key resources for particular groups of actors.

8.5 Theoretical Implications of the Three Case Studies: The Governance System

Governance ‘theory’ is described in this thesis as a loose coalition of three types of theoretical approach: political governance (the ‘steering’ of policy by governmental actors); systemic governance (competition, negotiation, and mutual adjustment between the various stakeholders); and good corporate or organisational governance (a set of normative expectations). Systemic and political governance in particular are related to the concerns of strategic relations. So what does the analysis of governance
in the three case studies tell us?

The first two case studies reflect different aspects of the ongoing struggle between the emerging political liberalism of the Taiwanese system, and the embedded clientelistic relations, which have continued to be evident. Clientelistic relations have had a clear geographical/spatial character (as illustrated in the second case study) as well as an ethnic basis. When the Chinese Mainlander-dominated KMT government was in power (1947-2000), the military elite (drawn largely from the ethnic Mainland Chinese communities) operated through cooperation with business elites drawn largely from Mainland Chinese groups who predominated in the Northern part of the island, as opposed to native Taiwanese groups who predominated in the Southern part.

When the Nationalists first migrated to Taiwan in 1946 it was hardly surprising that politics should be constructed on ethnic links. In a context of military struggle against the Communists, and once on the island, of military suppression of Taiwanese resistance, it was a matter of trusting those whom were known, “one’s own kind”. However, part of the legacy of importing traditions of politics from the Mainland was the import of links between political elites and crime, which had been a feature of the pre-communist state (Reaves, 2002). Such practices of doing business with one’s own kind, were reinforced by the fact that welfare provision by the state was from the early days minimal, and social provision was made in large part through the extended family and also through ethnically based social organisations (Goodman and Peng, 1996).

While Mainlander groups dominated the KMT, and the KMT dominated Taiwanese politics, the main thrust of policy towards Mainland China was the goal of reuniting
Taiwan with China (in a post-communist system). However, with the lifting of martial law in 1987, a native Taiwanese President Lee, was elected, and Lee began to consolidate his interests by developing political coalitions against established interest groups. From this point on, the development of state policy in relation to Taiwan’s political identity shifted from viewing Taiwan as an integral part of Mainland China, to a tension between this view and a policy of promoting Taiwan as an independent political entity. With the emergence of the DPP and its subsequent coming to power in 2000, this policy tension became the major defining difference between the two major parties.

The 1997 bribery scandal in baseball reflects the clientelistic context which provided the pre-conditions necessary to allow the abuse of the sporting system. However, the emergence of competitive politics, voter power and a vocal opposition, meant that the conditions for placing pressure on the clientelistic frameworks, which produced this scandal, had also come into existence. The competition between ‘modern’ and ‘traditional’ politics is one, which is inscribed here in the clamping down on the organised crime.

The spatial character of clientelistic relations (and their associated ethnic settlement patterns) as well as the importance of national identity politics are evident in the second case study regarding the bidding for the 2001 Baseball World Cup. The profound shifts in Taiwan’s internal political, economic and social structures have had a significant impact on its place in the global political system. The conventional view of Taiwan as a bulwark against the expansion of Communist China by the United States in the 1950s and the 1960s had changed to a position of marginalisation as the United States sought to woo the Communist authorities from the beginning of the
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1980s. International sport (and in particular the relative positions of Taiwan and Communist China within the Olympic movement) gained symbolic importance as the issue of the ‘Two Chinas’ manifested itself in the sports domain, with both sides seeking to claim legitimacy in representing the ‘interests of China’ during the KMT ruling period. Nevertheless, as the DPP gained power from 2000, sport (baseball in particular) was utilised as an important facet of claims to nationhood, and national pride on the part of the Taiwanese (‘One China, One Taiwan’), intensified with the ongoing troubled relationship with Mainland China. The national political, economic, social and ethnic structures have been influenced by international policy and vice versa. Thus, the change of structural context has reflected on the construction of national politics, and more specifically on sporting [baseball] politics as the discussions of the DPP policy indicate (as discussed in chapter 6).

With regard to the strategic relations at play in the case study, we have a good example of a global-local coalition thwarting a local-national set of interests. Local political will (KMT in Taipei) is able to thwart local and national political will (DPP in the Kaohsiung and the DPP national government) by appeal to a global sporting body (the IBAF). Local Taiwan sports politics is implicated within a global sports system, which provides a source of influence and power.

The third case, that of the merger of the two professional baseball leagues, provides a further contrasting set of insights into aspects of the governance system. While the first case study illustrates control of criminal ‘elites’ by the political system vice versa, and the second illustrates competition between political elites, this third case study highlights the relationships between business elites and the political system. Business elites not only sponsor and steer the operation of the professional baseball industry,
they also exert influence through political parties, and politicians on government. In the circumstances surrounding the merger it is evident that the weaker financial grouping, the TML, had links to the stronger political grouping (DPP) which also sought to secure the kudos of finding a solution to professional baseball’s parlous situation. The (DPP) state machinery (through the NCPFS) sought to impose a solution on the various parties by requiring the CPBL (associated largely with KMT) to compensate the TML (associated largely with DPP) with the sum of NT$ 80 million. Here political influence was successfully resisted by the CPBL, the power of its market position allowing it to hold out against state influence. Commentators argued that financial links across political parties between members of the business elite were crucial to finding a solution to this problem. In terms of the stakeholders whose interests were met, business interests (particularly of the CPBL owners) and state interests (through the achievement of a way through the impasse) were both served. However, supporters, and to a greater extent players’ and coaches’, interests were not reflected in the solutions adopted. Players in particular were made more vulnerable in many respects by the reduction in the number of clubs and leagues, which provided the CPBL with the resources by which to impose its will in relation to the ‘Traitors Clause’.

8.6 Conclusion

Jessop’s strategic relations approach has been much discussed in relation to theories of the state, and to the relations between state and civil society. However, its practical application to specific contexts has been relatively lacking. In relation to the field of sport its application is even less evident, with only two significant studies identified in the literature (Girginov, 2000; Nassis, 1994) and both of these representing doctoral studies in the Institute of Sport and Leisure Policy at Loughborough University.
Clientelism, as a system of political relations, is if anything even less discussed in relation to sport (Henry & Nassis, 1999). However, what the study reported in this thesis has sought to show is that the governance system in professional baseball in Taiwan is perhaps best understood through the prism of an (adapted) strategic relations approach, with clientelism as a specific sub-set of such relations.

The approach adopted also articulates well with a ‘middle range’ set of conclusions associated with governance theory. Notions of systemic governance in particular, and political governance, reinforce a focus on relations between stakeholders’ groups, and the resources such groups employ. Of course a focus on these groups fails to consider the concerns of non-stakeholders whose interests lie outside of research focus and which are excluded (by omission rather than commission) from decision making agendas. Thus, for example, a focus on professional baseball tends to omit any addressing of gendered interests in relation to sport, and analysis of such interests would clearly benefit from other approaches. This is a limitation of focusing on decisions rather than non-decisions.

Finally, one of the observations to make with regard to the use of strategic relations, clientelism or concepts of governance, is that these are Western concepts, developed in the Western academy for understanding/describing/analysing/morally evaluating both Western and non-Western contexts. Notwithstanding, their relations to Western evaluative and conceptual traditions, empirical work developed for the purpose of the thesis and the analytic/theoretical frameworks employed to explain these, do contribute to a move sophisticated understanding of the governance of professional baseball in Taiwan.
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