

APPENDIXES

APPENDIX 1

Interview with the Steven Yen, Managing director of the branch office in Singapore, from the trade company: “Longshine Technology Co.Ltd.”

The Company has branch offices in Singapore, Europe (Germany¹, UK) and USA)

Products: IT, VDSL, Multimedia, KVM-Switches, Modem/ISDN.

Managing director Steven Yen is working in Singapore already 5 years. The “Longshine Technology Co. Ltd.” registered in the Singapore under the new company logo “Sky Fair Trading Company.” This is an example of the SME company; which revenue per year is \$US17.000.000.

- What do you think about the environment for doing business in mainland and Taiwan?
- **Environment in mainland and Taiwan of course is different, especially business culture. Taiwan is more open for doing business. For example, still now, 50% of the businesses in**

¹ Longshine Technologie Europe GmbH was founded 1989 as a daughter company from a Taiwanese hardware producer. In 1992 Longshine Technologie Europe GmbH moved its European headquarters from Düsseldorf to Ahrensburg. The Company offers a broad line of products from networking components to modern data telecommunication products.

mainland are state-run business; and only 40% refers to the private sphere. Of course, as we can observe, the private business in China (especially in China's coastal provinces) is more active and effective. In China there are cheap manpower and cheap price for manufacturing – these factors attract investors. China start to work in business with the overseas Chinese only 20 years ago, but Taiwan is doing that already 50 years. From that, we can say that business culture in Taiwan is open, flexible, built on mutual business trust.

- What do you mean by mutual business trust?
- **In Oriental world “guanxi” policy is very important. It means that if we make a business deal, the personal good relationship play a very big role. Taiwanese and Chinese people have more trust feelings to the overseas Chinese. Sometimes, overseas Chinese are in the role of mediator who dealing in business between Chinese. Of course there also is the letter of credit and international trade law.**
- How do you communicate with your consumers and business partners in mainland?
- **Through Internet. Comparing with the last 10 years the situation with Internet in China is changing. It becomes more open, especially for business.**
- Does your company have a specific e-commerce strategy to China?
- **Not really specific one. We're concentrating mostly on B2B and B2C dealing with our businesses in China. Our company strategy is managerial. Singapore as a strategic transportation center and**

the business power there is very strong; but Indonesia, where we exporting our products has exchange control.

- Can you specify B2B e-commerce?
- **B2B market is growing, booming in Southeast Asia. It helps to avoid government influence. Taiwan is a “Number one” in the South East Asia in e-commerce.**
- What about Hong Kong and Shanghai?
- **Well, Hong Kong comparing with Taiwan is better for doing business, as for MNCs, as for SMEs, because Hong Kong is open duty free port. Shanghai have a high tariff policy, almost 30% is going for tax.**
- Do you think that Taiwan is a regional transport and service centre?
- **No, I don't. I think that main role for regional transport and service centre belong to Hong Kong and Singapore. Taiwan is the manufacturing centre.**
- Talking about the access to the Chinese market, is it has connection to the overseas Chinese communities, especially in Malaysia?
- **No, the role of the overseas Chinese communities is no powerful anymore. In the beginning they bring money to China and Taiwan, but now in the globalize world the most powerful become MNCs.**
- Many scholars think that Taiwan is linking Singapore and Shanghai, attract MNCs to locate their headquarters in Taipei. What do you think about this tendency from the businessmen point of view?
- **Again, I don't agree. From one hand, both governments in China and Taiwan don't communicate with each other, but in spite of that B2B promote good business among both sides. From another**

hand, China is too sensitive and sometime aggressive on Taiwan's relations with other world. In this case, there are difficulties for MNCs to locate their headquarters in Taiwan, because of the mainland China's political domination in the international world communities and organizations. To avoid China's pressure, MNCs is moving their offices from Taiwan to Hong Kong.

- Do you know about Asia Pacific Network Information Centre?
- **Yes, of course. It is very famous in Asia, especially in Hong Kong, Singapore and Bangkok. They manage some Internet connections and business in South East Asia.**
- Do you see cultural similarities between Chinese and Taiwanese?
- **Both: Chinese and Taiwanese share the same culture, and language. The difference only in political systems.**
- Is there growing trade dependence between mainland China and Taiwan?
- **Of course, there is very visible trade dependence between China and Taiwan. Taiwan depends on mainland China (especially IT, and R&D sectors) from 45% to 55%.**

APPENDIX 2

Table 8. Proportion of Sites Blocked by Google Search Term, with Blocked Site Listings

Empirical Analysis of Internet Filtering in China²

Google search term	Proportion of Top 10 Sites Blocked	Proportion of Top 100 Sites Blocked
tibet	100%	64%
Blocked sites include: www.geocities.com , www.savetibet.org , www.tibet.ca , www.tibet.net , www.tibet.org , www.vot.org , www.tibet.com , www.tibet-society.org.uk , www.rangzen.com , www.milarepa.org , www.tibetjustice.org , www.magicoftibet.com , www.tibetdaily.com , www.tibetict.org , www.ustibet.org , www.freetibet.net , www.pbs.org , www.tibet-foundation.org , www.worldtibetday.com , members.tripod.lycos.nl , www.dalailama.com , www.tibethouse.org , www.freetibet.org , www.fortibet.org , www.friends-of-tibet.org , www.friends-of-tibet.org.nz , www.heartibet.org , www.tibet.org.za , omni.cc.purdue.edu , worldbridges.com , www.afn.org , www.ciolek.com , www.mysticalartsoftibet.org , www.tibetarts.com , www.tibetsearch.com , tibet.org.actadivina.com , www.tibetgame.com , www.tibet-info.net , www.tibetnews.com , www.tibetworld.com		
taiwan china	100%	37%
Blocked sites include: www.geocities.com , www.insidechina.com , www.taiwanese.com , www.taipei.org , www.gio.gov.tw , www.stat.gov.tw , www.cna.com.tw , www.oop.gov.tw , www.npm.gov.tw , publish.gio.gov.tw , news.chinatimes.com , www.unido.org , www.mofa.gov.tw , www.cbc.gov.tw , www.taiwan.com , www.cnn.com		
equality	100%	24%
Blocked sites include: www.geocities.com , www.itvs.org , wheel98.tripod.com , www.equalitynow.org , www.equalityms.org , www.equality.org.uk , www.stanford.edu , www.equalityalliance.org.uk , www.equalityni.org , www.equalityproject.org		
democracy china	80%	42%

²<http://cyber.law.harvard.edu/filtering/china/block-kw-detail.html#taiwanchina>

Blocked sites include: www.geocities.com , www.hrichina.org , www.chinamz.org , www.democracy.org.hk , www.cnd.org , www.igc.org , www.rjgeib.com , www.taiwanese.com , www.tibet.ca , www.christusrex.org , www.svdc.org , news.bbc.co.uk , www.time.com , www.gio.gov.tw , www.hrw.org , www.dfn.org , www.columbia.edu , www.frc.org , www.innermongolia.org , www.china-forum.org , www.tsquare.tv , iso.hrichina.org:8151 , www.pbs.org , www.freechina.net , www.chinasite.com , www.chinasite.com , www.cnn.com , www.stanford.edu , www.newstrolls.com		
dissident china	80%	37%
Blocked sites include: dailynews.muzy.com , www.amnesty.org , www.democracy.org.hk , www.igc.org , www.tibet.ca , www.christusrex.org , www.svdc.org , news.bbc.co.uk , web.amnesty.org , www.rfa.org , www.hrw.org , sg.news.yahoo.com , www.cbsnews.com , www.columbia.edu , archive.nandotimes.com , dfn.org , www.radicalparty.org , www.chinaeweekly.com , www.uyghuramerican.org , iso.hrichina.org:8151 , news.muzy.com , www.freechina.net , www.chinasite.com , www.chinasite.com , www.cnn.com , www.stanford.edu , www.washingtonpost.com , www.tibettimes.tibetsearch.com , www-tech.mit.edu		
taiwan	70%	47%
Blocked sites include: www.geocities.com , www.taipei.org , www.gio.gov.tw , www.mit.edu:8001 , www.stat.gov.tw , www.cna.com.tw , www.oop.gov.tw , tw-women.formosa.org , www.mofa.gov.tw , www.ttnn.com , www.cbc.gov.tw , www.taiwan.com , www.taiwanheadlines.gov.tw , www.lib.ntu.edu.tw		
revolution	70%	21%
Blocked sites include: www.geocities.com , www.time.com , www.entrepreneurs.net , www.pbs.org , www.bbc.co.uk , www.si.umich.edu , www.clothespin.org , www.eskimo.com , www.game-revolution.com , history.acusd.edu , www.revolutionmag.com		
dissident	60%	31%
Blocked sites include: www.geocities.com , www.tibet.ca , news.bbc.co.uk , www.hrw.org , home.att.net , sg.news.yahoo.com , www.dfn.org , www.columbia.edu , archive.nandotimes.com , brokentoy.com , dissident.cjb.net , www.dissidentclub.cjb.net , www.dissident-records.cjb.net , groups.yahoo.com , www.emergency.com , www.aidsmyth.com , www.catholic-chronicles.com , www.chinasite.com , www.chinasite.com , www.cnn.com , home.earthlink.net , www.eskimo.com , www.tibettimes.tibetsearch.com		

性病 (" <i>STDs</i> " in Chinese)	60%	13%
freedom china	60%	32%
Blocked sites include: www.amnesty.org , www.amnesty-usa.org , www.democracy.org.hk , www.gwu.edu , www.igc.org , www.rjgeib.com , www.tibet.ca , www.christusrex.org , news.bbc.co.uk , www.asiaweek.com , www.hrw.org , www.dfn.org , www.mcjonline.com , www.oneworld.net , dfn.org , thechinadesk.tripod.com , www.innermongolia.org , latelinenews.com , www.lafdc.org , www.uyghurs.org , www.clearharmony.net , www.freedomsring.com , www.freechina.net , www.cnn.com , www.forbes.com		
justice china	60%	30%
Blocked sites include: dailynews.muji.com , www.amnesty.org , www.democracy.org.hk , www.caccp.org , www.igc.org , www.tibet.ca , news.bbc.co.uk , web.amnesty.org , www.time.com , www.hrw.org , www.stat.gov.tw , www.oneworld.net , www.tibetjustice.org , www.web.amnesty.org , www.centurychina.com , iso.hrichina.org:8151 , www.clearharmony.net , www.cnn.com , www.freetibet.org , www.rmit.edu.au , www.louisville.edu		
counterrevolution china	50%	21%
Blocked sites include: www.geocities.com , www.igc.org , www.tibet.ca , www.time.com , www.hrw.org , www.columbia.edu , www.icl-fi.org , groups.yahoo.com , iso.hrichina.org:8151 , www.earthscape.org , www.ciaonet.org , www.religion-online.org , www.bopsecrets.org , www.duihua.org , www.isinolaw.com		
news china	40%	40%
Blocked sites include: dailynews.muji.com , www.insidechina.com , www.mingpao.com , www.ausdaily.net.au , www.cnd.org , www.chinatopnews.com , news.bbc.co.uk , www.dfn.org , www.cbsnews.com , www.fofg.org , latelinenews.com , sun.sino.uni-heidelberg.de , www.chinanewsagency.com , www.ai-insight.com , www.europeaninternet.com , news.chinatimes.com , faluninfo.net , www.washingtonpost.com , www.ncix.gov , www.canoe.ca		
liberty china	40%	17%
Blocked sites include: www.rjgeib.com , www.defenselink.mil , asia.news.yahoo.com , clearwisdom.net , www.libertyexpress.org ,		

www.fortunecity.co.uk, www.freedomsring.com, www.calvinwlew.com,
www.chinesetapes.com, www.whitescollectables.com, www.ceeceechina.com,
chinacrystalandmore.com, www.cesnur.org, www.accessatlanta.com

民主 (<i>"democracy" in Chinese</i>)	40%	15%
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APPENDIX 3

Table 9. Trade Dependence

Unit: %

Year	Taiwan to Hong Kong		
	Exports ³	Imports ⁴	Trade ⁵
1981	8.4	1.5	0.5
1982	7.1	1.6	4.6
1983	6.5	1.5	4.3
1984	6.9	1.7	4.7
1985	8.3	1.6	5.6
1985	7.4	1.6	5.2
1987	7.7	2.0	5.5
1988	9.2	3.9	6.8
1989	10.6	4.2	7.8
1990	12.7	2.7	8.2
1991	16.3	3.0	10.3
1992	18.9	2.5	11.2
1993	21.7	2.2	12.4
1994	22.8	1.8	12.7
1995	23.4	1.8	13.0
1996	23.1	1.7	13.1
1997	23.5	1.7	13.0
1998	22.5	1.9	12.4
1999	21.3	1.8	12.1
2000	21.1	1.6	11.6
2001	22.0	1.7	12.6
2002	23.7	1.5	13.4
2003	19.7	1.4	11.1
2004	17.2	1.3	9.4

³ Taiwan's Export to HK shared by Total Taiwanese Export

⁴ Taiwan's Import from HK shared by Total Taiwanese Import

⁵ Taiwan's Trade w/HK shared by Total Taiwan's Trade

2005	16.2	1.0	8.8
2006Jan.	16.0	1.0	9.1
2006Jan-Feb	15.9	1.0	8.6
2006Jan-Mar	16.1	0.9	8.8

Source: Ministry of Finance (ROC)

APPENDIX 4

Table 10. Taiwan to Hong Kong Trade Volume

Unit: US\$ Million

Year	Ministry of Finance (ROC)			Hong Kong Customs		
	Exports	Imports	Total	Exports	Imports	Total
1986	2,915.1	379.3	3,294.4	3,074.0	761.4	3,835.4
1987	4,112.9	706.7	4,819.6	4,274.0	1,241.7	5,515.7
1988	5,588.5	1,922.0	7,510.5	5,686.8	1,811.5	7,498.3
1989	7,029.1	2,197.0	9,226.1	6,613.7	2,112.6	8,726.3
1990	8,557.0	1,446.0	10,003.0	7,446.7	2,274.1	10,170.8
1991	12,430.5	1,944.5	14,375.0	9,563.0	3,175.0	12,738.0
1992	15,416.0	1,780.9	17,196.9	11,301.2	3,396.9	14,698.1
1993	18,454.9	1,728.1	20,183.0	12,203.7	3,658.6	15,862.3
1994	21,263.0	1,533.0	22,796.0	13,936.3	3,700.3	17,636.6
1995	26,121.1	1,842.5	27,963.6	16,572.6	4,580.6	21,153.2
1996	26,804.8	1,704.7	28,509.5	15,795.1	4,274.8	20,069.9
1997	28,707.7	1,996.1	30,703.8	15,967.6	4,693.7	20,661.3
1998	24,841.3	1,952.3	26,793.6	13,342.9	4,342.7	17,685.6
1999	26,101.7	2,093.9	28,195.6	12,875.2	4,225.6	17,100.8
2000	30,823.5	2,209.1	33,032.6	15,959.2	5,107.2	30,823.5
2001	27,026.9	1,849.8	28,976.7	13,882.8	4,739.9	18,622.6

2002	30,914.	1,739.	32,654.	14,920.	4,437.	19,357.
	9	2	1	4	3	6
2003	28,381.	1,726.	30,107.	16,103.	5,425.	21,529.
	0	1	1	8	9	7
2004	29,876.	2,094.	31,971.	19,177.	6,297.	26,074.
	9	6	5	2	7	9
2005	30,739.	1,886.	32,625.	21,602.	6,472.	28,075.
	0	8	8	8	4	2
2006Jan	2,690.7	147.3	2,838.0	1,733.2	560.3	2,293.5
2006Feb	2,435.7	144.3	2,580.0	1,630.0	456.0	2,086.0
2006Mar	2,899.4	152.0	3,051.4			
2006Jan-Ma	8,025.8	443.6	8,496.4			

r

Compared

with the same **17.5** **- 2.9** **16.3**

period of last

year (%)

Source: Ministry of Finance (ROC); Hong Kong Customs

APPENDIX 5

Table 11. Top Five Recipients of Taiwanese Overseas Investments, 1952 – 2000

(In Billions of U.S. dollars)

Region	Amount	Percentage of Total Overseas Investments
Mainland China	16.11	39.51
Central America	8.18	20.06
United States	5.10	12.51
Singapore	1.30	3.18
Hong Kong	1.11	2.71

Source: Mainland Affairs Council, Republic of China

APPENDIX 6

Table 12. The e-government Ranking

The e-government Ranking

Countries	Brown University (2002/9)	WMRC (2001/10)
Taiwan	1	2
South Korea	2	-
Canada	3	4
US	4	1
Chile	5	-
Australia	6	3
China	7	-

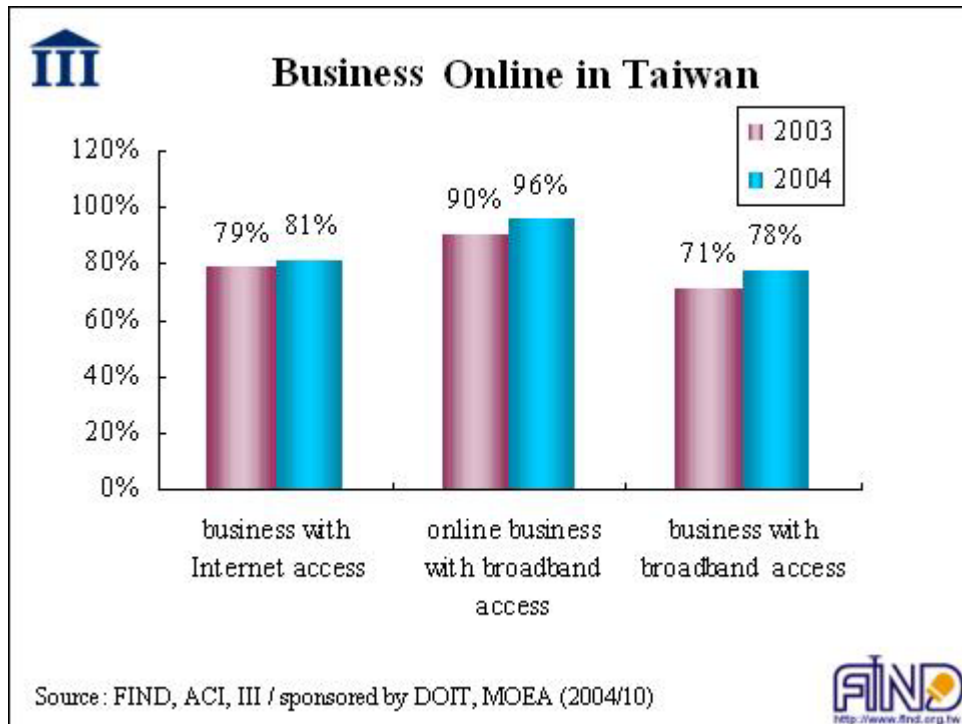
Switzerland	8	-
UK	9	5
Singapore	10	8
Source: Brown University Taubman Center for Public Policy, WMRC Compiled by: FIND, ECRC, III/ sponsored by DOIT, MOEA		

Source: e-government in Taiwan

<http://www.find.org.tw/eng/news.asp?msgid=15&subjectid=4&pos=0>

FIGURES

Figure 1. Business online in Taiwan



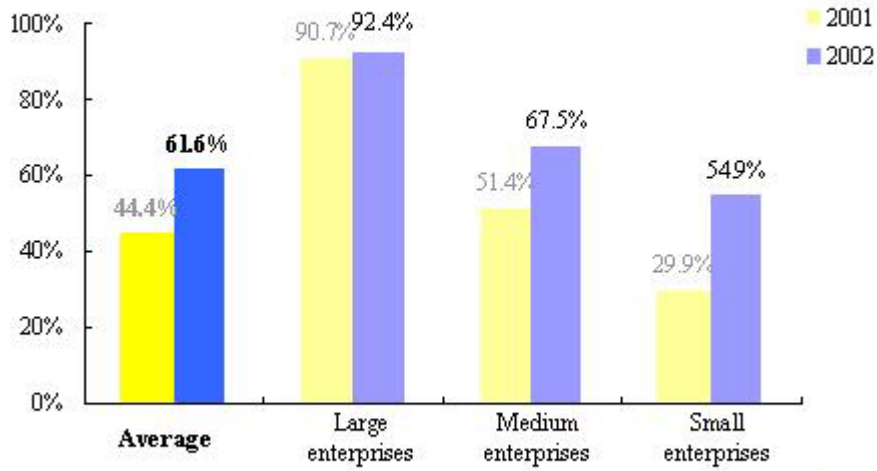
Source: FIND Organization portal

<http://www.find.org.tw/eng/news.asp?msgid=145&subjectid=12&pos=1>

Figure 2. Internet Penetration Rates in Business of Different Sizes in Taiwan



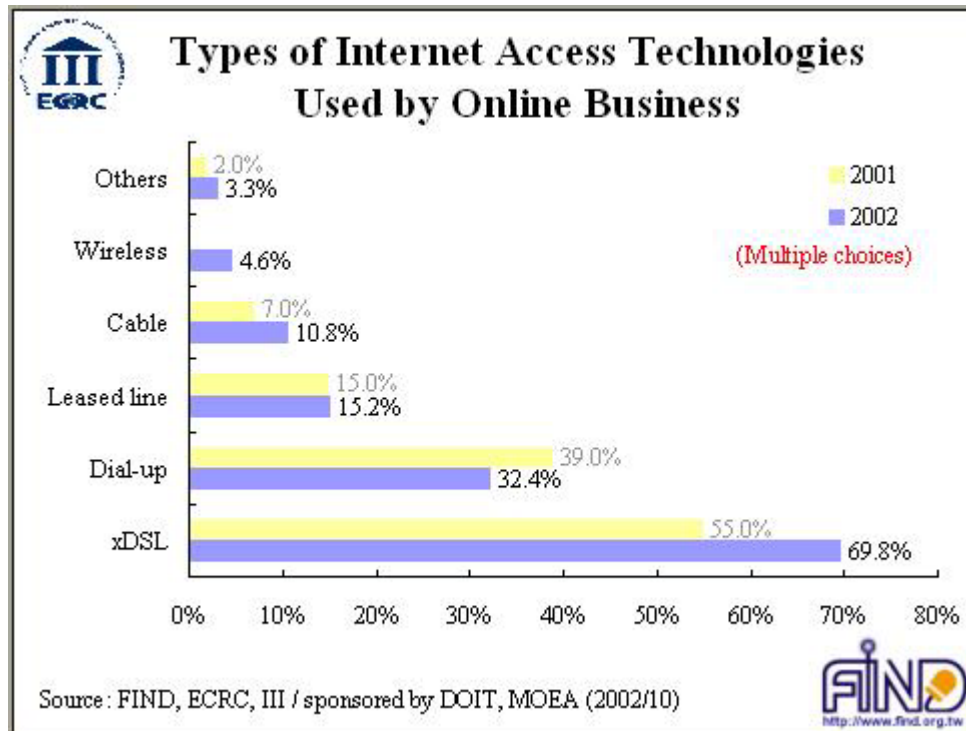
Internet Penetration Rates in Business of Different Sizes in Taiwan



Source : FIND, ECRC, III / sponsored by DOIT, MOEA (2002/10)



Figure 3. Types of Internet Access Technologies Used by Online Business



Source: FIND, online business:

<http://www.find.org.tw/eng/news.asp?msgid=40&subjectid=12&pos=1>

Figure 4. Reasons Why Users Frequently Visited Online Game

Media

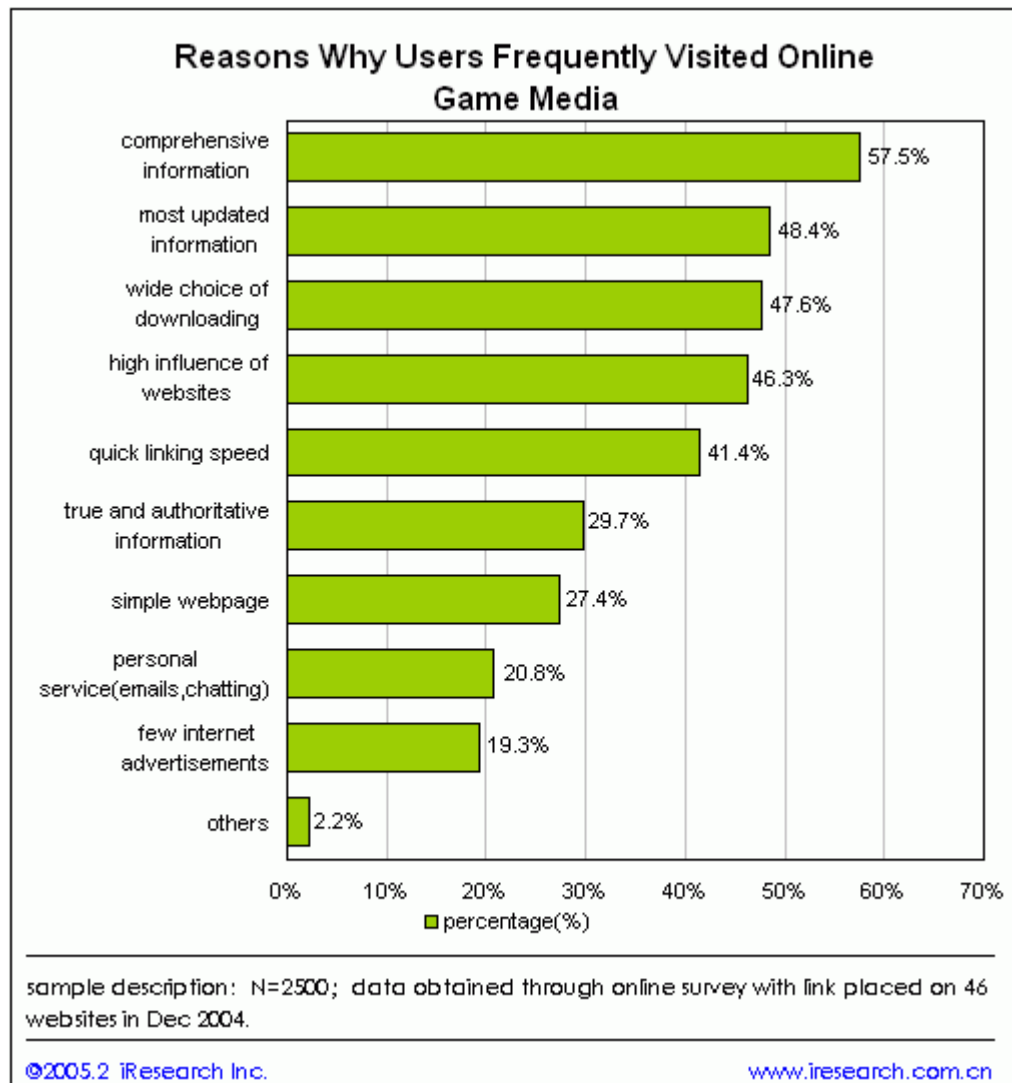


Figure 5. The World Competitiveness ranking



The World Competitiveness rankings

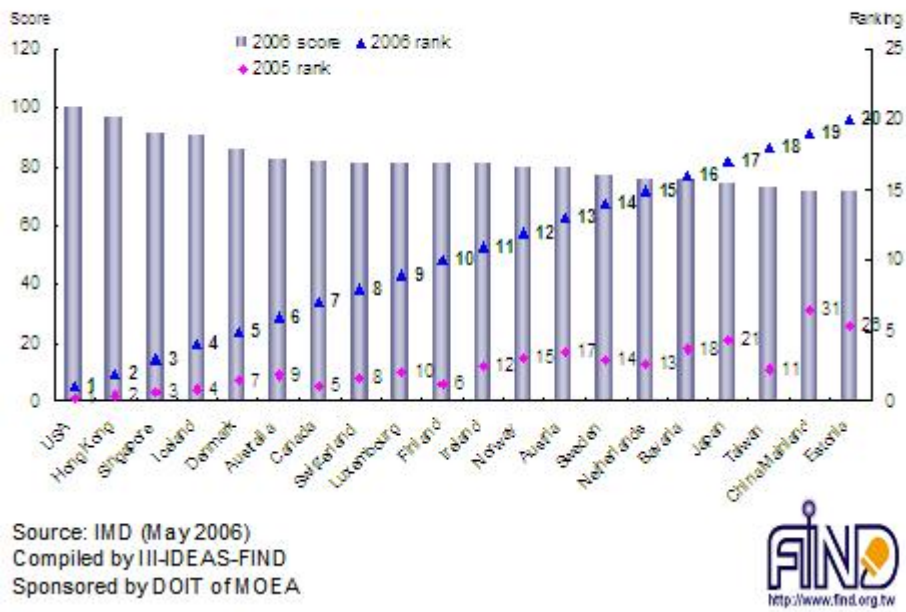


Figure 6. Top 15 broadband countries by number of lines