

## **What is the main question(s) raised in the paper (the issue)?**

The broad question asked in this paper is how and why leads to Taiwan's business success? Taiwan has been having long time a fast-paced business culture. Some scholars appeal to traditional Chinese culture (Southeast China coast). Before the economic take off, the famous Taiwan technocrats, K. T. Li, blamed the the underlying factor of economic problem is social norm of Chinese agriculture village. But ironically, the economic take off let other contribute the success of small-scale enterprises to the use of *guanxi*. Unsatisfied with the weak culture explanation, this research suggests business culture is important but it is largely shaped by the institutional constraints it has historically faced. Start with the question of how Taiwan had developed the fast-paced business culture, this paper provides a colony-based explanation for the it to argue against inherent Chinese culture explanation.

## **Why should we care about it (the significance)?**

Gaining a business success depends mainly on two broad aspects. The first aspect asks the question how businesspeople must confront problems from outside the firm; the other question involves how businesspeople face internal production problems. To identify what shapes the business culture in Taiwan, it is essential to identify the key factors that drive business growth, and it's a inevitable for businesspeople in Taiwan to gain a long-term success.

## **What is the author's answer (the finding)?**

The development of Taiwanese manufacturing was made possible, but also limited, by imperialism. Rather than appealing to traditional Chinese culture, the author sheds light on the colonial history under the reign of Japan, and explain how it links to the characteristics of Taiwan business culture. After World War II, the new KMT government wanted to see businesspeople who were skilled at putting together efficient production processes to produce high-quality goods cheaply. But due to the background of colonial history, Taiwanese businesspeople had had little chance to develop the skills for which the KMT government was looking. During the colony, the competition between Taiwan local manufacturers and Japanese corporation constantly deterred the development of large-scale capital-intensive enterprises. What Taiwanese manufacturers learned under Japanese rule was how to quickly identify and appropriately react to market and political change.

## **How did the author get there (the strategy)?**

To reach to the conclusion that Taiwan's colonial experience was important in creating Taiwan's postwar comparative advantage. This paper relies on three main data source: the annual Taiwan Government-General Book of Statistics contains a section listing workshops in Taiwan from 1899 to 1909, Taiwan Workshops Reports for 1918, 1925 and 1927, and annual List of Workshops published by Taiwan Government-General beginning in 1929. The business culture in Taiwan was

uniquely shaped by industrial environment by colonial history rather than inherent Chinese culture and its social norm and culture. Relying on the data, the author use some descriptive analysis to demonstrate the this point.