**Panel 15 Economics and Political Economy** 

## **Poverty and Vulnerability: Revisiting the Political Economy of the Welfare State in Taiwan**

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Ten years ago Cornell University Press published Healthy Democracies: Welfare Politics in Taiwan and South Korea. In that book, I argued democratic transitions in Taiwan and South Korea hastened and deepened social welfare reform, notably in health provision. Democratization and political modernization more generally, I posited, had altered political incentives for elected officials, emboldened social movements, fostered new cross-cleavage coalitions, and mainstreamed the idea of welfare. I offered these East Asian cases - and especially Taiwan - as exemplars of social policy reform in places once considered welfare state laggards. I essentially tell a very laudatory story, and one that I continue to stand by. The reviews of and reactions to the book were generally very positive, but critics have (rightly) pointed out that universal health reform in Taiwan – and the development of the welfare state – continues to let certain people and populations fall through the cracks: the very poor, the aged, vulnerable children, aboriginal communities are most notable. In this paper I suggest the welfare state in Taiwan does indeed suffer from serious blindspots, but that this is not unique to Taiwan. Rather, I argue that global capitalism and its trappings – such as increasing inequality, chronic poverty, structural unemployment, the informalization of work - have conspired to undermine the welfare state in practice; the welfare state model, as brilliant a normative project it once was, is increasingly an institutional anachronism, mismatched with today's post-industrial capitalism. In this paper I will offer some analysis of these kinds of challenges in Taiwan's contemporary political economy.