(1/2) (A Dual Theory of Institutional

to Economic Politics)

evolutionary process of some important institutions, including their duration, magnitude, attribute, and scope. The study of the

the study of institutional change. Each institution under examination is a dual system. In this regard, this study examines the

conomics and the system of economic politics.

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ry of institutional change that analyzes the dynamic relations among politicians, businessmen, and bureaucrats. In this study,

h businessmen try to achieve their economic goals through political measures or activities. On the other hand, government is

eve their political goals through economic measures or activities. This study employs a specific institution (i.e. UPPITY) to

general background behind the theory can be briefly described as follows.

n greatly influence party, interest groups, and electoral politics. The nature of political economy rests on the reality that

nd/or services are consistent with their interests (primarily high profits) in the economic market. To pursue their maximal

leasures in the political market. For example, they might directly (or send representatives to) participate in different political

rs and political elite, or try to manipulate a public opinion that will serve their economic interests. Under ideal conditions,

economic mediators for businessmen, and direct bureaucrats to the economic objectives of businessmen.

nen cannot be met because politicians behave more than economic mediators in the political market. Politicians also want to

arket. Politicians, for example, could be eager to establish their own reputation, credibility, and prestige. And in some cases,

political enterprise. The nature of economic politics, therefore, rests on the reality that politicians expect those bureaucratic

interests (primarily high fame) in the political market. Thus, they might directly (or send representatives to) participate in

oters for boosting local business and creating jobs (by urging government to do so), or try to outline an economic vision that

circumstances, politicians reversely apply various economic measures in the economic market. In other words, politicians

economic activities—building railroads and subways, stimulating economic growth, establishing social security and national

portation, upgrading education, designing policies for energy and environmental controls, and taxing to finance the vast

c goals are not frequently determined and identified by bureaucrats. Of course, educational bureaucrats might recognize that

f education. Nevertheless, they might not be able to decide or simply don't (want to) know *when*, *how much* and *how far* to do

s are *constrained* and *weak* decision-makers. Very often, politicians might be able to economically

and bureaucratic goals, consequently, are in line with the interests of politicians in the political market.

l Discussions)

e (**UPPITY**): Conventional wisdom, for example, fails to fully analyze the impact of giant financial and industrial corporations

'3, 1985) has shown that the economic system of the United States is typified by the planning system and the market system.

sis of the American economy and argued that the American economy has "centralized private sector planning." This study also

ze the economy of Taiwan. Specifically, this study contends that people in Taiwan live in a particular mode of centralized

fied **P**ublic-**P**rivate **I**ndustry: **T**aiwan's **Y**oke (**UPPITY**).

X   Y   Y

Y   (   )   X   Y

X   Y   J   K   10%

1   2   5

1: X   Y

Y	
2A)	C ( )
B)	3E+2F ( )

2:

F	C(2) 11E+4F		C(3) 2E		2E+2F		C(4) 7E+F	A*	5E		3E+F
A* B	10E+5F	2A*	7E+F		E+F		3E		E+F		2E
F			D(5) E		3E+2F		C(6) E		4E+F		4E
	D(5) E				E		C(7) 3E				
	3E+2F		E				3E+F		E+F		E
	C(6) E		C(7) 3E		3E+F			A*	E		E
	4E+F				E+F	A*	E			B	2E
	4E				E		E	B	2E		

)

3:

	40	16	40%	17	43%
	15	8	53%	8	53%
	57	29	51%	29	51%
	20	11	**55%**	12	**60%**
	44	37	**84%**	40	**91%**
	48	21	44%	23	48%
	58	15	26%	20	34%
	36	17	47%	17	47%
	76	46	**61%**	46	**61%**
	31	5	16%	10	32%
	425	205	48%	222	52%

4:

		(A B) (C D)	(A B)
		(A B)	(C D)
	40	4 (10%)	7 (18%)
	15	2 (13%)	1 (7%)
	57	12 (21%)	3 (5%)
	20	3 (15%)	**5 (25%)**
	44	**13 (30%)**	**19 (43%)**
	48	3 (6%)	1 (2%)
	58	3 (5%)	3 (5%)
	36	7 (19%)	0 (0%)
	76	**21 (28%)**	1 (1%)
	31	3 (10%)	3 (10%)
	425	71 (17%)	43 (10%)

5:

				(E+F)
	40	9	23%	28(E)+6(F) = 34
	15	3	20%	24(E)+3(F) = 27
	57	14	25%	39(E)+8(F) = 47
	20	6	**30%**	20(E)+0(F) = 20
	44	27	**61%**	44(E)+10(F) = **54**
	48	4	8%	35(E)+6(F) = 41
	58	6	10%	41(E)+11(F) = 52
	36	7	19%	55(E)+8(F) = **63**
	76	21	**28%**	89(E)+18(F) = **107**
	31	4	13%	1(E)+0(F) = 1
	425	101	24 *%*	446

Discussions: Munkirs (1985)

1998

205   (48%)

80%   60%

(   )

2000

10.   (Self-Evaluation)

(1)   (UPPITY)

(2)   2000

11.   (References)

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