

Contents

About the Authors	11
Foreword	13
György Iván Neszmélyi	
Taiwan's Social and Economic Challenges	15
1. Introduction	15
2. About Taiwan in a Nutshell	16
3. The Main Challenges of Taiwan	21
3.1. Combatting against Covid-19	21
3.2. Regional Alignment in the Asia-Pacific Region – Enhancing NSP or the Cross-Strait Relations?	23
3.3. Dilemmas and Problems in the Taiwanese Society and Economy: Stagnant Salaries, Brain Drain, and Lack of New Jobs	25
3.4. The Issues of Sustainability in Reflection of the Taiwanese Economic Endeavors	28
4. Taiwan with Hungarian Eyes	29
4.1. The Antecedents: the History of the Bilateral Economic Relations	29
4.2. The Economic Relations between Taiwan and Hungary in Recent Years	30
4.3. Taiwan, as an Example for Facing the Middle-Income Trap	33
5. Conclusion	34
6. Summary	35
References	36
Adolfo Yinshi Wu	
Taiwan-V4: New Approach to Sustainable Economy and Deepening Taiwan-EU Relations	41
1. Introduction	41
2. EU Regionalism: Past and Future	43
3. Taiwan: Visegrád Matters?	46
3.1. V4 from H2020 to Industry 4.0: Scientific and Sustainable Economy	50

4. Taiwan Industrial Policies: The V4's Opportunity for Competitiveness and Sustainability	53
4.1. Taiwan-V4-EU Relations: The Taiwan Semiconductor Manufacturing Company (TSMC) Matters	56
4.2. The Hsinchu Science Park and Sustainability	58
5. Conclusion	59
References	61

Judit Szilágyi

The State of the Cross-Strait Affairs	67
1. Introduction	67
2. Factors Influencing Taiwan's Current International Position	67
2.1. Taiwan as a Global Value Chain Champion	67
2.2. Relations with the People's Republic of China	68
2.3. Taiwan's Domestic Politics	69
2.4. Thriving Economic Relations Across the Strait	70
3. The Potential Reunification	72
4. Japan-Taiwan Relations: the Deepest Ties	75
4.1. The Warmest Political Relations	75
4.2. Comprehensive and Deep Economic Partnership	77
5. Relations between South Korea and Taiwan	78
5.1. Diplomatic Relations	78
5.2. Taiwan-South Korea Economic Relations	80
6. China's Position in the Cross-Strait Relations	81
6.1. Differences in Chinese Policies towards Japan vs. South Korea	81
6.2. China's Coercive Methods	82
7. The US as Taiwan's Crucial Partner	83
7.1. Vital Economic Relations between the United States and Taiwan	83
7.2. The Prospective of a US-Taiwan Free Trade Agreement	86
7.3. The US in the midst of Growing Tensions	87
8. Conclusions	88
References	90

Tony Sowang Kuo

From the US-Taiwan Economic Relationship to Sustainable Global Economic Development	93
1. Introduction	93
2. Taiwan's Economic Strength	94
2.1. How Can Taiwan Help	95

3. Taiwan's Obstacles regarding FTAs	97
3.1. Political Issues	98
3.2. Trade Issues	99
4. Taiwan's Economic Dependency on the United States and China	102
4.1. The US-Taiwan Trade Relations	103
4.2. China-Taiwan Trade Relations	104
5. Global Issues affecting Taiwan's Economy	105
5.1. ASEAN	105
5.2. CPTPP and RCEP	107
5.3. The US-China Trade War	109
6. Taiwan's Stability and the Sustainability of the Global Economy	111
6.1. From Trump to Biden	111
6.2. Taiwan's role in Global Economic Sustainability	113
7. Conclusion	115
References	118

Csenge Gulyás

Taiwan's Foreign Relations with Developing Countries	121
1. Introduction	121
2. The Development of Taiwan's Foreign Relations and the Foundations of its Relations with Developing Countries	122
3. Development of Taiwan's Relations with Latin American Countries	124
3.1. Taiwanese Presence in the Region, Diplomatic Rivalry with the PRC	124
3.2. Taiwan's Allies and Key Features of Bilateral Relations	126
4. ROC Relations with African States	132
4.1. The Situation of Taiwanese Diplomacy on the Black Continent	132
4.2. Eswatini	133
5. Taiwan and the Pacific Region	134
5.1. The Results of Taiwan's "Dollar Diplomacy" in the Region	134
5.2. Regional Allies of the ROC	136
6. Conclusion	138
References	140

László Árva

Taiwan's Trade and Investments in the Hyper-Globalized World, its Participation in the Activities of the World Trade Organization (WTO) and in other International Organizations	149
1. Introduction	149
2. Economic Development of China (PRC) and Taiwan (the ROC)	150
3. Specificities of Hyper-Globalization: Decline of Importance of Foreign Trade and Increasing Importance of Foreign Direct Investments and Transnational Companies in Our Days	151
4. Taiwan in the System of Hyper-Globalization	153
5. The Asian Development Model	155
6. Mainland China (PRC), the Asian Economic Model and Common Prosperity	157
7. Asian Development Model in Taiwan (ROC) and in Other Southeast Asian Small Tigers	158
8. Taiwanese Outbound Investments in the World and in the PRC	159
9. Taiwanese FDI to the PRC during the Presidency of Ma Ying-jeou (2008)	160
10. Taiwan's Government's Efforts Against Chinese Technological Spying	162
11. The New Southbound Policy Initiative After 2019	164
12. How can Taiwanese Businessmen Overcome Outward FDI Government Regulation? Can the GUANXI System Help That?	165
13. The Foreign Trade of Taiwan during the last 60 years	168
14. Taiwan and Its Representation in International Organizations	171
15. How the USA and International Politics can help Taiwan to get into the International Organizations	176
16. War or Peaceful Cooperation between China and Taiwan?	177
References	178

Judit Hidasi

Social and Cultural Aspects in Taiwan's Economic Development with Special Focus on the Education System and Gender Equality	185
1. Taiwan's Economic Achievement	185
2. Factors Contributing to Economic Growth in Taiwan	186
2.1. Cultural Traits	186
2.2. Education's Importance	188
2.3. Female Empowerment	191

3. Global Challenges, Local Solutions for Sustainability – Lessons from Controlling the Covid-19 Pandemic	197
4. Summary	199
References	200
Gabriella Soós and Tamás József Kozák	
The Role of the Retail Sector in the Taiwanese Macroeconomy	203
1. Introduction	203
2. Methods of Research	205
2.1. Consumption Analysis	206
2.2. Input-Output Model to Retail Sector Analysis	207
3. Overview of the Retail Commerce in Asia	208
3.1. Retail Snapshot of Selected Countries	209
3.2. Comparison of Asian (APAC) and European Retail Economic Environment	211
4. Analysis of the Taiwanese Commerce	215
4.1. Consumption	217
4.2. Retail Spending within the Consumption	219
4.3. The Multiplier Effect of Retail	221
5. Sustainability in Taiwanese Commerce	224
6. Conclusion	225
References	227
Appendix 1: Key macroeconomic indicators of selected economies in Asia, 2016	229
Appendix 2: Taiwanese expenditures on Gross Domestic Product at Current Prices (Unit: Million TWD)	230
Appendix 3: National Disposable Income, Consumption and Savings, at current prices, (Unit: Million TWD)	231