Institutional Choice for Rural Development:

Public-Private Partnership on Taiwanese Experiences

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For most of developing countries, rural modernization being a part of economic development encompasses a particular institution arrangement. It is argued that the states in developing societies generally play a key role in social and economic development. Particularly, in Asian societies such as Japan, South Korea, and Taiwan, the states as developmental have played a central role in the change of economic structure and thus become a main research site attractive to researchers and practitioners in comparative political economy and development studies since 1970s. However, the role and function of civil societies involving their state development and modernization processes are essentially disregarded. Actually, public and private sectors in some Asian societies have formed a specific partnership that has underpinned success of rural modernization during the past decades. This paper employs inclusive governance approach to deal with a distinctive collaborative pattern between the government and non-government organizations (NGOs) in rural modernization process experienced by Taiwan since 1950s.

First of all, this paper demonstrates the Taiwanese experiences on civic engagement in the rural development in terms of the specific partnership between government and Farmers Association hereafter FAT, the robust civic farmer groups, since 1950s. Particularly, it will examine collaborative mold and process in which FAT has been extensively involved public service delivery. A specific cooperative apparatus between the government and FAT functioning and operating as an “associative networks” has formed under administrative guidance of the state and largely contributed to the development of rural areas in Taiwan. Second, this paper raises an important perspective of “inclusive governance” that suggests a development partnership between the government and non-government organizations and effectively promotes rural development through public-private partnership (PPP) that bridge and link public sector and civil society. Finally, the paper concludes that the “inclusive governance” perspective derived from rural modernization process in Taiwan has transformed the traditional mode of government into “inclusive governance”, characterized with specific collaboration between the government and civil society. Such as “paradigm shift” indicates that inclusive governance, a new paradigm, highlighting the participation of various sections of society in the work of government has substantially reinforced an effectiveness of public service delivery. As Taiwanese case indicates, inclusive governance may become an innovative institutional arrangement for rural modernization in the Third World countries at large. Through a thorough examination of the Taiwanese experiences, this paper proposes that an effective system of public service delivery should be built on an inclusive governance that is composed of government, market, and non-profit sector.