

The Government-General's Corporate Policies during Early Japanese Colonial Rule (1895–1923) in Taiwan

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ABSTRACT

This essay discusses the changes of the Government-General's policies related to the establishment of the *modern corporation law* (近代公司法制), during early Japanese colonial rule in Taiwan. In traditional Taiwanese society, capital was raised mainly through joint-stock partnership (合股方式). After the opening of coastal ports to foreigners in the early 1860s, the merits of *modern corporate organization* (近代公司) were recognized by the local business sector through trading with the West. They therefore began to imitate the *modern corporate system*, (近代公司制度) and the term 'company' was used for their *joint-stock commercial firms* (合股商號). After Taiwan was ceded to Japan in 1895, businesspersons were quick to take up Japanese *merchant law* (商法), and started to adopt the term *hui-she* or *kai-she* (會社) for their firms. This represented their interest in and acceptance of the modern-company system. On the contrary, the government was less enthusiastic than the business circles in introducing the modern-company system. The Qing (Ch'ing was used in the abstract by Hung) Dynasty did not acknowledge the merits of the Western company system. The Japanese colonial government also placed little emphasis on introducing the modern corporate system, a situation contrary to the policies during Meiji Restoration in the Japan proper.

The main difference between the modern-company system and the traditional joint-stock firms was that the functioning of the former required government legislation to protect the interests of the investors. In the early stages, the Japanese Government-General tended to manage Taiwanese enterprises through joint-stock partnership. Starting in 1909, an executive order on Taiwanese corporation 「臺灣合股令」 was issued, and in 1912 Taiwanese enterprises were restricted to use the term 「會社」 for their firms by *the order of the Government-General*. (府令). Nevertheless, 「臺灣合股令」, with its basis on joint-stock partnership, did not gain the approval of the Japanese central government, and in 1923 the legal reform in the colony made Japanese merchant law applicable in Taiwan. Thereafter, Taiwanese commercial organiza-

tions were governed by Japanese merchant law.

Keywords: Early Japanese Colonial Rule in Taiwan, Government-General's Corporate Policies, modern-company system, joint-stock partnership