UNIVERSAL SERVICE POLICY IN TAIWAN: A CASE STUDY OF
TELECOMMUNICATIONS IN AN ERA OF LIBERALIZATION AND
TECHNOLOGICAL CONVERGENCE

A THESIS
Submitted to the
STANFORD PROGRAM IN INTERNATIONAL LEGAL STUDIES
AT THE STANFORD LAW SCHOOL,
STANFORD UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF
MASTER OF THE SCIENCE OF LAW

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May 2001
Abstract

Among the numerous telecommunications policies world-wide, universal service policy is a useful means to gauge the effectiveness of any given country's response to rapidly changing global conditions and its own social, economic, political, and technological conditions. This paper examines Taiwan's universal service policy in a telecommunications environment characterized by legal reforms, increasing competition, and technological advances. It first reviews the definition of universal service, its dynamic nature, the social and economic rationales that underlie this public policy, and commonly employed funding mechanisms in most developed countries. Based on these, it then comments on the relevance of universal service in Taiwan today. This paper further elaborates on the challenges confronting the continuous promotion of universal service in Taiwan, including the liberalization of telecommunications, the rise of the mobile phone, technological innovations, and the digital divide. In particular, inquiries are made as to how the weaknesses of institutions and politics in Taiwan may possibly negate the achievements of universal service policy. Finally, this paper concludes with suggestions for Taiwan's government concerning the implementation of universal service policy.
Preface and Acknowledgments

My advisors, Professors Rogelio Perez-Perdomo and John H. Barton, deserve special credit for their encouragement and intellectual support. I am also grateful to Professors Allan S. Hammond, IV and Jonathan Greenberg for their invaluable comments. Additionally, I would like to thank the Ministry of Education in the Republic of China for granting me a generous scholarship to study at Stanford Law School.

This paper incorporates my LL.M. research paper completed at Harvard Law School. I am indebted to Mr. L. C. Chiang at the Directorate General of Telecommunications for offering me invaluable legislative material concerning universal service policy in Taiwan. I gratefully acknowledge Ms. Laura Lin’s tutoring in writing and Ryan J. Shih’s editorial assistance.
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