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# TAIWAN Yearbook

# 2003

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Cover: With its impressive economic and democratic achievements, Taiwan has attracted international attention and established itself as an important player on the global stage.

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# Foreword from the Publisher

**T**aiwan had its fair share of adversity in 2001. Foremost among these challenges was the economy. The global economic downturn punished Taiwan's export-oriented industries and pushed unemployment to a new recent high. The economy slipped into recession. The local currency depreciated against the US dollar, and stock prices sank in response to the worsening outlook.

But challenge and adversity have never kept the people of Taiwan from forging ahead. Premier Yu Shyi-kun proposed a bold Challenge 2008 national development plan aimed at revitalizing the economy and modernizing Taiwan. The US\$75 billion, six-year plan lays out ambitious, concrete targets for manufacturing world-class products, expanding tourism, increasing investment in R&D, lowering unemployment, advancing the pace of economic growth, and creating jobs. These goals will be achieved through major reforms of the government and the financial system, and intensive investment in infrastructure, education and the environment.

Challenge 2008 projects focus on 10 key strategic areas. Readers will find specifics on these projects broken down by chapter in boxed

highlights and throughout the text. Other strategic areas of the plan—such as international R&D, value-added production, tourism, knowledge-based industries, Taiwan as an operations headquarters, and transportation infrastructure—are discussed in detail in the relevant chapters.

Taiwan also celebrated major achievements. On January 1, 2002, after 12 years of perseverance and determination, Taiwan was successfully admitted to the World Trade Organization (WTO) as the body's 144th member. WTO membership and a recovery in exports helped return the economy to positive growth. Progress has also been made on many other fronts, including the development of Taiwan's democracy, foreign affairs, and relations with China. All these achievements and more are explored in depth in the pages that follow, and readers will find a wealth of detailed information on every facet of life in Taiwan.

Reader feedback is highly valued. We look forward to your comments, criticisms and suggestions on how to improve our publication. We would also like to invite readers to visit the GIO website at [www.gio.gov.tw](http://www.gio.gov.tw) for the most recent information on Taiwan.





# 1

# Geography

- What's New**
1. Typhoons in 2001
  2. Updated climatic statistics

**T**aiwan is formally known as the Republic of China (ROC). Founded in 1912, the ROC is Asia's first constitutional republic. The ROC government, led by the Kuomintang (KMT), relocated to Taiwan in 1949 when the Chinese Communist Party established the People's Republic of China (PRC) on the mainland. It has since exercised jurisdiction over Taiwan, Penghu (the Pescadores 澎湖群島), Kinmen (Quemoy 金門), Matsu 馬祖, and numerous other islets. The two sides of the Taiwan Strait have since been governed as separate territories.

## Taiwan

Off the eastern coast of Asia lie the mountainous island arcs of the Western Pacific. The island chain closest to the continent marks the edge of the Asiatic Continental Shelf. Taiwan, one of the islands of this chain, is the largest body of land between Japan and the Philippines.

The island of Taiwan is 394 km long, 144 km at its widest point, and shaped like a tobacco leaf. It is located between 21°53'50" and 25°18'20" N latitude and between 120°01'00" and 121°59'15" E longitude.

With a total area of nearly 36,000 sq. km, Taiwan is separated from China by the Taiwan Strait, which is about 220 km at its widest point and 130 km at its narrowest. The island is almost equidistant from Shanghai and Hong Kong.

The surface geology of the island varies in age from very recent alluvial deposits to early sedimentary and crystalline rocks. The structure is formed by a tilted fault block running roughly northeast to southwest along the entire length. The steep slope of this tilted block faces east and the rock mass slopes more gently to the west. This block is composed primarily of old rocks, some of which have been subjected to heat and pressure. Only one-third of the land area is arable. The mountains are mostly forested, with some minerals, chiefly coal, at the northern end.

On the east coast, the mountains rise steeply from the Pacific. To the west, the level sediments lie just below the surface of the sea. As a result, river deposits have filled the shallow waters and extended the land 15 to 30 km westward from the foothills, giving Taiwan a larger proportion of useful level land than either Japan or the Philippines. Natural resources and agricultural potential make this coastal plain of great importance.

*The landscape at the summit of Slangyang Mountain in southern Taiwan differs greatly from Taiwan's other mountains.*  
(Courtesy of Liao Tai-chi)