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Tradition and Progress: Taiwan's Evolving Migration Reality

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Migration has created and responded to development changes within Taiwan, both demographically and socioeconomically. Located off the southeast coast of China between Japan and the Philippines, Taiwan has been subject to the influence of changing global circumstances.

Much like the United States, Taiwan has a long historical tradition of immigration that fueled its early development. From the 17th century to the 1940s, immigration and the development of Taiwan were largely shaped both directly and indirectly by the Dutch and the empires of China and Japan. Though Taiwan was in large part closed off from the rest of the world socially and economically while under Japanese rule, the country has experienced a new surge of immigration — and, increasingly, emigration — since the late 1990s, with mobility between Taiwan and China especially prominent.

With the reemergence of international migration as an important factor influencing the political, socioeconomic, and cultural landscape of Taiwan, the country must now devise policy strategies to prevent brain drain, attract migrants with high human capital, and combat illegal immigration.

Historical Migration Dynamics

Portuguese sailors first saw Taiwan in 1557 and dubbed it "*Ihla Formosa*," or beautiful island, but it was not until the early 17th century that Taiwan started to become a destination for immigrants. In competition with its Spanish and Portuguese rivals in the Far East, the Dutch East India Company established a base in southern Taiwan, located near today's Tainan City, in 1624.

The importance of Dutch colonization in southern Taiwan was twofold: It heralded the creation of an immigration port of entry in southern Taiwan, fueling a demand for manpower from China, and it integrated Taiwan into global trade systems, thus hastening the country's development.

In response to the demand for laborers first initiated by Dutch colonization, a massive wave of Chinese immigrants came to Taiwan between 1661 and 1682, along with military leader Zheng Chenggong (often called Koxinga), who defeated the Dutch in 1662. These migrants were the first to establish an agrarian economy in Taiwan. Flows from China continued during the rule of the Qing Dynasty between 1683 and 1894 — despite a strict Chinese ban on emigration at that time — resulting in the formation of new settlement bases in central and northern Taiwan.

Under Japanese rule beginning in 1895, the population and domestic labor market of Taiwan were closed to world systems for nearly a century, eliminating immigration from China. Instead of relying

on immigration to fuel development, the Japanese focused inward and succeeded in transforming Taiwan from a frontier to an orderly society.

Through government encouragement, cultivation activities in eastern Taiwan became intensified, leading to eastward internal migration in the 1920s. The Japanese Empire's "Southward Policy" triggered industrialization, leading to the emergence of Kaohsiung City as an industrial center in the 1930s and the formation of a dual-pole (north-south) regional economic pattern (Taipei vis-à-vis Kaohsiung). Throughout these years, industrialization and urbanization occurred in tandem, and internal migration — though not voluminous — responded to the differentiating regional economies.

After World War II and until the 1990s, Taiwanese development continued to be largely dependent on internal forces, although external influences — mostly from the United States and partly from China in terms of politics and Japan in terms of economics — remained crucial.

The civil war in China in the late 1940s brought about a huge influx of 2 million Chinese Mainlanders into Taiwan, but the socioeconomic network between Taiwan and China collapsed again in 1949 upon the defeat of the Kuomintang (KMT) by the Chinese Communist Party (CCP) in Mainland China and the KMT's subsequent retreat to Taiwan, where the party was already in power. As a result of political and military antagonism between the KMT and CCP, trade and migration between Taiwan and Mainland China was for the most part suspended over the next four decades. Any incoming Chinese Mainlanders mostly concentrated in larger cities, causing a pervasive phenomenon of urban out-migration of native Taiwanese.

The change in power during the chaotic period between 1946 and 1950 also spurred large-scale return migration of the Japanese from Taiwan. In spite of this, however, the bilateral connection between Taiwan and Japan strengthened.

Between 1961 and 1973, rapid economic growth generated a noteworthy trend of rural-to-urban migration, especially migration to the northern and southern areas of the country. Despite the net loss of rural human resources, large remittances sent back by migrants in urban areas helped prevent the decline of the rural economic base and social order. In contrast to many other developing countries, massive urbanization did not result in extensive rural poverty and serious unemployment in urban areas.

The oil shocks of 1974 and 1979 and increasing competition from other developing countries forced Taiwan to switch to the development of high-tech industries. The most important was the establishment of a science park in Hsinchu City in 1980, which is now known as Taiwan's Silicon Valley. Unable to shift from its dependence on heavy and petrochemical industries, Kaohsiung City lost its attractiveness to migrants, leading to population concentration in the Taipei area.

The late 1980s marked a key era of migration transition, both internally and internationally, as the impact of economic restructuring, burgeoning globalization, and political liberalization became apparent. As a result of a shift away from industry to the services industry and the increasing economic dominance of northern Taiwan, regional migration came to be characterized by a net transfer northward from the other regions. The north experienced a net loss of labor migrants, however, as many relocated to central, southern, and eastern Taiwan.

Meanwhile, there was a marked increase in international migration, including the emigration of Chinese Mainlanders back to China as that country's socioeconomic situation improved, and the increasing inflow of foreign contract workers from Pacific Asia who responded to dual labor market opportunities in Taiwan.

The Taiwanese government decided to open the country's borders to low-skilled immigrants in the

1990s, and subsequent inflows of foreign contract workers from countries of the Association of Southeast Asian Nations (ASEAN) and foreign wives have begun to serve as a new source of population growth (making up, in part, for declining domestic fertility). Increased immigration of this variety has been accompanied by problems of illegal immigration and human trafficking.

Emigration before 1990 was minor in volume, with Taiwanese students studying abroad primarily in the United States as the main source of emigrants. Since that time, however, emigration of entire Taiwanese families to North America, Australia, and New Zealand has grown substantially, as has the permanent emigration of highly skilled and highly educated Taiwanese to China. In fact, population transfer from Taiwan to China has come to greatly outnumber that from China to Taiwan.

Recent Immigration

For the sake of economic development since the 1960s, Taiwan has not restricted the immigration of educated foreigners — mostly professionals and managers as well as their dependents from America, Japan, and partly from Europe — but strictly banned low-skilled immigration from other countries.

Japan and the United States still serve as the most important countries of origin for foreign-born permanent residents in Taiwan, with about 10,000 and 12,000 such immigrants living in the country in 2011, respectively. Additionally, because of strong socioeconomic and cultural connections with both nations, flows of temporary migrants, businessmen, and travelers are now significant.

The trends of Japanese and U.S immigration to Taiwan share some important characteristics. First of all, while the political situation affected immigration from Japan and the United States before the 1970s, both nations have opted — along with the majority of other governments — not to recognize the sovereignty of the Republic of China (as Taiwan formally calls itself) and currently deal unofficially with the territory on most matters. Thus, the effect of the political dimension has become less important over time.

Also, because Taiwan's economic system is closely connected to those of Japan and the United States, and because both countries are the most important source of foreign direct investment in Taiwan, the trigger for Japanese and American immigration into Taiwan is typically investment-related. As a result, business cycles certainly impact immigration flows from Japan and the United States now and will continue to do so in the future.

On the other hand, Japan has a higher level of social and cultural similarity with Taiwan than does the United States. Thus, Japanese immigrants tend to be more integrated into Taiwanese society than Americans. Moreover, the overall migration network between Japan and Taiwan tends to be stronger than that of the United States and Taiwan, though both countries are major destinations for Taiwanese emigrants.

Foreign Contract Workers and Their Impact on Internal Migration

Sources of Migration Data and Information

Migration data and information for Taiwan come from three main sources: census/survey data, the household registration system, and administrative records.

Aggregate statistics compiled from historical censuses (1905-1966) are available at the **Center for Geographic Information Science**, RCHSS, Academia Sinica.

Micro data sets of population censuses after 1980 and various survey data such as Internal Migration Surveys, Manpower Utilization Surveys, and Human Resource Surveys are available at the **Taiwan Population Census Bureau** (the 4th Bureau, DGBAS).

Data compiled from the Taiwan Household Registration System (THRS) that is maintained by the **Ministry of the Interior** are the most important administrative source of migration data.

Other useful data sources include the **National Immigration Agency**, the **Overseas Compatriot Affairs Commission**, the **Council of Labor Affairs** (for data on foreign contract workers), the **Ministry of Education** (for data on students), and the **National Science Council** (data on migrating professionals).

Permanent Immigrants in Taiwan

Permanent immigrants in this article refer to immigrants who have a Taiwan permanent residence permit or Taiwan citizenship. Permanent immigrants consist of Koreans (3,400 persons), Canadians (2,400 persons), Indians (1,600 persons), Western Europeans (3,000 persons), and Australians/New Zealanders (1,100 persons).

The temporary immigration of foreign contract workers to Taiwan was originally triggered by serious labor shortages that forced the government to open the door to foreign labor in 1992. The period between 1996 and 2000, however, saw the most noteworthy growth in the population of foreign contract workers, both in terms of overall numbers and the rate of arrival.

By the end of November 2011, there were 420,000 foreign contract workers in Taiwan, 222,000 of whom were employed in the industrial sector and 198,000 in the services industry as caregivers and home domestic workers. The main sending countries include Indonesia (38 percent of all foreign contract workers), Vietnam (23 percent), the Philippines (19 percent), Thailand (18 percent), and Malaysia (2 percent).

The government of Taiwan allows foreign contract workers to regularize their status if they migrated illegally and to work in Taiwan for no more than six years at a time. When their work period expires, foreign contract workers are required to return to their home countries where they may apply again for work in Taiwan if they choose. These workers are not allowed to become citizens except through marriage to a Taiwanese citizen.

It is worth noting that foreign contract workers are selected from the lower end of income distribution in sending countries and are typically of low socioeconomic status. In Taiwan, they are paid only slightly higher than the legal minimum wage. Moreover, prior to 2007 when human-rights concerns forced policy change, foreign contract workers did not have a choice in their destinations and were not allowed to switch employers once in Taiwan.

Northern Taiwan, mainly the Taipei metropolitan area, started becoming the main port of entry of foreign contract workers beginning in the early 1990s. Northern Taiwan also became the most attractive destination for internal migrants in Taiwan around the same time, and the growing immigration of foreign contract workers appears to have had an observable impact on the migration of native-born workers to that area. Since then, the positive and negative consequences of low-skilled immigration have been an area of debate, especially concerning how and to what extent the immigration of foreign contract workers affects population redistribution.

Immigration impact analysis indicates that the increased immigration of foreign contract workers has led to a net transfer of native-born laborers from main immigrant-receiving areas to labor markets with less immigrants. Because the complementary effect of immigration outweighs its displacement effect, both out- and in-migration for immigration ports of entry are negatively associated with increased immigration. In addition to causing native-born workers to leave certain areas, increased immigration of foreign contract workers also discourages further inflows of the native born. Thus, the net loss of native-born workers in immigrant-receiving areas cannot be accurately interpreted merely as a flight caused by increased immigration.

The paradox in all of this is that, despite the trends discussed above and the occasional remark against foreign contract workers from ordinary citizens, Taiwanese society as a whole is friendly and receptive to immigrants.

Foreign-Born Wives and Their Contribution to Fertility

The economic development and globalization of Taiwan since the 1980s has been accompanied by a major societal change: a progressive internationalization of the household. Largely subsumed as part of the broad transformation of "global householding" that has been underway across many areas of East and Southeast Asia in recent decades, this trend is reflected in Taiwan by the increased demand

for foreign-born wives on the part of Taiwanese men.

In addition to the societal forces and personal motivations behind the strong and persistent demand for and supply of foreign-born wives, annual flows are subject to the policies and manipulations of national governments, sometimes resulting in sharp fluctuations with respect to both volumes and major places of origin.



A view of downtown Taipei, Taiwan's capital city.
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The abolishment of martial law in 1987, the lifting of strict regulations against visiting relatives back in Mainland China in 1988, and the first permission of Chinese Mainlander wives of Taiwanese husbands to travel to Taiwan in 1992 contributed to the first wave of marriages between Chinese Mainlander women and Taiwanese men. By 2003, the annual number of registered marriages involving a spouse from Mainland China reached 34,685, representing 20.2 percent of all marriages registered in that year.

Concerned with the long-term implications of such a large intake of Chinese Mainlander spouses on the political independence of Taiwan from China, the government of Taiwan tightened the restriction on the inflow of Chinese brides, resulting in a sharp reduction in the annual number of registered marriages with a Chinese Mainlander spouse to 10,642 in 2004, or 8.1 percent of all marriages that year.

In recent years, increasing Taiwanese investment in the economies of Southeast Asia has been accompanied by an increased demographic connection. Between 2007 and 2009, 20 percent of all foreign-born wives in Taiwan were from Vietnam, though Mainland China — benefiting from language affinity with Taiwan — has remained the most important source of brides.

According to the Taiwan Ministry of the Interior (MOI), in 2007 there were 24,700 marriages between Taiwanese grooms and non-Taiwanese brides, representing 18.3 percent of all marriages and bringing the total number of foreign-born wives in Taiwan to 372,741. By the end of January 2010, the stock of foreign-born wives had increased to 401,685, with the majority from China (65.5 percent), Vietnam (20.5 percent), and Indonesia (6.5 percent). By comparison, in 2007 there were just 31,807 marriages in Japan between foreign-born women and Japanese men, representing 4.4 percent of all marriages.

With respect to long-term demographic effects, foreign-born wives are considered permanent immigrants (as opposed to foreign contract workers, who must leave the country after a specified period of time) and contribute significantly to population growth in Taiwan. The average fertility rates of foreign-born wives in Taiwan varies depending on the country of origin, with Indonesian women having the most children (2.0) followed by women from the Philippines (1.86), Thailand (1.68), Vietnam (1.6), and Mainland China (1.4). Chinese Mainlander wives in Taiwan have the lowest lifetime fertility because they tend to marry at older ages, have a larger spousal age gap, are more often separated or divorced, and are more likely to be in their second marriage.

Recent Emigration and Return Migration

During the period of the 1950s to the 1980s, there was a net loss of elites and students emigrating from Taiwan to more developed countries, notably Japan and the United States. Although the total number of emigrants was not especially large, the loss of highly skilled workers and intellectuals resulted in a significant brain drain in Taiwan. For example, more than 80 percent of students studying abroad during this time period failed to return after the successful completion of their studies.

This trend of emigration and the continuing loss of highly skilled and educated manpower focused the nation's attention on the negative effects of brain drain on development. Subsequently, the return migration of the Taiwanese born became prominent in the late 1980s and early 1990s, leading to the so-called reversal of the previous brain drain problem and resulting in a brain gain that aided in the continuing development of Taiwan.

In the early 1990s, the immense impact of globalization on the production industry caused changes to patterns of emigration from Taiwan. Production space for Taiwanese industrialists was no longer limited to Taiwan, but extended abroad to China and ASEAN countries. Subsequent growing Taiwanese emigration in conjunction with massive capital outflows to China signaled a change from international migration as a cause of development to a highly visible effect of development. The role of migration as a catalyst for development thus gave way to globalization and state policy in what has proved an important developmental shift specific to Taiwan's political and economic history.

In addition to the traditional destinations of North America and Japan, China and ASEAN countries have become new destinations for Taiwanese businessmen and their dependents. Taiwanese emigration to China is particularly noteworthy. The Pearl River Delta of southern China was the primary destination for the first wave of businessmen and their investments, mostly in labor-intensive industries, from Taiwan in the 1990s. After 2000, Shanghai and its surrounding areas drew the second wave of emigrants and investments — mostly highly educated professionals in the technology industry. According to the 2010 China Population Census, there are more than 700,000 Taiwanese-born residents in Shanghai areas, though it is not clear what proportion have become permanent residents.

Two features of this most recent trend of emigration are worth noting. First, the huge capital outflows and accompanying emigration to China, mostly of young and single male technicians, is the main cause of the large-scale immigration of Chinese Mainlander wives into Taiwan. Second, the emigration of highly skilled Taiwanese to China in strict migration terms is in fact more of a circular migration than permanent migration, since Taiwan remains the permanent residence for most emigrants. Nonetheless, the permanent settlement of Taiwanese in China has seemingly increased substantially in the past five years.

Since 2008, rising wage levels in China as a result of the country's new Labor Contract Law have caused Taiwanese human and fiscal capital to move increasingly toward China's inlands, to Shanghai, to other areas in Southeast Asia (particularly Northern Vietnam), or to return to Taiwan.

Conclusion

Despite a large gap of time when much of the country was closed off to world systems, Taiwan has a long migration history, including episodes of large-scale immigration, emigration, and internal migration.

Migration to, from, and within Taiwan has both responded to and helped shape the country's development throughout its history, depending largely on current political, social, and economic circumstances. In its infancy, Taiwan was mainly a destination for Chinese immigrants seeking opportunities with the Dutch East India Company that settled *Ihla Formosa* and kick-started the young country's development. Taiwan continued to be a destination for Chinese migrants for 200 years under the Qing Dynasty, despite the Chinese ban on emigration at that time. Under Japanese rule, internal migration became the driving force in the development of Taiwan, though many Chinese did come to the country in the late 1940s during the time of the Chinese civil war.

It wasn't until the 1990s that the Taiwanese government once again welcomed large-scale international migration, a policy change triggered mainly by labor shortages within the fast-developing nation. Now Taiwan is a destination country for foreign contract workers and foreign-born brides, the latter of

which contribute greatly to demographic changes shaping contemporary Taiwanese society.

Emigration has also arisen as a trend of concern over the past two decades, as the departure of highly skilled Taiwanese men signaled first a brain drain but later a sign of promising economic development. Current emigration from Taiwan is driven mostly by the deindustrialization of the country's interior and massive outflows of human capital and investments to China and ASEAN countries. Emigration to China, in particular, has become prominent in the past decade, though Japan and the United States remain major destinations for Taiwanese migrants as well.

The government of Taiwan is more concerned at this point with the control and regulation of immigration than emigration. Like other East Asian countries, the Taiwanese government has strict control of and prohibits the permanent settlement and family reunification of foreign contract workers. As a result of growing permanent emigration to China and the eagerness to recruit professionals from other countries, however, the government has begun deregulating strict immigration control. This has proved a controversial and politically sensitive move, leading to reluctance on the part of government officials in discussing migration. Overall, while Taiwan has many migration-related laws and regulations, the country does not currently have a clear and consistent migration policy.

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