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WELFARE, MEDICINE AND THE RISE OF TZU-CHI, 1966-1990

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ABSTRACT

The privatization of the health care system in many countries has led to the transformation of the medical field dominated by private for-profit hospitals controlled by large business corporations. A similar privatization effort pursued by the Taiwanese government occurred since the middle of the 1970s. Influenced by the neoliberal economic thoughts and the tightening financial budget, the Taiwanese government began to shift its health care policy from the previously state-operating hospitals to encouraging the large business corporations to run hospitals. In the late 1970s, through offering various benefits to the corporations, new and giant hospitals were established by large business conglomerates. The health care system seemed to be transformed into a field dominated by the private for-profit hospitals. However, this did not happen. The non-profit hospital was soon institutionalized as the only legitimate form of hospitals. Why did the privatization of health care system lead to the institutionalization of the non-profit hospital as the legitimate form given the entrenched business interests in turning the medicine into a lucrative industry?

In this dissertation, through studying the making of the unprecedented organizational capacity of Tzu-Chi (Buddhist Compassion Relief Tzu-Chi Association) in its formative period (1966-1990), I argue that, in addition to the state regulation, we have to pay attention to the society's effort to socialize the health care system and to discipline the medical professionals for the public good. Being one of the largest and the most influential civil and religious associations from Asia, Tzu-Chi has received numerous scholars' examination. However, the existing studies overlook two crucial aspects of the movement—the unprecedented organizational capacity and its

relationship with the privatization of health care system in Taiwan. The central argument is that the unprecedented organizational capacity of the movement was formed during its mobilization of the hospital for the social good. The hospital project offered an opportunity for movement to tie three social actors together—religion, elite medical professionals, and new capitalists. To explore the making of its organizational capacity with the privatization of the medical field, in the dissertation, I use primary materials and employ both historical comparative method and text-mining techniques. The dissertation further offers a fresh theorization on the making of charisma through examining the changing organizational dynamic and the meanings and symbols attached to it.

CHAPTER 1
INTRODUCTION:
WELFARE CHANGE, MEDICINE AND THE MAKING OF TZU-CHI

Since the early 1970s, influenced by the rise of neoliberal economic thoughts worldwide

and constrained by the tightening of the public budget, the Taiwanese government began

to experiment with restructuring the medical and health system. This included the

privatization of hospitals. The privatization of hospitals took two primary forms—

privatizing existing public hospitals and by encouraging private corporations to run their

own hospitals. Large Taiwanese business conglomerates built several new private

hospitals. In the mid-1970s, the health care system appeared to be quickly transforming

into a field taken over by private for-profits hospitals. However, this was not the case.

Compared to health and medical privatization in other areas, including Latin

America and other post-communist societies, the Taiwanese experience was an

exceptional achievement. In 2016, the quality of the health and medical delivery system

in Taiwan was widely considered as one of the most outstanding health care systems in

the world by various global institutes.[1] The maintenance of a high quality and affordable

health system runs contrary to the conventional wisdom in which privatization often leads

to increasing costs and market domination.

To understand the transformation of the medical system and the success in

regulating business interests, I argue that we have to understand how the society, in

addition to the business corporations and the state, responded to privatization and welfare

policy changes. Besides the arrival of for-profit hospitals run by large business

corporations in the late 1970s, there emerged a trend of grassroots medical movements

aiming to build hospitals for the general public. In contrast to the business interests in

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[1] Expat Explorer Report 2014, 2016, HSBC.

profits from hospital operations, these grassroots medical movements hoped to create hospitals that would serve the public goals.

The Tzu-Chi movement is one of these efforts to socialize hospitals and other medical institutes (e.g., the bone marrow bank) during the privatization period. The movement is perhaps the most well known civil association and religious organization in Taiwan. It is also well known in the global humanitarian field as a rare influential Asian NGO. In comparison, the movement is less well known as a medical movement. Most of the existing studies have examined Tzu-Chi by viewing it as merely a religious movement and have overlooked the fact that Tzu-Chi has engaged in the medical field since the early 1970s through medical humanitarian work. It controls the second largest private hospital system, second only to a private hospital controlled by a Taiwanese business corporation. It has even extended its medical work overseas. A new large hospital will be completed soon in Jakarta, Indonesia in 2017 and the movement will ultimately have hundreds of medical clinics in countries such as China, the United States, Singapore and Malaysia.

In this dissertation, I examine the construction of the non-profit hospital as the ideal form of the hospital under the privatization policy by looking at the triad relationships between the rise of the Tzu-Chi movement, welfare-regime change, and medicine. Examining these triad relationships helps us better understand a phenomenon in which the privatization of health care system did not lead to the dominance of for-profit hospitals, but rather resulted in the institutionalization of non-profit medical hospitals. In addition to the government's regulation efforts, I contend that the Tzu-Chi movement, with its society-wide mobilization for the socialization of medicine and its

efforts to re-moralize the doctors and the new capitalists, helped to harness growing private interests in for-profit hospitals and thus facilitated the institutionalization of the non-profit hospital as a legitimate organizational form for hospitals.[2]

Situating the Tzu-Chi movement under the umbrella change of the welfare regime, I further deal with the following four underexplored issues:

First, why is the movement so successful? It may be true that comparing the success of social movements is not an easy task since different measurements tell different stories. However, this ambiguity does not apply to Tzu-Chi since regardless of the types of measurements used, it is the most successful civil association and social movement in Taiwan, and even in China and East Asia in the second half of the twentieth century. It has accomplished more goals than originally proposed and mobilized unprecedented resources. The existing studies approach this puzzle from several different theoretical traditions, such as the personal charisma, but they all overlook one important aspect—the unprecedented organizational capacity. We need give organizational capacity its due credit and ask questions, like how did the movement develop its organizational capacity? When was its organizational structure formed? To answer these questions, we must pay more attention to the formative period prior to 1990 when the organizational structure was established. Existing studies do not take the early period seriously, and even posit that the movement struggled to survive in this period. If this were true, how did it become so successful in the later period and why would a weak movement begin a medical project that aimed to transform the medical field?

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[2] Before the Medical Care Act in 1986, there was no clear distinction between for-profit and non-profit hospitals. The civil code allowed the existence of these private for-profit hospitals operated by business conglomerates. There were no clear guidelines in regards to how private hospitals should distribute their revenues and their investments. However, to encourage business conglomerates to establish hospitals, the government offered many benefits, such as tax-exemption.

Second, why does the movement emerge from a resource scarce area in Taiwan? The argument that innovation often emerges from an innovative cluster is well established, and existing literature on technical innovation is filled with stories that speak to the importance of location to innovation. This argument applies to non-profit organizations as well. Innovative practices are often transmitted through interactions between leaders of civil organizations. With the exception of Tzu-Chi, all other major Taiwanese civil and religious associations emerged near several big urban areas. The emergence of the Tzu-Chi movement in a peripheral city in the east coast Taiwan was uncommon. Does this mean that local environment is not important at all?

Third, why did the movement take an organizational form and practices that is quite different from other religious and charity groups? Existing studies tend to attribute this the movement's genius leaders. However, I argue that a better way to look at this puzzle is through the lens of gender. It is well known that women participate more than men in religion, but women often play a marginal role in the leadership of nearly all established religions. This also applies to many new religious movements in contemporary Asia. Except Tzu-Chi, all of the leaders of the major new religions are men (e.g., Soka Gakkai in Japan, Full Gospel Church in South Korea, Falun Gong in China). The gender difference echoes throughout the group's organizational structure. The alternative organizational forms and practices of the Tzu-Chi movement leave a gendered imprint from the very beginning.

Fourth, why did the hospital project succeed while projects supported by other more resource rich organizations failed? A popular view is that the hospital project succeeded because the movement continues to have a close relationship with the Chinese

Nationalist Party (Kuomintang, KMT). However, this view is problematic because at least two other projects organized by more resource rich religious organizations and steered by powerful leaders failed to realize their goals. Further, the government held a reserved and somewhat passive attitude towards Tzu-Chi's hospital project because large business conglomerates were still the preferred hospital operators rather than civil associations with questionable resources.

This introduction is organized as follows: First, I will introduce humanistic Buddhism and the development of Tzu-Chi. This provides a religious background for the Tzu-Chi movement. A detailed history will be discussed in each chapter. Then, I examine the existing literature on Tzu-Chi written both in English and Chinese. I propose that we should turn our attention to the neglected intermediate level phenomenon—the organizational capacity. After that, I examine the literature on privatization and discuss the privatization process for the Taiwanese health care system since the mid-1970s. I also discuss the concept of socializing hospitals. Fourth, I discuss my research methods and data. Lastly, I discuss the individual arrangement of each chapter.

Humanistic Buddhism and Tzu-Chi

The Tzu-Chi movement, now under the umbrella organization of the Tzu-Chi Foundation, originally began as a small local charity group in Hualien, an east coast city, in 1966. The organization was named Tzu-Chi Gongdehui in the beginning. From 1966 to 1980, it was an informal organization without any recognized legal status, until it began its hospital project. In Chinese, "Tzu" means compassion and "Chi" means relief (or help). Gongdehui means an association dedicated to merits and virtues. Gongdehui was a common name for Buddhist and folk religious charities. This small charitable group was

founded by a group of women affiliated with local Buddhist organizations. Cheng Yen, a 28-year-old Buddhist nun at that time, was the leader of this group of women.

Tzu-Chi and its founder Cheng Yen are widely acclaimed as the representative case for humanistic Buddhism (or Buddhism in the human realm). The humanistic Buddhist school is the most influential Chinese Buddhist school in modern Chinese history. Buddhism, similar to other traditional Chinese religions, was weak in the late Qing dynasty. Many Chinese social reformists and intellectuals in the early 20th century viewed traditional religions as superstitious and outdated. Several radical reforms proposed to eradicate these folk religions before the Chinese Communists Party's (CCP) cultural revolution. Faced with this challenge, young Buddhist monks, such as Taixu, began their efforts to reform Chinese Buddhism. Their reform proposals included modernizing Buddhist teachings, restructuring Buddhist organizations and making Buddhism more relevant to the common people. Taixu was the first to use the term "renshen fojiao" (Buddhism of life). This term was reframed by his most famous disciple, Yinshun, a monk considered to be one of the most influential Chinese Buddhist thinkers in the entirety Chinese Buddhist history, as "renjian fojiao" (Buddhism in the human world). Although scholars argue that Yinshun's view is slightly different than that of his teacher Taixu, renshen fojiao and renjian fojiao are commonly translated as humanistic Buddhism or Buddhism in the human realm.

Yinshun's contribution to the formation of the humanistic Buddhist school is his rediscovery of the importance and the contemporary relevance of the original Indian Buddhism. Buddhism, throughout its two-thousand-year transplantation in China and other Asian countries, has become a complicated system containing various schools and

practices. This complexity can limit common people's access to religious thought, and the syncretic nature of Chinese folk religion adds further confusion. His central tenet of humanistic Buddhism comes from a sentence of the Ekottara Agama, one of the most primitive Buddhist sutras that document the Buddha's teachings. In this sutra, Buddha says "every god become Buddha in the world but not in the heaven". This establishes the foundation of the humanistic Buddhist school; the secular world is more important than the other world (i.e., heaven). Humanist Buddhists' major task is to engage actively with this world rather than withdrawing from the world.

When he retreated to Taiwan in the early 1950s, Yinshun began to take on several important positions in the newly established Buddhist Association of the Republic of China (BAROC). However, his stance on original Indian Buddhism was considered an attack on a popular Chinese Buddhist school, the Pure Land school, which lifted up sutra chanting as a means to live in heaven. He was accused of being a communist in 1954 after emphasizing in one of his writings that there are multiple heavens, not only the Western Pure Land. Although he was released from police custody after an investigation, he retreated from the position and focused on his teaching and writing. He helped to establish several Buddhist schools and he was known for his willingness and egalitarian attitude towards the education of female disciples. He was widely praised as a pioneer in the gender egalitarian movement of Chinese Buddhism.

Chen Yen (1937-), whose secular name is Jinyun Wang, was the most well known disciple of Yinshun. In fact, she did not attend a Buddhist school nor had she been taught by Yinshun in a course. In fact, she had never met him until she asked him to be her mentor for her bhikkhuni (Buddhist nun) ordination. The ordination requires that those

who want to become ordained ask a senior monk to be their mentor. In a critical event that has now become a legend for millions Tzu-Chi members, Yinshun agreed to be her mentor and gave her a religious name, Huizhang, in 1963.[3] Instead of using the name given to her by her mentor, she predominantly uses the name Cheng Yen, a name she gave herself.

Three years after her ordination, with the help of local people, she organized a group of women to begin charity work in Hualien, a city on the east coast of Taiwan. It was not unusual for religious figure to take on charity work. However, most of the charity work in the early period was undertaken by Christian organizations. Although Buddhist organizations had their own traditional charity work, their work was limited in both scope and scale. Thus, before Tzu-Chi's charity work, several young Buddhist monks had begun experimenting with a new method of spreading Buddhism. For example, the founder of the Buddhist Light Mountain (Foguang Shan), Xingyun, was the first to use music and television programs to convey Buddhist teachings. In the west coast, the Lotus Society in Taichung pioneered medical work by organizing the first Buddhist medical clinic in Taichung the late 1950s.

Tzu-Chi's charity work fit within the rising trend of Buddhist organizations that expanded their social influence through engagement with welfare services following the 1960s. However, from the beginning, the movement's charity work demonstrated several novel features. First, it was a charity work led predominantly by women. Most of their leaders and members were laywomen. Only Cheng Yen and a few other of her followers were dedicated Buddhist practitioners. In contrast, monks and laymen led all of the other

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[3] I describe the history between the encountering of Yishun and Cheng Yen in the third chapter when I deal with the history before the founding of the movement.

new Buddhist organizations. Second, their charity experimented with several new organizational methods. For example, it published a monthly newsletter, *Tzu-Chi Monthly,* in 1967, only a year after its founding. Although having an organization publication was not a unique phenomenon among similar religious organizations, the *Tzu-Chi Monthly* was organized quite differently from other similar publications. Instead of tedious theological discussions, the monthly newsletter detailed current events in the local community and publicized donation amounts that people made to the charity. The newsletter grew to reach an audience beyond its original geographical location (e.g., the Philippines) in the early 1970s though different diffusion networks. Third, it relied little on the powerful central organization to coordinate all fundraising campaigns. Instead, from the very beginning, it developed a quite decentralized organizational structure in which a board of senior members, called commissioners (weiyuan), directed daily operations. This board of commissioners was quite open to newcomers in the early period. Decisions were mostly made through an egalitarian vote at each monthly meeting. This was in contrast to other similar organizations, which heavily relied on the leadership of a close group of religious elites, which usually had a famous male leader.

In the beginning, their charity work included providing medical assistance to those who could not afford treatment costs and conducting a winter relief program for the poor. Gradually, their work expanded into disaster relief in the early 1970s, and they began to offer other services, such as free medical treatment and long-term assistance (either in cash or materials) to those who could not work for various reasons. In the mid-1970s, the number of individuals in the long-term assistance program grew to several hundred. Their free medical treatment program had also become more permanent, and

established a clinic in a private house in the mid-1970s. Several doctors from local public hospitals volunteered to give free medical treatments in the clinic.

By the end of the 1970s, this local charity group had grown to be a widely known social welfare organization. Its annual budget had grown to more than ten million NTD (approximately $300,000 USD). It now had anywhere from 100 to 200 commissioners and volunteers to raise funds and organize activities. Since 1978, the government has recognized the charity as the religious organization that has contributed the most to society. The donations Tzu-Chi made to public welfare were second only to other more-established religious organizations, such as Chaotian Gong, a folk religious temple with more than a 200-year history.

The charity group began an ambitious project to build a hospital in 1979. The project lasted for six years and was completed in 1985. The mobilization for this hospital project was so successful it became a watershed for the transformation of the group. The growth of the movement is evidenced by the growth in both the number of commissioners and regular members (see Figure 1 and Figure 2). These two indicators significantly increased in the late 1980s. By the mid-1990s, Tzu-Chi had become the second civil association, in addition to KMT, to claim more than a million members in Taiwan. Besides contributing to the growth of the organization, the successful mobilization for the hospital project also had a deep influence on the medical and health delivery system.

Figure 1.1: The Growth of Commissioners
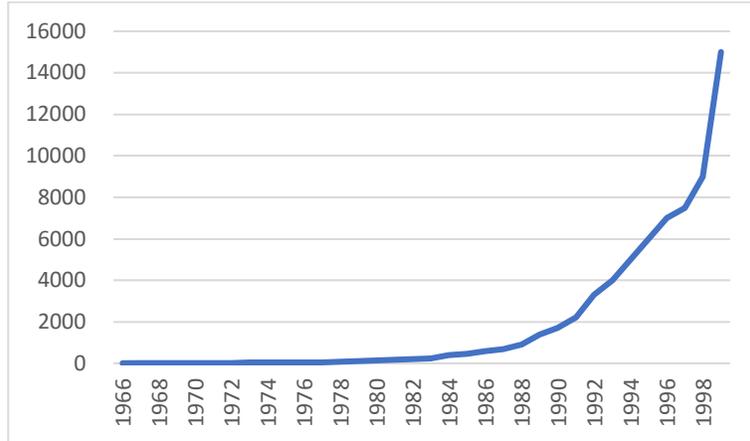
Figure 1.2: The Growth of Members
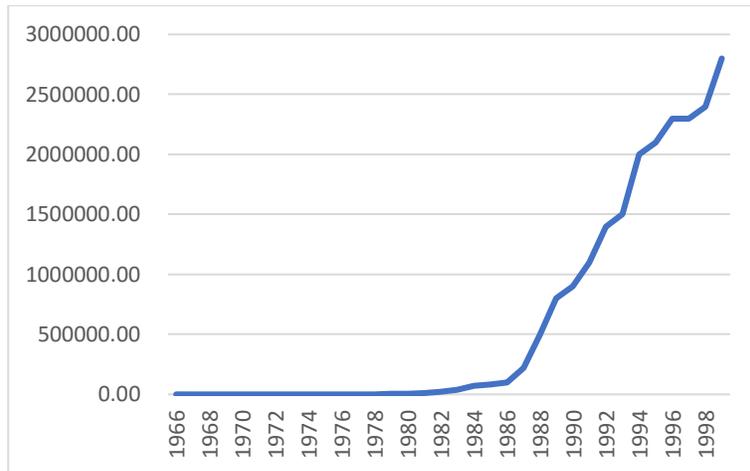
Data source: the author's summary

By the 1990s, the movement had become an iconic civil association in Taiwan and the model of the ideal humanistic Buddhist organization. At the same time, it continued the globalization process, which began early on. Already by the early 1970s, the small charity group had attracted resources from many oversea Chinese communities, such as those in Hong Kong, Philippines, Singapore, Malaysia and the United States. These early interactions with overseas Chinese communities have been largely unexplored in the existing studies, though these events helped to grow the charity into foreign countries.

These relationships continued to evolve with the growth of Tzu-Chi in Taiwan. Thus, during the hospital mobilization period, a large portion of donations came from overseas communities. These relationships are important to our understanding of the movement's globalization process in later stages. In 2000, the movement had successfully established several overseas branches in the United States, Philippines, Malaysia, Singapore, and Indonesia among others. Its overseas branches now played a critical role in public participation and philanthropic activities. In these societies, Tzu-Chi created a similar triad alliance between the religious charity, medical professionals, and the business class.

The strength of the alliance varied in terms of the specific context of the recipient society. Its earliest overseas branch, the U.S. branch, was supported by a Taiwanese-American entrepreneur who established a regional bank in California with the help of other first-generation Taiwanese immigrants in the late 1980s. Now, Tzu-Chi has expanded to become one of the largest immigrant and religious associations in the United States through its engagement in local public affairs (e.g., education, poverty relief, disaster relief). It set up a free medical clinic in Los Angeles that offers medical and dental treatment to the U.S. branch. It has also become a hub for the movement's global humanitarian work that sends medical teams to Latin America countries.[4] In other societies, the diffusion takes different patterns. For example, its Indonesian branch (as an independent foundation) is closely allied with several powerful Indonesian business conglomerates, such as Sinar Mas[5].

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[4] It is also widely praised as the model immigrant association by public authorities. In May 2016, the director for the Faith/Community Center at the Department of the Interior, David Myers, on behalf of President Obama, attended the 50th year anniversary ceremony in Hualien and read a letter to express appreciation for its engagement in the public affairs in the United States.

[5] Sinar Mas is an Indonesian business conglomerate that is currently ranked as one of the top 5 largest business conglomerates in Indonesia. Sinar Mas was founded by an ethnic Chinese business tycoon, Eka Tjipta Widjaja (Chinese name Ek-Tjhong Oei), the fourth richest person in Indonesia.

The formation of the triad alliance between religious charity, medical professionals, and capitalists was first seen in the 1980s when the mobilization for the hospital gathered together a number of new capitalists and elite doctors. This alliance soon developed to be a powerful tool for Tzu-Chi. Relying on their social influence, these elites helped to transform the movement from its original grassroots organizational style to a modern multi-divisional organization. Their participation further increased the ability of the organization to conduct difficult humanitarian work that required huge amounts of resources and infrastructural power. However, this tight alliance has suffered from criticisms of serving the interest of the advantaged class. The complicated relationship between business interests and charity, as evidenced in the tainted oil incident with the Ting Hsin International Group[6], had seriously shaken the public reputation of Tzu-Chi and created a new challenge for the leaders of Tzu-Chi.

In addition to being a women-led organization and a movement that aims to socialize medicine, the Tzu-Chi movement has two unique features that are unseen in other organizations—a monopolistic charity and a hybrid organization.

A Monopolistic Charity

In a pluralist and democratic society, any single charity organization, no matter how large it is, has a difficult time achieving a monopolistic status. For example, the largest charity organization in the U.S., the United Way, receives around $3 billion in donations annually, but this total only accounts for roughly 1% of the total dollar amount of donations made in the same year in the U.S. (see Table 1.1). The United Way has also

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[6] The Ting Hsin International Group is one of the largest food corporations in Taiwan and is known for its brand Master Kang (Kangshifu) in China. In 2012, it was reported that the company purchased cheap, unsafe oil from countries such as Vietnam and resold them in Taiwan. The CEO of the company is a close disciple of Cheng Yen and has close business relationship with Tzu-Chi. The company manufactures vegetarian food under the Tzu-Chi brand.

become a successful charity model in other East Asian countries. However, even in Japan where United Way seemed to achieve the dominant status, its market share of total donations was only around 19%. In contrast, Tzu-Chi receives nearly one-third of all donations made in Taiwan.

Using different measures, some scholars have estimated that Tzu-Chi receives more than 80% of the total donations made to charitable organizations in Taiwan each year. Even though this number may exaggerate the actual number, it reflects the unquestionable monopolistic status of Tzu-Chi in the domestic charity market. A more straightforward comparison is to examine the total amount of donations split between Tzu-Chi and the second largest charity organization, the United Way in Taiwan (lianhe quanmu). The donations to the United Way Taiwan are only one fortieth of the amount given to Tzu-Chi in 2015. This number was even after several scandals had shaken public trust on Tzu-Chi.

Table 1.1: Comparison of the Charity Organization

Countries	Taiwan	U.S.A.	Hong Kong[a]	Japan[b]	South Korea[c]
The Largest Charity Organization	Tzu-Chi	United Way	United Way	United Way	United Way
Donation/GDP	0.4%	2%	4.4%	0.12%	-
Charity Market	1.4 billion	300 billion	11.6 billion	5.3 billion	-
Annual Income	400 million	3 billion	3.8 million	101.5 million	319.3 million
Total Population	20 million	350 million	7.2 million	127 million	50 million
Resource extraction	20 USD	10 USD	0.5 USD	0.8 USD	6.4 USD
Concentration[d]	29%	1.3%	3.2%	18.9 %	-

a.Data source: Community Chest of Hong Kong 2012 financial report. b.Data source: Giving Japan 2009. c.Date source: Annual report of The United Way of South Korea. d.Concentration is measured by annual income the organization received divided by the total amount of charity market.

A Hybrid Organization

Besides being a monopolistic charity organization, Tzu-Chi has further become a hybrid organization that is unusual among similar charitable and philanthropic organizations. The term hybrid organization has several different meanings within the literature.[7] The most common usage refers to an organization that combines both elements of for-profit and non-profit organizations.[8] A non-profit organization that generates its revenues largely through the selling of goods is qualified for this definition. In recent years, hybrid organizations are becoming quite popular and have received attention from scholars in different fields. The social enterprise is widely considered to be a model hybrid organization.

The hybridity of Tzu-Chi can be viewed from the following aspects. The umbrella organization, the Tzu-Chi Foundation, now controls multiple divisions that are quite different in nature. These sub-departments include medical institutes (e.g., hospitals, the bone marrow bank), education institutes (e.g., a university and professional schools), media (e.g., a television and a publisher), a global humanitarian department, and a religious department that coordinates the volunteers. The foundation itself is a non-profit organization but it controls a for-profit technology company, Daai Technology. The company was incorporated and then donated by several entrepreneurs to the foundation in 2004 in the hopes that the foundation can use the generated revenues to support its mission. This for-profit company manufactures products that use recycled materials, like plastics, and designs instruments for its global humanitarian work. In addition to running a for-profit company, the Tzu-Chi Foundation (its American branch) has also reportedly

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[7] Ménard (2004), Murray (2010), Jay (2013), Selbel (2015).
[8] Haigh, Kennedy and Walker (2015), Doherty, Haugh and Lyon (2014).

invested in the stock market and has been criticized for their purchase of a tobacco company's stock.

Literature Review: The Making of Tzu-Chi Studies as a Discipline

Tzu-Chi is perhaps the most well studied civil association and religious organization in the Chinese world. No other organizations have attracted more attention than Tzu-Chi from scholars and the public. It has received far more attention than other similar religious organizations in Taiwan, such as the Buddhist Light Mountain (Foguang Shan) or Dharma Drum Mountain (Fagu Shan). From 1990 up to the present, there have been 265 graduate theses (master and doctoral) written in Taiwan about Tzu-Chi.[9] This outnumbers the total number of studies completed on other religious and charity organizations.[10] A similar pattern can be found in China. Research on Tzu-Chi has increased rapidly in recent years. The theses, dissertations, journal articles, and news reports on Tzu-Chi even outnumber works on other famous Chinese religious organizations, such as the Shaolin Temple.[11]

Interestingly, a Taiwanese graduate student at the public policy school at the University of Southern California wrote the first dissertation on Tzu-Chi in 1990. The title of this very first study is "Understanding the Buddhist Tzu-Chi Association: A

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[9] There are 70 studies on the Foguang Shan and only 32 studies on Fagu Shan. There are just 158 studies on the most popular folk religion, Mazu (a goddess). The information has been obtained from the National Digital Library for Theses and Dissertation in Taiwan (NDLTD). Accessed in January 26, 2017.

[10] This trend is strengthened by the establishment of a Tzu-Chi university and its school of arts and science. It promotes Cijixue (knowledge of Tzu-chi). It was initially proposed by an anthropologist who later became a Tzu-Chi commissioner and a Cheng Yen disciple. She was later appointed to take a position at the newly established Arts and Humanities School in 1998.

[11] The information was found using a key word search on the National Knowledge Infrastructure (CKNI) database. There have been a total of 9 master theses and 1 dissertation on Tzu-Chi since 2011. In comparison, there have been 5 theses and 1 dissertation on Foguang Shan since 2008. There are 3,89 2 journal articles that mention Tzu-Chi and 1921 articles that mention Foguang Shan. There have been 82 newspaper reports on Tzu-Chi and just 7 newspaper reports on Foguang Shan since 2002.

cultural approach." [12] However, this dissertation received little attention from scholars

and the author, whose sister is a famous Tzu-Chi leader, did not continue in their

academic career. In addition to this pioneering work, graduate students from the

universities in the United States or England wrote almost all of the dissertation level

studies on Tzu-Chi. This includes three important scholars' dissertation works. In 1997,

Jen-Chieh Ting, a Ph.D. trained in sociology and education at the University of

Wisconsin, Madison, published his dissertation titled "Helping Behavior in Social

Contexts: A Case Study of the Tzu-Chi Association in Taiwan."[13] This dissertation was

soon translated into Chinese and published as a book under the same title. The book

remains the most comprehensive study on a local branch of Tzu-Chi. Soon after Ting's

research was completed, Julia Chien-yu Huang, an anthropologist trained at Boston

University, published her dissertation titled "Recapturing Charisma: Emotion and

Rationalization in a Globalizing Buddhist Movement from Taiwan." Huang and her

adviser, Robert Weller, a well-known anthropologist of Chinese religion, also co-

authored several articles on Tzu-Chi. Her dissertation was revised and later published by

Harvard Press under the new title "Charisma and Compassion: Cheng Yen and the

Buddhist Tzu-Chi Movement" in 2009.[14] The third one is by Yushuang Yao, a religious

scholar trained at the University of College London, who published her book "Taiwan's

Tzu Chi as Engaged Buddhism: Origins, Organization, Appeal and Social Impact" in

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[12] The first dissertation level study written by a graduate student from a Taiwanese school was only completed in 2012. It is a study conducted by a graduate student in the field of communication.
[13] Ting (1997).
[14] Huang and Weller (1998), Huang (2001, 2003, 2006, 2009).

2012.[15] In addition to these monographic studies on Tzu-Chi, many research projects

have included Tzu-Chi as an important case.[16]

These hundreds of studies are, in general, concerned with three aspects of Tzu-

Chi—success, operation, and impact. Topics of Tzu-Chi's success are dealt with in the

majority of existing research. It's inevitable for researchers to offer a section dedicated to

the history of Tzu-Chi's success. A large number of studies are focused on the daily

operations of Tzu-Chi, such as how they train volunteers and how they conduct relief

work. The social impact of Tzu-Chi is also a frequent topic of discussion.

Why it Succeeds

Existing studies offer different explanations as to the success of Tzu-Chi. The

explanations can be roughly categorized into three general types—individual charisma,

social change marked by democratization, and culture.

Individual charisma is the most popular explanation for the success of Tzu-Chi.[17]

The theory is based on the concept of charisma made famous by Max Weber and others

following his investigation on the source of dramatic social change.[18] Scholars contend

that certain leaders who possess unusual power, no matter whether it is psychological,

spiritual, or excellent skills in persuading, have the ability to break the routines of

everyday life and are therefore the source of organizational or social change.[19] Almost all

existing studies on Tzu-Chi have mentioned the role of its founder and leader, Cheng Yen.

The only difference is that to what extent her charisma influenced success.

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[15] Yao (2012).

[16] Jones (1999), Laliberté (2004), Madsen (2007), Clart and Jones (2003), Kuo (2008), Huang (2010), Leonard and Chu (2010), Gombrich and Yao (2013), Yao and Gombrich (2014).

[17] See Feng (1993), Lin (1996), Ting (2004), Cheng (2006), Huang (2008, 2009), Lu (2011), Yao (2012).

[18] For a selection of the work on charisma see, Weber (1968), Berger (1963), Friedland (1964), Shils (1965), Zablocki (1980), Tambiah (1984), Greenfeld (1985), Bradley (1987), Willner (1985), Wallis (1982).

[19] The existing theories tend to treat charisma as either the result of personal characteristics but overlook the role of the organization. I examine theories of charisma in chapter 7 and develop a procedural theory of charisma.

The representative work of the charisma approach is anthropologist Julia Huang's work. The title of her book, "Charisma and Charisma," gives a not so subtle hint as to her overall argument. According to her, Cheng Yen, who possesses great charisma, makes everything happen. She cites many secondary materials to describe Cheng Yen's personal charisma such as her look, her voice, and her eyes. She also uses widespread stories, such as her determination to become an ordained nun after her father's death, to demonstrate that Cheng Yen has an exceptional personality. This great personality lead to the creation of an organization that is highly disciplined and, at the same time, quite fluid. This seems to contradict the expectation that bureaucratization always brings about rigidity in organizations and social movements and, in the worst scenario, becomes an iron cage. Huang argues that the movement is able to harness any potential negative impact brought about by bureaucratization because of the deep penetration of Cheng Yen's personal charisma in the organization.

The second explanation for the success of Tzu-Chi is the social change perspective, marked by the democratization that took place beginning in the late 1970s. Democratization, as a social change, came together with other dramatic changes, like economic prosperity, the emergence of the urban middle class, and the deregulation of civil life. Researchers have noticed that the relationship between this particular social change and the rapid growth of Tzu-Chi's membership that occurred in the late 1980s. To approach the relationship between democratization and the success of Tzu-Chi, scholars, in general, take on the following two aspects, increasing competition due to the deregulation and the degree to which organizations became socially embedded.

The competition thesis contends that democratization brought deregulation to civil associations and religion. The associations that could better seize the opportunities available and develop their own advantages won out over other weaker organizations. Competition as the driving mechanism of organizational evolution has a long tradition in sociology and organization studies.[20] There is a special school in the sociological study of religion, the market theory of religion, which places competition at the center of the theory.[21] The market theory of religion argues that the decline of religion in the contemporary world (i.e., the United States) is not related to secularization but rather due to the failure of religious organizations to provide attractive religious products. From this perspective, the deregulation of all kinds civil associations in 1987 created a free religious market for well-prepared religious organizations to capitalize on. Tzu-Chi succeeds because it imitated Christian organizations by implementing a stricter and more exclusive membership system[22] and it adopted better marketing and managing strategies.[23]

Contrary to the unifying market theory of religion, scholars of the social embeddedness perspective are more diverse in their theoretical orientations. However, they share a similar view that the success of a religious organization should be examined through the degree to which it is embedded in the local social, cultural, and political context. This approach is generally supported the majority of anthropologists, historians, and religious scholars.[24] For example, in one of the most influential publications in recent

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[20] For example, see Aldrich (1979, 1999), Hannan and Freeman (1977, 1984, 1993), Carroll and Hannan (1989a, 1989b) and Amburgey and Rao (1996).

[21] See Stark and Bainbridge (1985, 1987), Finke and Stark (1988, 1989,1991), Finke and Stark (1992), Iannaccone (1990).

[22] Lu, Johnson & Stark (2008), Hu and Leamaster (2013).

[23] Hsu (2000), Tu (2003).

[24] Weller and Sun (2010), Van der Veer (2012).

years, Vincent Goossart and David Palmer call their theory an ecological theory of religion.[25] The market relationship, marked by competition, is only one of the various social relationships in the religious field. Similarly, in her examination of the post-Mao religious development in a particular Chinese village, Yanfei Sun suggest that in order to properly explain the variant growth of three major religions (popular religion, Buddhism and Protestant Christianity) in the post-Mao period, we need to examine how modes of operation (dynamic mechanism of growth) in different religious traditions unfold in different social and political contexts.[26] For example, she argues that political state actions, like the Cultural Revolution, paved the way for the growth of Christianity in contemporary China since the policies exterminated the traditional kinship organizations on which folk religion is based.[27]

The social embeddedness perspective pays attention not only to the local context but also to the time. In their explanation of the divergent paths of religious change in Taiwan and South Korea, Chengpang Lee and Myungsham Suh develop a theory based on four mechanisms. Their theory incorporates time and critically synthesizes theories of religious change within the state theory context. From their stance, the divergence is created by different state-initiated economic policies and that it is the different nature of the regimes that created the need to integrate religion into the governing strategies.[28]

Therefore, one of the popular explanations from the social embeddedness perspective is that the relationship with the predominant political party helped Tzu-Chi. It is quite popular among those who hold a negative attitude toward the organization that

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[25] Goossaert and Palmer (2011).
[26] Sun (2010).
[27] Sun (2014).
[28] Lee and Suh (2017).

Tzu-Chi is an external group of KMT (waiweizuzi). None of the studies have seriously examined this argument but scholars have found that Tzu-Chi's members are more politically conservative and therefore more likely to be pro-KMT.[29] In addition, it is also argued that Tzu-Chi succeeds because it is deeply embedded in the local Taiwanese culture. The founder Cheng Yen, who barely spoke mandarin Chinese prior to 1990, communicated with people in the Fujian dialect (Taiwanese). In contrast, other similar Buddhist organizations were founded by monks who migrated from China and could not speak Taiwanese.[30]

The examination of social embeddedness in the local context leads to the final perspective—the culture. In addition to the broad, and sometimes vague, argument that Tzu-Chi is more embedded in Taiwanese culture than other similar organizations, scholars understand that the hybridity of Buddhism and Confucianism that exists within Tzu-Chi is the key to its success. The teachings contained in the three volumes of "Still Thoughts" (jisiyu), a collection of Cheng Yen's words, are a mix of traditional Confucian and Buddhist teachings.[31] Some scholars have pointed out that the emphasis on filial piety to parents and one's responsibility to the family is in inherent tension with Buddhist teachings.[32] However, they become tightly integrated into the simple and this-worldly focused religious teachings of Tzu-Chi.[33]

How the Organization Works

Many studies have dived into the topic of the operation and activities of Tzu-Chi. Scholars are eager to understand how this unprecedented and giant group functions and

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[29] Laliberte (2004), Kuo (2008).
[30] Ting (1999), Madsen (2007, 2009).
[31] Ting (1998, 1999, 2001, 2006, 2007, 2012), Huang and Weller (1998), Gombrich and Yao (2014), Madsen (2009), Yao (2012).
[32] Li (2000).
[33] Liu (1994), Lin (1996).

how it is managed.[34] The first dissertation on Tzu-Chi is a study on its organization.[35] Because of the close relationship of the author with the leader, the author had the rare opportunity to observe the operations of Tzu-Chi before its organization became more stable and subsequently well known in the 1990s. Besides offering a detailed description on the structure of Tzu-Chi's organization, he asks a classic question of public administration to how the large organization motivates its volunteers and workers. He argues that the Tzu-Chi organization was less hierarchical and bureaucratized because of its culture, a mix of Confucianism and Buddhism, which emphasizes egalitarian spirit and thus encourages spontaneous participation.

Other researchers also find similar organizational characteristics, but they tend to describe Tzu-Chi as a typical charismatic organization in which there is no clear hierarchy among participants, but only the relationship between participants with the leader.[36] Commissioners handled the local branches. Depending on the development of the local branch, these commissioners may form several teams. In the 1990s, Cheng Yen assigned the leader of the team during the regular meeting held with all volunteers. Cheng Yen managed to visit all local branches regularly and for the larger local branches, such as in Taipei; she visited monthly and stayed for several days. She sometimes made an unexpected visit, which often stirred the excitement of the local members. Cheng Yen's circulation through the branches is argued to be characteristic of a charismatic organization.[37]

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[34] Feng (1993).
[35] Chen (1990).
[36] Zhong (1990), Feng (1993).
[37] Huang (2009).

In addition to the efforts to identify the fundamental characteristics of the Tzu-Chi organization, existing research has also investigated various kinds of Tzu-Chi activities conducted by Tzu-Chi's numerous sub-organizations. This includes examinations into how it became the first civil association in Taiwan to develop a computer-assisted donation database to help manage more than 2 million members' monthly donations in the early 1990s,[38] being pioneers by starting a recycling program,[39] operating the first bone marrow program in East Asia,[40] its management of volunteers and donations,[41] its philosophical foundations surrounding charity,[42] and its symbols and rhetoric.[43] This list only mentions some of the most studied topics in the existing studies, though others exist.

However, no matter how researchers differ in their topical approaches to Tzu-Chi, their conclusions are all very similar. This giant organization functions under an unusual altruistic motivation and high organizational identity. This strong identity with the organization is paralleled with their identity to the charismatic leader, Cheng Yen.[44]

The Social Impact

A growing number of studies have focused on the more specific question of the social impact of Tzu-Chi. This trend reflects the institutionalization of Tzu-Chi studies in Taiwanese academia and the routinization of Tzu-Chi's activities. The social impact of a given civil association and a religion is difficult to evaluate when the given association is not large enough to bring about a substantive impact. However, with millions of members in Taiwan, Tzu-Chi possesses an unparalleled influence compared to any other civil

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[38] Huang (1993), Chen (1994).
[39] Xiong (1999), Lee and Han (2015).
[40] Kuo (1998).
[41] Ho (1993), Lin (1996), Lee (2000), Ting (2000), Lai (2002), Hsu (2006).
[42] Wang (1991).
[43] Liu (1994), Peng (1995), Wu (1996), Wu (2001).
[44] Ting (1998), Hsu (2001), Lee (2004).

association. Researchers typically approach the impact through studying the various social engagements of Tzu-Chi, and Tzu-Chi is described as the model of socially engaged Buddhism.[45]

Researchers have examined social impact by looking at the primary social engagements of Tzu-Chi—its four major missions (sida zhiye) and eight engagements (bada jiaoyin). The four missions include charity, medicine, education, and the humanities. The eight engagements add global disaster relief, bone marrow donations, community volunteers, and environmental protection to the original four missions. Charity, education, and community volunteers have received more attention from researchers. This research, in general, praises the positive impact brought about by Tzu-Chi.[46] In a number of studies on community volunteers, researchers find that volunteering in Tzu-Chi has positive effects on one's health, confidence, social relationships, and happiness.[47] Participation in different voluntary programs empowers certain groups of people, like elderly women.[48]

Besides the impact on the micro level, researchers also examine the macro impact. They argue that the emphasis on social order, volunteering and sacrifice, and a nonpartisan attitude was an important factor in the peaceful political transition from authoritarianism to democracy during the 1980s.[49] Studies examining the projects conducted by Tzu-Chi find that it represents a new model for the collaboration between governments and civil associations.[50] Its mobilization capacity during natural disasters

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[45] Queen (1996), Queen, Prebish and Keown (2003), Huang (2006), King (2009), Yao (2012).
[46] Yao (2003), Chen (2004).
[47] Lin (1996), Chiu (2000), Chen (2001), Fan (2001), Hsu (2003), Shi (2005), Xiao (2006), Cheng (2007), Yang (2012).
[48] Ting (1999), Cheng (2007), Huang (2009).
[49] Madsen (2007).
[50] Yao (2003), Chen (2006), Chen (2012).

was widely praised for being quicker and more responsive than the government. Their global relief work was praised as a form of alternative diplomacy for Taiwan when formal diplomatic channels were blocked due to the international isolation of Taiwan.[51]

At the same time, there are also a growing number of reflections on the potential negative impacts brought about by Tzu-Chi. As early as the 1980s, when Tzu-Chi was the first to hold a charity bazaar that was broadcast on television, it was criticized for grandstanding. In the 1990s, the growing influence and the increasing fame of Cheng Yen made several scholars, who generally were reserved towards traditional Chinese religion, uncomfortable. A common criticism was that Tzu-Chi's organization is contrary to democracy. Critiques used the leadership style of Cheng Yen and the organization's teachings to demonstrate that the Tzu-Chi organization did not promote democratic values. Rather, it emphasized cooperation, sacrifice, and obedience.[52] A number of criticisms have revolved around the extent to which Tzu-Chi truly represents humanistic Buddhism. This discussion has been primarily focused on the religious side. Several have argued that Tzu-Chi merely provides a convenient way for normal people to practice Buddhism, but that it never teaches people what real Buddhism is. Later, some scholars would argue that Tzu-Chi only reproduces the existing social inequalities and social structures without any intention to fundamentally change them.[53] The criticisms against Tzu-Chi have increased in recent years as several scandals have broken that implicate high-profile commissioners, but these incidents have not been studied extensively.[54]

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[51] Chan (2006), Yeh (2006), Hsieh (2007), Tu (2007), Huang (2009).
[52] Lin (1996).
[53] Ting (2006, 2007).
[54] Ni (2016).

Critiques to the Existing Research

The hundreds of existing studies have covered a significant number of important topics and have established Tzu-Chi as a popular research subject, and even as a discipline. However, these studies share several weaknesses and have left several critical puzzles unanswered. I categorize my critiques into the following aspects—the causality, the use of empirical evidence, and the theories themselves.

First, the current studies' examination of causality as it relates to success and its proceeding factors is confusing. For example, the argument that the movement towards democratization in the mid 1980s was the driving force for success fails to recognize that Tzu-Chi had been the most successful charity group in years prior to the 1980s. Similarly, the charisma argument does not pay enough attention to the fact as an organization, prior to the 1980s, leadership was actually composed of several senior leaders and that the charismatic style emerged only in the late 1980s.

The problematic causal inference was created researchers who lacked a clear understanding of the historical evolution of the movement and then failed to identify the different ways success appeared at various stages. Thus, researchers uses a hodgepodge of factors to explain the phenomenon they observed in the 1990s. To fix this problem, I suggest that we have to first define success across stages. We also need to admit that there were actually multiple successes at each stage. This requires us to pay attention to the time-specific context in which each particular success was taking place.

We need to distinguish three levels of successful outcomes. At the highest level, we aim to understand the success of Tzu-Chi as a whole. This can be seen from several objective measurements—donations, members, and global influence, etc. At the second

level, we would like to explain several connected, but distinctive, events, such as the successful local charity model in the 1970s, the successful hospital project in the 1980s, and disaster relief for the 1991 East China flood. At the lower level, we explain phenomena, such as the successful management of volunteers and successful strategies in recruiting new members. Specifying the different levels of outcomes helps us to evaluate the validity of the explanations.

In addition, a good explanation should pay attention to the temporality of events. From this criterion, most of the existing explanations fall short of properly examining the movement from a processual perspective. For example, the charisma explanation uses the phenomenon observed in the 1990s to infer success in the 1970s. To make this inference, we have to first assume that charisma has been present and constant. Although this might be true, the inference runs the risk of viewing leadership as something fixed and static. This static view cannot help us explain time-specific puzzles like the timing of explosive membership growth in the late 1980s. If charisma is treated as a constant, why did its effects vary so widely in different periods?

Solving the problem of causality also requires a better handling of empirical evidence. Although there are hundreds of studies, I find that most of the research uses very similar secondary historical materials. Several publications are routinely cited by the majority of research and these following studies just inherit and accept the arguments made by these classics.[55] These classics shape how people research and determine the direction of future studies.

Examining these classic studies, I find that they are good at depicting the operations of Tzu-Chi branches where researchers conducted the field work, but they are

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[55] For example, Ting (1999).

poor at describing the history and the evolution of Tzu-Chi. These researchers depict the history of Tzu-Chi in a shape like a tadpole with a large head (the present time) and a very thin tail (the past). When they want to explain the function of a present day ceremony, they can use thousands of words describe it. In contrast, they normally use one or two sentences to describe what happened prior to the 1990s. For example, the 1970s was described as a "hardship" period. The 1980s was further simplified as a period when the hospital was completed and explosive growth took place. Except for these short statements, we would know very little about what actually happened before 1990 and how the events of the early period are related to the evolution of Tzu-Chi. The existing studies give the impression that the past is not as important as the present.[56] If we were to only read these studies, we would be left with the question as to how a local charity group suddenly become so successful in the 1990s.

What happened to the movement in the 1980s? They launched their biggest effort to date to socialize medical institutions by establishing a hospital in the eastern coast. The project is well known, but surprisingly the project receives little discussion from scholars who study Tzu-Chi. Except for one recent master's thesis, none of the existing studies have devoted a section to examining the hospital project and its impact on both the movement and to the medical field.[57] However, as I plan to demonstrate in this dissertation, the hospital project is a critical event for Tzu-Chi as its socialist motivation stirred up passionate support from the public. This project further transformed the organization of Tzu-Chi.

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[56] Cheng Yen's life is treated as the equivalent of the movement's history in some of the studies. For example, Huang (2009) uses a whole chapter to describe Cheng Yen's personal story but writes only succinctly on the history of Tzu-Chi before 1990.
[57] Tsai (2011).

My last critique is theoretical. The existing studies, no matter the kinds of theories employed, charisma or culture, are either too individualistic or too macro. They pay little attention to the intermediate level phenomenon that is the movement's organization. More attention is given to Cheng Yen than the making of the organization its leadership. In some studies, the leadership and the organization are one in the same as Cheng Yen. We know little about those who support her and help her to make decisions. Not to mention that in the earlier period, the movement was not handled by Cheng Yen directly, but by a group of people who call themselves *weiyuan* (commissioner) and this convention has been institutionalized as the model of Tzu-Chi's organization.

Scholars who take on the charisma approach have done a great job of depicting the bond between the leader and the followers. They describe the member's excitement when the leader arrived and their emotional outbursts during the ceremony. The stronger the emotion, the more obvious charisma the leader has. Formal organizational structures are downplayed because organizations are merely the tool of the charismatic leader. Following this interpretation, Tzu-Chi is argued to be a fluid organization. The fluidity means that the organization is subject to the manipulation of the charismatic leader.[58]

The present theoretical difficulty of the charisma approach is that they treat charisma as personal traits (e.g., exceptional attractiveness), but overlook the organizational aspect of charisma. In fact, charisma is not a unique phenomenon to Tzu-Chi, but is present in almost all (new) religious movements.[59] It is difficult and

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[58] Huang (2009) uses two organizational charts that she found in the late1990s, as an evidence to justify the claim that Tzu-Chi is a fluid organization. This is confusing since most organizations change their structure frequently to accommodate changes in the environment. In the late 1990s, Tzu-Chi began to restructure its organization to response to external criticisms (e.g., lack of Buddhist teachings) and to make their branches closer to the local communities. However, she did not note the context of this organizational restructuring as it relates to the external environment and simply associated the change with the will of a charismatic leader.
[59] Wilson et al. (1981), Wilson and Cresswell (1999), Dawson (2003).

unnecessary to argue that the leader's charisma does not exist. However, recognizing the importance of personal attributes does not solve the fundamental puzzle that describes, "where charisma comes from, how it works and eventually what it is."[60]

To help us overcome the pitfalls of the traditional charismatic approach, I suggest paying more attention to the organizational dynamics under which charisma emerges and co-evolves with the organization. The charismatic organization then denotes an organization that relies on a charismatic leader to lead. A charismatic leader may emerge for different reasons, but they have enormous power to directly assert themselves to members. Because of this nature, they can quickly mobilize a large number of loosely connected people in a short period of time.[61] However, the internal tension and conflicts between the leader and the bureaucrats increase when the organization grows to a certain level. The internal tension makes the charismatic organization inherently unstable.[62]

This organizational dynamic is most obvious in political parties, rebellion groups, or even gangs where competition for leadership is the dominant logic but is less clear in religious groups. The difference is that in religious groups, the measurement for exceptionality is less clear.[63] In some religious traditions (e.g. Buddhism), direct competition is a sign of lacking moral integrity, and when competition took place it was common for members to just leave the religious organization. Therefore, it is more difficult to observe how charismatic religious leaders emerge compared to the overt competition between powerful leaders in a political party. Understanding this is the first step to approaching the question of charismatic emergence.

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[60] Ganz (2000, 2009).
[61] Andreas (2007).
[62] Zhao and Wu (2007), Wu (2010).
[63] Zhao (2015).

If the charisma approach put too much emphasis on personal traits, the existing social embeddedness approach and the culture approach overemphasize macro phenomena, such as democratization, economic growth, the middle-class, and cultural affinity. Their explanation is, therefore, a hodgepodge containing these overarching terms. In this context, everything seems to be both relevant and important. If this is true, the effects of these macro events should apply to all kinds of civil and religious associations. Why then is only Tzu-Chi selected as a site of inquiry?

The ecological theory emphasizes the local context and tells a more nuanced explanation to that question. For example, Sun argues that Buddhism grew rapidly during the post-Mao period in China is because 1) there was a sense of crisis in Chinese Buddhism from the competition of Christianity which led to reformation and 2) that the social and political conditions were favorable for the growth in Buddhist organizations because the conditions fit "the mode of operation" for reformed Chinese Buddhism.[64] Goossaert and Palmer provide similar explanations for the prosperity of religion in contemporary China. It was the reform movement that created the favorable local conditions for the growth of religion. To understand the development of a specific organization, we have to pay attention to, not only the social context, but also to the interaction between different social actors. This is a promising approach and the emphasis on the interaction between different actors echoes the call for attention paid to the pattern of social relations.[65]

However, when researchers are asked to address Tzu-Chi's success, Goosaert and Palmer do not investigate societal interactions and the complicated local conditions.

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[64] Sun (2010, 2011).
[65] Abbott (2005), Emirbayer and Johnson (2008), Friedland (2009), Padgett and Powell (2012), Fligstein and McAdam (2012), Liu and Emirbayer (2016).

Instead, their answer is surprisingly more like the charisma approach. In their view, the

leader, Cheng Yen, created the movement with a "single minded focus on volunteer

charitable works" as its organizational goal.[66] However, as we know, many religious

organizations conducted charitable works. Why did only Tzu-Chi become so successful?

I argue that the weaknesses of the existing studies originate from the lack of

proper examination of the creation of the movement's organization. This requires us to

analyze how several distinctive organizational features were assembled and put into place,

such as the commissioner system. In the existing theories, the market theory of religion is

perhaps the one that mostly clearly emphasizes the importance of the religious

organization. Only those religious organizations that can maintain their membership and

recruit new people can survive on the free market.[67] In the existing studies of social

movements, organizations are important to social movements. The existence of an

effective and powerful movement organization helps social movements to mobilize

resources and overcome external threats.[68]

Scholars of social movements have studied the different dimensions of movement

organizations quite extensively, and at the same time, organization scholars began to

adopt theories of social movements to investigate organizational change.[69] Some argue

that a strong movement organization does not naturally exist in disadvantaged

populations.[70] Several researchers find that marginal groups are more like to adopt

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[66] See Goossaret and Palmer (2011, p.300).
[67] This observation is generated from the Western religious context in which religious membership is more exclusive and therefore the competition is more akin to a zero-sum game. In contrast, membership in Chinese religion is not strictly exclusive.
[68] Zald and Ash (1966), McCarthy and Zald (1977), Tilly (1978), Jenkins (1983, 2001), Cress and Snow (1996, 2000). See Caniglia and Carmin (2005) for a review on the scholarship on social movement organizations.
[69] Zald and Berger (1978), Davis, McAdam, Scott and Zald (2005), and the special edition of *Mobilization* on social movement and organizations in 2005.
[70] Piven and Cloward (1979, 1991), Block (2003).

alternative organizational forms as a framing and identity strategy.[71] Some have studied the effects of organizational characteristics and leadership on the efficacy of local civil associations. They find that both leadership and organizational characteristics, shaped by the local public recognition, are strongly associated with efficacy.[72]

Social movement organizations' effectiveness to achieve a goal and its capacity to mobilize resources, such as volunteers, is highly influenced by organizational characteristics. In his study on the farm workers' social movement, Marshall Ganz reinvestigates two previous arguments that state the success of the AFL-CIO was due to its charismatic leader and that this success was determined by political opportunities.[73] Instead of siding with one theory, he proposes a third explanation based on the concept of "strategic capacity". The strategic capacity of an organization is shaped by a "leader's life experience, networks and repertoires of collective action and the deliberative processes, resource flows, and accountability structures of their organizations."[74] An organization with higher strategic capacity can adapt to environmental changes properly and foresee new challenges. Those with lower strategic capacity normally follow well-established practices in the field and do not have the ability to motivate participants.[75]

Therefore, the unprecedented success of Tzu-Chi is not related to how charismatic its leader was or by an opportunistic environment. Instead, its success is the result of its unprecedented organizational capacity. This organizational capacity is the result of the continued interaction between three social actors—religion, elite medical professionals,

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[71] Clemens (1993, 1996), Clemens and Minkoff (2004).
[72] Andrews, Ganz, Baggetta, Han and Lim (2010), Baggetta, Han, Andrews (2013).
[73] Jenkins and Perrow (1977), Ganz (2000, 2009).
[74] Ganz (2005, p1005).
[75] Han (2014) develops three categories of movement activists: lone wolfs, mobilizers and organizers. Lone wolfs are usually isolated from the community and pursue their goals through ordinary methods (e.g., lobbying). Mobilizers can solicit support and resources but only organizers are able to mobilize resources and transform participants into organizers.

and new capitalists. The interaction began with the founding of the movement in the early

1970s, but crystallized during the hospital socialization period in the 1980s. The

ambitious medical project planned to use public resources to finance the new hospital and

medical services. During the realization of this lofty goal, the movement's organizational

structure grew rapidly and absorbed numerous social elites into its leadership team. This

project not only greatly influenced the health care system but also transformed the

movement. To know how this happened, we need to understand healthcare privatization

in Taiwan since the mid 1970s.

Socializing Hospitals: Privatization, Religion and the Non-profit Hospitals

Privatization is the hallmark and the guideline of neoliberal welfare policy.[76] Since the

middle of the 1970s, following an earlier welfare expansion and hit by the economic

crises, many Western countries could not bear the increasing financial burden of

operating various kinds of welfare institutions and began to reduce their welfare

expenditures.[77] Ronald Regan, one of the representative political leaders who embraced

neoliberal economic thoughts, famously said, "Don't just stand there, undo it."[78] This

statement captures the spirit of privatization. Privatization did not take place only in

developed countries; it also became a principle of economic reform in many developing

and post-communist countries.[79] Privatization does not only refer to the transferring of a

public service to the private sector, but is also a political process that redefines

governmental and private relationships.[80] Privatization typically has consequential effects

on the society. It affects the lives of workers in the previously state-owned companies

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[76] Harvey (2007).
[77] Quadgno (1987), Pierson (1996), Esping-Andersen (1996).
[78] Quote from Goodman and Loveman (1991).
[79] Teichman (1996), Boycko, Shldifer and Vishny (1997), Turshan (1998), Roland (2004, 2008), Zeng (2013).
[80] Vogel (1996), Boycko, Shldifer and Vishny (1997), Spulber (2006).

and organizations by transforming these former state workers into private enterprise workers.[81] It affects the life of the general public by increasing service costs . The policy of privatization, when was adopted by the state, usually stirs up fierce protests, and in some cases protests become ongoing social movements against the government.[82]

The privatization of the medical and health delivery system took place in many countries where the system had previously been run or supported by the government.[83] Similar to other social institutions, the healthcare system in a given society is shaped by its larger social, cultural, and political context.[84] Therefore, the path to privatizing the healthcare system in different societies varies in terms of the social context. The privatization of healthcare in Canada, where medical service providers are primarily private organizations, is distinct from countries such as Britain where the government directly runs most of the hospitals.[85]

In Taiwan, prior to 1970, the government was the primary healthcare provider. The government's ability to provide healthcare to its citizens was important to the legitimacy of the KMT regime and to the political order. Therefore, although the government faced severe financial constraints, from 1950 on, it established two large hospitals, the Veteran Hospital and the Tri-Service General Hospital, and more than twenty local hospitals in counties and big cities. They also inherited the public medical clinic system from the Japanese government that operate in more remote areas. In addition to these new hospitals, the hospitals affiliated with universities, such as the National Taiwan University Hospital, were public hospitals that received government

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[81] Teichman (1996).

[82] For example, the effort to privatize the Japanese Railway stirred the continuing strikes and protests against the government. See Sasaki-Uemura (2001).

[83] Liu, Liu and Meng (1994), Ho (1995), Chaing (1997), Turshen (1998), Mulligan (2014).

[84] Mechanic and Chen (2004), Stevens (2004).

[85] Armstrong, Amaratunga, Bernier, Willson, Grant, and Pederson (2001).

funding. Other than the public hospitals, there were several private hospitals that were run by Christian organizations, like the MacKay Memorial hospital. Nevertheless, public hospitals were the major healthcare providers.

Beginning in the mid 1970s, the Taiwanese government was faced with the global economic crisis and influenced by the rising neoliberal economic thoughts. The government began to restructure its public service sector, and the healthcare system became the first site for restructuring. Population growth and the diversification of the economy made the existing public hospitals incapable of meeting the healthcare needs of the country. However, the government did not want to invest more money into the public hospitals. Thus, they pursued privatization. The privatization of hospitals in Taiwan took two general forms—encouraging private capitalists to establish new hospitals and transforming the existing public hospitals into private ones. The second one is more controversial and took the government a longer time to implement. In contrast, encouraging the investment of private capital in hospitals was more accepted.

The Taiwanese government ultimately preferred for large business groups to run hospitals to ensure that they have the necessary resources to provide services. In 1976, after a long negotiation, the Formosa Plastic Group, the largest business conglomerate in Taiwan at that time, agreed to establish a large hospital, the Chang Gung Memorial hospital, in Taipei. The deal included free land provided by the government, tax-exemptions, and financial support. Following this, the Cathay hospital was established by the LinYuan group in 1977 and the Far Eastern Memorial hospital was funded by the Far Eastern group in 1981. These three business conglomerates all ranked among the top five largest business groups in Taiwan.

The legal framework that guided the establishment of hospitals was not clear in the 1970s. People were unsure of the legal nature of these new hospitals. Are they a company under the business corporate structure? Or, are they an independent organization separate from corporate control? If they are independent organizations, who can monitor them? Questions like these were not clearly laid out. However, at the time, these new private hospitals behaved like business corporations. This was especially true for the Chang Gung hospital. After its first hospital established in 1976, the Formosa Plastics group built another three larger hospitals in 1978, 1985, and 1986. This quickly made the Chang Gung hospital system the largest private medical provider in Taiwan.

Although the private hospitals that were established by the business conglomerates seemed to solve the provision problem at the surface, in fact, they did not. First, the government's original intention was to use the private hospitals to supplement the problems of insufficiency and inequality in the existing public health system, particularly in certain areas like the east coast. However, none of these business-operated new hospitals were willing to build in areas where they would not be lucrative. Instead, they were all located in the major urban areas where healthcare was already relatively abundant and accessible. Second, they intensified the competition between hospitals and quickly squeezed many small to medium sized local hospitals out of the market. Relying on corporate support, these giant new hospitals attracted patients from these local small hospitals and monopolized the local medical market. Third, these hospitals were profit-driven and had complicated financial relationships with the business conglomerates. The Chang Gung Memorial hospital, after only a few years of operation, had been reported for a number of malpractices, such as employing under-qualified workers. The

conglomerates also used the hospital's tax exemption status to avoid paying taxes to the government. Lastly, these business-funded hospitals did not bring about any of th expected innovative solutions to the solve the problem of inefficiency in the healthcare system. They were unable, or unwilling, to reform existing institutional practices. In the late 1970s, one particular practice stood out. Patients at private hospitals were forced to put down a medical deposit in order to receive treatment. This practice had been criticized for a long time but no efforts were made to change it. Even with greater financial resources, these new private hospitals were indifferent to bringing about change. Further, it was reported that they even charged higher deposit to patients in comparison to the past public hospitals.

So far, the story of healthcare privatization in Taiwan looks similar to many other cases. The healthcare system seemed to quickly succumb to the interest of large business corporations. Although the government recognized the problem and planned to regulate them by implementing a new medical act, its efforts were to affirm that the hospital should have a greater social responsibility than the pure business interests. The government and the corporations could not find an innovative way to solve existing problems like access inequality and quality health services. However, under this context, there was a trend that grew up from grassroots societies to organize for healthcare reform, particularly in religious groups.

Religion has long been involved in medical related activities. Medicine is often used as an effective proselytizing instrument by Christian missionaries in Taiwan. Before the arrival of business-run hospitals, hospitals affiliated with Christian organizations were the only private hospitals. Facing healthcare privatization in the 1970s, several religious

organizations responded with their own hospital projects as an alternative to the business model preferred by the government. Although the motivation behind them was slightly different, they shared a similar purpose in that they wanted to use their collective and communal resource to build healthcare institutions for the public. Some of their efforts failed but some succeeded.

Tzu-Chi was the most successful one. The hospital proposal was made in 1979, and the hospital was completed six years later in August 1985. The hospital tackled several public perceptions. It was the first large hospital established by a private civil association in post-war Taiwan. It was located in the peripheral east coast. It was funded by individual donations rather than by a few business tycoons. More a million people had made donations to this project. This included many donations from overseas countries like Malaysia, Singapore, Hong Kong, and the United States. The hospital abandoned the practice of medical deposits and offered free medical services to the poor who could not afford treatment. The hospital was integrated with the Tzu-Chi volunteer network and had the full support of the charity group. It was also able to undertake the difficult task of establishing the first bone marrow bank in Asia in 1991.[86]

In my study, besides explaining the co-evolution of the hospital project and the organizational capacity of Tzu-Chi throughout the important formative period, I argue that the success of this socialized hospital project helps to harness growing private interests by making medicine a lucrative business. This point differs from a popular argument that views all private hospitals as detrimental to the overall healthcare system.[87]

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[86] The government attempted to establish the marrow bank by itself, but it was concerned about the effectiveness and the acceptance of the general public for bone marrow donations.
[87] For example, Meei-Shia Chen, a respected public health scholar, argues that all types of hospital privatization are just degradations from the ideal of the state-owned hospital. See Chen (2004).

To establish this point, I will show how this hospital helped to institutionalize an ideal type of private non-profit hospitals in Taiwan in comparison to private for-profit hospitals.

Research Methods and Data

The study is built upon more than a year of fieldwork in Taiwan, a comparative study of three grassroots hospital projects, and several primary historical materials that have never before been utilized by scholars. In addition, I use two advanced methods, a qualitative software (MAXQDA) and computer language (Python), to handle a large amount of historical material.

One of my critiques of the existing research is that they lack a proper historical understanding of the early period of the movement prior to 1990. To remedy this, my approach is primarily historical, although I also conducted participant observations and interviews. I decided to find and use the primary materials without a heavy reliance on the existing secondary work on the movement as current researchers typically do. I also use the memorials or autobiographies of several senior participants when I describe the formative period to cross check information with the primary materials. These primary materials include government publications such as county and city gazettes, newspapers (national and local), and organizational archived documents.[88] Organizational archived documents include multiple publications from different religious organizations. The most important for this study is Tzu-Chi's official newsletter, *The Tzu-Chi Monthly* (ciji yuekan).

The Tzu-Chi Monthly was first published in the summer of 1967, only one year after the founding of the organization in May 1966. The original *Tzu-Chi Monthly* was in the form of a newspaper, but it is now a well-designed magazine where more than

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[88] A list of these materials can be found in the reference.

300,000 monthly copies are distributed in more than 90 countries worldwide. One of the biggest differences between its newsletter and other typical religious organizations is that it uses most of the space to document the activities it conducted, the model members in the community, and the name of the donors. It also reports stories of why people joined the movement and how the organization interacted with other social organizations. It preserves a huge amount of invaluable information of the movement. The existing research just selectively uses it or simply ignores it.

To use this material, I first converted all the publications (more than 600 issues) from 1967 up to the present into a digital format (txt) and then use two methods to handle it. The first method that I use is qualitative software, MAXQDA, that assists in my reading of these publications. I read the materials with a rough coding scheme that parses out certain keywords and topics. This original scheme is continuously changed throughout the reading process to identify recurring topics. At the end of my first reading, I had around 11,000 codes on the entire document set. I then examine the structure of these codes and rearrange them.

While the package software is useful as a reading assistant, it sometimes lacks the flexibility and power to handle more complicated questions. For example, I wanted to know the distribution of certain words in the entire document set. The software does not have the function to serve this task. Therefore, I also used Python (a computer language) quite extensively to do the text mining work. A basic mining on the overall structure of *The Tzu-Chi Monthly* shows that the whole issues contain more than 55 million words, but the distribution of words in each issue is uneven. Figure 2 shows that the word count distribution grew steadily since the publication encountered an upheaval period, where at

its peak hit more than 600,000 words an issue. After this upheaval period, the number of words in each issue is quite similar. This basic structure tells an interesting story about the organization. The upheaval period falls roughly between 1983 and 1989, the last stage of the formative period.

Figure 1.3: The Number of Words in Each Issue
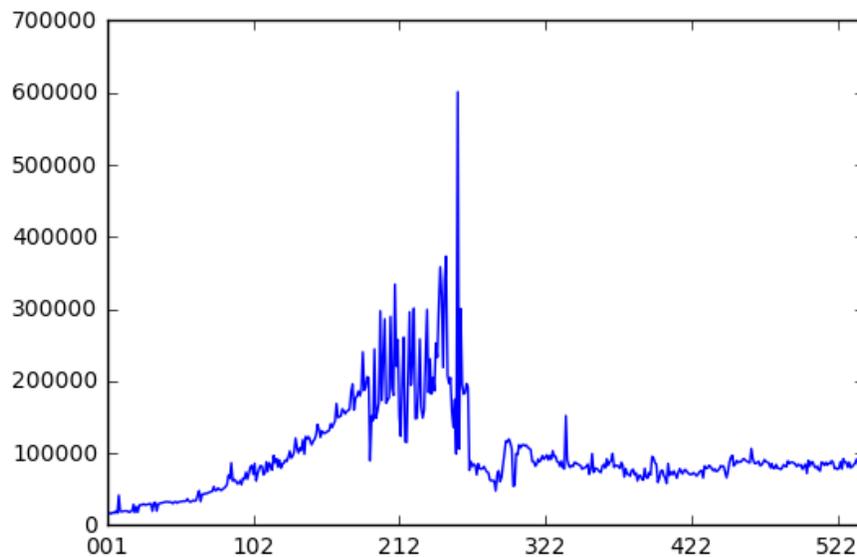
In addition to the original *Tzu-Chi Monthly* publications, I construct another original dataset—on civil associations in Taiwan from 1950 to the present. All civil associations have to register to the courts in order to have a legal identity. When they register, they have to list important information such as the names of board members, funding sources, and mission statements. They are also required to submit updates to the government when there are critical changes (e.g., the change of board members). The government makes this information available online. I compiled all of the registered files and conduct performed text mining on these raw materials. The total number of filing documents is around 100,000. The total number of registered civil associations is around 26,000. There are more than 150,000 people listed as board members of at least one civil

association. These 150,000 people are considered to be a leader or active participant in the civil society. Among them, more than 100,000 are board members of more than 10 civil associations. One individual held 64 board memberships.[89]

I use the dataset of civil associations in my study for several purposes. First, the dataset helps me to identify the importance of certain people in civil society. I measure this through board memberships. If someone possesses a higher number of memberships, we can say that they are more influential in the society. Second, I use the data to understand the leadership change in the movement. Before 1980, Tzu-Chi did not register with the court and therefore functioned, in a strict sense, as an illegal organization. The impetus for registration was that only a registered organization could file an application to a hospital. Thus, those selected to be board members is a critical source of information. Third, the dataset assists me in finding the social relationships between the movement and other civil associations. From the interlocking of board members, I am able to derive the network structure of the organization. This applies to other civil associations in the dataset.

The fieldwork includes two preliminary summer fieldworks and a long-term 12-month fieldwork in Taiwan. Two preliminary sets of fieldwork were conducted in the summers of 2012 and 2013. The long-term fieldwork was supported by the Institute of Sociology at Academia Sinica from 2014 to 2015. I conducted in-depth interviews with 35 Tzu-Chi members and participated in many events in different locations, including Taipei, Pingtung, Kaohsiung, and Hualien. Each interview lasted from one hour to

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[89] Koo Chen-fu (C. F. Koo) holds 64 board memberships. He is the descendant of a well-known and wealthy family in Taiwan. His father, Koo Hsien-jung, is the first Taiwanese person to be awarded a membership to the Japanese House of Peers (the Upper House). Koo Chen-fu is known for his participation in the Wang-Koo summit, held in Singapore in 1992,with the Chinese representative Wang Daohan. The summit was the highest level of contact between Taiwan and China since the end of the Chinese civil war between KMT and CCP in 1949.

several hours. I further support the fieldwork in Taiwan with ongoing participant observations in Bay Area of California, where Tzu-Chi was first diffused to the United States. I participated in several volunteer events and worked as a volunteer teacher for the "Happy Campus" program that aimed to help disadvantaged students, mostly immigrant children, in an elementary school setting located near a prominent university. Although I do not discuss all of my findings in this dissertation, this diverse set of direct observations enriches my study.

Chapter Arrangement

In addition to this introduction, my dissertation contains seven chapters, including a conclusion. The six main chapters cover the time periods before 1960, when Chen Yen was still a girl, to the late 1980s, when the basic organizational structure was formed and the alliance between the religion, medical professionals, and the new capitalists was tightly established.

In Chapter 2, I examine the environment with a focus on the local context in the early period, an underexplored issue. Not many people discuss this issue or even notice that the most powerful civil association emerges from a peripheral area. Using primary materials from both government publications and local newsletters, the chapter offers a new angle to understand several structural and social factors that made this hybrid movement heavily supported in this area.

In Chapter 3, I discuss the founder of Tzu-Chi, Cheng Yen, and critically examine the existing literature on her. Through the careful examination of primary materials, this chapter provides new understandings for two well-known myths about Tzu-Chi, the death of Yen's father and her subsequent decision to be an ordained nun, and her encounters

with Yinshun, the founder of modern Chinese Buddhism. I further discuss her family background and her unusual experiences in the business realm, as well as the influence of Japanese Buddhism.

In Chapter 4, I examine the organizational structuring in the period before hospital project was initiated. The chapter first examines the composition of the early leadership team, their social relations, and the ways they were recruited. During this period, there emerged novel organizational practices, such as the commissioner system and case assessments for poverty relief work. I discuss how the new organizational practices were borrowed from other social realms, like business, and how they were used in an innovative way.

In Chapter 5, I first examine the medical field in Taiwan and the changes that occurred in the1970s through the privatization of the healthcare system. Then, I discuss how the mobilization for the hospital was organized. The second part of the chapter is a comparative study on three similar hospital projects also initiated by religious groups. I discuss why Tzu-Chi's project succeeded while the other three failed.

In Chapter 6, I examine the transformative power of the hospital project on the organization and the medical field. The central argument is that through the project, an alliance between the religion, elite medical doctors, and the new capitalists was formed under a new leadership team led by Cheng Yen. The new leadership team was composed of elites from diverse fields and it remained open until the end of the 1980s.

In Chapter 7, I examine Cheng Yen's rise as a charismatic leader with a theory built by combining the attainment of social prestige and the relational transformation of meaning. The argument is that Cheng Yen was gradually perceived as a charismatic leader because of the

increasing complexity of the organizational structure and outsiders' confusion about this complexity.

CHAPTER 2:

THE EAST COAST AND THE HUALIEN CITY:
DEPICTING THE SOCIAL ENVIRONMENT

Tzu-Chi originated from Hualien, a city on the east coast of Taiwan. This area is known as the "back of the mountain" (housan), the most peripheral area in Taiwan. First-generation Chicago School scholars have long argued that "all forms of association among human beings rest finally upon locality and local association,"[1] and urge scholars to pay attention to the constraints and opportunities confined to the specific spatial location. However, to what extent the specific location in which Tzu-Chi originated influenced the evolution of Tzu-Chi receives little attention.

In this chapter, I use materials collected from different sources including government publications, secondary materials, and newspapers to reconstruct the local environment before and during the early period of the Tzu-Chi movement. In this chapter, I distinguish the general environment into two levels, the state-society relationship and the local condition. The state-society relationship determines the basic patterns of the interactions between the state and society. Authoritarian states have different patterns of interactions with civil associations from democratic states. The changing state-society relationship frequently determines the emergence of large-scale historical events, such as revolutions and mass protests[2] and leads to the rise of specific organizations.[3] In contrast, the local conditions specify the constraints and opportunities related to the emergence of new organizations. This includes available resources (e.g. money, people, social networks,

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[1] See Park (1925, p.159).
[2] See Zhao (2001).
[3] Evans (1997), Clemens (1997), Hall (2001), Clemens and Guthrie (2010), Lee and Suh (2017).

and symbols), the existence of potential competitors, obstacles that have a countering effect to mobilization, and the culture surrounding certain types of social action.[4]

An important dimension of the local condition is its geographical location and spatial arrangement. The spatial dimension in the emergence of new organizations and movements has received increasing attention. Locations can structure the potential patterns of interaction between social actors. For instance, technology companies have tended to cluster in a close geographical area.[5] Protests tend to take place in locations with important symbolic meaning.[6] Further, it has long been recognized that people who live in different locations tend to assume different personalities and tendencies in comparison to people living in other locations.[7]

Specifying the general social environment in which the Tzu-Chi movement began to organize helps us to understand several unique organizational features. This chapter begins with a discussion on the state-society relationship during the period between 1950 and 1965. It was a period when the Chinese Nationalist Party (KMT) purged its political contents and consolidated its governance in Taiwan. During this period, civic life and civic associations were repressed and guided by the state. However, civic associations and civic life were structured quite differently by their spatial locations. The intermediate associations were disproportionately concentrated in the capital and the western areas of the country. Next, I move to the geographical location where the movement originated and examine the backwardness of this eastern region. I then examine the city, Hualien, that the movement calls its hometown. Because this city was the site where the

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[4] See McAdam and Paulsen (1993) and Smilde (2005).
[5] Powell (1990), Powell, Koput and Smith-Doerr (1996), Porter and Stern (2001).
[6] For example, see Tilly (1978).
[7] The geographical location and the importance of locality has been one of the central foci of the Chicago school of ecological thinking on the social process. See Zorbaugh (1929) and Abbott (2007) for a recent effort to re-interpret the location.

movement first drew upon its resources and built its organization, it is critical to examine the nature of this city. I use historical data to convey its economic structure and religious conditions. I show that the city had the highest concentration of commercial activities and the lowest concentration of traditional Chinese folk religious organizations among all other cities in Taiwan. I then examine the communication within and the organization of the city and find that Hualien had a well-established local newspaper that served as its primary communication infrastructure and that the major public concern of the city was organized around the prevention and relief of natural disasters.

The State-Society Relationship, 1950-1965

Following the Qing Empire's defeat by Japan during the first Sino-Japanese war in 1894, Taiwan was returned to the Japanese in 1895. Japan ruled Taiwan for fifty years until the end of World War II. The Cairo meeting following the end of the war in 1945 determined that Taiwan was to be returned to the Chinese. In the beginning, many Taiwanese elites and intellectuals were excited and pleased to see Taiwan be returned to China, which they imagined to be their homeland. The return of Taiwan to the homeland embodied an ideal of liberation. This enthusiasm soon deteriorated into disillusionment when the corrupt Chinese army and government bureaucracies arrived on the island. After fifty years of Japanese colonialism, Taiwanese society and its economy were more developed and modernized relative to Mainland China. The desynchronized development between Taiwan and the Chinese Mainland made the integration of Taiwan into China difficult and continues to pose serious problems. On one hand, the Chinese government accused Taiwanese people of being collaborators with the Japanese empire and were unsure of their loyalties. Therefore, the officials who were in charge of the early administration did

not respect the historical fact of the Japanese colonial legacy that enforced the Sinicization campaign ruthlessly. The honeymoon period between the Chinese government and the Taiwanese people did not last very long. Social and political tensions finally exploded into the February 28 (or 228) incident in 1947. The incident triggered a widespread response by the Taiwanese people to the government for a political reform. However, their request was harshly suppressed by the Chinese government and ended in tragedy as more than ten thousand people were killed by the Mainland Chinese military. The incident thus cast a shadow over the relationship between the state and the society in the following decades.

The White-Terror Period

Despite winning World-War II and having recovered Taiwan from Japan, the KMT army led by Chiang Kai-Shek lost badly in the Chinese civil war to the Chinese Communist Party (CCP) in 1949. Following their defeat, the government of the Republic of China, led by Chiang Kai-Shek, retreated to Taiwan. Since then, Taiwan has become the only province where the Republic of China claimed sovereignty. The retreat brought more than one and half million Chinese migrants to Taiwan from 1949 to the early 1950s. At that time, the total population of Taiwan was around six to seven million. The influx of migrants was equal to one-third of the entire population and generated serious new social problems (e.g., housing shortage, welfare). Over eight hundred migrant villages were built to accommodate these migrants. The government also built several migrant villages on the north side of Hualian in the 1950s. The place was called the "new town," in contrast to the "old town" area. The influx in population not only brought problems like

housing to the forefront, but also increased ethnic tensions in a society that had only just undergone the February 28 tragedy three years ago.

Reflecting on its failure in the Mainland, Chiang Kai-Shek had to reform the corrupt KMT party organization that was full of factitious conflicts into a more disciplined and centralized organization. Many believed that Chiang Ching-Kuo (Little Chiang), Chiang Kai-Shek's son who spent almost ten years in Moscow and was trained by the communist party, undertook the responsibility of reforming the KMT party apparatus. The reform of the KMT party structure aimed to transform the party into a Leninist organizational structure in which ideological censorship held a central position. Accompanying the party reform, numerous KMT agents were now placed in all levels of government and in important organizations with the intent to censor and co-opt. During the 1950s, Chiang's government further waged a series of political campaigns aimed at purging potential communist activists and political dissidents from the country during the so-called white terror period. Thousands of Taiwanese and Chinese migrants were arrested, imprisoned, and killed without due legal process. Under the banner of purging communist influence, civil activities were repressed and censored by the state apparatus. The explosion of the Korean War in 1951 eased the potential conflict between Chiang's regime and America, and helped to consolidate Chiang's regime. Geopolitically speaking, the Korean War eased the pressure and potential legitimacy crisis for Chiang Kai-Shek and his KMT party in the early stage of their rule on the island. Especially, after the Korean War, America continually offered financial and material resources to support Chiang's regime until 1965 (commonly known as U.S. aid). The U.S. aid primarily funded the government's expenditures on welfare services, and thus helped Chiang's

regime to survive its early years. The close relationship between Chiang's regime and the United States in the 1950s and 1960s had a great influence on the state-society relationship. For example, Christian organizations gained wide acceptance in society because of this close relationship. They were given special privileges to operate social welfare services, like schools and orphanages, while other civil and religious organizations were banned from engaging in the same activities.[8]

Local Election and Economic Plan

Although the new regime relied heavily on coercive methods to control the society, it also utilized other methods to co-opt the people. Similar to the communist party, KMT was a political party with its own ideology. Its official ideology was based on Dr. Sun Yat-sen's Three People Principles (*sanminzhuyi*), who was one of the KMT founders. The Three People Principles stand for "in the people, by the people, and for the people." According to this democratic ideal, people are the true owners of the government and thus, elections represent the due process of this political ideal. After the political purging came to a temporary end in the late 1950s, the regime had begun to implement the first election for provincial legislators in 1958. KMT utilized many strategies to guarantee its success in the election (e.g., bribery, manipulating the voting). Even though election manipulation was common and the party used dirty methods to threaten those who dared to compete in the election, there were still some candidates without the party background who won in the elections. In addition, KMT used other local corporatist organizations (e.g., the assembly of farmers, the assembly of fishermen) to assimilate local Taiwanese

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[8] Catholic Fu Jen University was established originally in Beijing in 1925. It was allowed to re-establish in Taiwan in 1960. Many other religious groups attempted to establish their own higher education institutions (mostly Buddhist groups) but the government did not grant their requests. It was not until 1989 that the first Buddhist university (Huafan University) was built.

leaders into its patron-client system. By giving these local leaders economic benefits, KMT was able to breed local political groups that were loyal to the party machine. Thus, in the middle of the 1960s, the KMT government had already raised up a new group of local people to serve as its representatives in the local congresses and governments.

Economically speaking, the state paid relatively little attention to the economy in the early 1950s. The emergence of a clear economic development and industrialization project was formed in the late 1950s and early 1960s. Benefitting from the Korean War and the generous aid from America, the integration of the America-Japan trade system gave the economy of Taiwan a boost. A shift towards export-oriented industrialization in the 1960s successfully grew the economy.[9] The economic projects planned and implemented in the period between 1950 and 1970 could be further divided into the first stage from 1950 to early the 1960s and the second stage from the middle of the 1960s to the early 1970s. In the 1950s, the agricultural sector accounted for roughly 36% of the national GDP. This proportion declined to only 6% in 1985. At the same time, the industrial sector rose from 18% in the 1950s to about 50% in 1985 at the national level. The percentage of the service sector was relatively stable at around 40% nationally. Except for several transportation projects that were focused on connecting the east and west sides of Taiwan, most of the economic projects were concentrated in the western area. Resources and the construction of economic infrastructure were located in several selected industrial cities, mostly in the western area.

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[9] See Deyo (1987) and Hsueh, Hsu & Perkins (2001).

In contrast, the new government lacked a coherent and long-term economic plan for the eastern region.[10] For those KMT officials and bureaucrats that retreated from Mainland China after the war, their views and attitudes towards the eastern side of the island were not much different than the Qing dynasty officials. After the forced evacuation of local Japanese residents, the eastern region and Hualien had the highest ratios of Japanese residents and Hualien was called the most "Japanized city in the southeast". During the 1930s, the eastern region was neglected in the economic plans. The city did not experience similar rates of industrialization that were seen in many cities on the western side.

Economic plans shaped the state-society relationship in the following ways: 1) by changing the economic structure profoundly, the economic plans made certain social groups wealthy and powerful while some groups lost their influence; 2) the economic plans made certain areas more resourceful than others and thus created inequality. For example, the welfare expenditures by the local governments showed great divergence. Poor counties, like those in the eastern region, could not afford basic welfare services because they lacked the necessary resources.

Civil Associations during the First Period

The state-society relationship can perhaps be best examined through the activities of civilian life and civic associations. The number of civic associations is frequently used as an indicator of the state-society relationship and their pattern of interactions.[11] Civic

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[10] The lack of a long term planning for the east region is vividly represented in a project titled "The Long-term Economic Development Proposal for the East Region" proposed by the government in 2008. After sixty years, the eastern region is still under the process of "economic development."

[11] For example, de Tocqueville understood the societal anticipation of the coming of French revolution as a patterned relationship between the landed class and the peasants through the lens of the intermediate associations (1955). William Kornhauser (1959) pointed out the danger when intermediate organizations are lacking. Zhao (2001)

associations are proliferated in cities because cities are the major source of new ideas, new lifestyles, and new associations. In the realm of religion, the rise of Christianity in the Rome period was associated with newly emerged social groups in cities and their associations. Max Weber (1951) saw that "early Christianity was an urban religion, and, as Harnack decisively demonstrated, its importance in any particular city was in direct proportion to the size of the urban community" (p.472). Cities facilitated the formation of a transcendental sense of community that went beyond the constraints instituted by the secular order.[12] Relying on his concept of infrastructural power, Michel Mann (1986) views cities, although being "the core of the official communications and control system," as containing a kind of "alternative infrastructure of trading and artisanal relationships that also extended over the entire empire and even beyond it" (p.312). The trading networks represented by various commercial associations located in different cities of the empire facilitated information circulation.[13]

Civil life and civil associations during this period were highly coordinated by the central state, and all non-government approved activities were censored. Civil activities that expressed anti-government attitude were also repressed. The situation was improving slightly in the early 1960s, but the generally repressive nature of the authoritarian regime did not change. Even with this situation, a number of civil associations were still allowed

argues that the lack of intermediate organizations resulted in heightening conflicts between the state and the Chinese student movement in 1989. See also Putnam (1993).

[12] It is further argued that this kind of organizational environment cannot be found in the Occident.

[13] Jean Darian (1977) attributed the rise of Buddhism to two factors—the expansion of the empire and the prosperity of the city life. The newly emergent social groups in the cities demanded a new ideology. A more contemporary case is that of the Salvation Army. The growth of the Salvation Army in the United States at the end of 19th century was closely associated with the local conditions in New York City at that time. The big city was a suitable environment for the Army to grow because it provided potential religious converts and the urgent social problems (i.e., urban poor) that the Army attempted to solve. The Army combined the potential converters that resided in the city with the new social problems and created a tightly linked ecology in which the Army benefited.

by the government. Most of the civil associations were government sponsored and were used by the authoritarian regime to facilitate its corporatist rule.

Table 2.1 summarizes the number of civil association in major cities and areas from my compiled dataset based on the court registration records. Three metropolitan areas clearly accounted for around half of the total population of associations in 1970, and that the population in these three metropolitan areas continued to increase over time. Almost all of the large businesses had their headquarters in these three metropolitan areas. They were also the center of education, culture, and technological innovations. Metropolitan areas were not only the places where economic activities were centered, but also the place where civil organizations were formed and concentrated. The dense and diverse population gathered in the big cities created the need for associations to deal with various issues. On the other hand, the abundant associational resources in the big cities facilitated the creation of civil associations. In addition to the population concentrations phenomenon in these big cities, civil associations were even more concentrated in several cities. Although civil associations were strictly censored under KMT's authoritarian rule, they were permitted some limited freedoms. According to my compiled dataset, from 1950 to 1970 there were 926 civil associations formed and registered by the court. 908 were formed on the west side and only 18 were formed on the east side. 64% of the organizations were located in the three largest metropolitan areas.

Table 2.1: Civil Associations in Different Cities, 1950-1970

	Number of Civil Associations	Population (1970)*
Taiwan	926	14.8
West	908 (98%)	14.2 (96%)
East	18 (2%)	0.6 (4%)
Taipei	490 (53%)	3.1 (21%)
Taoyuan-Hsinchu	78 (9%)	1.1 (7%)
Taichung	80 (9%)	1 (7%)
Tainan	75 (8%)	0.7 (5%)
Kaoshuing	79 (9%)	2.2 (15%)
Others	202 (22%)	6.1(41%)

Source: Database on the Court Registration of Civil Associations, 1950-present *in millions

Besides the cities with more civil associations, the western area was also dominant in respect to the number of the registered civil associations during this period. 98% of civil associations were located on the west side. The population of the east side was around 10% of the total population, but had less than 2% of the number of registered civil associations. Clearly, there was an obvious regional difference in the number of civil associations. In addition, almost half of the registered civil associations were located in the capital of Taipei and the Taipei metropolitan area. This showed that civil associations tended to form in environments that provided access to greater resources. Newly emergent demands also facilitated the formation of civil associations. In the heavy industrial center, Kaoshuing, new civil associations emerged rapidly after 1960 due to the acceleration of industrialization.

From 1950 to 1970, there were only 8 registered civil associations formed in the city of Hualien, where the Tzu-Chi movement emerged. Among these 8 registered organizations, Christianity organizations (e.g., churches) comprised 7 of them. This tells us three things about the state-society relationship in this area, 1) the lack of intermediate organizations was reflected by the lower penetration of the state in this area; 2) the local

government had to rely on personal relationships to facilitate its projects; 3) associational life was lacking in these places.

The Backwardness of the East Region

In the above section, I have laid out the basic state-society relationship at the national level and at the local level prior to the rise of the Tzu-Chi movement. In this section, I will turn my discussion to the local conditions. I begin with an examination of the backwardness of the eastern region. The backwardness is largely due to its geographical location.

The shape of the Taiwanese island is frequently referred to as a potato (or sweet potato). The north and south side of the island are narrower than the middle section (see Figure 2.1). A series of mountains divide the island into the west and east parts. More than 70% of the island's land is mountainous. Most of the plain areas are on the western side of the island. Thus, the west side has tended to be the area where the majority of the population resides and the economy grows, while the east side remains a sparsely populated mountainous area inhabited primarily by aboriginal people. In the 15th century, Spanish sailors approached the island from its east side and they wrote down the name *Turuboan* to denote the place where the aboriginal people lived.[14] Around the same time, the Portuguese called the river, now known as the Hualian River, *Rio de Ouro,* which means river of gold.[15] The Pacific Ocean is on its east side and mountains cut directly to the ocean like a sword. Hundreds of miles of cliffs delineate the border between land and sea. There is a romantic name for this spectacular landscape, *huilan* (literally meaning the

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[14] Hualien Xianzi (Hualien County Gazetteer), pp. 1-20.
[15] Ibid.

whirl when the river reaches the ocean).[16] From the Qing government's eyes, this region

is *Houshan* (meaning at the back of the mountains) in contrast to the well-developed

Qianshan (meaning the front of the mountains). On the west side of this region, high

mountains, belonging to the central mountain range, are not far from your backyard.

Between the mountains and the ocean, people gather in the thin and long plain area along

the Coastal Range.

Figure 2.1: The Map of Taiwan
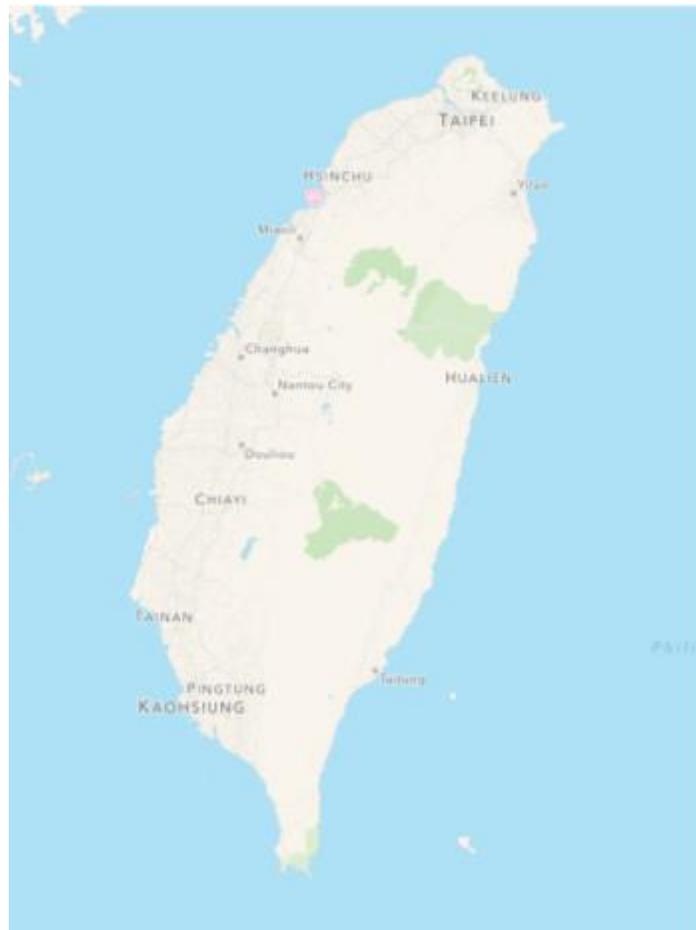
The mountainous barrier isolates the eastern region as an island within the island and as a

region distinctly different than the more developed western region. The development of

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[16] Ibid.

the eastern region can be traced back to the Qing dynasty when migrant Chinese moved to the island. The high central mountains on its west side blocked their route to the prosperous western coastal area. The Cingshuei Cliff blocked their northern route to Yilan, removing an easy route to Taipei. The Dawu Mountain blocked their southern route to the west area. To their east is the Pacific Ocean. Geographically speaking, except for several west-bounded rivers, there are no natural barriers on the western side of the island that could block the communication and transportation of people. This has facilitated the growth of a regional economic and exchange network in the west of Taiwan. In contrast, it was difficult for people living in the east to travel to the west side before modern transportation infrastructures (e.g., railroads) were built in the 1970s. Similarly, traveling to the east of the island was still considered a burdensome venture in the 1970s. These geographical conditions made the east region difficult for outsiders to enter. Before the Japanese colonial government's effort to build a modern transportation system, the predominant way of reaching the west coast was through boats or by narrow and rudimentary walking routes. Although its geographical location clearly contributes to the east region's peripheral nature, the peripheral nature of a location is not solely determined by the natural environment. Different political regimes' attitude and policies toward the region proved to be even more crucial.

The Hualien City

The city of Hualien did not exist until the Japanese colonial government decided to build a harbor near the Hualien River. The city thus bears a Japanese imprint from the very beginning. A Japanese magazine admired the city as the most Japanized city outside of Japan in the 1930s, and it had the highest Japanese population during the colonial period.

According to one estimate, half of the city's population was migrant Japanese. The city was the center of the east region and the nexus of commercial activities throughout the colonial period.[17] However, when the KMT recovered Taiwan from the hands of the Japanese in 1945, the new government paid little attention to the east region and invested little in it in contrast to the Japanese colonial government.

What were the local conditions of the city prior to the rise of the Tzu-Chi movement? To guide my search, I examine two basic natures of the Hualien city between 1960 and the early 1970s. The first nature is concerned with the opportunities and the potential competitors. I examine two original sets of data to lay out 1) the economic structure of the city and 2) the local religious ecology.[18] The second nature is concerned with the communication infrastructure and the major life concerns of the local society.

The Economic Structure of the City

Since the east region was, in many aspects, backwards, the economic plan did not consider this area as an industrialization site. Our understanding of the economic structure of the Hualien city should reflect the fact that it relied heavily on the primary sector, like agriculture. However, my data suggests that the true situation was the inverse of this assumption. Although agriculture was the major economic activity of the east area during the colonization, the major economic activities of the city were centered on the

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[17] It was estimated that more than 200,000 Japanese people were still living in Taiwan after the war. Many of them were born in Taiwan and expressed their desire to stay. However, the government decided to deport all of the Japanese living in Taiwan except for certain individuals with in-demand occupations (e.g., technicians, teachers). They were not allowed to keep their assets and could only retain a limited amount of money. Although the effect of the forced migration of Japanese has not been systematically examined, there is no doubt that it caused a significant impact on the society. For example, the government was able to confiscate the existing Japanese industries and used them as the foundation for future developments. Similar to this, the departure of the Japanese created a vacuum of social functions that were originally occupied by the Japanese (i.e., business, education) and created the opportunity for Taiwanese to take on these functions. We might expect that this kind of impact on social mobility was more obvious in areas where Japanese were more concentrated. The east region where the Japanese controlled more than half of the agricultural lands and in Hualien, where Japanese operated most of the local commercial activities were operated, experienced the most change.

[18] The data comes from the county government reports since 1950.

second and tertiary sector. Historians and scholars of Taiwanese urban development n

have not noticed this relationship. Although the real cause is not clear, I suspect this

economic structure is the legacy of Japanese colonization.[19] The structure was preserved

even after the end of the colonial period and continued during the KMT period.[20]

Because of the lack of comparative data on the economic structure before 1970, I

use Table 2.2 to demonstrate the proportion of the three industrial sectors in 15 cities,

including two direct administration cities, Taipei and Kaohsiung, in 1974. These cities

were the largest in their counties. The year 1974 was roughly the time when the

production of the secondary (industry) sector began to exceed the primary sector at the

national level, and is often used to mark the economic takeoff. The data was coded from

the statistical yearbook of each county. The classification of the three sectors follows the

original format.[21] The name of township (chen) or city (shi) does not indicate substantive

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[19] Hualien was the only city in the east area whose economic structure was not reliant on the primary sector. This contrast might be interpreted as the result of the unequal developments made by the colonial government. The agricultural project in the east side was carried out by the collaboration between the colonial government and the Japanese capital. The companies hired temporary agricultural workers to work in the sugar cane plantations outside the city. This made the economic structure very different from otherwise similar cities on the western side where peasants and small landholders comprised the majority of the agricultural producers. In other similar cities, the commercial activities did not differentiate clearly from the peasant class and hence a pure commercial class did not develop fully in the cities. In contrast, because of the concentration of capitalist agricultural production and agricultural labor, the commercial class and commercial activities that had concentrated in the city and a differentiated commercial class had existed in Hualien early on. The city was thus the regional commercial center that provided services for agricultural immigrants, agricultural capitalists, and agricultural workers.

[20] I suspect the reason why the tertiary (service) sector and commercial activities dominated the economic activity of Hualien, even after the end of the colonization, was for two reasons. First, the eastern region was largely ignored in the economic plan of industrialization. The central government invested little in the promotion of industrialization in this region and thus the economic structure was not as widely influenced by industrialization as it was in many western cities. Second, the building and the improvement of transportation systems facilitated the growth of service sector and strengthened commercial activities. The city was the central hub for these transportation systems and saw an increasing influx of tourists from the north and west. The forced departure of the Japanese immigrants and their agricultural capital did not destroy the structure of economic activity in the city. Without large-scale industrialization and the improvements made to transportation, the marginality of the region brought in the rapid growth of the tourist industry and strengthened the related service sector.

[21] In the 1974 classification, the primary sector includes agriculture, forestry, fishery, and livestock. The secondary industrial sector includes mining and quarrying, manufacturing, electricity, water supply and pollution control, and construction. The tertiary industrial sector includes commerce, transportation, storage and communication, finance, insurance, immovable property, commerce services, government, community, and individual services.

differences in the level of urbanization or the size of population. County administrators decided on the word choices.

The unique economic structure of Hualien is apparent at a glance. First, Hualien had the highest ratio of the tertiary sector and the lowest primary sector among all the cities examined. 68% of the working population of Hualien was in the tertiary sector and only 9% worked in the primary sector. Except in the city of Jiayi (61%), none of the other cities had a ratio of the tertiary sector to primary sector that exceeded 60%. This fact runs counter to our common understanding that the city's marginality is associated with the economic activity in the primary sector. Second, within the tertiary sector, Hualien also had the highest ratio of commercial activities. It had 17% of its population working in economic activities that could be classified as commerce. None of the other cities examined here exceeded 15% in this category. Even for cities with a much longer history, like Hsinchu, the commerce category only reached 13%. The higher ratio of the service sector and the higher percentage of commercial activities was not a mere coincidence. I suspect that this should be related to the legacy of Japanese colonization and the state-society relationship during this period.

Table 2.2: The Difference in Economic Activities in 1974

	I	II	III	Population	Regional Index
Hualien City	9	23	68 (17)	34,336	5
Taidong Township	33	16	51 (12)	43,665	4
Jiayi City	11	28	61	80,144	4
Pingtung City	20	21	59 (11)	64,341	2
Chungli City	18	32	50 (10)	50,281	0.8
Hsinchu City	11	34	55 (13)	88,857	1.6
Toufen Township	31	35	34 (6)	26,426	0.4
Zhanghua City	23	28	49	43,669	2.5
Toulieu Township	43	15	42 (8)	32,064	1.7
Tsaotun Township	49	20	31	37,645	0.8
Yilan City	20	26	54	27,132	1.3
Taichung City	18.9	28.2	53	--	--
Tainan City	16	36	48	--	--
Kaoshuing City	10	33	57	--	-- (0.7)

Source: Statistics Year Book of the Republic of China (Taiwan)

In addition to the economic structure of a single city, the position of the cities in the regional economic structure sheds more information on how economic life was structured.[22] To approach the relational information of the status of cities in the regional market, I use the ratio of the tertiary sector between the largest city and the second largest city in this region to measure the concentration level of the tertiary sector. I also use the county level administrative district as the representation of regional economy.

When the regional index is equal to 1, it implies that the economic structure between these two cities is identical. When the index is less than 1, it implies that the second largest city in the region has more tertiary sector economic activities and that the

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[22] Chinese social life was traditionally structured in a hierarchical way. William Skinner (1995) has approached the characteristics of cities in late imperial China from a regional market perspective. The central city of a regional economy serves a greater function (e.g., economy) than less influential cities under the hierarchy. It is expected that the forms of economic activities are related to the strength of other neighboring cities. Therefore, cities occupying different positions in the regional market structure are expected to be different in their forms of social organizations.

economic structure of the region is more diversified. When the index is above 1, it indicates that the tertiary sector of the largest city in the region is larger than the tertiary sector in the second largest city. A higher index indicates that the tertiary sector of the region is more concentrated in the largest city. The index serves as a proxy to understand the regional economy from a relational perspective.

The last column of Table 2.2 shows the regional index of each city. Hualien has the highest score in terms of the regional index. The regional index of 5 demonstrates that the tertiary sector in the economy of Hualien is 5 times larger than the same sector in the second largest city (Fenglin) in the Hualien county. Taidong and Jiayi were the only other two counties that had scored at least a 4 in the regional index. Two of the three cities that have a regional index greater than 4 are located in the eastern region. We can infer that the high regional index indicates that the tertiary sector is concentrated in the largest city, and that cities in the same region took on differentiated economic roles. In the eastern region, the higher regional index suggests that there existed a clear hierarchy within cities and a clear division of labor. The largest city had larger tertiary sectors while the primary sector was concentrated in the second largest city. The clear hierarchy in the division of labor in cities on the east side implies that the relationship between cities was more interdependent than previously understood. In contrast, the general trend of lower index scores in the western cities suggests that the functions of cities might be more diversified and that the relationship between cities may be more independent.

How do we interpret these two findings—1) that Hualien has the highest ratio of the tertiary sector and 2) that a hierarchy of city activities contributed regional economy at the local economic structure as they relate to the rise of the movement? I will use the

following chapters to explain how these two local conditions contributed to the

mobilization efforts of the movement in the early period. Suffice it to say, these two

conditions offered the movement the resources necessary (i.e., people and money) and

provided opportunities for social intervention (i.e., poor people). The interconnected

nature of cities in the east region eased the barrier for activities and offered legitimacy for

the innovative interventions conducted by the nascent organization.

Local Religious Ecology

Social movement scholars have argued that a successful mobilization is the

combination of effective recruiting strategies and the reduction of countering factors.[23] In

a sense, local conditions provide both opportunities and constraints. For a religious based

social movement, the major constraint comes from the competition of other religious

organizations.[24] Under the Chinese social context, folk religion is frequently mentioned

as the major obstacle to the emergence of a new religion or new social organizations.[25]

To measure the influence of existing religious organizations, I collect country and

city level data and create a Herfindahl index to measure the concentration of existing

religious organizations. The logic behind the Herfindahl index is simple. If a field had

been occupied by too many similar organizations, the chance of the success for new

similar organizations is low. In other words, the more already existing religious

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[23] Roger Gould (1991) points out that social networks not only have the power to draw participants but also have the power to pull people away from participation. David Smilde (2005) examines the rise of Evangelicalism in Venezuela by distinguishing the positive and negative effect of social networks. He finds that conversion typically takes place when negative networks (e.g., family ties) are absent. See also Zhao (2001) and Yu and Zhao (2006) on the recruitment of student movements in China.

[24] See Stark and Bainbridge (1985) for a discussion on religious economy and religious competition.

[25] This does not mean that there was no new religious movements took place in Chinese social context. On the contrary, new religious organizations mushroomed during the social crisis. However, they took on similar organizational forms with the traditional folk religion. C. K. Yang (1961) viewed that "under the dominance of diffused religion and the Confucian orthodoxy, institutional religion was forced into a weak structural position which severely restricted its direct influence on the operation of secular social institutions." This observation echoed Max Weber's judgment in which under the influence of folk religion, a modern and rational religion cannot emerge.

organizations, the more difficult it is for new religious organizations to emerge and survive.[26] The range of the Herfindahl index is from 0 to 1. It is normal to view 0.25 as the threshold for market monopolization. If the Herfindahl index is above 0.25 it might imply that there exists a certain level of monopolization.[27]

The government data has four categories for religious organizations—Buddhist, Daoist, Catholic, and Protestant. Chinese folk religious temples were arbitrarily assigned to the Buddhist or Daoist category. Thus, the Herfindahl index constructed from the data is not a measurement of a specific religious organization but rather a measurement of the level of "market share" of the four major religions in the respective county. If a county has a high Herfindahl index it usually indicates that one of the four religions has a greater market share in that county. I also use the positive sign to indicate the traditional Chinese religion and the negative sign to represent the two Western religions.

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[26] See Stinchcombe (1965) and Hannan and Freeman (1978).

[27] As many researchers have pointed out (e.g., Blau, Redding and Land, 1992), the Herfindahl index does not directly measure competition. I suggest that the Herfindahl index should be used carefully and understood relationally. The higher index does not indicate the absolute level of the activity we measure. For example, a region with only two religious organizations has the same level of the index as the region with two religions but each religion has ten organizations.

Figure 2.2: Religious Ecology at the County and City Level
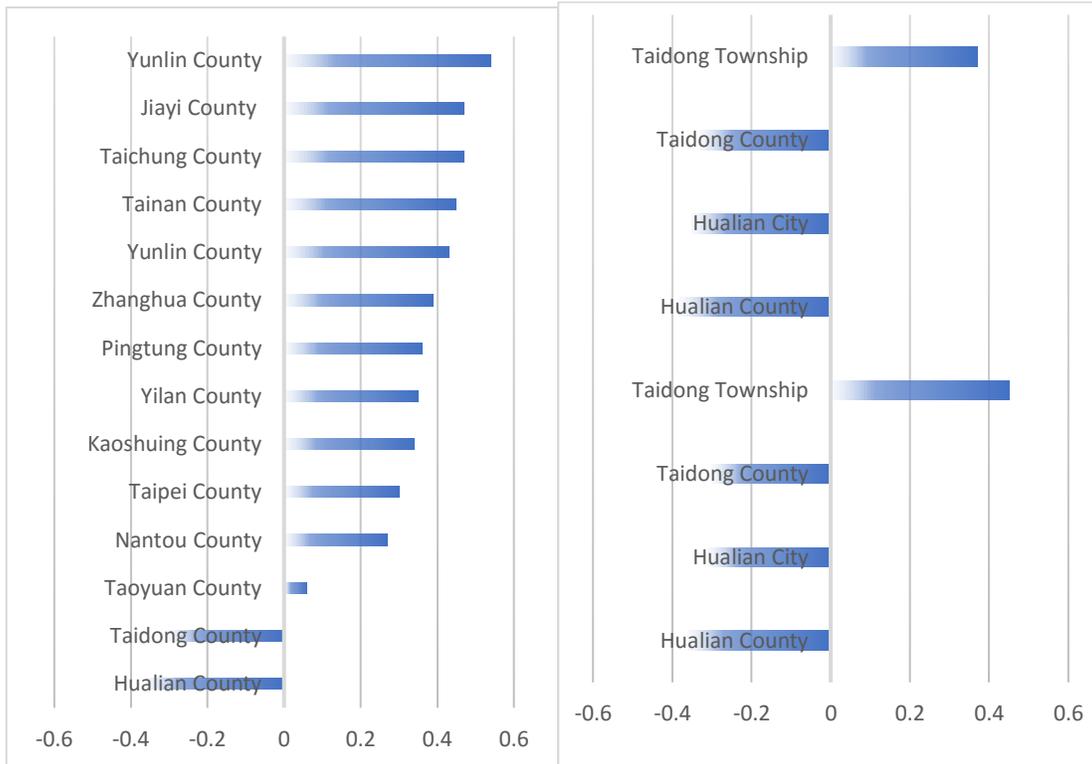
Source: Statistic Yearbooks of Counties (1970)

Figure 2.2 summarizes my findings. It demonstrates the local religious ecology in 1970 after the Tzu-Chi movement was launched. The left side represents the county level and the right side represents the city level. I begin with the county level. Except for two counties in the east area, Chinese religious organizations were the majority religion in all other counties. Some counties, like the Tainan county, which was known for its history as the earliest Chinese settlement, has a high Herfindahl index of 0.45. The other counties with a high index, like Yunlin and Jiayi counties, are known for their folk religious festivals.

The Hualien county and the Taidong county had very similar religious ecologies in which both had a higher number of Christian organizations working there.[28] Part of the reason for this is that these two counties had more aboriginal people than other counties. However, examining the city level data reveals an important difference. The right graph of Figure 2.2 shows that the religious ecology of the Hualien city was consistent with the pattern at the county level in which Christianity was the majority. In contrast, the local religious ecology of the Taidong county was inverse to the pattern at the county level in 1970. This pattern did not change in 1985. The majority of religions in the Taidong county were Chinese while in the Hualien city Christianity was more prevalent in 1985 in terms of the number of religious organizations. Thus, although the two east counties had similar religious ecologies, they had different local religious ecologies in their capital cities. Chinese traditional religion had a strong presence in the Taidong county while Christian organizations outnumbered Chinese religious organizations the city of Hualien.[29]

How do we interpret this finding? First, we should not over-interpret this and exaggerate the finding. The index does not reveal real competition or even the interactions among religious organizations. Thus, we hesitate to say that the nascent Tzu-Chi movement faced less competition, though I suspect this is true. I will discuss this in Chapter 3 when I examine the movement's activities during its early period. Secondly,

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[28] In 1970, there were 121 Protestant churches and 91 Catholic churches in Hualien county and there were 111 Protestant churches and 85 Catholic churches in Taidong county. Only 30 Buddhist temples and 16 Daoist temples were in the Hualien county. In contrast, counties with similar populations on the western side, like Nantou and Pingtung, had 151 and 362 Chinese religious organizations respectively.

[29] This pattern is not relative to population size. Regression analysis shows that the assumption that the correlation between the number of folk religions and population size is not statistically significant. For example, the populations of Nantou and Pingtung are 1.5 and 2.5 times more than the population of Hualien county. However, the number of the Chinese religious temples in Nantou was 3.3 times larger than those found in the Hualien county, and the number of folk religious organizations in Pingtung was almost 8 times greater than the number in the Hualien county.

this result does reveal patterns that are not otherwise noticed by scholars in that the east

region and the city of Hualien are the least Sinicized areas in Taiwan. The cause of this

could be attributed to colonization and late Chinese immigration. Because of the higher

presence of Japanese migrants in city of Hualien, the development of Chinese religion

was hampered.[30] The lower penetration of Chinese folk religion in the city and in the

region meant that local people were not bound by the relationships that are constructed by

complicated religious activities. Therefore, the local condition had fewer negative

networks, which would ultimately ease the recruitment and mobilization of the nascent

Tzu-Chi movement in the 1960s.

Communication and the Lifestyle

The last local condition I would like to address is communication and lifestyle in the east

area and in Hualien. Communication plays a fundamental role in social movements.

Movements that are able to attract media attention usually have greater opportunities to

attract resources. Media coverage also has an influence on the recruitment and the

diffusion of the movement.[31] Innovation in communication technology often creates a

new wave of mobilization and can become a source of protests (e.g., New Media in Arab

Spring). As it was a social movement that emerged from a peripheral city, the Tzu-Chi

movement did not receive much media attention as newspapers were typically

concentrated in the west area, especially in the capital Taipei. Were there other

alternative communication channels that the nascent movement could rely on?

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[30] An analysis of the construction dates for major folk religious temples supports this view. Chenghuang and Mazu were probably the two most widely received folk religious beliefs in Taiwan. The first Chenghuang temple was not built until 1934. Chenghuang is one of the characteristics of Chinese folk religious beliefs that are especially popular in Taiwan. As the name suggests, Chenghuang is the deity who is responsible for underground city life, just like a mayor. The underground world that Chenghuang controls is a mirror image of the mundane world. Chenghuang has his own bureau and staff in which the bureaucracy mirrors the Chinese imperial bureaucracy. Similarly, the first Mazu temple in the city of Hualien was built in 1953.

[31] See Andrews and Biggs (2006) and Andrews and Caren (2010) on the role of media in the social movement.

By the term lifestyle, I want to examine what kinds of everyday events the locals

are most concerned with and the types of events that best represent local life. The term

lifestyle is commonly used in many disciplines. Sociologists use this term in similar ways

to what Max Weber terms the "ethos of the groups" (Weber 1978). They argue that

people cannot be easily categorized within a traditional classification framework, like

economic classes. [32] Instead, people display their lifestyles through a complicated

process within their culture and environments. This view is not entirely new. In his study

of the Gold Coast neighborhood of Chicago, Harvey Warren Zorbaugh (1929) has shown

how the environment and people influenced each other. Certain local environments could

create a relatively more homogeneous lifestyle shared by the local people than other

environments.[33]

The Local Newspaper

The major communication channels during the 1960s were the newspaper, radio,

and television. All of these three channels were firmly censored by the state. Radio and

television were even directly controlled by the state because they had a wider and more

direct influence. Every program on television and radio had to pass an initial screening in

order to be broadcast. There were only three television companies and a dozen radio

stations in the entire country. Most of them were located in the capital, Taipei. Compared

to television and radio, the state gave more freedom to newspaper operations. Common

people were allowed to run a newspaper, although only if they had a good relationship

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[32] Ulich Beck (1986) has argued that because of the increasing complexity of modern societies, people are becoming "kits for possible biographic combinations." See also Zablocki and Kanter (1976).

[33] Zapf et al. (1987) provides a more formal definition on the term. For them, "lifestyle is relatively stable pattern of organizing everyday life within the framework of a given life-situation, taking account available resources" (pp.14).

with KMT. Table 2.3 summarizes the number of newspapers that existed in 1970 and includes their ownership type and the survival rate.

Table 2.3: Major Newspapers in 1970

Location	Number of Newspaper	Private Ownership	Survival Rate
Hualian	1	100%	100%
National (Taipei)	15	66%	47%
Kaoshuing	5	60%	80%
Taichung	4	50%	25%
Kinmen	2	0%	0%
Penghu	1	0%	0%
Tainan	1	0%	0%
Jiayi	1	0%	0
Total	30		

Source: The History of Newspaper in Taiwan, Wang (2003).

There were 30 newspapers that existed in the 1970s and half of them had their headquarters in the capital, Taipei. Most of them were national newspapers, which means that they were distributed and sold throughout the whole country. 66% of the newspapers founded in Taipei were privately owned. 47% are still operating currently. There were 5 local newspapers in the second largest city, Kaohsiung. 60% of them were privately owned and 80% of them still survive today, and most of them have survived significant financial problems. There were four local newspapers in Taichung, the third largest city. However, only one survived and became a national newspaper (*Liberty Times*). Except for these three major cities, only 5 other counties had local newspapers. Hualien county was the only county that had a privately owned local newspaper while in the other four counties, the local newspapers all had military backgrounds.

In the history of the Taiwanese newspaper, there was only one privately operated local newspaper, *Keng Sheng Daily News* (KSDN). Founded by a retired government official in 1946, KSDN has its office in the Hualien city. Ever since then, KSDN has not

only survived but has continued to thrive.[34] Its success was considered widely as a

miracle in the highly competitive newspaper industry when most local newspapers could

not stand against the competition of the larger national newspapers.[35] The survival of

KSDN was not the result of the lack of competition. In fact, all larger and national

newspapers (i.e., *China Times, United Daily News*) had equal rights to run and sell their

newspapers in Hualien and in the eastern region. The government did not bestow a

monopolization privilege to KSDN in the city. The dominance and advantages of these

larger and national newspapers over the local newspaper were clear in other cases.

According to studies, there was a trend demonstrating an increase in new local

newspapers in the 1980s and 1990s, when martial law was lifted. However, almost all of

them disappeared soon after they were founded. The newspaper market was overcrowded

and very difficult for newcomers to enter. The KSDN's survival has been used frequently

as a successful case of running a local newspaper in such a crowded and competitive

market. How successful is KSDN? In addition to its survival against the competition, the

number of readers tells us even more about its uniqueness. According to a survey of

newspaper readership in Hualien and the county, the readership of KSDN (20%) was

three times that of the second leading newspaper and four times that of the third largest

newspaper. Both of the second and third largest newspapers were larger national

newspapers.[36] In short, KSDN was highly supported by the local society.

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[34] It was reported that KSDN has posted profits consecutively since its founding and has not ever suffered from financial problems.

[35] It is said that there are two reasons that local newspapers have a difficult time surviving in Taiwan. First, the island is small in size and therefore tightly connected. Reporters can easily reach any place and send their reports back to any headquarters located in the capital. Second, cities were small and could not support the existence of a local newspaper. However, the survival of KSDN for more than sixty years was clearly an exception against this anticipation.

[36] Source: Gallup Survey 2003.

How do we interpret the existence of the local newspaper in the emergence of the Tzu-Chi movement? One reason could be found in KSDN's success. Studies have suggested that the isolated geographical location of the city of Hualien is the determining factor. But, how exactly does the isolated location facilitate the survival of a local newspaper? As we know, in the 1960s, all major newspapers were distributed in all areas and that KSDN had no special privileges. The real reason, I suspect, was a particular strategy employed by KSDN.

Since the beginning, KSDN has devoted all its energy to reporting local affairs, inviting local people to share their news, and then reporting on their recent activities. KSDN reported idiosyncratic activities that national newspapers would not report. For example, they reported when someone's son was admitted to a prestigious school or when someone's daughter became married to a doctor. Besides the good news, there were frequent reports on the miserable lives of the poor in the city. The advertisement section was filled with the local businesses' information. Because of its popularity and the legitimacy it possessed within the local society, activities and organizations' reputations were boosted with KSDN reported on them.

The Lifestyle

Natural disasters were major life events and experiences for many people living in the eastern region and in Hualien. When a natural disaster came, only a higher social status and wealth could protect individuals. The geographical location of the city of Hualien is such that the city suffers more than other cities from earthquakes and typhoons. The city has been known as the city of disasters ever since the colonial period. The city

suffered from more severe earthquakes and typhoons than any other city on the island.[37] According to statistics, more than one-third of the total earthquakes that registered greater than a six on the Richter magnitude scale occurred in the east region.[38] Of the 17 earthquakes that had a magnitude larger than seven on the Richter scale that have happened since 1900, eight happened near Hualien.

Frequent earthquakes and typhoons have been a major concern for the local people. This concern constituted one of the important parts of the local lifestyle. A local identity based on the shared disaster experience thus emerged. This local lifestyle emphasized that all people living in the east region and Hualien were not temporary residents, and that citizens should care for other people when these unfortunate events occurred. Natural disasters may take place at any time and may affect any number of people. Therefore, when disasters took place the belief was that all people should help those who were injured. For example, in 1951, five earthquakes with a Richter magnitude scale larger than seven struck the city relentlessly within in a single year. It was estimated that more than 3,000 buildings were destroyed in that year, almost 60% of the total number of buildings in the city. The memory of this year was still alive in the 1960s when the Tzu-Chi movement began to emerge. People were more than willing to give praise to those who could help them handle the disasters. We will see in the later chapters that the early Tzu-Chi movement activists frequently used natural disasters as a framework to relate to the people's shared lifestyle.

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[37] The east region is the frontier where the Pacific continental block hits the Philippine block and the Euro-Asian block. The convergence of three major blocks here causes frequent earthquakes that were centered more so in this area than many other places. The Mariana Trench, the deepest sea gulf in the world is only 100 miles away from the shore of the east region. The volatile block movements have created beautiful natural spectacles like the Taroko Canyon, which is comparable to the Grand Canyon in the United States, but were also consequential to frequent earthquakes. In addition to earthquakes, the eastern coastal area is the first front where typhoons hit the island. Typhoons bring significant amounts of rain and tyrannical wind.

[38] Source: Earthquakes of Taiwan. Wikipedia.

CHAPTER 3
CHENG YEN:
THE DAUGHTER OF A BUSINESS FAMILY

Cheng Yen is the founder and the leader of Tzu-Chi. In this chapter, I examine her social background with a special focus on her social embeddedness before Tzu-Chi was founded in 1966. Nominated for the Nobel Peace Prize several times and awarded several other prestigious awards, Cheng Yen was frequently described as one of the most powerful female leaders in the contemporary world.[1] She is the crucial actor in the making of the unprecedented organizational capacity of Tzu-Chi; as an activist, she played a fundamental role in transforming the role of private hospitals during the privatization period and an entrepreneur that manages the largest hybrid organization in the Chinese world.

There have been numerous texts dedicated to her.[2] Many academic works also devote a significant portion to discuss her important role to the Tzu-Chi movement.[3] However, due to several reasons, such as the theoretical orientation to emphasize the charisma or the lack of primary materials, these works typically tell very similar stories about her. Two of the most well-known stories are about her determination to leave home and become an ordained nun after her father's sudden death, and her miraculous encounter with Yin Shun, the great intellectual monk, but overlook her position in the social context. These numerous stories constitute the organizational myth of the Tzu-Chi movement and these myths become a powerful source of identity and emotion.[4]

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[1] The *New York Times* selected her as the 100 most influential people of 2011.
[2] For a English book about Cheng Yen, see Ching (1995), Ho (2010), O'Neill (2010).
[3] See Ting (1999), Huang (2009).
[4] Berger (1967), Meyer and Rowen (1977).

To understand the making of the Tzu-Chi organization, it is critical to investigate its leader and the organizational myths surrounding her. The material used in this biographical sketch differs from the existing studies in the following ways. First, I rely on Cheng Yen's self-reported comments and other's direct accounts recorded in the archives as the primary materials. Second, I examine the social context and look specifically to her social relationships, positions within the existing networks, and her activities. I divide her early life into two periods, 1937 to 1958 and 1958 to 1966. The first period was the early period before her father's death and the second period began with her father's death and her decision to leave home at the end of 1960. This biographical sketch ends in 1966 when the movement was launched.

Life Before Becoming a Nun

Cheng Yen, whose secular name is Jinyun Wang, was born in Qingshui, a medium size town in the county of Taichung in 1937. Her grandfather had three wives and her father was the son of the first wife (defang). Her uncle adopted her because he was in a better economic situation, and her aunt and uncle had struggled to conceive. After her uncle adopted her, her aunt successfully had another six children, four boys and two girls. Cheng Yen was the eldest daughter of the family.

In 1937, Japan invaded China and the second Sino-Japanese war began. As the largest colony of the Japanese empire, the governor general bureau of Taiwan launched the Kōminka campaign (Japanese indigenization). The campaign aimed to transform ordinary Taiwanese people into authentic Japanese citizens by forcing them to speak Japanese, have a Japanese name, wear Japanese clothes, and worship the Japanese gods. By doing so, the governor bureau attempted to mobilize the most resources possible to

support the war in China. Children born during this period should be given a Japanese name. However, there are no clues to whether Cheng Yen had a Japanese name or not. We also have no direct evidence that she took part in Japanese education. The colonial government began to implement a policy of universal elementary education for boys and girls over the age of six in 1943. However, we do not know whether Cheng Yen entered the Japanese school during this period. The last year of the colonial period seemed to have a significant impact on Cheng Yen's worldview. American Air Force began to bombard Taiwan in 1944. Cheng Yen recalled in several occasions that seeing human corpses after the bombarding stimulated her search for the meaning of life.

Cheng Yen was raised in Fengyuan, a town east of Qingshui in the county of Taichung. During the colonial period, these two towns were further developed into two local business nexuses. Qingshui was located at the middle of the north-south road system and became a hub of transportation. Fengyuan was known for its location between the railroad and the forest and thus was developed into a center for the wood industry. Accompanying the prosperous economy, a business class was developed in the early period. After the colonial period, the KMT government selected Fengyuan as the capital of Taichung county and the town gained its political and cultural importance.

After moving to Fengyuan in 1946, her family, which was initially not economically well off, became wealthy. Her father began to run a theater in the central business district of Fengyuan and then had other six theaters in other cities. Their theaters not only played movies but also had the life show conducted by entertaining stars, the popular glove puppetry, and traditional Taiwanese operas. The theaters became quite successful because of the prosperous local economy and her father's business skills. The

theaters hired employees to sell tickets and it was said that Cheng Yen always trusted

them without checking the amount of money these employees gave her. How rich was

her family? In one anecdote, Cheng Yen's mother purchased a land around 10 acres for

her as the organizational base in 1967. The land cost 295,000 NTD (around $8,000 USD).

The average annual per capita income was around $421 USD in the late 1960s. Because

she was the oldest in the family and her mother's health was not good at that time, she

had to share the burden with her father to take care of the family business. It is reasonable

to infer that she began to work in the family business after her graduation from

elementary school, around 1951. At that time, she was between 13 and 14 years old.

From 1951 to 1960, she had immersed herself in their family business and learned how to

run a business from her father.

Like the majority of people living in Taiwan at that time, Cheng Yen's family was

ethnic Han Chinese who had migrated from the Fujian province of China in the Qing

dynasty. They spoke the southern Fujian dialect (minnanhua), one of the Chinese dialects

used by people living in the southern Fujian province. Cheng Yen couldn't speak

Mandarin Chinese at least until the 1990s and she uses the Fujian dialect most of the time

in her daily life. Besides the dialect, Cheng Yen seems to obtain at least a reasonable

level of Japanese speaking skills. She can read the Japanese version of the lotus sutra.

She even took a Japanese correspondence course around the end of the 1960s and

planned to go to Japan for several months to obtain her degree. However, the plan of

studying in Japan would not be realized. According to her, she did not go to Japan

because the movement was at a rapid growing stage and needed her commitment.

The most well-known person of Yen family was her mother, Wang Shen Yuegui (b.1916). Mrs. Wang is known in the Tzu-Chi movement as the mother of the master, or the mother of Tzu-Chi. She was born to a poor peasant family and had been "sold" by her family to be an "adopted girl" (yangnu) in a wealthy family when she was only seven years old. She was abused by the new family and after a year, she returned to her original family. Mrs. Wang not only provided financial support to Cheng Yen in the early period, but she also has been an active participant in the movement. In comparison, we know relatively little about Cheng Yen's siblings. We only know two of their names. The first is her mother's third son, who was known because of his sudden death in the military in the 1970s. The story became public because Cheng Yen persuaded her mother to forgive, and not to accuse those involved military officials. The most well known of the siblings is Wang Duancheng, who is Yen's young brother from her original family. Mr. Wang has a successful career in the media and became the chief-editor of *The Central Daily* (Zhongyang ribao), one of the chief national newspapers. He later became a central leader in the movement and helped Cheng Yen, his sister, to expand the movement in the late 1990s.

Except for her family life and the theater business, the social life of Cheng Yen during this period is opaque to the public. For example, there were no clues whether her parents had ever arranged a marriage for her. Around 30% of women in the 1930s cohort got married under the age of 19. More than 80% were married under the age of 24 and a total of 95% were married under the age of 30. Instead of following this general social practice, Cheng Yen shows distrust of marriage since she was young. It is reported that she had three close female friends and they treated each other as sisters. Cheng Yen was

the youngest one. Once, they vowed that they would not get married, but instead be together forever. However, all got married eventually except Cheng Yen. Among these three sisters, we only have a limited amount of information about the second eldest, Ms. Chang. Ms. Chang was familiar with Cheng Yen's mother and became an active member in the 1970s. She and Cheng Yen's mother helped during the expansion of the movement in the Taichung area.

In addition to this social and family background, the popular narratives, including academic studies, prefer to describe how during this period the young Cheng Yen already showed her charismatic characteristics. For example, she is said to be an extremely filial and submissive daughter to her parents and known in the local society as a filial daughter. There is a story popular in the existing studies that in the middle of 1950s, her mother had a severe health problem. Cheng Yen prayed endlessly to Guanyin, the most popular goddess in the Chinese society. Guanyin appeared in her dreams and told her that her mother will recover from the illness. Besides miracles, Yen's appearance is frequently used by studies as evidence of her charisma. One researcher argues that her slim shape makes her look like the classic Chinese beauty Lin Daiyu. Still others assert that she has an unusually attractive voice and deep black eyes.

Becoming a Nun, 1958-1965

The history of Cheng Yen's life becomes more available since 1958 when her father suddenly died due to stroke. [5] Most of the existing studies misdate her father's

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[5] It is commonly reported by researchers that her father died in June 1960. This date is first reported by the most-wide spread biography of Cheng Yen written by Chen (1986). The date is then taken for granted by different authors and researchers, even the authors of the *Tzu-Chi Monthly*. However, this date is inconsistent with some facts. Cheng Yen personally said that after her father's death, she took over the family business for one or two years. However, this would not be possible if she left home in 1960. She also told that she and Xiu Dao had travelled together in 1959 and hence witnessed the damage caused by the typhoon (*Tzu-Chi Monthly* Vol. 514, September 2009).

death to 1960.[6] If Cheng Yen's father did not die, she probably would not have left home and pursued the Buddhist way of life. Managing a successful theater business worsened her father's health. In July of 1958, her father had a stroke in his office. According to Cheng Yen, she immediately managed to arrange for a private rickshaw to bring her father to the hospital. However, it is said by Cheng Yen that medical treatments caused the blood to clot in his brain and may have sped up his death in the following days until he died at the age of 51. The death seemed to bring a tremendous shock to Cheng Yen, 23 years old at the time. According to her, the death caused her to think about the meaning of life. She asked, "How can a person in their most successful stage of life suddenly die?"[7]

After her father's death, she had to undertake the burden of managing the family business and take care her family for around two years. She was brought to visit a local Buddhist temple, the Ciyunsi in Fengyuan, to heal her sadness, because her family saw that she could not fully recover from the sadness of losing father She then regularly visited the temple and spent in the temple for three months recovering from an illness. Once, she talked to the abbot of the temple and asked him about the role of women in society. The abbot told her that the best way women can participate in society is to know "how to lift up the food basket." (*ruhe tiqi cailan*). Cheng Yen said that she was not satisfied with the answer because it signified that the highest achievement women could

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[6] For example, see Huang (2009), Yao (2012). The current narrative on the link between her father's death and her decision to be a nun emphasizes how determined she was. The sooner she decided, the more determined she seemed to be. Thus, the difference between 1960 and 1958 is not trivial. For the former, it implies that her charismatic qualities, but for the latter it implies that she was like many people who needed time to think and make a decision.

[7] We did not know exactly who the abbot was. Some reports say that Xiu Dao was the abbot who said this to Cheng Yen, but Cheng Yen herself did not assert this. In her interview with the famous Chinese journalist Dai Qing in 1993, Cheng Yen did not indicate that Xiu Dao was the abbot (*Tzu-Chi Monthly* Vol. 319, June 1993). If she was the abbot, why did not she want to leave her temple to accompany Cheng Yen to the east to fulfill her mission? See also Chen (1986) for the popular view.

obtain is only via her efforts in the domestic realm. She thought women could do more to the society.

At the same time, she observed that Buddhist clerks in Taiwan made their money mainly by chairing funeral services, doing fortune telling, and soliciting from rich disciples. She found that most of the monks were busy with making more money and did not really live up to the Buddha's teachings. This trend, in turn, caused the general public to hold Buddhist clerks in low esteem and to mistrust Buddhism in general. Buddhists were viewed as a parasite of the society. As she recalled, this parasitic image was in contrast to her own understanding of Buddhism, which was a clear ethical teaching on how to live properly and to engage with the public. Buddhist teachings should bring liberation to human beings, rather than to make people anxious, jealous, and insatiable.

This observation was not just the sudden stroke of a genius young woman. Rather, it was a crystallization of her interactions and friendships with people who had unorthodox ideas. In the Ciyun temple, she met a nun named Xiu Dao and became very close to her. Xiu Dao, who was around 40 years old then, came from a renowned Buddhist temple, the Lingquan Cansi of the Yuemei mountain in Jilong.[8] Xiu Dao was the second generation of students of the famous monk De Rong, who was the first monk to get a college degree in Japan during the colonial period. Xiu Dao had been sent to Japan to study Buddhism for twelve years when she was only fifteen years old.[9] Xiu Dao, who was not satisfied with the existing practice of the Buddhism, complained to Cheng Yen. Xiu Dao's complaint reflected two things. First, she complained that the popular practice of Chinese Buddhism had syncretized elements of Daoism and folk Chinese

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[8] The temple belonged to the Caodong School which was one of five Zen schools.
[9] Miaohui zhuisi xiudao fashi (In memory of Dharma Master Xiu Dao), News of Tzu-Chi, April 7, 2016.

religion. Buddhist clerks frequently were invited to become the abbot of a folk religious temple and were used as a token symbol of Buddhism. Many monks were illiterate and could not even read sutras. During the colonial period, Japanese Buddhism, which has reformed itself into its modern form, had attempted to reform the popular practice. They established new Buddhist schools to enhance the education level of Buddhist clerks and brought talented students to Japan. However, the arrival of the KMT government brought the old Chinese Buddhism back into society. Second, those who obtained training in Japanese Buddhism during the colonial period were discriminated against after Taiwan had been returned to China. The Buddhist Association of Republic of China (BAROC), established in Taiwan in 1949, was controlled by Chinese monks. BAROC was endowed with the legal right to control the registration of Buddhist clerks and the designation of abbots to temples. In contrast to the relatively equal treatment of nuns during the colonial period, BAROC was a patriarchal organization composed mostly of monks. Under this situation, the careers of well-educated nuns, like Xiu Dao, were curtailed.

Cheng Yen made her first attempt to leave home after her three months stay in the Ciyuan temple. With likely a recommendation from Xiu Dao, she went to the Jingxiu Canyuan in Xiji.[10] However, her mother found her three days after she left and she was brought back home. With the encouragement of Xiu Dao, Cheng Yen soon tried to leave home a second time. This time, Xiu Dao accompanied her. They took the train to go south, then transferred to a bus to go to the east and reach their first destination Luye-a small village in the Taidong county in 1961. In Luye, they stayed in a local folk religious temple but were shocked by local people's obsession with the superstitious practice. Due

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[10] Jingxiu Canyuan and Lingquan Canyuan were both established by the monk Shenhui during the colonial period. Shenhui, who was known for his study in the Japanese Buddhist school, had been influential in modernizing Buddhism in Taiwan by training students. De Rong, the renowned nun, was one of his students.

to Xiu Dao's health situation, they decided that this was not a place to stay.[11] In the end

of 1961, they went to seek support from Xiu Dao's brother, who was a dentist in the city

of Taidong and had his own clinic there. Xiu Dao's brother discouraged them from going

to those wild places again. They then went to stay in the temple Qingjuesi at the Ziben

village for several months. However, they found that Taidong was also not a good place

to start up their mission. The city was too marginal and did not have good connections to

other places. People lived too separately and were too superstitious and conservative.

Someone at this moment suggested them that Hualien might be a suitable place because

there were more true Buddhist believers there.

In the fall of 1962, they took the bus to Hualien. They went to stay in the

Dongjingsi, a Buddhist temple located in the central business area of the city. A Japanese

sugar company built the temple in the 1910s and the ownership of the temple had

changed several times since then. The temple was managed by the Lingquan Cansi of the

Yuemei Mountain in 1947. People in the temple further introduced them to Mr. Xu

Congmin. This incident proved to be critical to Cheng Yen and to the movement. Mr. Xu,

who was one of the richest people in the city, had earned his wealth and fame from his

business since the colonial period and his cooperation with the new government since

1945. In the 1960s, he was the leader of the local credit union and served several

positions in different organizations.[12] He was known for being a passionate Buddhist and

for loving to help people. Besides, he was a convert of the famous nun De Rong of the

Lingquan Cansi. According to the lineage, he was senior to Xiu Dao. Partly because of

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[11] *Tzu-Chi Monthly* Vol.366, May 1997.

[12] Mr. Xu's father came from Fuzhou and resided in Lugang. Mr. Xu migrated to Hualien around 1913 and belonged to the earliest generation of migrants to the city following the colonial government's migration project. He had two sons; one was the owner of a private business in Taipei and the other son, Xu Wenda, later became a professor at the University of Chicago in the 1970s. See *Tzu-Chi Monthly* Vol.201, July 1983.

this relationship, he helped them.[13] With his recommendation, they went back to the newly established Taidong Fojiao Lianshe (The Lotus Society of Taidong) and Xiu Dao was given the opportunity to teach there. However, for some reason, Xiu Dao had to return to Fengyuan in 1963. Before she left, she told Cheng Yen to go back to Hualien and seek support from Mr. Xu.

In early 1963, Cheng Yen shaved her hair in Mr. Xu's home. However, at this time, she was not officially an ordained nun according to the rule of BAROC. She first had to attend a ceremony held once a year by the designated temples to become a true nun. In February of the same year, designated temple for the ordination was the Linji Cansi in Taipei. When Cheng Yen went to Taipei to become ordained, she was told that she needed a senior monk to serve as her tonsure mentor. They told her that she could choose from one of the monks already present at the ceremony. She was unaware that she needed a mentor, but also did not want to choose one at random. She then went back to her residence and told the nuns there that she wanted to buy a collection of Master Taixu's work. They told her to go to the Light of Wisdom Dharma Hall (Huiri jiangtang), established by Yin Shun, to buy the books.

The next day Cheng Yen went to the Light of Wisdom Dharma Hall. She knew that Yin Shun would be there there, as she asked another nun to tell Yin Shun that Yen wanted him to be her mentor for her ordination. Initially, the nun told Cheng Yen that the master had not accepted new disciples for a while, but agreed to speak to him anyways. Then, according to the existing report, a miracle happened, and Ying Shun agreed to be her mentor. Due to the time constraints for registering for the ordination, he asked Cheng

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[13] Yao (2012) argues that Cheng Yen displays her relationship skills when she treated Mr. Xu like a father (ganba). We do not have enough information to validate this claim. Cheng Yen admitted that Mr. Xu was someone like her father in addressing his death in 1983.

Yen to remember just one thing "for Buddhism, for the general public" (*weifojiao,*

weizhongsheng). This event is commonly interpreted as a miraculous encountering of two

historical giants. It is commonly believed that Yin Shun accepted the unknown Cheng

Yen for no particular reason. However, with a close reading of the recently released

materials, this interpretation was misleading. First, Cheng Yen personally said that she

had read Yin Shun's popular book, *Fofagailun* (The Introduction to Buddhism), when she

was in Fengyuan.[14] Further, if she already knew Taixu and wanted to buy the collection

of Taixu's works, there is no indication that she was not familiar with Yin Shun's name

and reputation. Second, as Yin Shun personally recollected, he accepted Cheng Yen's

request because she wanted to buy Taixu's work. Taixu, the monk who was known as a

pioneer and reformer of modern Chinese Buddhism, was Yin Shun's teacher and

someone whom Yin Shun greatly respected. Yin Shun said,

> "Her [Cheng Yen] determination to become a nun is firm but she does not
> understand the rule of ordination [chujia] and came to Taipei alone from the east.
> She did not come to this hall for me but for buying Taixu's work. This was rare
> and I had a very good impression with her. I thus decided to help her."[15]

Yin Shun gave a dharma name (fahao) to Cheng Yen when she was 26 years old.[16] Then,

Chen Yen undertook 32 days of training in Taipei. After this training, she was a fully

ordained nun. Since BAROC first began holding ordinations in 1953, the number of

women who became ordained far exceeded the number of men. This number peaked in

1963 and was the largest in history. There were 546 people who became ordained and

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[14] Cheng Yen, "My Thoughts, My Teacher, and the Teacher of the People," *Tzu-Chi Monthly*, Vol.463, June 2005. See also Tzu-Chi Monthly, Vol. 464, July 2005.

[15] See Pan, Xuan (2005). *Faying yishiji—Yin Shun daoshi baisui* (A Century of Dharma Light—One Hundred Year of the Master Yin Shun).

[16] Cheng Yen has another formal name (zi) Hui Chang. The second Chinese character indicates her generation in the Buddhist lineage, the Hui generation. In traditional Chinese society, people often have several names and these names are used in different situations, especially for famous people. It functions like a pseudonym. However, instead of using this name, she was mostly known by the dharma name Cheng Yen.

457 were female.[17] Cheng Yen was a member of this new cohort of nuns and the gendered network generated from the cohort experience has been an important source of resources for the movement in its founding year.

After the ordination, she went back to Hualien. Because she was now an ordained nun, she could no longer live in Mr. Xu's home. She moved to a small wooden house built by Mr. Xu for her in the back of a small temple, Pumingsi north of Hualien. The life there was difficult. It is said that because of her charismatic attraction (e.g., the house she resided lit up in the night), she incurred the jealousy of the clerks at the temple. They wanted to expel her but were unsuccessful because, according to the stories, some miracles (e.g., light in the night) occurred. However, a typhoon soon destroyed the shanty house. She relocated to the temple—Cishensi in the Hualien city.[18] During her stay in the temple, she gave lectures and recruited her first four disciples and two laywomen who came from good family backgrounds.[19] Around them, Cheng Yen formed her core of early supporters. After the typhoon, Cheng Yen and her disciples moved back to the reconstructed house.

In 1964, she went to a three month Vassa in the Haihuisi in Jilong. The Vassa is an annual Indian practice where each summer, Buddhists gather to learn together. In the Vassa, she developed long-term relationship with other monks and nuns. Two critical events took place in 1965. One was that her teacher Yin Shun decided to accept an offer to teach in a college and he asked Cheng Yen to come to Jiayi to live in the home he would leave. Some of Cheng Yen's supporters wanted her to stay in Hualien and wrote a

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[17] See the appendix of Chen (2002) for a recording of the number of individuals ordained each year.
[18] A Japanese Buddhist school built the first temple, Nishi Honganji, in 1919. After the war, the temple's ownership was transferred to a nun, Miao Xian. Women organized the temple wholly and it practiced a mix of Buddhism and Daoism. See Tsai (2014).
[19] For example, one of the women was the mother of the divisional director of the Electricity Department. *Tzu-Chi Monthly* Vol. 304, March 1992.

letter to Yin Shun.[20] Another event was that three Catholic nuns visited Cheng Yen and initially wanted to convert her. They said that compared to the welfare services conducted by Catholicism or Protestantism, Buddhism did not do anything similar for society. This encounter was highlighted as the inspiration for the Tzu-Chi movement. Instead of accepting Yin Shun's invitation, Cheng Yen decided to stay in Hualien and in May 1966, the Tzu-Chi movement began.

Tripartite Network Position

Cheng Yen was unique in the sense that she was more complicated than we typically thought. People tend to perceive of Cheng Yen as a filial daughter who suddenly wanted to be a nun, a determined young woman who know little about Buddhism, and as a student of Yin Shun who was miraculously accepted by this great scholarly monk. Benefiting from new materials and a close reading of archives, I nevertheless find that the real history was much more complicated. The existing researchers took many popular views for granted further and mislead our understanding.

For example, I found that most of the existing studies misdated her father's death. This created two unintended effects. It led people think that her decision to become a nun was resolute and it overlooks the influence of Japanese Buddhism via Xiu Dao on her.[21] As I show, before she finally decided to leave home, she had known Xiu Dao for more than two years. Xiu Dao, who had spent twelve years in Japan, had become her first mentor and a close friend. She not only traveled with Cheng Yen before Cheng Yen

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[20] We have limited information to validate this report. Yin Shun never confirmed the existence of this letter and the contents of the letter are unknown.

[21] Some researchers have mentioned the possible influence of Japanese Buddhism but they did not treat this seriously. For example, see Lii (1993), Ting (1999) and Yao (2012).

decided to be a nun but also accompanied her to the east. I suspect that this affinity came from their similar social background and their shared missions.[22]

Second, I found that before her decision to leave home, she had acquired a basic understanding of Buddhism. She had read Taixu and Yin Shun's work, most likely after they were recommended by Xiu Dao. Thus, this made the historical encounter of Cheng Yen and Yin Shun in 1963 more complicated. Did Cheng Yen intentionally want to ask Yin Shun to be her teacher? We probably will never know the truth, but my finding reveals this encounter was at least not a miracle. Cheng Yen knew who Yin Shun was and agreed with him and his teacher Taixu's views on Chinese Buddhism. The purchase of the collection Taixu's books might not have been a rational calculation but it had a positive effect by influencing Yin Shun's impression of her.

In fact, Yin Shun's influence on Cheng Yen was not as great as we might think. After Yin Shun's death in 2005, Cheng Yen recollected that her relationship with Yin Shun was "deeply connected but remained distant (*yinshengyuanqian*)."[23] His disciples knew Yin Shun as someone who was very tough and who spoke a Chinese dialect that was hardly understood by common people. Cheng Yen, who had limited ability in Mandarin Chinese then, admitted that she felt uneasy speaking to Yin Shun for a long period of time because he was very tough and she could not always understand what he said.

This explains one puzzle I found in the archives, where Cheng Yen actually had applied to a Japanese remote school to earn a degree in Buddhism around the end of the

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[22] Although there is no direct information about Xiu Dao's family background, I suspect that her family would be well off enough for support her to study in Japan for twelve years and to produce a dentist brother.
[23] See *Tzu-Chi Monthly* Vol. 436. June 2005.

1960s.[24] She almost finished the program, but it required her to stay in Japan for several months and she did not want to leave the newly established movement. Why did she apply for a degree from Japan instead of pursuing one in Taiwan since she was already the student of Yin Shun, the most well regarded Buddhist intellectual monk at that time? This puzzle is explained when we situate Cheng Yen's early history in her interactions with people like Xiu Dao and Mr. Xu, who each had a close relationship to a Japanese Buddhist school.

Figure 3.1 presents her network positions before the movement emerged. She was in contact with multiple network connections. She was first an experienced business woman who worked to manage her family's theaters. This social relationship was maintained through her mother, original family, and friends in her hometown. Through Xiu Dao, she was connected to a circle of influential Japanese Buddhist schools, and this relationship was strengthened by her relationship with Mr. Xu in Hualien, who also belonged to this school. Through Mr. Xu, she had the opportunity to develop relationships with a group of Buddhist women. The network of the left side was thus especially dense with many overlapping structures. She was connected to Yin Shun as his student but this relationship was first initiated by her virtual relationship with Taixu. Because the relationship is virtual, a dashed line represents it. She was further connected to another famous Chinese monk, Dao Yuan. Cheng Yen's mother was reportedly a convert follower of Dao Yuan in 1964.

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[24] Cheng Yen told this story twice in the archives but she did not say what the remote school was. See *Tzu-Chi Monthly* Vol. 329, April 1994 and *Tzu-Chi Monthly* Vol. 364, March 1997.

Figure 3.1: Cheng Yen's Social Position in the Early Period
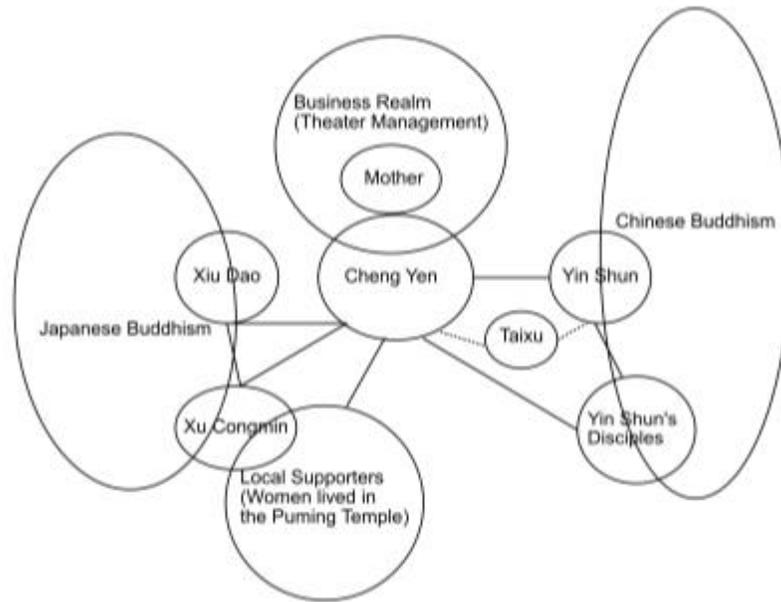
CHAPTER 4
MOVEMENT IN THE MAKING:
LEADERSHIP, NETWORKS, AND NOVELTY, 1966-1979

This chapter examines the founding period of the Tzu-Chi movement between 1966 and

1979. During this period, the movement was organized and expanded, and ultimately

survived and succeeded. Judging by various measurements, like the amount of received

donations, annual expenditures, and membership, to our surprise, the movement managed

to achieve success quickly. In 1974, it claimed it was the largest Buddhist charity

organization in Taiwan. By the end of 1979, it was not only the largest Buddhist social

welfare organization but also one of the top five largest religious organizations in terms

of annual donations. How did the nascent movement reach this achievement so quickly

and what did they actually do to get to this point?

Past research could not properly answer these two questions because they pay

little attention to the early period. There are two typical views in past research toward this

period. First, the period is viewed as unimportant. Researchers contend that the period

plays no decisive role in the making of the movement. The period is at best a preparation

stage for the take off period that began at the end of the 1990s.[1] Second, the period is said

to be an extremely difficult time where the organizers (i.e., Cheng Yen) struggled to

survive. The widely known story about Cheng Yen and the thirty women who were

initiated into the movement vividly represents this simplified story. By reducing the

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[1] This view is commonly seen in the scholars whose research is on democratization, social movements, and civil society (Ting 1997) and also scholars who employ the religious economy approach (e.g., Lu, Johnson and Stark 2009). They tend to hold a negative view on the authoritarian regime and argue that the genuine growth of the civil association was only possible after deregulation and democratization took place. Ting's (1997) dissertation is the first sociological study on the movement but he simply bypassed this period.

foundational period to this myth, researchers failed to examine the early history of the movement.[2]

However, the founding period is, in fact, more crucial than we might think. First of all, the quick success presents us with a quite different picture from our common understanding, and poses a question to the existing studies that see no value in investigating this period. In addition, from the perspective of organization studies, why did the movement seem to easily overcome the liability of "newness"? Was it simply because of the leader's charisma? Second, it is during this period that new practices and new knowledge about how to run a movement dedicated to relieving the poor were assembled and gradually institutionalized. These include several of the most important features of the movement.

Besides the well-known commissioner system, I show that the caseworker style has been gradually employed within the poverty relief programs. This style of doing poverty relief was unprecedented in the past. It required the commissioners to go directly to where the poor lived, evaluate the situation, and report the results to a committee. The committee then made a decision on whether to support the poor, and the amount the poor would receive in support. By the end of this period, these poverty reports had become a common practice in the movement and they published the reports in the monthly newsletter. I term this system of practice the "grassroots caseworker." In contrast, the institutionalization of the professional social worker was implemented by the central

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[2] This view is best represented by scholars who explain the success of the movement with the charisma approach. See, Huang (2009) for this typical approach. I deal with the emergence of charisma specifically in Chapter 7.

government in the 1990s.[3] Why did these novel practices and knowledge emerge? What is their relationship to the movement's success in this period?

Combining an examination on the network configuration, narratives and the background of leaders, this chapter offers an updated explanation to the quick success of the Tzu-Chi movement in its founding period and provides insight to the hybridization of multiple and diverse networks that bring about novel organizational forms, practices and identity. The chapter proceeds in the following way. First, I discuss the changes to the state-society relationship during this period. Second, I examine the early leadership from a network perspective. I focus my discussion on how the early leadership was embedded within diverse social relationships. Then, I examine the effect of the configuration of the leadership on the recruitment of the core participants of the movement, the commissioners. After this, I discuss three organizational innovations—the commissioner system, the caseworker knowledge, and the identity innovation. Lastly, I use original data to show the amazing success of the movement and offer a coherent account to this early success based on the findings of this chapter.

The Changing Social Background: Authoritarian Regime in Transition

The consolidated KMT government faced new challenges in the middle of the 1960s. The domestic society now posed no immediate threat to the government. This time, the challenges came from shifts in international politics and geopolitics. First, the United States ended it fifteen-year aid program to the KMT government in 1965. The total amount of U.S. aid was second only to South Korea during this period. The U.S. aid played a critical role for the stability of the government. Its direct monetary and food

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[3] The sociology department of National Taiwan University was established in 1960 and was the first department that taught social work. The discipline of social work fell under the sociology department until the early 2000s. The licensure system for social workers was installed in 1997. See Zhan (2007).

support helped alleviate some of the financial burdens placed on the nascent KMT government. Its military and political support further helped the KMT government to reform its state infrastructure and contributed to the government strengthening its control of the local society.

Second, the immediate effect of losing the U.S. aid was that the government now faced an ever-increasing financial burden. This pushed the central government to seek to develop its own economy by industrializing the country. The export-oriented industry policy selected western harbor cities to establish a free trade zone to attract foreign capital. The policy was successful in making Taiwan an attractive capital investment for foreign countries, like Japan, where the rising cost of manufacturing drove traditional industries, like textiles, to search for cheaper raw materials.[4] Young people were now employed in the factories located in the export-processing zones, and around the big cities, small and medium, factories mushroomed. Beginning in 1970, industrialization quickly transformed the ordinary life of people living in free trade cities like Kaohsiung, and the GDP grew explosively. In contrast, the government invested less in the east region to promote industrialization. The economic and industrial policies increased the inequality disparity between the west and the east region. This made the two eastern counties, Hualien and Taidong, the poorest among all counties (16 in total). During this period, the county government was the primary welfare provider to the local poor. As the economic positioning of the local government worsened, its capability to provide welfare to the poor did so as well.[5]

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[4] The first free trade zone was established in Kaohsiung in 1966. The second one was established in Taichung in 1969.

[5] The welfare system was still rudimentary at this time. The Act of Social Relief (Shehui jiuji fa), enacted in 1950, established the provision of social welfare as the duty on the local government. The provincial and central

Prior to 1980, poverty was a widely seen social phenomenon. The annual per capita income was less than $500 USD at the end of the 1960s. Although the economy had been growing steadily since 1970, the reduction of poverty was the policies' central goal. "Xiaokang jihua" (The well-rounded society project) was implemented on October 25, 1972 by the provincial government and ended in December 1978. The aim of this project was to help those living under the poverty line by reducing some of the external factors that kept them impoverished.

Third, the Chinese Culture Renaissance Movement (CCRM) was proposed by a group of people within the KMT as a tool to counter the Chinese Cultural Revolution, which was initiated by the Chinese Communist Party in 1966. The CCRM's mission was to restore traditional Chinese cultural values across the nation. A committee was installed in the central government as a coordinating center, but its major activities were mostly focused on education and the cultural realm. Unlike the Cultural Revolution, the influence of CCRM was limited and much smaller.

Finally, the democratization movement emerged beginning in the late 1960s. It began with the conflict between the Taiwan Presbyterian Church and the government on the issue of the membership in the World Council of Churches in 1966. The death of Chiang Kai-shek in 1974 and the changes to the Taiwan-US relationship in 1978 intensified the political crisis of the new government led by Chiang Ching-Kuo, Chiang Kai-Shek's son. The junior Chiang began to recruit more ethnic Taiwanese into the higher ranks of the KMT. The new government took a more pragmatic attitude toward

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governments served only a supplementary role. In practice, the actual provision was highly dependent on the financial situation of the county government. See Hong (2005) and Xu (2011).

religion and utilized more flexible methods when dealing with potential threats. Repression was not completely abandoned as method by the government.[6]

The Initial Organization and the Leadership Team

One year after its founding, the first volume of the Tzu-Chi newsletter reported that the organization had 10 commissioners (*weiyuan*) in July, 1967.[7] Besides these 10 commissioners, 10 people (including Cheng Yen) were listed as the people in charge of soliciting regular donations. The 10 commissioners and the 10 people who were responsible for the donations were not the same. 4 of the people in charge of donation collections were not listed as commissioners. All of them were female. At this time, the meaning of 'commissioner', like its Chinese title *weiyuan* implies, only indicated that they were those who made decisions collectively, like the membership board of a typical organization. At this moment, the operation of the commissioner system and their everyday practices did not resemble the familiar system of the present day Tzu-Chi movement that sets forth clear obligations and roles. This present day system was not established until the late 1980s. The mission of their young organization was to "spread the compassionate spirit of Buddhism, to save the world, and to honor tradition and the nation's traditional values" through "small amounts of donations made by people."[8] There were around 400 people who made regular donations to their new charity organization.[9]

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[6] For example, see the treatment of the government in the Xian incident, a Christian sectarian movement that wanted to build an independent utopian community on a remote mountain in the late 1970s. The government first attempted to expel them by using coercive police force but this effort did not prevent them from returning. Then, the government used different strategies including confiscation of private property and over burdensome taxation.

[7] It is worth of emphasizing again here that the organization did not register with the local government until 1980. Although for the sake of clarity, I keep mentioning this movement as an organization, though it was not a formal organization in the legal sense.

[8] *The Tzu-Chi Monthly* Vol.1, July 1967.

[9] "*Fojiao shi jiji eryu cibei jiushi de zongjiao*" (Buddhism is an active, compassionate and engaged religion), ibid.

The 10 early commissioners, together with those in charge of donations but not listed as commissioners, Cheng Yen, and her four disciples, constituted the early leadership of the movement. As I show in the preceding chapter, Cheng Yen, prior the foundation of the movement had acquired abundant experience in the business realm and established a dual relationship within both Chinese and Japanese Buddhism traditions. During the colonial period, Hualien was the most popular site of Japanese Buddhism, and offered abundant resources and social networks to practitioners. Yen had established a relationship with one of the most influential and wealthy families, the Xus. Both Cheng Yen and others brought their social networks to the movement.

Figure 4.1 visualizes the network structure of the movement in its earliest period. Four major social networks can be distinguished from these leaders' social backgrounds. The largest social network is the Buddhist network. Most of these commissioners were Buddhists and were involved in the local Buddhist networks. Further, the local Buddhist temple, Cishansi, was run by nuns and laywomen and was at the center of local female Buddhist networks. As I mentioned before, some of the earliest leaders were recruited to the movement through this network. The second largest network was the local business network. At least four of the early leaders were involved in the local business networks. They were either running their own businesses, or their family members were business owners. Then, the government network was the third largest. Three of the commissioners had jobs within the local government including police, transportation, and electricity. Lastly, at least three of the early commissioners had family relationships.

Figure 4.1: Initial Network Structure of the Leadership with a Comparison to Foguangshan
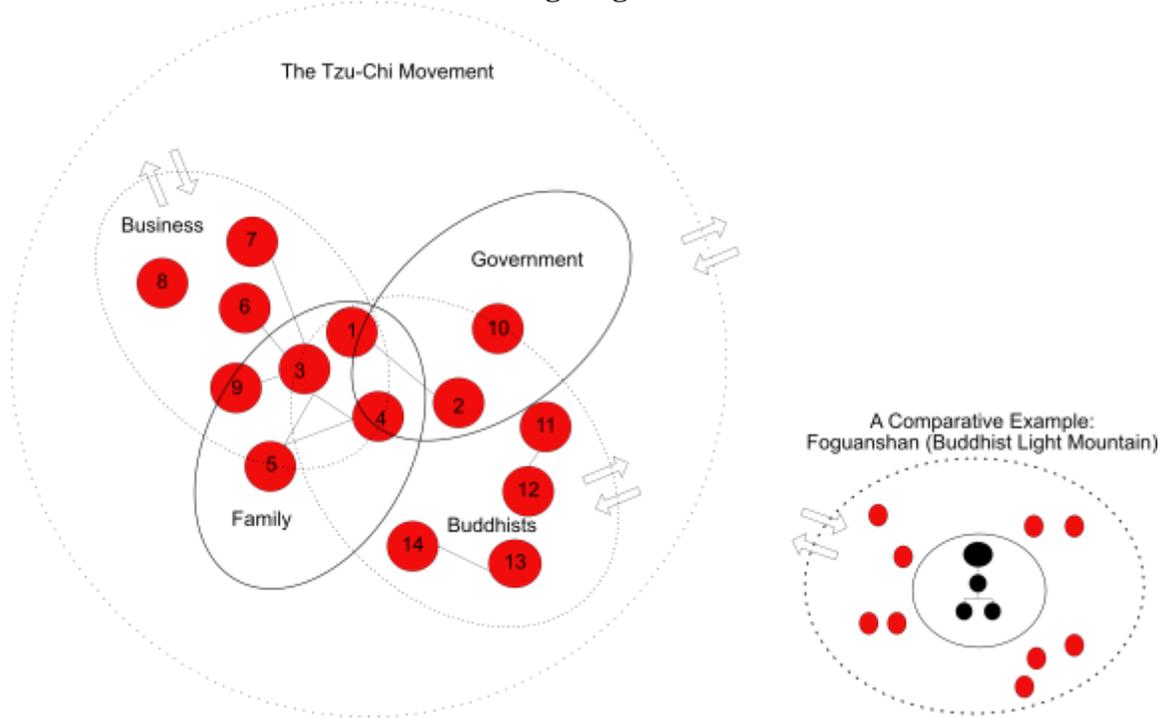
The nature of the early leadership team of the Tzu-Chi movement was shaped by this initial network configuration. First, except for Cheng Yen, all of the other leaders were local people. These people included those who lived there before 1945, and those who moved to the east region after the colonial period. Second, all of these leaders had strong social connections and were embedded in the local society. Several of them held multiple positions in different social networks. For example, one young woman was both a newspaper reporter and a business owner. Third, the commissioner system strengthened the influence of these social networks because the decision making process was collective. There was no single commissioner at this moment that could assert an overwhelming power over the others. Cheng Yen was the president of the new organization and held an equivalent position as the coordinator of this new charity initiative. Most often, the older and more senior local people considered her to be like their daughter. Many wanted to

help her because they also had female family members who were ordained Buddhist nuns. Fourth, it was a highly gendered network. Most of the early leaders were female.

These four characteristics of the leadership team made the Tzu-Chi movement different from other similar new Buddhist organizations in which the leadership team was normally comprised of a core of Buddhist clerks without many local laypeople (see the smaller graph in Figure 1). Taking *Foguanghshan* (Buddhist Light Mountain) as an example, its founder, Xing Yun, established the organization as a Buddhist education institute in Kaoshung in 1967. Xing Yun relied on a small and closed group of disciples and followers to manage and develop his organization. The organizational form was hierarchical, with Xing Yun as the absolute leader at the top.

The operational fund of the movement came from two main sources during this period—revenues generated from selling products and regular donations from members. In a sense, Cheng Yen was perhaps the earliest "social entrepreneur" in Taiwan. In the original planning stage, she attempted to raise funds by running a Buddhist enterprise that sold its own products.[10] If the plan succeeded, the revenue could be their livelihood and assist the movement. On the land that Cheng Yen's mother purchased near the Puming temple, Cheng Yen and her four disciples (all ordained nuns) built a house and attempted to raise funds for the poor by engaging in different economic activities. They tried many things (e.g., farming) but most of the time they failed because they lacked experience. Eventually, with the help of local business people, they made profits from selling hand-made baby shoes, providing additional processing for products like small plastic flowers, and producing bean powders. Nevertheless, the revenues generated from these kinds of

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[10] The plan was laid out in an article published in the newsletter. It proposed that in addition to spreading Buddhist teachings and completing charity work, it had to establish a stable base of economy that sold products for profits and then used the profits to support the mission. See *Tzu-Chi Monthly* Vol.5, November 1967.

economic activities could barely support the cost of daily life for Cheng Yen and her disciples. It was impossible to provide enough money for the mission of the movement. Most of the operational funds came from member donations. The movement called the people who made regular donations *huiyuan* (members).

In contrast to other similar organizations formed around the same time (i.e., Foguangshan), the network structure of the initial leadership team had a long-lasting impact throughout the unfolding of the movement. For a very practical reason, the movement was established around a pragmatic vision, to help the poor. It neither claimed to establish a new Buddhist school nor did it proclaim its authority over its members. Instead, the movement focused the generation of donations. The more donations people made, the more people the movement could help. Therefore, being a leader of the movement required commissioners to persuade more people to make regular donations. The relationship between members and the movement was entirely mediated by the people in charge of donations, like commissioners. The movement did not impose any rule over members. However, members were encouraged to create their own networks of donations, and this self-reproduction made the chain of connections very long. The following section thus illustrates how the nature of the social networks of the early leadership team affected later recruitment.

Networks, Participation and the Early Commissioners

A direct way to evaluate the effect of the initial configuration of social networks of the leadership team on the movement is to see how it affects recruitment. I focus my discussion here on the recruitment of commissioners since this data was more readily available in the archive. I use two primary sources to reconstruct the picture of the early

commissioners. One is a phone book published by the organization for all commissioners in the late 1970s. The other is information extracted from the historical archives.[11] Table 4.1 summarizes three basic demographic characteristics of the commissioners.

First of all, the gendered network in the leadership team reproduced its structure by recruiting more women to become commissioners. Among all commissioners recruited between 1966 and 1979, 84% of them were women. Only 16% (17) commissioners were men. Further, it is not difficult to see from Table 4.1 that male commissioners were more evenly distributed across the age groups. In contrast, more than 60% of the female commissioners came from three age groups (35-40, 40-45, 45-50). This suggests that the participation of women was more affected by their age than the men. A possible explanation is that women did not participate until they reached certain ages while men joined the movement at any age.[12] As the distribution of the age groups suggests, it is likely a time when their children had graduated from high school and began to work.

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[11] The total number of commissioners reported by the end of the 1970s was around 125. I have information for about 106 commissioners. The average age of these 106 people was 42 years.

[12] The table does not contain marital status because this information was not available for all commissioners. The majority of these commissioners were married. There were a few cases where the commissioners were single, and these single commissioners tended to be in the younger age groups.

Table 4.1: Demographic Characteristics of the Early Commissioners

Age	Female	Male
>60	1	2
55-60	6	1
50-55	7	3
45-50	18	3
40-45	23	3
35-40	15	1
30-35	9	2
25-30	5	2
20-25	5	0
	89 (84%)	17 (16%)

Data Source**:** the author's summary

In addition, the difference between male and female commissioners is not simply a

quantitative issue. It seems that the mechanisms that drew men and women to the

movement differed qualitatively. To understand this difference, I analyze the available

narratives of these commissioners that describe how they were drawn to the movement.

In these self-reported narratives, the commissioners often shared who told them about the

movement, and recalled the reasons that made them join the movement. I analyze the

available narratives and pull out several of the most frequently mentioned social ties.

Table 4.2 summarizes this analysis.

Table 4.2: Gender Difference of Recruitment Networks

Types of Social Ties	Female	Male
Family	6	9
Friend	16	0
Media	2	0
Work and Business	4	1
Buddhist network	17	4
Service recipient	1	0
Recruitment (by a Tzu-Chi member)	8	2
Total	54	16

Data Source**:** the author's summary

The contrast between men and women is striking. Female commissioners reported that they joined the movement through more diverse social ties than men. Two of the most frequently mentioned ties were friendships and Buddhist networks.[13] Recruitment by other members was the third largest category. Another Tzu-Chi member, who was usually a commissioner, recruited them randomly. In a case, one woman was recruited by a neighbor, whom she was not familiar with, in the elevator. In contrast, male commissioners reported much less diverse social ties. The most frequently mentioned social relationships were family ties, which far exceeded other types of social relationships. Male commissioners usually became a commissioner after their wife became a commissioner. The second most cited social ties were Buddhist networks. Four male commissioners became commissioners because another member in their Buddhist network (i.e., a local sutra reading group) referred them. To our surprise, none of the male commissioners were recruited through friendships and only one via work/business relationships. In contrast, female commissioners mostly cited friendships as the major social ties that drew them to become a commissioner.

Second, the relatively well-rounded economic status of the leadership team reproduced a group of commissioners that were similar to them. As I have mentioned, not only Cheng Yen, but also the early leaders of the movement came from relatively well off family backgrounds. How did this feature of the early leadership team affect recruitment? I explore this issue by analyzing the class backgrounds of the early commissioners. In fact, the class backgrounds of the participants have been frequently employed by social scientists to explain the emergence of the large-scale mobilization efforts. Past studies of

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[13] Buddhist networks mean that members in other Buddhist organizations referred them to the movement.

the Tzu-Chi movement also frequently cited social class as an explanation.[14] However, none of the existing studies examined this issue seriously.[15]

I extract information from a diverse set of historical materials to reconstruct the class backgrounds of the early commissioners. This extracted information offers the first opportunity to examine this fundamental dimension about the social class background of the movement.[16] I use household, rather than individuals, to distinguish housewives from the class category. The housewife is treated here as an occupation category; I will discuss this further when I touch upon occupations. The findings are summarized in Table 4.3.

Table 4.3: Categories of Social Class

Category	Number	Description
1 Professional and Capitalist	19	Medical Doctors, Lawyers, Owners or Managers in Companies with more than nine employees
2 Public Service	46	Government Bureaucrats, State-Owned Business employers, Military, Teachers
3 Lower Professional and Employees in the Private Sector	6	Clerks, Lower administrators
4 Petite Bourgeoisie	31	Small shop or factory owners
5 Peasant	0	
6 Labor	2	

Data Source**:** the author's summary

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[14] For example, Tzu-Chi is often regarded as a middle class movement. See Hsiao (TBA).

[15] The popular middle-class thesis has two serious problems. First, methodologically speaking, it is problematic to infer what happened in the past by using data collected later on, especially using methods like observation. It is biased to conclude that because the commissioners in the 1990s were middle class that the early commissioners were also middle class in the 1970s. Ethnography or direct observation cannot properly answer a historical question. Second, the widely used term middle class is misleading. It does not refer to one particular condition across the board.

[16] My class categorization scheme modifies political scientist Naite Wu's research (TBA) in which he follows and changes the class frameworks from E. O. Wright and John Goldthrope. Wu's scheme contains six class categories: 1) Professionals and capitalists who employ more than nine people or higher-level managers in corporations; 2) Professionals of lower levels; 3) White-collar workers. This includes lower level government officials, police and military, and clerks in companies; 4) Petite bourgeoisie including small shops and small factory owners; 5) Peasant class; 6) Labor class.

The public service industry is the largest class category of the commissioners. More than half of the commissioners were members of households that belonged to this class. This class category includes a variety of jobs. Some were bus or train drivers for state-owned transportation enterprises while others were vice presidents at a state-owned factory. Although actual incomes varied significantly, this class shared a common characteristic in the relative stability of their jobs. Let me use teachers as an example. In the 1970s, most teachers were employees of the state. They enjoyed a higher social status and were considered to be members of the local elite, especially in rural and peripheral areas. The marginality of the east coast was likely to strengthen teachers' status in the local society.

The second largest category is the petite bourgeoisie. This class, as it is defined by scholars, are those who owned small shops, like grocery shops. They were both the owner and primary employee of the shop. The petite bourgeoisie during the 1970s was a major actor in the local economy. It is argued that the petite bourgeoisie is still common even in the economy of Taiwan today. The economic transformation of the 1970s did not wash this class out of society. In several cases, their businesses were successful, and they remade their small business into a modern and capitalist form.[17] The third largest category is professionals and capitalists. This category has the highest levels of education and income. The petite bourgeoisie class might earn more than this class but they were not considered to be the typical social elite. It is fairly surprising to discover that 19 of the early commissioners were from this class.

Third, to further understand how the diverse leadership backgrounds worked, and to complicate the effect of the initial network structure on the movement, I analyze the

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[17] For example, one senior commissioner had a family-owned small tofu factory. Their business is quite successful and it has become a famous local brand. Now, the small tofu factory has grown to become a medium size company that has around a hundred employees.

occupations of the early commissioners. If the well-off economic status of the initial

leadership team reproduced itself by recruiting similarly economically advantaged people,

the multiple networks of the leadership team seemed to contribute to the recruitment of

people from diverse occupations and made the movement more heterogeneous. Table 4.4

summarizes the findings.[18]

Table 4.4: Occupations of the Commissioners

Occupation	Number	Social and Economic Ranking of Occupations
Accountant	1	4
High Rank Bureaucrats in the public organizations (e.g., school principal)	2	5
Architect	1	6
Middle to high level managers (public or private enterprises)	7	10
Small to medium Enterprise (co-) Owner	17	10
Teacher	3	12
Journalist	1	14
Low to middle rank public bureaucrats	20	20
Nurse (medical service)	6	22
Household service (housewife)	18	32
Retailer and small shop owner	16	44
Restaurant	2	61
Barbershop	2	61
Tailoring	5	66
Subtotal	101	27 (weighted average)

Data Source**:** the author's summary

The movement drew individuals from 12 different kinds of occupations in to the

commissioner role. Their prestige is from the highest (4th) to the lowest (66th). It is

worth of mentioning that although there were several medical doctors (ranked first in the

occupation prestige hierarchy) involved in the early movement, they did not become

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[18] The occupation hierarchical structure follows Tsai and Qu's (1989)'s study. Their category combines the subjective prestige and the objective hierarchy based on education and income level. They list 82 of the most common occupations.

commissioners and thus they are not represented here. Thus, the information available tends to underestimate the mobilization efforts by the movement leaders since it only counts those commissioners, but fails to account for long-term supporters and volunteers. Bearing this understanding, the average occupation prestige score of the 99 commissioners, weighted by the number of commissioners in each occupation, was around 27 (out of 82). If we set 20th as the first quintile of the occupation hierarchy and consider occupations above this as the social elites, then the majority of the commissioners were from medium and upper rank occupations.

The diversity of the early commissioners' occupations helps us better understand a popular view. According to this view, a group of housewives led the movement and overcame the difficult foundation period.[19] My analysis shows that this claim oversimplifies the historical facts. The diversity of the commissioners' occupations has demonstrated that the movement was never truly a movement with homogeneous members. Without denying the existence of housewife commissioners, I argue that it is necessary to distinguish pure housewives, who were dependent totally upon their husbands' jobs, from the housewives who were a part of family-owned businesses and small shops.[20] In the latter situation, the housewives shared the responsibilities with their husbands in running the family business, a situation similar to what Cheng Yen undertook. Applying this criterion, I find that the number of people qualified as pure housewives was only 18. Half of these pure housewives only became commissioners in the late of 1970s. Their husbands generally worked as officials in the public sector (e.g.,

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[19] In this popular view, these housewives were often portrayed as a group of powerless women. See Huang (2009).

[20] The exact classification is difficult since the data is not complete, especially for husbands' occupations. Data on husbands' occupations is obtained via multiple sources including commissioners' autobiographies and the organizational news.

government and state-owned enterprise) or as capitalist businessmen for large corporations.

Lastly, the local embedded quality of the movement leadership implies that recruitment might also take place in neighborhoods, or be strengthened by spatial proximity.[21] Figure 4.2 maps the location of the commissioners in Hualien. The map also shows the two Buddhist temples that had important roles in the early period of the Tzu-Chi movement. The gray and dotted areas designate the old town area, an area built in the colonial period, and the blue blocks are the commercial zones. The orange radiant represents the density of the commissioners. I use 150 meters (approximately 0.1 mile) as the threshold to see how many commissioners lived within this distance. The deeper the color, the more people that live within this distance. It is not difficult to see that half of the commissioners were clustered in a few commercial blocks in the old town area. However, there were around half of the commissioners that did not live in the commercial zones, and they did not live as close as we might think.

To supplement the insufficiency of the limited information offered by this map, I found in historical reports that in several cases, recruitment had taken place among friends who lived in the same neighborhoods. Recruitment also frequently took place when people attended the same temples or participated in the same religious activities. In the latter case, the Cishansi, a temple run by nuns and women located in the center of the commercial zone, played a significant role. Some of the earliest leaders were recruited here when they attended temple activities, like sutra chanting.

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[21] See Zhao (1998; 2001) and Yu and Zhao (2006) for an elaboration on how local ecologies facilitate the mobilization of social movements.

Figure 4.2: Mapping the Early Commissioners in Hualien
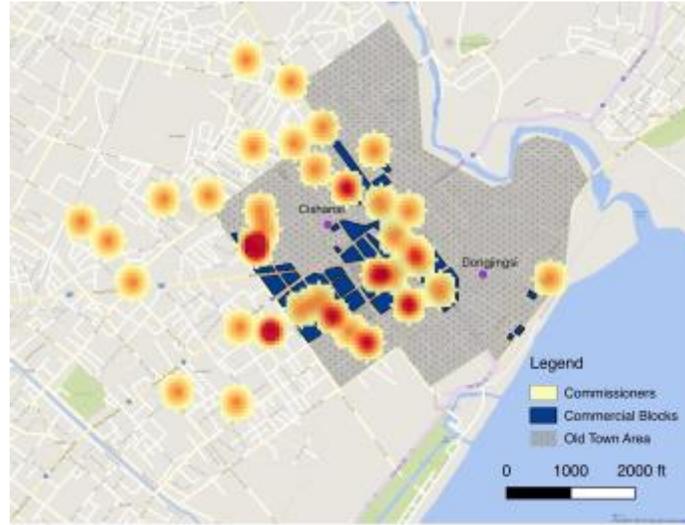
To sum up my findings in this section, I first show that the gendered networks of the early leadership team recruited more females than males to the movement. I further show that the social ties that led men and women to the movement were quite different. Women reported much more diverse social ties, while men relied most heavily on family ties. Second, I show that from the economic status perspective, measured by social class, the relatively well-off leadership team reproduced itself by recruiting others from higher social classes. This was perhaps not surprising since only those relatively wealthier people had both the motivation and the ability to join a charity movement. A more surprising finding was that the state employees constituted the largest occupational category. They were not the most well off people in the local society. However, the economic stability of the households and the nature of their work made the movement especially appealing and resonated with their lifestyles. Third, the initially diverse leadership networks recruited commissioners from equally diverse occupations, rather than from just a few occupations. Fourth, the visualization of the location of

commissioners offers a supplemental look to the qualitative findings in the archive that
the recruitment often took place within the same neighborhoods.

Innovating the Organization

The initial leadership team, characterized by its gendered and diverse networks, after
several years of mobilization, did not produce a movement with homogeneous members
and a closed leadership as predicted by the iron law of oligarchy that we see in many
similar religious movements. Instead, as I have demonstrated in the last section, it led to a
larger movement with even more diverse network structures. The innovative capacity of
the movement benefited from the cross-hybridization of these diverse networks. This
section investigates three of the featured organizational innovations of the Tzu-Chi
movement—the commissioner system, the grassroots caseworker system and a service-
deliver organizational identity. The first is concerned with the appearance of the basic
organizational structure. The second concerns the assembly of a grass roots movement
geared towards helping the poor. The third is concerned with how a new organizational
identity is formed.

The Commissioner System

The commissioner system, without a doubt, is the central organizational feature of the
Tzu-Chi movement. The Chinese term *weiyuan* is commonly used in various situations. It
denotes a situation where a person belongs to a committee or small group that typically
makes decisions for the larger organization. For example, congressmen in Taiwan are
called *weiyuan.* However, there are some ambiguities about the meaning of the term
commissioner in the Tzu-Chi movement. What does the commissioner stand for? What is
the difference between commissioners and believers, as we know in religion? Perhaps,

we could add one more question. Why did the participants of the Tzu-Chi movement call themselves commissioners?

Some researchers argue that there was no difference between commissioners and religious believers. From this perspective, the commissioner is just a linguistic term that is equivalent to a zealous believer whose central mission is to proselytize.[22] Another view is that the use of the commissioner systems encourages the participant's motivation and leads to the success of the movement.[23] This is especially effective for motivating women to seek the meaning of the life and to gain a feeling of success. In the second sense, the commissioner system is similar to the role of a salesperson in a direct sales company.[24] However, both of the two perspectives do not view the system of commissioners as a social institution and fall short in examining how this system evolved with the stabilization of the linguistic term *weiyuan* as the self-identity of the movement.

In what follows, I shall discuss how the system of commissioners first emerged as purely a convenient cell that dealt with a pragmatic thing, donation collection. I then demonstrate how its content were added layer by layer to form a diverse set of practices, from collecting donations, to disaster relief, and writing poverty reports. Finally, the system became the *modus operandi* of the movement, which sets it apart from other similar religious organizations and social movements. No other religious movement or organization called their members *weiyuan* (a commissioner).

Originally, commissioner is a term that distinguishes people who wanted to and could devote more time to the movement from other members who just wanted to make regular donations. According to an early report, members elected the first ten commissioners. Their obligations included: 1) holding a monthly meeting and made a decision determining cases for support; 2) the committee could hold a temporary meeting

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[22] For this view, see Huang (2009).
[23] For this view, see Ting (1999).
[24] See Biggart (1990).

to make a quicker decision if there were urgent cases (e.g., disaster or accidents); 3) commissioners had to investigate each of the cases every month. A younger commissioner took on the responsibility of investigating cases located out of the central area. Other commissioners were grouped into a two-person team and were in charge of investigating the support cases. From these descriptions, commissioners did not bear any particular religious meaning. It was, simply as the term indicates, a member of a committee and that the committee made decisions for the organization.[25]

What was not listed in the description of the commissioners' work is that commissioners also needed to solicit donations on their own. Soliciting donations by recruiting more donors quickly became the major obligation for commissioners. Members without the title of commissioner could also solicit money and send the money to the organization. This practice was quite common and we see in the reports that some people who were unaffiliated with the movement solicited money for the organization. At this moment, commissioners only differed from the above-mentioned cases in that commissioners developed more stable and long-term relationships with their members that committed to making regular donations.

Commissioners collected money from donors every month. Although it was not specifically required by the organization, commissioners normally went to donors' place of residence or business to collect donations and to return a receipt. Donors normally came from the commissioners' personal networks. Family members were the most common sources of donations. Commissioners solicited donations both horizontally and vertically within their family network. They asked their siblings to become regular

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[25] "Jipinjieku, Jiukujiunan: Fojiao Ciji Gongdehui chengli de yuanyou" (Helping those in poverty and in trouble: The Reason of the Founding of Tzu-Chi), Tzu-Chi Monthly Vol. 1, July 1967.

donors. They also gave donations in the names of their children and parents. The latter is a common cultural practice designed to cultivate your family members' merits by doing good works in their name.[26] Friends and neighbors were another important source of donations. Through these monthly interactions, commissioners, like entrepreneurs, strove to identify new donors and maintain the loyalty of the old members.

The official newsletter of the organization, the *Tzu-Chi Monthly,* began to regularly publish the monthly donation results attributed to each commissioner in February 1968. In a section called the list of donors (*lejuanmingdan*), they first specified the name of the commissioner who was responsible for the donation and then listed all of the members that donated in terms of the amount. The purpose of this disclosure was to let donors know that the donations they made to the commissioner were correctly reflected in the organization's accounting book. This strengthened the commissioner-member linkage and made the interactions between commissioners and members critical to the growth of the movement.

Beginning as a board member, the commissioner then took on a different meaning when the focus of their job shifted to increasing donations. The organization gave the title commissioner to people who expressed interest and were devoted to raising funds and developing donor networks. The new commissioners were invited to participate in the regular committees and had the right to collectively decide the amount of support given to the poor. Although the initial leadership was composed mostly of Buddhist women, being a commissioner did not require a Buddhist identity. The organization also accepted recommendations from its members to invite a specific person to become a commissioner. This occurred because the organization needed someone to manage activities in places

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[26] See Brook (1993).

where there were no current commissioners. The invited commissioners helped the organization to deliver monthly supporting materials, to take care of those receiving support, and to possibly raise funds for them. These people were given the title commissioners. When a new commissioner joined the movement, the monthly newsletter provided a brief description of them. The description told who they were, where they lived, and how many donations and members they brought. In this early period, the commissioner system was quite open to the public.

I find that the early commissioners employ two common strategies to quickly scale up the size of members and donations. Figure 4.3 offers a visualization of these two strategies. The first is called the "split" strategy. The left graph of Figure 4.3 represents the split strategy after five generations. The red circles represent the commissioners. The dashed line indicates independent networks. The first commissioners encouraged certain members to become commissioners after their own networks reached a certain level. The membership that split from the original network created a new commissioner-member system. In the movement, people typically call the original commissioner the first generation (*diyidai*) and the new network the second generation (*dierdai*). The first commissioner developed her network of seven people and then one of these members became a commissioner and then developed her/his own networks. Continuing this process, the final network contained 29 people. This split strategy, if implemented properly, quickly expands the network and hence increases the overall amount of donations. The first generation commissioner did not need to devote attention to the successive networks.

The second approach is termed the "division" strategy. Unlike the split strategy, the division strategy does not make new networks by encouraging existing members to become commissioners. Instead, it maintained the original network but regroups the members into several subgroups. There were members called shadow commissioners (*muhouweiyuan*) that helped the commissioner collect donations from the subunits. The right graph of Figure 4.3 represents this second strategy. The gray circles represent the shadow commissioners. In the division strategy, the original commissioners frequently faced a network as large as several hundred people. It was both physically and mentally impossible for a single person to handle this large network. They had to rely on shadow commissioners to help maintain the network functions.

Figure 4.3: Two Common Network Development Strategies
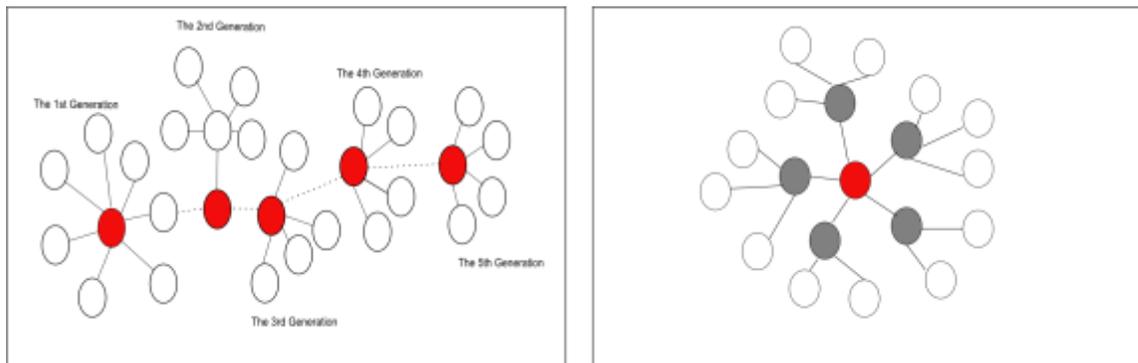
These two strategies co-existed in the movement. However, in general, the leaders gradually began to prefer the split strategy rather than the division strategy. The split strategy encouraged the commissioner to pay attention to members that had the most potential to become another commissioner, and encourage them to come out and take on the challenge. Some commissioners were known as the "mother commissioner," "the mother chicken," or the "big sister," because their network was known as an incubator for new commissioners. Members, through interactions with these entrepreneurial

commissioners, were touched by the movement and learned to raise funds and develop relationships with members. They were more likely to become a new commissioner and start their own networks. In contrast, the division strategy, although effectively enlarges the membership, was less efficient than the split strategy. If the original commissioner quit the movement for some reason, the network would collapse. However, it was not uncommon to find some huge commissioner-members systems in the archives. For example, one commissioner had more than 700 members in the late 1970s. The size was larger than the average number of employees in a small-to-medium sized company.

The introduction of the commissioner system to the charity work of a Buddhist organization was new and even revolutionary in contrast to the traditional way that Buddhist organizations collected funds for its charity work. The most common practice was begging on the street (*tuobohuayuan*). The monthly newsletter reported several cases of this practice. If a temple wanted to collect funds, it selected a date and sent a group of monks and nuns out who brought a bowl to beg on the street. A sutra chanting team usually led this and the group marched on the street to attract people's donations to their bowls. The begging fundraising activity was regularly held by BAROC on a certain date. It was typically held before the Chinese New Year and the funds were used for winter relief. The begging normally lasted for a day. In one case, more than 200 newly ordained monks and nuns were mobilized to beg on the street. They raised around 40,000 NTD (around $1,000 USD) in one day.[27] This was roughly equivalent to the monthly donation the Tzu-Chi movement raised through the commissioner-member system in the same year. However, with the increase in membership, Tzu-Chi's new funding system proved to be superior to the traditional one.

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[27] *Tzu-Chi Monthly* Vol. 64, February 1972.

Where did the commissioner system come from? Was it just a genius innovation as the popular view championed? First, as I have detailed in my above analysis, the commissioner system was not designed in advance of the movement. Rather, it was a crystallization of the practices from diverse networks. Its meaning and content kept evolving over time until it took on the current form that combined its religious mission with entrepreneurial activities. I have demonstrated how in the early period its meaning was purely secular, and that it began to change from just an administrative term to a more active entrepreneurial system that engaged in building networks and fundraising. Second, I argue that, in fact, the commissioner system was not an invention. The commissioner system was, in essence, a fundraising system that collects from the constituent members.

Before the modern banking system, rural societies heavily relied on grassroots financial systems to support their monetary needs. The system, known as rotating savings and credit unions, was seen in different East Asian societies. In Chinese society, it is known as hui (literally, association) or huzhuhui (literally, mutual-aid association).[28] The hui was usually initiated by a group of trustworthy people called huito (the head of hui) and they searched for new members. It lasted for a designated fixed time. In some cases, it could last for more than ten years. Members would deposit a certain amount of money to the initiator, usually monthly. Members have the right to "bid" for an amount of money from the association, like a loan. If they won the bid, they received the total amount of money from that month. In return, they had to pay a higher deposit for the following months. Other members who did not bid during the period of the hui received their total deposit back plus the interests generated from the bidders who paid extra money to the association during the same period. The success of the hui relies on the

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[28] Hui literally means associations and Huzhuhui means mutual-aid associations.

initiator. They have to know the people in the network very well to evaluate the risk of cheating. The practice of the hui was common in the business realm in Taiwan. The local small businesses relied on the different huis to fund their operational needs. It was also popular among housewives because this provided the household financial flexibility when a large amount of money was needed. Researchers found that the primary participants in a hui were women. It is not difficult to see the structural similarities between Tzu-Chi's commissioner system and the hui.

The early leaders of the movement, including Cheng Yen, were comprised primarily of women who were either business owners or had abundant experience in the business sector. As her mother recalled, Cheng Yen was in charge of finances for their family-owned theaters. Other women who worked in their own family businesses would also be familiar with this grassroots form of finance. Thus, when they began to fund their own organization, they returned to the most familiar organizational to raise funds. The commissioner was equivalent to the head of the hui. Both of them had to enlarge the network to gain higher returns, and had to carefully select those participants to avoid risk. While the return for the hui was money, the return for the Tzu-Chi commissioner system was more ambivalent, leaving room for entrepreneurial commissioners to innovate. The commissioner system then grew beyond the finance needs and the system was then used more widely in various situations, like investigating the poor and disaster relief. The commissioner system became the basic unit of mobilization in the Tzu-Chi movement.

The Assembly of the Grassroots Caseworker Knowledge

A foreign missionary who conducted charity work in Taiwan introduced the modern caseworker system in the 1950s. The government began to first institutionalize

professional social work knowledge in a few universities in 1963, and experimented with caseworker-style social work in several cities. The government began to create social worker positions in the government. However, the full institutionalization of the professional social worker system was not completed until the licensing system was installed in the late 1990s. The Xiaokang project (Building a Well-Rounded Society), which was implemented between 1972 and 1979, and was the first state-sponsored project aimed to reduce poverty. The project incorporated government bureaucrats' experiences from professional social work in American universities, and community building projects in foreign countries (e.g., Puerto Rico and Jamaica). The project began a process to systematically collect information about the impoverished based on scientific methods.

In contrast, traditional Buddhist charity work was, at its best, a passive system of delivering services and did not attempt to build a systematic understanding of those who needed support. Taking winter relief as an example, the temple typically announced the date of the winter relief program and people in need just went to the temple to get materials and enjoy free food with others. The system did not categorize people in terms of objective standards, like income. In addition, large temples usually had a public fund that was designed to help people in need, but the use of the fund varied temple by temple and was frequently decided arbitrarily. The fund did not actively seek out those in need.

Since the beginning, the Tzu-Chi movement took on a modern form of poverty relief based on categorizations that distinguished those in need. [29] The announcement read:

"We distinguish recipients into three kinds of poor people. The first category describes those who must rely on someone else and cannot live on their own [i.e.,

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[29] Past studies and the popular view did not try to understand the formation of this system. They simply explained that Catholic missionaries influenced Cheng Yen. The analysis here offers a quite different view.

earn money]. We offer them long-term assistance. The second is those who still can live on their own but have expenditures exceeding their income. To them, we offer three-tenths of the assistance we offer to the first category. The third category describes those who are in temporarily difficult situations. We provide assists depending on the actual situation."[30]

The categorization of the poor into three categories resembled the government's categorization of the poor first publicized in the 1963 *Shehuijiuji diaocha banfa* (*The Method of Conducting Social Relief*). The *Method* specifies three categories of poor people who could receive government support. The local government could follow this method to provide assistance to the poor, but the local governments were not mandated to do so. Severe financial difficulties often prevented local governments from installing social workers in the government to provide assistance to those in need. It was not difficult to imagine that the new movement borrowed the framework since a few of its founding leaders were government employees and one was a local journalist who was in charge of reporting on critical social issues.

Borrowing similar poverty categories from the government, the movement, nonetheless, developed its own systematic knowledge for doing casework. The system contained several parts, but the core was a process that generated knowledge about the poor. This process, which can be categorized into five steps, includes an initial investigation, reporting, evaluation, decision-making, and reevaluation. The process was first initiated by a case report from members or nonmembers. When the organization received a report, they sent a commissioner to investigate the case. After the investigation, the commissioner wrote a report that stated the situation of the case. This usually includes the name of the case, where the case lived, and the case's quality of life. Then the report, depending on its urgency, was evaluated in the monthly committee of commissioners.

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[30] *Tzu-Chi Monthly* Vol.1, July 1967.

After this, the organization sent a team comprised of two commissioners to double-check the case. This reevaluation aimed to understand the situation of the case. If the situation had become resolved and the case could begin to work or receive support from other sources, the organization stopped or reduced its assistance.

The five step process was assembled through knowledge learned from personal experience generated from the diverse networks and failed cases. The assembly of each step took place in different places and at different paces. The last step, reevaluation, was, in reality, the very first step implemented by the movement in 1967. In 1965, the movement funded a woman's eye surgery. It cost the organization more than five thousand NTD (around $1,300 USD).[31] The surgery was successful, but the woman committed suicide soon after following a conflict with her husband.[32] The death of the woman alerted the organization that it had to install the double-checking mechanism to ensure that the individual was in a good state to avoid a similar situation. Initially, the double-check process took place every three months but due to the lack of reporters, it might happen only twice a year.

The most important function of the grassroots caseworker was investigation. Many commissioners recalled their first experience conducting an investigation of a far away case in a rural area and how they learned to evaluate the real situations of the impoverished. The grassroots knowledge of caseworkers came largely from the commissioner's personal experience. An important source of this knowledge was gendered experience. A good caseworker was said to be like a good mother who sincerely cares about her children and their well-being. In many situations,

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[31] The average annual income per capita was around $200 USD in the middle of 1960s.

[32] This fact was only revealed by one of Cheng Yen's disciples in 1990 . See *Tzu-Chi Monthly* Vol.289, December 1990.

commissioners freely correlated their experience in interacting with their own children to the casework practice. A good caseworker should capture the real essence of the case from multiple aspects and employ different methods. A good caseworker should first talk to the case and ask about their situation. The questions should remain indirect and most importantly the caseworker had to respect the people. Nevertheless, a good caseworker never reached a conclusion just by talking to the case. They should observe the house, particularly the kitchen. Some experienced commissioners could tell the situation by just looking at the kitchen and the kinds of food the case had. Then, a good caseworker talked to the case's neighbors to learn what their daily life looked like and to find out whether there were any other people that supported the case.

The Tzu-Chi commissioners were real caseworkers because they were in charge of a specific case for a period of time.[33] In the early period, a commissioner took care for their cases for a very long time. Later, the movement began to enforce a rotation that required cases to shift after a certain period of time (usually six months) to avoid problems caused by strong ties between commissioners and their cases. However, commissioners usually did more than a typical case social worker would do. They helped the poor clean their houses, cooked foods for them, and brought them to the hospital. Because of the diversity of Tzu-Chi's commissioners, the grassroots knowledge and practices generated were quite diverse and could respond to nearly every type of the poverty. These became rich organizational toolkits and repertoires that were utilized in educating new members and in mobilization.

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[33] The cases receiving assistance from Tzu-Chi were called *zhaoguhu,* which meant that the household was taken care by Tzu-Chi.

The organization published information on every new case that received assistance. These reports were written by the commissioner-turned-case-workers and became a specific genre of articles in the monthly Tzu-Chi newsletter. I term them "poverty reports." Earlier poverty reports were longer and quite idiosyncratic in terms of the language and rhetoric used. Between 1967 and 1970, the newsletter frequently used long poverty reports as the featured article on the front cover of the newsletter. The article detailed the background of the case, their miserable life, their suffering, how the case was discovered, and how we should help the case. Later, with the increase of cases that received long-term support, the poverty reports became more succinct but more consistent in terms of their language and rhetoric. For example, the newsletter reported 11 new cases that received assistance in July 1975. The total number of people receiving long-term support increased to around a thousand by the end of the 1970s. A typical poverty report contained three basic elements: information of the case, reasons for their poverty, and their personal situation. The reports then tell how the organization helped the case, either in cash or rice.

The caseworker system operated seamlessly with Tzu-Chi's commissioner-member system. Commissioners, at least in the mid 1970s, began to take on the regular responsibility of conducting casework. Conducting the poverty investigation became an identity for the Tzu-Chi's commissioners. Instead of waiting for the report of the case, they actively sought out the poor and miserable populations. Members within the networks also loved to report the cases they found in their neighborhood or that they heard from others. These made the reported cases very diverse. Although there was no data to show the rejection rate, I suspect the rate to be very low. I found in these reports

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that the movement tended to respond positively to the requests from commissioners when they made a report. For example, a man had a small noodle restaurant that suffered a fire in June 1978 and he lost his assets. The case was reported to a commissioner and then the commissioner wrote a report to ask the organization for support. The request was approved and the committee decided to give him 5,000 NTD (around $150 USD). In another case, a poor man who suffered from athlete's foot went to a hospital for treatment but could not afford food when he had to stay in the hospital. He sent a request to a Tzu-Chi's commissioner. The committee approved the case and offered him 1,500 NTD to support the monthly cost of food.[34] In both cases, the committee demonstrated the flexibility of the standards and its generosity. Because the reports came from such diverse networks and people with different experiences, maintaining a flexible standard seemed to be inevitable.

Innovation in the caseworker style took the form of an assembly process of taking different practices and knowledge generated from its diverse networks into consideration. It began by mimicking the government framework and then developed its own pragmatic system on how to find, evaluate, and support a case. It also developed its own knowledge system to tell whether a case was authentic or not. The knowledge was recorded in hundreds of poverty reports written by commissioners. It further developed a unique ethical standard that guided the behavior of their commissioner-turned-caseworkers. In contrast to the value neutral standard of professional caseworkers, Tzu-Chi's caseworkers were encouraged to express their gratitude to their cases for giving them the opportunity to help them. This idea came from the Buddhist understanding of interdependence. From this understanding, everything in the world is interdependent. You want to fulfill your

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[34] *Tzu-Chi Monthly* Vol. 146, 1978.

will to be a good and kind person, but without the existence of these poor and miserable cases, you could not realize your will. Assembling all of these heterogeneous elements, the movement, rather than passively accepting the governmental knowledge, had actively created a local grassroots caseworker system with an ability to evolve that was built upon the assembled knowledge.[35]

The Innovation in Legitimacy

The new organizations faced more challenges than the older and more well established ones. There are several ways to explain why new organizations are more vulnerable. Legitimacy is one of the most frequently mentioned elements that new organizations, in general, lack. When Tzu-Chi was founded, it faced less severe challenges. First, there were, in general, fewer similar organizations in Hualien and in the east region as I demonstrate in Chapter 1. Second, the initial leadership networks contained diverse elements and they were very locally embedded. Third, the city's environment and the east region, as I detail in Chapter 1 and Chapter 2, were highly influenced by the colonial culture. The Japanese Buddhist institutes trained many Buddhists in the city. These characteristics of the movement at the beginning should ease some pressures commonly seen in new organizations.

However, the presence of these favorable conditions did not guarantee that legitimacy was automatically bestowed upon the movement. Being a new organization, it needed to gain legitimacy that was widely recognized by the general public. Borrowing the concept developed by scholars in understanding social transition in societies like China, I analyze how the movement uses different sources of legitimacy to buttress its

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[35] Douglas (1986).

activities and its claims.[36] I term this effort "legitimacy work." I further demonstrate how the movement strategically positioned itself in multiple networks and frames itself into different self-images.

First, the movement strove to gain legitimacy through its performance. Performance, under the context of the new movement, can mean two things—a measureable performance based on objective standards or a symbolic performance based on the interaction of the movement with the external world. Both these two performances were frequently employed to increase the overall legitimacy of the movement.

The first kind of performance legitimacy is achieved in several ways. The movement made its activities both public and accountable. I have shown that in the caseworker section, the movement has made a complete list of all people receiving assistance since the early period. The movement did not hesitate to disclose the amount of money they gave to the cases and offered all kinds of measureables like the number of surgeries sponsored. It further publicized the growth of donations, the number of members, and the increase in expenditures to those in need. In addition, the movement worked hard to diversify its services. It cooperated with local doctors and began a free medical clinic in Hualien in 1972. By doing so, it not only showed the accountability of the organization, but also intended to gain performance legitimacy based on these objective measurements.

The symbolic performance was normally obtained through the daily encounters between members and unaffiliated people. This symbolic performance took place when real action usurped the common expectations of ordinary people. The movement had to

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[36] Zhao (2015) develops a framework to analyze legitimacy. He modifies Weber's original three types of legitimacy. His framework also has three types: traditional, performance, and legal-procedural.

perform, in numerous occasions, that they differed from the traditional organizations. For example, a commissioner reported that the movement touched her because it not only decided to help the poor woman she reported, but devoted much more time that she initially thought they would. In another case, a woman recalled that the commissioners insisted on giving her a donation receipt even though the amount was very small. There were many similar stories prevalent in the monthly newsletter.

The frequent disasters, underdevelopment of the welfare program, and lower state capacity in the east region provided many opportunities for the new movement to gain both objective and symbolic performance legitimacy. These three conditions strengthened each other. The frequent disasters required a stronger local government capacity and a better welfare program. However, in reality, the low capacity and the insufficient welfare program worsened the situation when disasters did occur. This offered the opportunity for civil associations, like Tzu-Chi, to intervene.

The first disaster the movement intervened in was a fire that took place in the downtown area of Hualien in December 1970. The fire destroyed 72 households and made 300 people homeless overnight. The organization heard the news and decided to use half of their funds to assist the victims. By the next morning, Tzu-Chi people, led by Cheng Yen and other leaders, went to distribute money and to offer their condolences to the people affected. Together with the cash distribution, they gave a letter to the victims to publicly to state the mission and the work done by the organization. The letter also stated that with the increase in the number of the poor, their financial situation is severe

and that the organization required more widespread support.[37] Their relief work in this disaster was reported widely and positively by most of the local newspapers.

Different scales of disasters created different unexpected opportunities for the movement. Small-scale disasters, like the fire, invited attention from the local society. Larger disasters made the movement known to people living in other places, and even to overseas communities. In October 1973, a devastating typhoon caused unprecedented damage in the eastern region. It destroyed hundreds of houses and made thousands of people homeless. The disaster became a national level incident and was even reported on by the international news media. The organization soon initiated a fundraising campaign and sent commissioners to investigate how they could help the victims.[38] Their activities were reported by other media outlets, and through different networks, their name diffused to foreign societies, including America, Hong Kong, and Singapore. Their fundraising campaign for the typhoon was a huge success and raised more than five hundred thousands NTD (around $10,000 USD) in a month.[39] It received donations beyond those from local people, and the largest single donation came from the United States. Taking this opportunity, the organization strove even harder to show its performance by detailing all of the donations it received and disclosed information in regards to how it conducted the relief work. It even detailed what kinds of materials it gave (e.g., the amount of blankets). After successful engagements in disasters, both donations and members grew quickly.[40]

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[37] *Tzu-Chi Monthly* Vol.50, December 1970.
[38] *Tzu-Chi Monthly* Vol. 85, November 1973.
[39] *Tzu-Chi Monthly* Vol.86, December 1973.
[40] Editorials, *Tzu-Chi Monthly* Vol.105, July 1975.

In addition to the performance legitimacy, the movement further increased its overall legitimacy by diversifying strategic positions. By diversifying positions, the movement actively created different images of the movement using different actors. For example, it consistently emphasized its role as the inheritor of orthodox Chinese Buddhism and as the followers of Yin Shun's teachings. In the political realm, it emphasized its loyalty to the nation and the government. At the same time, it framed itself as a service organization, or as an intermediate channel that provided services for the existing organizations and bridged services between two previously separate populations—the rich and the poor. By doing so, the movement obtained legitimacy through the endorsement of powerful actors, like the state and famous religious masters, and lowered the potential for competition from similar organizations.

Existing studies have argued that the Tzu-Chi movement has a friendly relationship with KMT, but this study did not examine what sort of relationship it is or how the relationship was built. [41] Is the Tzu-Chi movement simply the result of state sponsorship? The answer is no. There is no evidence to suggest that it received any direct financial support from the government, and the government did not take on any active role in its early leadership. However, it is also difficult to accept the claim, as the movement attempts to promote, that the movement was neutral in politics. An examination of the interactions between the movement and the party state during this period clearly rejects the view that the movement has always kept its distance from the state and political party. At the same time, I also doubt the claim that under the situation,

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[41] Laliberté (2004) and Kuo (2008)'s books are the only two of the existing studies that have touched upon the issue of the relationship between Tzu-Chi and politics.

as in the east region, a civil association could maintain a distance with the party state. The question is thus what kind of relationship it was.

The movement positioned itself as the loyal follower of the party state in the early period. In the opening editorial of the first volume of its monthly newsletter, it used rhetoric like "following our great leader," "build a great nation," and "renew the Chinese culture."[42] I found that this kind of rhetoric and framing continued to be used in the later editorials of the monthly newsletter. The framing of the movement as the defender of Chinese culture and as the followers of the leader Chaing Kai-shek was pervasive in its reports and articles. The movement continued to frame their activities in terms of traditional Chinese values and government policy. Therefore, when Chiang Kai-shek died in May 1975, the editorials of the monthly newsletter stated that the movement would continue to follow the great leader to recover China from the hands of the Chinese Communist Party and to build a new China.[43]

The movement not only was a follower of the party state, it also attempted to "transpose" the state ideology and the legitimacy of the government projects to buttress its own claims. For example, it used the state-promoted Chinese Culture Renaissance campaign to support the legitimacy of its charity activities. In an editorial, the author wrote, "if we want to talk about the issue of Chinese Culture Renaissance, we need to first promote the spirit of compassion [*cibei*], encourage compassionate behavior, make everyone have a compassionate heart, and have good people everywhere. By doing so,….the Chinese culture will automatically revive completely and quickly."[44] When the Xiaokang project (the well-rounded society) was initiated in 1972, the movement soon

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[42] Editorial, *Tzu-Chi Monthly* Vol.1, July 1967.
[43] Editorial, *Tzu-Chi Monthly* Vol. 103, May 1975.
[44] Editorial, *Tzu-Chi Monthly* Vol.2, August 1967.

learned to frame its charity activities and poverty relief plan as a partner to the state projects.[45] It further framed its cash support as an extension and supplement to the government project. The new state poverty relief project ended existing cash support to those they believed were able to work. This new policy placed several cases in severe situations. The movement was able to position itself timely as a good partner of the state that aimed to cover cases that the state welfare project could not cover.[46]

In addition to framing itself as a follower and partner of the party state, the movement framed itself as a service provider to the general public and to the existing Buddhist organizations, but not as a Buddhist and religious organization. It emphasized its secular characteristics but downplayed its religious nature. When the organization cooperated with a newspaper, *Minshenribao* (literally the newspaper of the people's voice), the director of the Tzu-Chi monthly newsletter, Jenru Chen, who was the local correspondent of this newspaper, represented Tzu-Chi to welcome the audiences. She introduced Tzu-Chi as an organization founded by *funujiemei* (women sisters) of our county. She did not mention Cheng Yen nor did she mention any religious activity. She emphasized that the organization was to support those in need.[47]

The new framing of Tzu-Chi as a service provider and a solution to charity needs was clearly expressed in a series of the editorials in the monthly newsletter. In the December 1967 editorial, the organization stated that, "There are many people with good will who are generous and willing to help. However, some of them do not know how to do it. Some do not have the opportunity. Some have a compassionate heart but are limited by ability and thus cannot easily do it. Some are just not motivated and are always a

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[45] *Tzu-Chi Monthly* Vol.80, June 1973.

[46] See Cheng Yen's talk in the committee of the commissioners, *Tzu-Chi Monthly* Vol. 81, July 1973.

[47] *Tzu-Chi Monthly* Vol. 12, June 1968.

bystander."[48] The organization offered a solution to these problems by being a "service bridge of giving." It accepted any kind of charity plan, no matter how small the plan was, from individuals and organizations; it could customize their needs and provide services (e.g., giving food, blanket, medicine etc.).[49]

The mass media played a crucial role in the legitimacy work, especially Tzu-Chi's own monthly newsletter, other Buddhist publications, and the local newspapers. The movement began to publish its monthly newsletter after its second year in July 1967. In contrast to the traditional Buddhist publications, which mostly were filled with philosophical discussions, Tzu-Chi's monthly newsletter was not. Instead, from the beginning, the newsletter was a public information-sharing platform and welcomed submissions from members. In addition to publicizing information about the movement, the newsletter reported a series of stories about model people (e.g., female turned entrepreneurs) in the local society together with charity stories. It introduced the latest developments in Buddhism across the world and reported the current activities of other Buddhist organizations. It continued to publish Yin Shun and her students' articles about Buddhism. A young female commissioner, Jenru Chen, who was an experienced reporter and a small business owner, founded and served as the director of the newsletter for a long time. Under her leadership, the newsletter was able to share information from other local newspapers and on the other hand, the local newspapers were interested in reporting Tzu-Chi's activities. The newsletter was free and was able to achieve widespread readership through the diverse networks of its members.

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[48] *Tzu-Chi Monthly* Vol. 18, December 1967.

[49] Editorial, *Tzu-Chi Monthly* Vol.12, June 1968. A similar framing was found in the issues of freeing captive animals. It was stated that freeing captive animal is tedious and thus it is better to outsource the organization to do this. See *Tzu-Chi Monthly* Vol.22, April 1969.

The well-established monthly journal, *Putishu* (Bodhedrum), helped spread Tzu-Chi's monthly newsletter and the movement's name to a wider audience and even to foreign societies.[50] Founded by the famous Buddhist layman Bingnan Li (1889-1986) and managed by another well-known Buddhist layman, Fei Zhu (b.1921)[51], in Taichung in 1952, *Putishu* was one of the most popular Buddhist journals at the time. Similar to the monthly newsletter of Tzu-Chi, *Putishu* was managed by lay Buddhists and was devoted to social issues. While giving a talk in Hualien, Fei Zhu visited Tzu-Chi and was impressed by their relief work.[52] After that, he became a supporter of the movement and used his influence to spread the activities of Tzu-Chi.[53]

By diversifying positions, the movement created a sphinxlike face. It was first a loyal follower of the party state, but also transposed the state ideology to fit its claims. It framed itself as a service provider to existing Buddhist organizations and also positioned itself as a secular charity organization led by women. Through this effort, the movement could ease suspicions from existing Buddhist organizations because it did not claim to attract believers. Instead, it claimed that anyone could do charity work with them. It was thus able to attract supporters from a wide range of Buddhist organizations. These organizations, which wanted to fulfill the needs of doing charity but had limited resources, could rely on Tzu-Chi to help them achieve their goals. On the other hand, the diversifying of services further helped the movement attract different kinds of resources

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[50] According to the information provided by the journal, the *Putishu* was distributed in at least six foreign countries including Hong Kong, Thailand, the Philippines, the United States, Malaysia, and Singapore in 1973. See *Bodhedrum* Vol.254/255, p.54, 1973.

[51] Zhu was known for his long-term relationship with Bingnan Lee. In addition to the journal, he participated in the Lotus Society, founded by Lee in Taichung. The Lotus Society planned to build a hospital in the late 1950s but failed. Zhu had various positions in the BAROC and was known by all Buddhists. Comparing why they failed but Tzu-Chi succeeded is interesting and meaningful to our understanding of how networks influence the outcome of an organization.

[52] *Tzu-Chi Monthly* Vol. 62, December 1971.

[53] Using the key word *ciji*, the journal published 52 articles related to Tzu-Chi since his visit.

and increase the heterogeneity of the movement. Eventually, a specific Tzu-Chi identity

was able to emerge from these crosscutting networks of meanings.

Explaining the Early Success

So far, I have used primary materials to analyze the recruitment of commissioners and the

organizational innovations. My analysis shows that the diverse networks of the early

leadership contributed to the unique characteristic of the Tzu-Chi Movement. How did

these features further lead to the success of the movement? The success was analyzed

through three different angles—the growth of members, the growth of funding, and self-

understanding.[54] Table 4.5 summarizes the findings of the first two dimensions.

Table 4.5: Organizational Growth in the Early Period, 1967-1979

	Number of commissioners	Number of members	Average size of a commissioner network	Total donation (per month)	Average donation collected per commissioner (per month)	Total Annual Expenditure
1967	10	470	47	6,891	689	(84,000)
1970	24	1,444	60	20,205	842	279,964
1973	47	5,576	119	75,462	1,606	1,655,177
1976	69	6,649	96	258,941	3,753	3,400,000
1979	115	10,807	94	861,540	7,492	10,662,514

Data Source**:** the author's summary

All numbers, except the average size of a commissioner network, increased at least 10

times. Is the growth fast, moderate, or slow? How should we interpret the results of Table

4.5? We can only answer these kinds of questions by comparing the movement with other

similar organizations. Here I use a similar organization, *Guangming cibei xishehui*

(which literally means the Light Compassionate Giving Society), to do a simple

comparison. It was founded by a group of Buddhists laymen affiliated with Bingnan Lee

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[54] I complied the data from drilling the texts and calculating the number of commissioners, donors, and the donation amounts. In the texts, the organization published the names of commissioners, the number of regular donors under the commissioners, and how much these donors contributed monthly. The donation amounts varied depending on donors. I divide the first period into five time spans—1967, 1970, 1973, 1976, and 1979 to make the information succinct.

in the Lotus Society in Taichung during 1969. The organization aimed to use the members' regular deposits to assist in its charity activities. The number of people that received assistance from 1969 to 1973 was 38. It only raised around 40,000 NTD (around $1,000 USD) in four years.[55] Its annual donation amount was less than the monthly donation of Tzu-Chi. Given the fact that these better-established Buddhists laymen founded *xishehui* the huge contrast thus displays how successful Tzu-Chi was.

Commissioners' own self-understanding provided another angle from which to examine the issue of success. In an article summarizing the achievements in a celebration for the sixth year of operations, the author said:

> What is especially inspiring in the past six years is that we have enlarged the compassion of the whole society. Our influence is not limited to intellectuals or only rural population. We have expanded our influence to every social class and to the newly emerged industrial society. Our mission to save the world is not limited in the backward Eastern region or in areas that experienced economic takeoff in Taiwan. Our name has been heard in many oversee places and even to those economic advanced countries. [56]

In 1974, the movement had been recognized as the largest Buddhist charity organization. An author in a congratulatory article wrote, "We are now the largest Buddhist charity organization. Our members come from the whole country and donations even came from overseas. It shows how influential we are. It is incredible!" [57] At the end of the 1970s, the annual expenditure of the organization exceeded the social welfare budget of the entire county of Hualien.[58]

The early success of Tzu-Chi is explained by the initial set of diverse networks in the leadership team. The networks were, as the evidence demonstrates, gendered,

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[55] *Tzu-Chi Monthly* Vol. 78, April 1973.
[56] *Tzu-Chi Monthly* Vol. 81, July 1973.
[57] *Tzu-Chi Monthly* Vol. 96, Line 257, Oct. 1974.
[58] Source: The statistic yearbook of Hualien County, 1979.

heterogeneous, open, and locally embedded. The early leadership team contained a group of women who had multiple roles within the local society and brought their diverse networks to the movement, especially the business network. They brought a familiar business organizational form and structures of household finances, the *hui,* as the model of the commissioner-member system. They kept the system open and gave the title of commissioner to those who could help them regardless of their belief systems. The commissioner system encourages internal competition between commissioners' networks as the movement framed the term "compete for goods."[59] Each commissioner network resembled a small business and the leader was the entrepreneur who created their own business.

Although men could be commissioners, the image of the female entrepreneur loomed large in the self-understanding of the Tzu-Chi commissioners. Cheng Yen was experienced in business and so were many other early leaders. In one case, a female commissioner who founded a small tailoring and textile shop in the 1960s had grown her business rapidly in the 1970s. In the end of the 1970s, she employed 30 people in the shop and had expanded the business into the textile manufacturing industry. She moved to Taipei in the early 1980s with her husband and built a textile factory in this new city. She recalled vividly how the experience of being a commissioner closely resembled running her own business. The monthly newsletter was established with the help of a female journalist and businessman.

Based on this innovative and powerful organizational fundraising model, the open leadership team continued incorporating heterogeneous elements into it by establishing commissioners in different places. At the same time, it innovated its own grassroots

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[59] See Cheng Yen's talk in the committee of commissioners, *Tzu-Chi Monthly* Vol.117, July 1976.

caseworker style of charity and conducting investigations. As I have demonstrated, this innovation was first a mimic of the government framework, but later its meaning and practices were completed by the diverse experiences generated through its commissioner system. The locally embedded commissioners understood their environment well and were able to draw upon resources from multiple sources.

Finally, the pragmatic nature of the leadership diversified its positions by framing different roles. The most important finding is that the organization came out with the idea of being a service provider to those that wanted to do good things but lacked specialized knowledge and resources. This was truly an innovative organizational form that had never existed before. I argue that the multiple positions of the movement led to the formation of a unique self-identity for Tzu-Chi in the end of this period.

CHAPTER 5
SOCIALIZING HOSPITALS:
THE TRANSFORMATION OF THE MEDICAL FIELD AND THE MOBILIZATION OF THE GRASSROOTS MEDICAL PROJECTS, 1979-1986

As young but successful local charity, in spite of the anticipated challenges from the organizational inertia perspective, Tzu-Chi initiated an ambitious project to make hospitals affordable and accessible to more people. The proposed hospital was not a small medical clinic with only a handful of staff, nurses and doctors. Instead, it attempted to bring a full-service and state-of-the-art hospital with hundreds of physicians to serve the city and the whole peripheral east region. Financially, the initial estimate for the hospital was up to 100 million NTD (around $15 million USD).[1] At that time, the movement's annual donations were around 10 million NTD (around $300,000 USD). However, the hospital, as the proposal framed, required the ability to conduct on-site brain surgery without sending patients to other hospitals in the metropolitan area.[2] Geographically, in the early 1980s, only a few elite hospitals in the metropolitan area were capable of conducting this kind of complicated surgery. Organizationally, all religious organizations, except for Christian organizations, failed in their efforts to operate their own hospitals.[3]

There is an agreement that the completion of the hospital is a watershed for Tzu-Chi. However, the extent to which the project is a watershed moment is not entirely clear. The most common and simplest understanding in the typical narrative states, "After the hospital project, the movement underwent explosive growth." This "after this moment

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[1] This was an early estimate of the total cost of the hospital project. The final cost grew to more than $800 million USD because of monetary inflation and the expansion of the original design. I discuss this change in the section on mobilization.

[2] See *Tzu-Chi Monthly* Vol. 235, May 1986 and *Tzu-Chi Monthly*, Special Reports of the Hospital, Vol. 239, 240, September and October 1986.

[3] The reason why Christian organizations operated successful hospitals might be explained by the history and by the familiarity between medicine and Christianity. Christianity has operated the oldest hospital in Taiwan since the Qing dynasty. Its missionary tradition also advantageously positioned them to receive support from overseas Christian organizations.

everything changes" view is shared by many existing studies.[4] There exists a causal

assessment behind this popular interpretation. The success of the hospital project

increased the movement's public fame and reputation. This helped the movement attract

more members and resources.

Together with the view that deregulation at the end of the 1980s brought about the

success of the movement, the popular view on the effect of the hospital misses several

crucial aspects. First, the view that the hospital made the movement successful is only

partially right since it missed the point that the organization had already been a successful

charity group. Without the past success, it is hard to imagine that the organization would

initiate this project. Second, both of these two common views put the end result of the

hospital at a higher priority than the process. In contrast, I argue, compared to the result

of the hospital project (i.e., building a hospital), the mobilization process during the

hospital period was more fundamental to the movement. The hospital project has deeply

transformed Tzu-Chi's organizational capacity and helps institutionalize the non-profit

hospital as the only legitimate organizational form. I explain the mobilization in this

chapter and discuss the transformative power of the hospital in the next chapter.

In what follows, I first discuss the context of democratization and examine the

popular view that Tzu-Chi enjoys a close relationship with KMT. This discussion lays the

foundation for the following discussion on the mobilization in the hospital project. If the

hospital project and the larger Tzu-Chi movement were simply an external group of the

incumbent political party, the argument that the hospital project is a grassroots effort to

socialize health care institutes loses its stance. After that, I examine the situation of the

medical field and privatization. Then, I examine the evolution of Tzu-Chi medical

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[4] This narrative pattern is widely shown in most of the existing studies. For an example, see Huang (2009).

practices from offering temporary free medical treatments to a permanent health care institute. I compare its project with two other medical projects and this comparison will help us better understand why its project succeeded.

Democratization, Political Parties, and Tzu-Chi

Several efforts to challenge the authoritarian state took place intermittently from 1960 to 1980, but it is generally agreed upon that the Kaohsiung incident (or Formosa incident) that occurred on December 10, 1979, marked the beginning of the democratization movement that finally forced the incumbent KMT government to lift martial law in July 15, 1987. The lift of martial law allowed the freedom of civil associations, the establishment of new political parties, freedom of speech, and freedom of religion. The political dissidents that were imprisoned after the incident and their defense lawyers all became crucial political leaders of the new political party, Democratic Progress Party (DPP), and continue to assert influence even today. For example, the first non-KMT president, Shuibian Chen, was one of the young lawyers present at the legal trial for the incident.

The democratization movement was initially organized by different groups of political dissidents. Because martial law still ruled at that time, these dissidents could not form a political party. Thus, their activities often occurred through organizational mediums like private bookstores, presses, and legal aid grassroots organizations. They were called *Dangwai* (literally outside the political party) by the media and the general public. The democratization movement at the early stage was often related to the Dangwai movement. This labeling gave the political dissidents a unified identity despite

the huge internal differences present within the groups.[5] Except for a few, participants in the early democratic movement were social elites, who were either local politicians or graduates from elite universities.[6] Several critical historical events that occurred in the early 1980s intensified the conflicts between the democratic movement and the state and generated continuing social unrest characterized by protests and state repression in the 1980s.[7]

The influence of democratization on the civil society is commonly perceived in the following three ways.[8] First, the civil society perspective argues that the democratization created the opportunity for the freedom of association and religion.[9] Second, the middle class perspective argues that with the growth of the middle class population, social movements were able to recruit more participants. The emerging urban middle class supported new ideas, such as new religious practices. They paid more attention to issues like democracy and social justice.[10] Third, democratization created

[5] These political dissidents were first divided by their political identity in whether they supported Taiwanese independent movement or preferred a unified Chinese state. They are further divided by their attitude towards economic development and capitalism.

[6] As Zhao (2001) explains, the university became the incubator for political dissidents in China during the 1980s. Chinese students at the elite universities were influenced by foreign thought and became leaders of the student movement, due to their prestige. In the context of Taiwan, the Department of Law at National Taiwan University is famously associated with the democratic movement. Partly, the legal profession is intrinsically linked to a form of political resistance in the semi-authoritarian regime where the legal due process has been institutionalized by the state. This legal institutional arrangement thus provides the space for legal professions.

[7] The events include the Lin Family Massacre that occurred on February 28,1979. An unknown person killed the mother and twin seven-year-old daughters of Lin Yi-Hsiung the politician and the defendant lawyer in the Formosa legal trial. In July 3, 1981, Wenchen Chen, a young assistant professor in the Department of Statistics at Carnegie Mellon University, was found dead at National Taiwan University one day after he was taken by the Taiwan Garrison Command. In October 15, 1984, an American Chinese writer, Yiliang Liu (pen name Jiangnan), was killed by three people hired by the Bureau of Investigation and Statistics (BI) of the Taiwan government in Daly City, California. Scholars, in general, consider these three incidents showed the increasing factious conflicts within KMT.

[8] It should be noted that the three perspectives I discuss below are not actually the scholars' arguments but what I infer from reading their work. It does not mean that these scholars use the perspective to study the relationship between the democratic movement and Tzu-Chi.

[9] Lii (1996); Ting (1999) Hsiao (2004).

[10] Hsiao (2013).

discontent because it destabilized the social order and influenced people who disagreed with the changes to create their own opposition movements.

Scholars propose two types of relationships between Tzu-Chi and political parties, as a surrogate of the KMT and as a supplement. The surrogate thesis suggests that the movement was used by the KMT government as a way to facilitate governance. It is not unusual to see people that view Tzu-Chi merely as an external group of the KMT. In regards to the hospital project, researchers use the case where the movement obtained land for the hospital as evidence of state sponsorship.[11] Second, there are scholars that argue that the Tzu-Chi movement, together with other religious organizations, facilitated the democratic transition by absorbing the social unrest.[12] It implies that by supporting the hospital project, the KMT helped Tzu-Chi in order to control the social order and buffer social unrest.

These two views receive mixed support from the archive. It is true that the state had eagerly promoted religious organizations to engage in social welfare since the late 1970s by rewarding participation in social welfare. The state also has a long corporatist tradition that actively incorporates religion into its hierarchical governing apparatus. The state helped the Tzu-Chi movement secure the land for the hospital. However, this was a common practice in the past for any private association to obtain a large parcel of land. The state did not offer any further assistance to the project (e.g., financial support). The state, at best, acted passively on the hospital project. I find support for the view that movements like Tzu-Chi played a balancing and buffering role for the democratic movement. In their monthly publications, using "democratic movement" (*minzhu*

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[11] Lin (1990); Laliberte (2004); Kuo (2008).
[12] Madsen (2007).

yundong) as keywords generates only 3 appearances, both of which appear in two reports, in more than 50 million words over 50 years of reporting.[13] Nor were there reports or discussions on the democratic protests. Further, none of the people related to the Democratic Progress Party or to the social movements were reported to have ever visited Tzu-Chi in the 1980s, in contrast to the active and continued interactions between Tzu-Chi and KMT politicians.[14] The first politician from the DPP that visited Tzu-Chi was the former chair of DPP, Xinliang Xu, in 1991.

This close relationship between Tzu-Chi and the KMT, as well as its remote attitude toward the nascent democratic movement should not be exaggerated. This just reflects the imprinting of the external environment when it was founded in Hualien where all kinds of civil associations had to work with the KMT, the military, and the local government. It also reflected a generally passive and conservative attitude of Taiwanese Buddhist organizations under the reign of the umbrella organization, BAROC, toward democratization. The BAROC consistently made public condemnations on democratic movements and social protests.[15] However, Tzu-Chi seldom condemned or made a direct critique of the democratic movement and social protests by itself. Most importantly, as the following section will show, I find the government did not actively promote the hospital project. The government preferred for large corporations to run hospitals, rather than a charity organization. Thus, claims that argue either that the movement was favored

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[13] These instances were in two reports in 1993 and 1995. These two reports were not related to the democratic movement in Taiwan but reports on the visit of one Chinese journalist, Dai Qing, and on the volunteer work in South Africa. See *Tzu-Chi Monthly* vol. 315, 1993 and *Tzu-Chi Monthly* vol. 345, 1995.

[14] In the whole archive, the term *Minjin Dang* (Democratic Progress Party) is only mentioned four times. In contrast, *Guomin Dang* (The Chinese Nationalist Party, KMT) is mentioned 108 times.

[15] Legally speaking, Tzu-Chi, as a Buddhist charity organization, was under the structure of BAROC. However, because Tzu-Chi never registered as a formal association or as a temple, it did not need to conform to the commands made by BAROC. But, we see that the newsletter of Tzu-Chi sometimes reported on the official condemnation from BAROC on the Kaohsiung Incident. Source: *Tzu-Chi Monthly* Vol. 159, January 1980.

and co-opted by the government or that the movement served as a buffering role in the democratic movement should be cautiously evaluated and we should refrain from making quick judgments.

The Medical Field and Privatization

It is well understood that medical resources were unevenly distributed in Taiwan.[16] But the extent to which these resources were distributed unequally lacks systematic analysis. The inequality of the medical field, around the early 1980s, is approached from the following three angles. First, the inequality of medical resources was determined geographically. Second, the inequality was treated not as a quantitative problem (i.e., the ratio between populations and hospitals) but rather a qualitative problem. Third, the universal legal-institutional practices (i.e., the medical security deposit) worsened medical inequality by associating one's individual wealth with their right to receive medical treatment.

The KMT government's initial medical and public health policies inherited the framework set by the Japanese government. It set up public hospitals in the large cities of each county that served the local people. Above these local public hospitals, there were different large medical centers that conducted the most difficult surgical work and undertook leading roles in the advancement of medical knowledge.[17] There were around eight hundred hospitals in the 1980s.[18] In addition to hospitals, there were many small clinics that were operated by individual doctors. Because of the generally small size of these clinics, I only discuss hospitals here. Quantitatively, the east region did not differ

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[16] Chang and Hsieh (1994).

[17] The government issued the first legal evaluative framework in 1978. Based on the evaluation of various criteria, the hospitals are categorized into 11 categories. This evaluative framework was incorporated in the Medical Care Act, issued in 1986.

[18] Source: Ministry of Health and Welfare. "The number of public and private hospitals in Taiwan." http://www.mohw.gov.tw/CHT/DOS/DisplayStatisticFile.aspx?d=9596.

too significantly from the other three regions in terms of the ratio between the number of

hospitals and the population (See Table 5.1). The higher the ratio, the more burden

hospitals had to undertake. Although I do not possess the ratio of the number of beds to

the population in the early 1980s, the data collected by the government in 1992, after the

completion of the Tzu-Chi hospital, suggests that the east region has the highest ratio of

beds per 10,000 people. It far exceeded other regions in this category. Considering that

the Tzu-Chi hospital was completed in 1986 and only added 800-1,000 beds to the region,

counter to our intuition, this number seems to suggest that there was an overproduction of

medical resources in the east region in the 1980s.

Table 5.1: The Number of Hospitals in the 1980s in terms of four regions.

Region	Population	Number of Hospitals	Ratio of Hospitals to the Population	Beds per 10 Thousand (1992)
North	8,808,679	289	1:30,479	46.9
Central	5,227,214	215	1:24,312	35.3
South	6,105,630	225	1:20,697	44.8
East	610,971	22	1:27,771	145.3
Total	20,752,494	821	1:25,246	46.3

Source: Ministry of Health and Welfare

The inequality in medical resources therefore should be examined from the angle of qualitative

difference. According to the government evaluation, among the 822 hospitals in 1992, there were

only eight medical centers and five semi-medical centers (see Table 5.2). Only medical centers

could perform advanced surgeries and specific medical treatments. The most prestigious was the

hospital affiliated with the National Taiwan University Medical School. Hospitals affiliated with

medical schools were, in general, more prestigious than the local public hospitals. In addition,

the government established several large hospital systems to serve different populations. The

Veteran General Hospital system was also a medical center and widely considered to be the top

medical provider. However, in the 1970s to the 1980s, these hospitals were all located on the

west side of the island, especially in the three metropolitan areas of Taipei, Taichung, and

Kaohsiung. In the east side, none of the hospitals were qualified as a medical center or a semi-medical center, in terms of the government-issued ranking.

Table 5.2: Categories of the Hospitals in 1992

Ranking	Number
Medical Center	8
Semi-Medical Center	5
Regional Hospital	36
Semi-Regional Hospital	8
Local Teaching Hospital	46
Local Hospital	464
Others*	352
Total	822

Source: Ministry of Health and Welfare
*Others includes the other five categories in the rankings, like those who do not receive an evaluation and Chinese medical hospitals. For the simplicity of the presentation, I aggregate them into a single category.

Lastly, as an institutional practice, service fees greatly worsened medical inequality. The medical security deposit required that every patient had to pay a portion of the total cost of their medical treatment in order to actually receive the treatment. This practice was not written in the legal code but was generally practiced by most hospitals and clinics. It had been criticized for a long time. The saying is "only rich people who can afford to pay the deposit can get treatment while the poor people can only wait for death." The poor economic condition in the east region worsened the effects brought on by this institutional practice. Compared to other regions, the east region was the poorest and had the highest indigenous population in the country; the indigenous population was the most economic disadvantaged group in the society. The famous one pool of blood story in Tzu-Chi says Cheng Yen was motivated to build a hospital after she witnessed an indigenous woman, who was rejected by a doctor of a small clinic because of her inability to pay the deposit, left a pool of blood in that clinic. She thus swore to build a hospital that did not require a medical deposit.

Privatizing the Health Care

In addition to the existing medical inequality prevalent since the late 1970s and throughout the 1980s, there was a general trend to privatize medical provisions. Influenced by the popular neoliberal public policy thoughts of that period, the government encouraged medical privatization in hopes of reducing the public financial burden. The principle assumption of the neoliberalism is that, compared to public hospitals, private ones are more efficient.[19] Thus, a series of legal frameworks reforming and guiding the medical field were issued during this period, transforming the medical field significantly.[20] The transformation was first shown in the composition of the actors in the field. From 1950 to 1970, the number of private hospitals grew from less than 100 to nearly 300. In 1979, the number of the private hospitals jumped from below 300 in 1970 to around 500. The number grew again to more than 800 in 1990. In contrast, the number of public hospitals grew slightly from around 50 in 1950 to around 100 in the end of 1980s. The number remained steady up to today.

The 1980s was not only a period in which private hospitals outnumbered public hospitals, but also one where they began to assert greater influence over the public hospitals. This began as large corporations began to build hospitals. The Formosa Plastics Group, the largest business conglomerate with hundreds of companies in Taiwan, established the Chang Gung Memorial Hospital in 1976. Following this move, the LinYuan Group, a large financial conglomerate that also runs Cathay Life Insurance, built the Cathay General Hospital in 1977. Other famous corporations that built hospitals

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[19] In an ironic way, the first hospital in Taiwan to install a performance-based evaluation on doctors and employees was the McKay Memorial Hospital in 1972. The hospital was owned by the Taiwan Presbyterian Church and was the oldest private hospital.

[20] See Chang (1999) for the discussion on the issue of the legal codes about medicine.

include the Koos Group, Chi Mei Corporations, the Far Eastern Group, and the Shin

Kong Group. The hospitals built by these business groups were controlled and operated

by a separate legal actor (i.e., a non-profit foundation) and enjoyed privileges and other

policy benefits from the government, like tax exemption.[21] These private large medical

systems normally controlled more than one hospital and operated related pharmaceutical

companies.

Therefore, even though the newly established private hospitals might operate as a

non-profit, the business corporations behind them can still gain huge profits from

operating the hospitals though their relationships with the related companies. Not to

mention, they obtained huge benefits from the governments as encouragement for their

operation of hospitals, such as tax exemption and land acquisition. Most importantly,

there was no clear legal framework in the 1970s to specify the legitimate organizational

form of hospitals. The distinction between for-profits and non-profits was not clearly

defined in the legal code at that moment. The civil code allowed the government to give

tax-exempt status to civil associations dedicated for the general social wellbeing, but it

did not specify whether the associations could be a for-profit organization that distributes

revenues to its board members. For these reasons, these new private hospitals, although

under the control of a separate foundation funded by the business corporations, behaved

just like a for-profit business.[22] They initiated malicious completion in order to gain

monopolization, reduced the cost of management by hiring unqualified employees, forced

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[21] The government not only provides tax benefits, but also offer a series of policy incentives (e.g., funding supports) for the private hospitals.
[22] See Chang (1999); Chang and Chu (1994); Chen (2011).

physicians to take on a standardized schedule in order to accept more patients, and

promoted extensive medicalization in order to expand the margin of profits.[23]

Accompanying the trend of privatizing hospitals, the government's investment in

public hospitals and medical services was greatly reduced in the 1980s and continued to

decline in the 1990s.[24] The public hospitals, previously fully supported by the

government, were now asked to achieve financial balance without relying on government

support. This pushed many public hospitals to cut their staff numbers and to evaluate

their doctors based on how much they could earn for the hospitals. The government also

withdrew their responsibility from many thorny issues. In the case of the Lesheng

Asylum, an asylum built in the Japanese colonial period to accommodate leprosy patients

in the end of 1970s, the reduced public funding to the asylum made the lives of hundreds

of patients unbearable. Because of the stigma of leprosy, these patients lived in a

miserable life that prevented them from having contact with the public. When their

situation was reported in the news, none of the government departments were able to

respond to these people. The decreases in the general public medical and welfare

provisions severely threatened the most disadvantaged populations in the society. [25]

The Root of the Medical Mission

Medicine has occupied the central position in Tzu-Chi's humanitarian work since it was

founded.[26] In its first act of public support, the movement gave funds to a woman who

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[23] These observations are found in the criticisms from the member of the Legislator Yuan in the legislation record during the discussion on the Medical Act between 1983 and 1986.

[24] Chen (2011)

[25] Tzu-Chi was the earliest social group that responded to the patients of the Lesheng Leprosy Asylum. Cheng Yen visited personally several times in the end of 1970s and used the resources of the organization to assist the asylum. The people in the asylum thus had a long-term relationship with the movement.

[26] It is not uncommon to see studies that treat Tzu-Chi's engagement in the hospital project as an entirely new idea coming from an ambitious leader. This treatment overlooks the long-term involvement of Tzu-Chi in the medical field.

could not afford an eye surgery in 1966. In the early period, the movement paid medical

fees for the poor and ill. When a case was discovered and approved by the committee of

commissioners, the organization paid the fees incurred during any medical treatments in

the hospitals. In addition to this regular organizational practice, the movement held a free

clinic, mostly during its winter relief campaign for the poor, usually before the Chinese

New Year. The offering of free clinic services relied entirely medical doctors who

donated their time voluntarily. These early volunteer doctors were mostly recruited

through personal relationships (e.g., a family relationship).

Medical aid constituted a large proportion of the total support given by the

movement. The total amount of medical aid can be further divided into aid given for

medical emergencies, and aid given to support medical treatments for those who lived

with chronic or terminal conditions that prevented them from working. In the first

situation, Tzu-Chi's commissioners were able to pay the medical fees out of their own

pockets and the committee would then reimburse the cost to them. This practice was

frequently reported in the early monthly newsletter and was highly praised. In the second

situation, an identified case was reported to the committee. Judging by the seriousness of

their health conditions, the committee made a decision whether or not to pay the costs

associated with long-term medical treatments. This long tem medical aid was gradually

integrated into the poverty report practice (see preceding chapter). The individual's health

condition was evaluated together with other factors, like the size of the household and the

number of people who could earn money, to decide whether the case could receive

support.

The movement took a further step to institutionalize medical services by setting up a small, regular medical clinic in the city of Hualien in 1974. This small clinic was located in the private home of a long-term female supporter of the movement. Two medical doctors volunteered for the clinic. They volunteered their time there for one or two afternoons every week. One doctor, Dr. Wang, was the son in law of Mr. Congmin Xu, a wealthy man who was a long-term supporter for the movement. Dr. Wang had his own medical clinic and had previously worked as a director in the public Hualien hospital. He invited his colleagues from the Hualien hospital, along with several nurses, to help establish the free medical clinic. These volunteers constituted the early medical team for the clinic. The cost for the medical services (e.g., drugs) was covered by the organization. Mr. Xu's elder son, who ran a company that traded in Chinese medicines in Taipei, made regular donations of large amounts of prescriptions drugs and surgical instruments to the free clinic for many years.

In addition to the clinic office at Hualien, the movement continuously relied on two other methods to deliver free medical services. It consistently sent out a voluntary medical team composed of doctors, nurses, and volunteers to remote villages where medical resources were hardly available. It also actively built relationships with doctors who worked in other regions and established alliance-like relationships with these doctors. It recruited the wives of doctors and then persuaded these doctors to volunteer their time in the free medical service clinic. A famous example was Dr. Cao and his wife, Mrs. Cao, who lived in the village of Yuli, south of Hualien. Dr. Cao had his own private hospital and offered lower prices for patients who were referred to his hospital by the movement. He also personally participated as a volunteer. After his death in 1993, his wife, a senior

Tzu-Chi commissioner, donated their hospital to Tzu-Chi. It was rebuilt and then became the current Yuli branch of the Tzu-Chi hospital system in 1999.[27]

Engaging in the medical realm has had positive effects on the development of the movement organization. Free medical services have proven to be the most effective way to reach populations with lower socioeconomic statuses. Through providing free medical services, the movement could gain access to these communities, spread their religious teachings, and reach new potential donors. At the same time, doctors typically enjoyed the highest social status possible in their local society. By building relationships with them, the movement gained their implicit endorsement for the legitimacy of their activities. What distinguished Tzu-Chi's medical practice from the typical medical services other charity organizations provided was their various means to absorb and internalize medical services, such as through volunteering, contracting, and collaborating, into the regular organizational practices.

Mobilization for the Hospital

The effort to offer an affordable and non-profit driven hospital was initiated and unfolded under these two contexts: the movement's past experiences in collaborating with local medical professionals in medical provisions and entrenched organizational interests in medical service, and the shift of the legal and institutional environment inwards. These two conditions were necessary to initiate mobilization but the presence of these two conditions did not guarantee the success of the new hospital project. The government preferred for large business organizations to run hospitals, not financially questionable religious organizations. Unlike the business corporations, they may not possess enough assets and money to build the hospitals.

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[27] "*Hongde yiyuan yu Tzu-Chi* (Hongde hospital and Tzu-Chi)," *Tzu-Chi Monthly* Vol. 388, 1999.

To achieve its goal, the organizers had to prove to the government that the organization possessed enough resources. Finances are the most important criteria for the qualification of running a hospital. Civil associations who wanted to establish hospitals obtained the necessary funds in quite different ways. They could use their own funds to support the project if they are wealthy organizations. They could ask their existing members to support them if they had a large membership. They could also seek support from other powerful actors such as politicians. Or, they can take a more difficult path, which is to mobilize the resources from all above-mentioned aspects.

Tzu-Chi's project took on the more extensive mobilization method in comparison to similar hospital projects initiated by other religious organizations. In the other cases, the organizers simply sought to gain sufficient money to build the hospital, but in the case of Tzu-Chi, it sought not only to the necessary finances but also legitimacy, the participation of social elites, and institutional change (e.g., making hospital affordable). Through this mobilization, the organizational capacity was largely strengthened. Different framings, strategies, and networks created during the mobilization become the organizational repertoire of Tzu-Chi. In contrast, the other hospital projects that either solely relief on their own money or relied on the existing members' influence failed to achieve their goals.

Decision and Initial Plan

The decision making process at the early stages of the hospital project is murky. This constitutes the largest problem in studying how the decision to build the hospital was formed. The decision making process is usually held in an irregular and informal setting, like a personal conversation. Thus, to obtain detailed information about how the decision

was discussed and negotiated at the early stage is almost an impossible task. Thus, my analysis on the decision making presented here is built upon multiple archival sources. However, we can get a sense about this process from the existing reports and discussions.

According to the records in the archive, the plan to build a hospital was first discussed around May 1979 in the regular commissioner meeting. But the idea seemed to have been discussed privately between Cheng Yen and several of her close commissioners and friends earlier on. The idea at first was the subject of fierce discussions and rejection from the commissioners. Opponents argued that this project was too big to be handled by the organization, that a hospital is difficult to operate given the many failed cases, the project distracts from the movement's direction, and the project will give the movement trouble. The movement and its over one hundred commissioners had just received an award from the government and their organization was named as one of the most generous religious organizations by the Ministry of Domestic Affairs for the past two years. Some commissioners probably thought it was time to slow down the pace and to enjoy their achievements. Some had expressed concern that the movement seemed to be expanding a little bit too fast and too big. The number of households that were being cared for and funded kept growing. For all these considerations, opponents thought it was not a good time to enter into a new realm.

Cheng Yen, who was primarily responsible for the hospital idea, strove to persuade the opponents and commissioners by offering the following reasons. First, she considered that it was time for the movement to take on the full responsibility of engaging in the medical field. The organization had accumulated enough experience in conducting medical services and working with medical professionals. They were capable

of doing this. If they could not, what other Buddhist group could? Second, she emphasized the rampant medical inequality in the east region. The hospital, as she rationalized, served to remedy this unequal situation by giving the people of the east region the same opportunities as the people of the west region to receive high quality medical services. Lastly, she was concerned about how to preserve the success that the movement had accomplished so far and to continue the movement's growth. The hospital was framed as a crystallization of their efforts, the last mile to achieve the end of their mission. Once the hospital project was completed, it provided a permanent base for the movement and thus could guarantee that the spirit of the movement would exist even after she died or if the movement declined in the near future.[28]

Her rationalization for engagement in the hospital project seemed to work quite well with the commissioners.[29] Older and more senior commissioners often state that they were touched by the leader's determination to take on such a difficult task and were willing to help Cheng Yen in order to alleviate her burden. However, it was the younger and more junior commissioners who responded favorably and became the most active participants in this project. For example, Biyu Lin, a young and professional woman at her late thirties who ran her own successful business in the city, joined the movement in 1978 and soon became the most important executor for the hospital project. She was credited for managing all the complicated negotiations and laborious paper work with the government bureaucrats and was responsible for dealing with designing and monitoring the actual construction of the hospital. Since the hospital project, Ms. Lin has risen to

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[28] In the end of 1970s, Cheng Yen had several serious health problems. Some people argue that this motivated her to build the hospital. I consider that her health problems may have pushed her to speed up the hospital project.
[29] I do not possess enough information to tell whether the project brought on internal conflict. However, some senior movement leaders gradually left the core of the leadership and did not play significant roles during and after the hospital project.

become one of the central leaders of the movement. Later, she became one of the three vice-presidents of the Tzu-Chi foundation. In addition to Ms. Lin, several other young commissioners, who joined in the late 1970s and the early 1980s, gradually replaced the older generation of commissioners to become the new leaders in the movement.

The organization released its initial plan for the hospital in the monthly newsletter to the general readers in January 1980.[30] After several months of internal discussion, the organization had reached a consensus, and came out with a design and cost estimate for the hospital. According to this initial plan, the hospital would accommodate 100-150 beds and would offer specific treatments for women and Buddhist clerks. The estimated cost of this medium-sized hospital was around 100 million NTD (around $3.5 million USD). Given that the movement was able to raise more than 10 million NTD in donations in 1979 alone, the initial plan did not look so intimidating. But the plan was changed several times throughout the actual mobilization process; the original medium-sized hospital plan was replaced by an expanded hospital design that was expected to accommodate more than 500 beds. The estimated cost thus increased in response to the changing plans from around 100 million NTD to more than 500 million NTD in 1982. Eventually, the final estimate rose to more than 800 million NTD. The changes in the plan and the budget did not reflect an inability of the organization to give an accurate estimate. Rather, this showed that the movement adjusted their goal quickly in accordance with the actual mobilization. The successful mobilization that occurred after the news was released in 1980 greatly strengthened the confidence of the leaders of the movement and thus enabled them to change the goal several times.

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[30] *Tzu-Chi Monthly* Vol. 159, January 1980.

Mobilization Strategies

The most distinct feature of the Tzu-Chi's hospital project was its mobilization strategies, which were similar to those we know from social movement literature. This feature distinguished its hospital project from the hospitals built by the business corporations and from the cases conducted by other religious organizations (e.g., Christianity, Buddhism, and folk religion). In the former, the business corporations relied on their own money and had no need to mobilize resources from the general public. In the latter, the religious organizations relied primarily on internal resources and their own organizational resources (i.e., Christianity) or believers (Buddhist and folk religions). In some cases, the organization's continued requests for resources often exhausted the members and had a negative effect on the organization. In the case of Tzu-Chi's hospital project, I find that the mobilization strategies simultaneously targeted populations both within and outside of the organizational boundaries. The successful outside network mobilizations included outsiders as new insiders in the movement. The mobilization strategies of the Tzu-Chi's hospital project thus served double roles, to solicit the resources to build the hospital and to expand the movement.

Mobilization was built upon two basic organizational infrastructures: the existing religious and commissioner networks and the elite networks introduced by the medical profession and new capitalist elites. The former was primarily used to mobilize support from the existing members and to reorient their interests towards the hospital project. I call the first "within network mobilization." The latter aimed to extend the mobilization process outside of the existing organizational boundaries to reach new populations and attract new resources. I call this the "outside network mobilization." Within network

mobilization and outside network mobilization are two basic elements in the mobilization of social movements. Successful social movements often operate upon a combination of these two mobilization types. The mobilization strategies have distinct internal logics and have created different effects on the organizations.

Within network mobilization was a common mobilization strategy for an existing social movement or organization as they attempt to solicit resources for an ongoing project or to begin a new project. Organizations usually maintain a list of their members, contributors, and subscribers to their activities' report. When organizations initiate a within network mobilization, they send out mail, make phone calls, and gather these organizational affiliates together. In general, within network mobilization is easier than outside network mobilization because both sides have already built a certain level of trust and familiarity. Depending on the strength of the relationship, within network mobilization could be further categorized into strategies aimed at close circles and strategies aimed at members with only a certain level of participation in the movement.

Tzu-Chi's hospital project began with mobilization within the existing organizational boundaries. This included three established networks—the existing commissioner-member network, the extensive Buddhist network, and previous donors. Previous donors refer to those who made donations not through a commissioner but through individual channels. Since the mobilization of the previous donors was less important in the hospital project and more straightforward (i.e., announcing the news in the monthly letter), I focus my discussion on the first two. The commissioner-member network was crucial to Tzu-Chi's unique commissioner system. In the end of the 1970s and the early 1980s, there were around 120 commissioners and each was responsible for

their own networks of members of which the total members were around 4,000 to 5,000. When the decision was made in the commissioner's committee in the early 1980s, the commissioners were asked to disseminate the news of the project and encourage members to make extra donations to the project. The donation to the hospital project was categorized into a distinct account and designated for the purpose of the hospital. The nature of the decentralized commissioner system made this within network mobilization efficient and effective. Because the commissioners maintained at least monthly interactions with all of their members, it was reported that the members responded actively and generously to the request of the new project.

Mobilization within the existing religious network was mainly conducted via Cheng Yen's position in the Buddhist field. As an ordained nun, Cheng Yen belongs to the larger Buddhist field controlled by BAROC. Her relationship within the field was an important source of support for the hospital project. Although the influence of BAROC in the early 1980s had begun to decline, she still needed the endorsement of the larger Buddhist field to buttress the legitimacy. She mobilized resources through her mentor Yin Shun's influence and networks and through the gendered religious network composed mostly of nuns. Before the project began, Cheng Yen asked for Yin Shun's endorsement. Yin Shun, as the most respected Buddhist monk of the time, was initially hesitant to endorse the project because he knew how difficult the project would be and how many others had failed. He said to Cheng Yen, "if those who were considered even more powerful than you failed in the past, how you could do that?" However, he was finally persuaded by Cheng Yen and decided to support her. He made regular large

donations to the project and introduced the project to outsiders when he was invited to give lectures.

Yin Shun's support was critical to the mobilization within the Buddhist field. Because of his influence and his extensive disciple network, the hospital project gained support from several of Yin Shun's most successful and brilliant disciples and friends (e.g., Yan Pei, Yin Guang). At the time of the hospital project, these Yin Shun disciples had already been abbots and occupied prestigious positions in different Buddhist temples. Some of them even were invited by overseas Chinese groups to reside in countries like Singapore (Yan Pei) and the U.S.A. (Yin Guang). Cheng Yen, who lived in Hualien, began to visit Yin Shun, who lived mostly in the west side of Taiwan, monthly. During her visits, she reported the progress of the hospital project and listened to his advice. This monthly practice was continued throughout the entire mobilization period.

Another important source of within-religious network mobilization was the support from the Buddhist nuns. The number of women who received their ordination as nuns had exceeded the number of men receiving ordination since 1950. As a result, the number of nuns far exceeded the number of monks in the Buddhist field in the 1980s. Many of these nuns had either established their own organizations or occupied important positions in other temples and large Buddhist organizations. I find in the archives that these nuns actively responded to the hospital project. They not only made personal donations, but also frequently made donations on behalf of their organizations. In addition to these nuns, Cheng Yen received support from nuns trained by Yin Shun. Yin Shun, who was known for his willingness to accept female disciples, had begun to train nuns when he moved to Taiwan in the 1950s. These nuns had supported Cheng Yen since

Tzu-Chi was founded. Thus, when they heard that Cheng Yen, their fellow sister, was about to launch the project, they supported her wholeheartedly.

The within network mobilization strategies were highly effective and efficient since they worked through already established channels. They oftentimes merely required the (re)endorsement of those who occupied higher positions in the established network (i.e., Yin Shun) and the reorientation of members' interests. The movement had to come out with a new framework to convince the existing members of the importance of the hospital. However, since the movement had been involved with medical service provisions for some time, the persuasion was not terribly difficult. The within network mobilization strategies, although relatively easy, had their own limitations. The resources contained in the existing networks were determined by the size and the diversity of the networks. As the movement grew from the peripheral region, the boundary of the movement's network hardly extended outside this local social context. Most of the commissioners were from the local society. Although the religious network extended well beyond this geographical boundary, it was still limited. Thus, to accomplish a large-scale and complicated task like the hospital project, the movement had to rely on outside network mobilization strategies.

Outside network mobilization was important to the success of the hospital project. From the beginning of the project, the leaders had used different strategies to mobilize and reach out to people and collect resources outside of the existing and established networks. In addition to growing the number of new members who could donate regularly to the project, there were three targeted populations—government officials, elite medical professionals, and the new capitalist elites in the capital city. All three of these

targeted groups of people primarily lived in Taipei. Thus, the mobilization efforts had to extend their current local activities in the local society to the northern metropolitan area.

The most effective strategy to quickly mobilize support from the outsiders was through personal social relationships. A few commissioners who lived in Taipei had played critical roles in making the diffusion of this local movement to the capital area possible. They held small gatherings serving tea and cookies in their homes and invited neighbors and friends to join them. In the gathering, they played the recording of Cheng Yen's lectures on Buddhist teaching and showed the audience what Tzu-Chi was and why they wanted to build a hospital in the east region. Carefully selected media reports and government awards were presented in these kinds of gatherings to elicit trust from the audience. During this period, Cheng Yen made a monthly trip to Taipei to participate and help the mobilization efforts of the commissioners. She typically stayed in the houses of the commissioners until a businessman offered her two floors in an apartment building for free. Her presence in these small gatherings was especially welcome by the local organizers since most of the audiences wanted to see her and listen to her talk face to face.

From these small gatherings, the movement reached several individuals who would play an important role to the movement in the future. A group of young, professional, and wealthy women joined the movement through the organization's mobilization campaign in Taipei. Ms. Ji, who was a teacher in a high school and came from a wealthy family, joined the movement in the early 1980s. Her husband, Mr. Ji, ran a large business corporation. They possessed several real estate properties in the city and their spacious home became one of the important gathering places for the mobilization efforts. Ms. Ji and other wealthy new participants introduced their wealthy friends to the

hospital project. To convince these elite housewives, the movement extended their poverty investigation work into Taipei. According to Ms. Ji, she was so impressed by Cheng Yen and the other commissioners when she accompanied them to visit the poor living in Taipei. She never thought that there were people living in such miserable conditions in this prosperous city. The visit to the metropolitan poor became a popular method to recruit new participants. By disclosing the extreme inequality of the city life and sharing the importance of medical provisions, the strategy aimed to arouse the sympathy and conscience of these wealthy people.[31]

The movement also reached critical outsiders through the social relationships of their members. Through their good relationships with the local government officials and politicians, they were introduced to the provincial government and officials in the central government. The previous county governor, Mr. Wu, who used to be a high school teacher and a KMT party member, was enthusiastically involved in this project. After his retirement from the county government, he was promoted by the KMT to work in the party's central office in Taipei. He was eager to see a "major change" take place in his hometown city. He, other politicians, and government high officials introduced the project to their fellow KMT politicians and probably to the central ministries and the president. Thus, the incumbent president Jinguo Jiang, Yanggang Lin (the Ministry of Domestic Affairs), and Denghui Lee (the Chair of the Provincial Government), visited Tzu-Chi between 1981 and 1986. However, the visit did not mean that the government would provide support beyond mere oral encouragement. Unlike a popular view that argues that the government played a fundamental role, these visits only demonstrate that the government would not prohibit the project. Mr. Yanggang Lin, in the Ministry of

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[31] Snow (1998); Jasper (1999).

Domestic Affairs, was the highest official in charge of welfare issues. He openly

expressed his doubts about the project because the previous failed cases had brought

problems to the government. To his surprise, Cheng Yen and other leaders were prepared

to answer his questions. They responded saying, "Because we have studied the failure of

others, we are confident to say that our project will succeed." Mobilizing for

governmental support required the leaders to know what the government wanted—a risk-

free hospital project with the least amount of governmental support possible. The insiders

within the different levels of government provided the necessary knowledge and

relationships to make successful mobilization possible.

The mobilization of the members' social relationships helped the project to reach

two important social groups in the society, medical professionals and the new capitalist

elites. Without the joining of these two important social groups, this grassroots and large-

scale medical project would not be possible. The medical professionals were first reached

through a senior member's family relationship to a high-ranking administrative official in

a newly established private hospital (Cathay Hospital). Then, from this person, the

project reached more prestigious medical professionals. The reach to the new capitalist

elites took place through more diffuse ways. Some elites were introduced to the

movement by their wives, or by friends, and others came to join spontaneously after

seeing reports in the newspaper. Because of the importance of these two social groups, I

examine them in a more detailed way in the following two sections.

Framing Strategies

In addition to mobilization through social relationships, framing was an important

element of the project. Since framing played such a critical role in the project, I discuss

the common framing strategies of the project separately. I identify a pattern of the framing strategies of the hospital project through the project as a continuation of past achievements and success, the project as an innovation, and the project as a reform.

The first framing strategy aligned the hospital project as the continuation of the long-term drive of the movement for social good. In the early 1970s, the movement had framed itself in multiple roles. It was first framed as a women's collective effort, as a helper and collaborator with the government, and as a service consultant and provider of goods to individuals and organizations. The first two frames were not uncommon in comparison to other organizations. The third frame was novel to the society in the 1970s given that the concept of a non-profit sector was remote. It positioned itself as an organization that could help people who wanted to do good things but lacked the time and resources to do so. The requestors and Tzu-Chi both shared in the joy and merits of doing good things. The hospital project was portrayed as the natural continuation of this service and an intermediary role of the past. In the public statements about the project, they emphasized that helping the movement to build a hospital was to help people in need, and that once the hospital was completed it could serve several hundred times as many people in need. The hospital was thus the culmination of this intermediate service ideal.

The second strategy framed the hospital project as innovative and the movement as an innovator. Once the project is done, the hospital will become an unprecedented achievement in the hundred years of Buddhist history. None of the past and the existing Buddhist or local religious organizations could establish a modern hospital. Under this framing, the project encouraged its members to experiment with various ways to promote the project and attract donations. Thus, we witnessed the emergence of prosperous and

innovative philanthropic activities between 1980 and 1986. This included the invention of

movement symbols and numerous slogans. The primary symbol of the movement, a boat

sailing within a green lotus, was created in 1981. Some of the slogans created for the

hospital project have been used as representative of the movement. For example, the

famous slogan of Tzu-Chi: *"futian yifang yao taixia shan shi, wanrui xinlian zao ciji*

shijie" (literally, we invite you to cultivate this farmland, thousands of lotus pistils

created the Tzu-Chi world). This slogan was created by a senior artist for the purpose of

advertising a charity bazaar held in Taipei on November 16, 1983.[32] The charity bazaar,

according to the newspaper reports, was the largest private charity event ever held in

Taiwan. It was primarily held by newly joined young, professional, and metropolitan

women. For this two day event, several special task teams were assembled from

volunteers. Some of these teams continued to play a crucial role for the movement after

the hospital was completed. The multi-media working group, composed mainly by young

professionals from different fields, is an example of this. This team used their

relationships in the media and their experience in marketing to help the event become a

huge success. They invited famous television broadcasters and celebrities to be the hosts

of the event. The event was also broadcast on television to the public. It successfully

created an innovative image of the movement and made the project a well-known public

event.

Besides the continuation and innovation framing, the movement further framed

the project and itself as a reformer of institutions. The movement emphasized the urgent

social problems facing the people, like the worsening medical situation. The building of a

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[32] Many existing studies and reports mistakenly attribute the invention of this slogan to Cheng Yen and date it back
to 1979 before the hospital project.

modern hospital in the east region would benefit not only those living there, but also those living in other places. The hospital will reform the institutionally biased practices by cancelling the required service deposit. The hospital will accept patients who could not afford to pay the deposit and who were refused treatment by other hospitals. The costs will be covered by donations. This was a bold statement in the face of the current institutional practices. In addition to reforming this practice, the hospital will serve as a model that rebuilds trust between doctors and patients and educates the next generation of medical professionals. The project was thus framed as a reform to the medical field during a period when the rapid privatization of medical provisions was under way.

The Setback

A large hospital requires money, professional knowledge, and land. Tzu-Chi's mobilization for its hospital went smoothly, especially in its fundraising and by securing the help of the medical professionals. However, obtaining the land proved to be more difficult. The proposed hospital needed a fairly large tract of land. Only the government had the empty land available. Thus, the organization needed to persuade the government to permit them to rent land or to persuade them to sell the land cheaply to the project. Supported by local politicians, a parcel near the river was granted for the organization to lease in 1983. However, after the organization held the ceremony for the initiation of construction, the land was unexpectedly confiscated by the military for military purposes. This was the biggest setback to the hospital project and the whole movement so far. The movement had spent years and passed numerous procedures to obtain permission to purchase the land for a discounted rate. The confiscation by the military seemed to make all these efforts in vain.

The unexpected confiscation caused the project to go into crisis mode. The project so far had solicited a large amount of money from all over the world and had held different types of activities to promote the project. If they could not solve the land problem, the support would turn into doubt. The worst-case scenario would be a breakdown in trust for the entire movement. The leaders of the movement kept this news underground without reporting it in their monthly newsletter while they strived to use all kinds of methods to get another piece of land as soon as possible. Cheng Yen said that after she heard the news, the feeling of the defeat was pervasive. She was shocked and could not sleep because she felt people would think she was a liar. She even began to consider returning all the money back to donors if the project could not continue. In another memoir by Ms. Biyu Lin, the major executive for the project, the hospital project almost suspended at that moment because they did not know where to find another similarly sized piece of land in a short time.

With the intervention of several politicians, the movement purchased farmland from the Taiwan Sugar Company, a state-owned enterprise, for cheap. The land was located not far from the downtown area of Hualien. The legal category of the land was then transformed from agriculture to the category of social welfare.[33] Tzu-Chi's hospital project finally secured its physical base.

The Completion

The construction of the hospital was completed in early 1986 and the opening ceremony was held on August 5, 1986. Dr. Shimian Du, who was previously a professor at the

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[33] The land system is Taiwan was categorized into several types—agriculture specific, residential, commercial, or industrial. The government maintained strict regulations over the agriculture specific land. Agricultural land could only be used for agricultural production. Agricultural land cannot be traded freely on the market and only those who have the farmer's status can purchase the agricultural land.

National Taiwan University Medical School, was appointed as the first president of the hospital. Dr. Wenbin Tzeng, also a professor from the NTU Medical School, served as the vice president of the hospital. Before the opening day of the hospital, the hospital launched a month of free clinics for the poor. On the opening day, thousands of volunteers, who had contributed to the project together with Tzu-Chi's commissioners and members, came to the small city from various places. The first grassroots and mass funded hospital was finally completed.

The new hospital still faced many challenges. As many people pointed out, building a hospital is easy where operating it is difficult. The biggest challenge is how to secure a continuous source of qualified doctors and nurses. This problem continuously affects other hospitals, especially when they are located in a peripheral area. The Tzu-Chi's hospital solved this problem relatively easily. Because of the appointment of two prestigious medical professors from the NTU hospital and their long-term relationship with the medical school that was established during mobilization, Tzu-Chi's hospital was able to sign a collaborative agreement with the NTU Medical School. Based on this agreement, the NTU would help Tzu-Chi's hospital to secure medical staff, especially doctors. They would regularly send their doctors to serve at Tzu-Chi's hospital to assist in the operations of different departments. Supported by the best medical school in Taiwan, the new hospital soon gained a strong reputation in the local society.

Comparison of the Tzu-Chi's Hospital Project with Two Similar Cases

The Tzu-Chi's hospital project became the first and only successful grassroots hospital ever built in Taiwan. Except a few Christian organizations, prior to Tzu-Chi's hospital, no other religious and civil organizations successfully built a hospital equivalent to this

scale. Before Tzu-Chi's project, two hospital projects were proposed by two renowned religious organizations; one was by the Lotus Society in Taichung, a lay Buddhist organization, in 1963 and one was by the Chaotian Gong of Beigang, a folk religious temple that worshipped Mazu, in 1980. The former, with its celebrity leader, failed to achieve the original celestial goal but ended with a small free clinic. After the death of the leader, the hospital project was turned into an adult care center. The latter, with its abundant resources, funded the project but found out operating a hospital required more than just money. The project became a game of hot potato and no one wanted to continue the project even after the physical building had been completed. The organization sought to donate the completed building to organizations that wanted to run a hospital.

In fact, these two organizations started their medical projects with no less fame and had equal, or even better, resources than Tzu-Chi. Both of them had nation-wide reputations, were led by prestigious leaders, and were located in the resource abundant west region. However, in contrast to Tzu-Chi, both of their projects ended embarrassingly. In the Chaotian Gong case, it even sought to transfer the half-finished hospital to the government after encountering difficulties in the project. Comparing these two failed cases to the successful case of Tzu-Chi thus reveals how these three different grassroots medical projects diverged critically and examines the logic behind the success and failure. The key to these divergent outcomes was the efforts made in Tzu-Chi's project towards mobilizing multiple-level supports both inside and outside of their existing networks early on.

The Lotus Sutra Society in Taichung and The Puti Hospital

Several noted Buddhists laymen founded the Lotus Sutra Society in Taichung (TSST) in 1951. These included Bingnan Li, Zhengzhi Dong, and Zhaosheng Xu. Dong was a politician in the Legislator Yuan (parliament) and Xu was a legislator in the provincial parliament. In addition, there were several local businessmen involved in the founding of the society.[34] Among its founders, Bingnan Li was the most important. As one of the most famous modern Chinese Buddhist lay practitioners, Li had nation-wide fame. His friends and students included many high-ranking officials and politicians in the KMT government. Li also held important positions in BAROC. Li's students, disciples, and followers supported TSST. Several of Li's students and friends were also important figures in the Buddhist field (e.g., Fei Zhu). Because of Li's good relationship with the government, TSST had been permitted to engage in the social welfare provision field since the 1950s. In addition to welfare, TSST also engaged in the publication (i.e., Minglun magazine) and education of Buddhist thoughts. In the late 1950s, TSST had become one of most well known lay Buddhist organizations. Under the umbrella organization, TSST had set up many functional divisions that were led by different people. Li was the central figure of this hierarchical organization. He managed to assign tasks to specific people and led the overall direction of TSST.

Li was a self-taught traditional Chinese physician who obtained a medical service license.[35] He was a board member and was appointed as an adjunct professor by the

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[34] See the chronology of critical events of TSST 1951-1989. Source: http://tclotus.net/tcbl/99move/about/intro-2007/int11.htm (in Chinese). Accessed: July 21, 2016.

[35] See Lingo Yu (1995).

newly established Chinese Medical College (now Chinese Medical University) in 1958.[36] Under his leadership, TSST frequently engaged in providing free medical services to the poor. However, it was one of Li's students, Lingbo Yu, a residential doctor at the Taiwan Sugar Company, who proposed the idea of building a Buddhist hospital in 1961. Initially, Li was hesitant to support the project because he thought the time for the project had passed. It was later supported by a group of Li's students and followers.[37] The hospital began with a two-year pilot program. It first rented a small house to run a small clinic. Dr. Yu resigned from his full-time work at the Taiwan Sugar Company and became the first dean of the small clinic. The clinic was opened on April 8, 1963 and was named the Taichung Puti hospital. It continued to solicit donations of money and land to build the hospital. Finally, the three floors of buildings were completed in the suburbs of Taichung in 1966. The Puti hospital was then the subdivision of a non-profit organization, the Puti Jiuji Yuan (Bodhi Almshouse), who also ran an adult care institute.

Figure 5.1: The First Puti Hospital Building in 1963

Source: Bodhedrum Magazine Vol. 126, 1963

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[36] Lifu Chen, a noted KMT politician, established the Chinese Medical School. He and his brother Guofu Chen were the leaders of the Central Club faction within KMT.
[37] See Lingbo Yu (1963).

The Puti hospital was the earliest Buddhist run medical institute in Taiwan. The project seemed to work quite well in the beginning and almost all of the noted Buddhist figures endorsed the project. Li used his fame and relationships to secure financing and opened the small clinic very quickly. It only took two years for the project to build its own buildings. However, the hospital operation encountered problems soon after. The hospital constantly faced severe financial problems and almost went bankrupt several times. Li had to sell his private assets to save the hospital. The leadership of the hospital was unclear. They hired doctors to serve as the deans of the hospital but these doctors left when the financial problems occurred. In the 1970s, Li was already more than eighty years old. It seemed that he did not possess the energy required to manage the hospital but there was no other suitable person to replace him. In 1975, Li resigned from all positions in the Bodhi Almshouse. In his message to the Bodhi Almshouse when he left, he reflected that the difficulties of the hospital were caused by a "lack of money, improper management" and that he had to "manage all the things."[38]

The last straw in the failure of the Puti hospital occurred in the early 1980s when the local government wanted to confiscate part of the hospital's land to build a new road. The hospital could not do anything but just accept the arrangement since it did not possess the social influence needed to fight the decision. After the deconstruction, there was an attempt to rebuild the hospital. However, since Li died in 1986, the rebuilding of the hospital was for a long time only a proposal.

Chaotian Gong and the Mazu Hospital

Chaotian Gong was one of the oldest and most famous folk religious temples in Taiwan. The main deity it worshipped is Mazu, a popular goddess widely worshipped in the

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[38] See "Xuegong yu Puti." Source: http://www.bodhi.org.tw/index.php?sid=5.3.3 (in Chinese).

Southeast China and several Southeast Asia countries (i.e., Singapore). Chaotian Gong

was also one of the richest and most resource abundant religious organizations in Taiwan.

It had been continually awarded by the government as the most generous religious

organization since the end of the 1970s. It was ranked first in terms of the total donations

it gave per year in the early 1980s (see Chapter 3). The total income of Chaotian Gong in

the late 1970s was estimated to more than 500 million NTD (around $18 million USD).

Its income mainly comes from donations from the so-called incense-oil money that

worshippers gave to the temple when their wishes were achieved. Similar to other folk

religious temples, Chaotian Gong was traditionally governed by the local elites, though

the governance body was not clear. It was among the earliest folk religious organization

to adopt a non-profit legal personality in 1973. Through the election of its members, a

board composed of local politicians, businessmen, and leaders of local factions governed

the operations of the temple. The chairperson of the board was usually one of the most

powerful people in the local society. Yinghui Wang (1906-1996), an economics graduate

from Kyoto University and a politician in the provincial parliament, became the first

chairperson of the new governing board of Chaotain Gong.

Folk religious temples were often one of the most important welfare providers in

traditional Chinese society. Most of the temples have a public account that offers cash to

those in urgent need and engages in different sorts of welfare activities. Based on their

enormous resources, Chaotian Gong was able to do various welfare activities for the local

people. It had set up a medical clinic for the poor in 1936 during the colonial period.

However, it lacked a coherent plan for its welfare activities and did not have a clear

mission. To a certain extent, its welfare provision was ad-hoc and short term, like the

winter relief. It did not operate welfare institutes that required long term planning and support, like orphanages and almshouses. The lack of a clear intermediate religious clerk stratum might explain why it did not engage in the operation of these institutions.

The chairperson's personal preference probably influenced the decision to build a hospital.[39] Wang was the model indigenous elite during the colonial period. Born to one of the wealthiest families in Beigang, Wang went to Kyoto Imperial University to study economics in 1920s. He came back to become a local politician in the 1930s. After the end of the colonial period, he was the first chairperson in the county parliament and was elected to become a member of the provincial parliament. He was also known for his support for the political dissidents and his social influence from being the chairperson of the first and second board of Chaotian Gong (1973-1982). Before this, he had been in the leadership of Chaotian Gong since 1940. He had shown his interests in social welfare when he was the member in the provincial parliament in the early 1970s. He was a proponent for the expansion of political rights for women in the parliament. In 1971, he proposed in the provincial parliament regular conference that the government should provide financial support to encourage reputable charitable and religious organizations to build hospitals. Although the government did not adopt this proposal, this showed that an interest to build a hospital was already extant in Wang's thoughts.[40]

The hospital project of Chaotian Gong was initiated in 1977. The proposed hospital was a large one with more than five hundred beds and the most advanced medical equipment. The project seemed to be solely funded by the temple without appealing to the public for support. In fact, judging by Chaotian Gong's wealth and

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[39] Unlike other religions, folk religious organizations usually did not have their own publications and seldom revealed their internal information to the public. There is no study on the topic of the Mazu Hospital.
[40] Source: http://www.tpa.gov.tw/opencms/digital/area/past/past01/member0255.html (in Chinese).

Wang's personal political connections and social influence, Chaotian Gong's hospital project had the best beginning among the three cases examined here. However, it turned out that running a modern large hospital was more difficult than Wang thought. Similar to the Lotus Sutra Society, the lack of the involvement from medical professionals began to hurt the project in the early of the 1980s. The project could not legitimatize its increasing budget to the other board members. The construction costs of the hospital took most of Chaotian Gong's annual budget away from social welfare. But, most importantly, the lack of organizational experience in managing medical affairs discouraged Chaotian Gong from continuing the hospital project even though the temple could afford the cost of the hospital.[41]

The problem of the hospital project stirred internal conflicts among the board members and finally, Wang left the board in 1983. Although Wang returned as the chairperson in 1987, the hospital project was suspended and the new board decided to search for other organizations, including those in the government, that were willing to take over it in 1983. In other words, they decided to donate the half-finished hospital. The government, under the policy shift, did not want to take responsibility but had to negotiate for Chaotian Gong with these potential new owners. Finally, the Chinese Medical College took over the hospital from the temple and it became a branch of its affiliate hospital. The dramatic shift reflected the unstable nature of the internal governance of the folk religious temple. Factious struggles over the enormous wealth of

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[41] The estimated annual income of Chaotian Gong from incense-oil donations was beyond 500 million NTD in 1982. It donated around 50 million NTD to social welfare activities. The estimated budget of the hospital was around 1 billion NTD. Source: *Tzu-Chi Monthly,* Vol. 212, June 1984.

the temple made it difficult to garner support from board members. Issues revolving

around the controversy of the hospital project still haunt the temple today.[42]

Why Tzu-Chi's Project Succeeded

Table 5.3 summarizes the differences between these three grassroots hospital projects.

Although these three cases did not exactly occur during the same period, they were close

enough to be compared. Given the equivalent, or even superior conditions, of the first

two cases, the Lotus Society in Taichung and Chaotian Gong in Beigang, I argue that the

key is the ability of Tzu-Chi's project to work on mobilization within multiple fields.

This required the diversification of their resources and the flexibility of the leadership to

incorporate new critical actors into the team.

In the first case, the Puti hospital by the Lotus Society in Taichung, with its

legendary leader's national fame, social relationships, and numerous students, it is

difficult to imagine that the hospital struggled to scale up and disappeared due to the

confiscation of its land. The hospital was hurt by the instability of its management and

lacked the strong financial support needed to maintain the hospital's operations. The

central problem for the Lotus Society's project was the over reliance on their legendary

leader's personal traits and resources. Mobilization was limited to a few Buddhist circles

and the scope of the project was narrow. They presented their hospital as a Buddhist

hospital aiming to first give services to Buddhists. The within network mobilization could

not generate the upward spiral resonance needed to attract more attention and resources

from the general public. In the case of Chaotian Gong, the outcome was even worse than

the Puti hospital. The project was terminated and the hospital was donated to another

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[42] One more dramatic event was Wang's conversion to Christianity in 1996. He voluntarily asked his friend, a Presbyterian pastor, to baptize him before he died in the same year.

organization. The initial wealth and the leader's social and political influence did not make Chaotian Gong's project succeed. Similar to the Lotus Society, Chaotian Gong also relied on within network resources. However, unlike the Lotus Society, the project seemed to be largely decided upon by a powerful individual and was unable to receive universal support from the board. The organizational structure (i.e., elected board members) of the temple further worsened the potential to continue the project. It encouraged short-term projects (e.g., charity bazaar) rather than investing in the operations of institutions that required continuous attention and resource input.

In contrast, Tzu-Chi's project took on a clear mobilization nature since the beginning. Benefitting from an organizational innovation, the commissioner system, the organization was able to launch a multi-level mobilization strategy. It not only mobilized those already in the networks, but also mobilized those outside the network. Spatially, the project went beyond its initial local context to metropolitan Taipei, and made Taipei one of the most important source of resources. It reached out to new populations and quickly incorporated them into the existing organizational network. The willingness to integrate the knowledge of medical professionals and the experiences of the business elites made the project able to rely on a broad spectrum of individuals.

Table 5.3: Comparison of the Three Grassroots Hospital Projects

	The Lotus Society	Chaotian Gong	Tzu-Chi
Founding Year	1951	1694	1967
The Year of Hospital Founding	1963	1977	1980
The Year of the Hospital Completion	1966	(1986)	(1986)
Organization	Elite male	Board of local elites	Female
Resourcefulness	Medium	High	Medium
Type of Resources	Renown leader, cultural capital	Money, political influence	Commissioner networks
Involvement of Medical Professionals	Medium	Low	High
Strategies	Limited mobilization	Independently funded	Multiple mobilization
Outcome	Small clinic	Suspended and transferred	Large medical system

Data Source**:** the author's summary

Framing Hospitals as a Non-Profit Organization

One of the direct consequences of Tzu-Chi's hospital project is that it helped

institutionalize the idea that hospitals, as a health care institution, should not be profit

driven organizations. But, this was made though the unintended consequence of the

organizers' inattention to socialize health care. This bold movement is unusual as the

literature of organizational inertia tells that organizations, once founded, are less likely to

change.[43] In addition to attributing the motivation to a single individual's willingness,

why would a given organization take this risky move given its position at that time?

There are several potential theories of organization behavior may help us to

explain the risky move. First, scholars who study religion and non-profit organizations

argue that when facing heightened competition, organizations choose strategies to affirm

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[43] This classic statement on the organizational inertia is from Stinchcombe (1965). Ecologists of organization studies make the concept of inertia central in their theorization on the dynamics of organization population. See Hannan and Freeman (1977, 1984, 1993), Carroll and Hannan (1989).

differences[44], to innovate products[45], or to confirm legitimacy.[46] Second, from the perspective of the transaction cost school, the organization decides to internalize a department when the expected cost of purchasing from the manufacturer is higher than the cost of internalization (products or services).[47] Third, the power struggle thesis argues that the power conflict within an organization explains why the organization leaders prefer to take the risky behavior.[48]

The seemingly risky behavior taken by Tzu-Chi, as I suggest here, is better explained by a combination of the transaction cost theory and the power struggle thesis. In the end of the 1970s, the movement was already the strongest local charity organization and among the top charity organizations nationwide. There was no obvious competition or challenging groups presented to the movement.[49] Thus, the competition thesis cannot explain this risky move. The transaction cost school offers a more reasonable explanation to this move. The movement has maintained two primary kinds of relationships with the medical field, by purchasing services from medical institutes and by seeking volunteers from medical professionals. The movement either used donations to purchase medical services for people under its care or motivated doctors to conduct volunteer services. With the growth of the movement, these two common modes of organizing practices gradually became less efficient and less effective in handling the increasing needs for complicated medical services. To reduce this cost, the movement was expected to internalize the medical service by building its own hospital. This is

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[44] Clemens (1993, 1996); Barman (2002).
[45] Stark and Bainbridge (1985, 1987); Fink and Stark (1988, 1989).
[46] Strang and Meyer (1993); Strang and Soul (1998).
[47] Williamson (1975).
[48] Selznick (1966).
[49] This observation thus invalidates the point that the movement innovated after the deregulation and heightened competition brought by the lifting of the martial law in 1987. See Lu, Johnson, and Stark (2008)'s article for the classic narrative of this view.

supported in several statements of the organizers that the hospital can provide better services to the people they care for.

The second important factor for the risky behavior is a potential power struggle within the organization. Although in the archive I could not find direct evidence to show a power struggle, and the fact that power struggles within religious organizations are often more implicit than in political parties, I suspect that there was a growing disagreement between Cheng Yen, a young and ambitious leader (around 37 years of age in the late 1970s), with other senior leaders (usually in their 60s in the late 1970s). These senior leaders were more satisfied with the achievement they have reached and showed hesitance to expand the movement. There was also a sign of the inertia in the growth of the number of commissioners. Although the number of members had reached several thousand people in the late 1970s, the number of commissioners stopped at around 100 for quite a while. The organization needed new stimuli and the hospital project was an ideal one. This attitude was shown in Cheng Yen's vision that the hospital will provide an ideal place for people to conduct various activities.

The hospital project was thus 1) the result of an internal organizational logic and 2) a bold attempt to strengthen the organizational capacity through extensively mobilizing the heterogeneous elements in the external environment. The innovative practices in one domain reinforced the innovative practices in another domain. The mutual reinforcing mechanisms contribute to the success of the Tzu-Chi's hospital and the institutionalization of non-profit hospitals.

CHAPTER 6
THE POWER OF THE HOSPITAL:
ELITE MOBILIZATION AND THE TRANSFORMATION OF THE MOVEMENT

Successful social movements require, at least, a certain level of support from social elites. Elites' support within the government has often been an important factor in explaining the initiations and the successes of the high-risk movements. Elites' influence over social movements is not limited to high-risk movements. Because elites usually have a higher social status, their support thus signifies an important positive message to the common people about the quality and legitimacy of the movement. Elites are also often the model of social imitation, a source of fashion, and their activities are frequently imitated by the common people. Elites' support of movements is important because it inserts influence upon the general public through the diverse resources they possess and their positions as role models. Elites' support can range from mere oral endorsement to actual resource support, partnerships and alliances, and membership within a movement. The relationship between social movements and the social elites is not static but an evolutionary process that is shaped by many factors including the movement's nature, its goal, the mobilization strategy, and the status of the elites in the society.

The success of Tzu-Chi's grassroots hospital project was built upon the participation of three important groups—the commissioners, the medical professionals, and the new capitalist elites. The commissioners' social backgrounds and their roles in the early movement and in the hospital project have been thoroughly discussed in the past two chapters. This chapter turns its focus to the other two participant groups—the medical professionals and the new capitalist elites. Both of these groups were society

elites and possessed great influence on public affairs through their professional knowledge, fame, and wealth. The participation of these two social elites in Tzu-Chi's grassroots hospital project remained understudied. Who were they? How were these elites mobilized? Did their participation in the project bring about the innovative rearrangement of the power relationships in society? To understand the success of the hospital project, we have to understand these elites in particular and the field of elites.

Elites are a representation of power in the society, and at the same time they are also the product of the power relationships in society. We can only grasp the nature of a specific elite group through their relationships with other social groups and the formation of an elite group by tracing their group history. The actions of social elites were sometimes hidden from public scrutiny as the powerful elites possess could help them avoid investigation. The hospital project is thus a window through which we can garner a sense to how social power is operated, reproduced, and rearranged. A specific category of social elite is formed within a certain historical period. The formation of a unified identity and culture of the medical professionals gradually emerged during the colonial period as a result of the education and social policies. Similarly, the new capitalist class emerged beginning in the 1970s. Benefitting from continuing economic prosperity, this new capitalist class expanded as they engaged in both small and medium businesses and the real estate business. The new capitalist elites differ from those old capitalist elites in that the majority new capitalist elites started their businesses from scratch. In comparison to the medical professionals, the new capitalists lacked a coherent group history, culture and identity.

In what follows, I first examine the medical doctors as a set of social elites. I discuss the formation of this prestigious and long-established elite group during the colonial period. I then analyze their new situation as it changed under the institutional movements throughout the 1970s and 1990s. Through examining the internal structure of the medical field, I demonstrate the motivations behind their participation in the project. I conduct a similar analysis in respect to the new capitalist participants. However, in contrast to medical professionals, new capitalist elites poured their resources, time and energy into the project for very different reasons. They were more motivated by pragmatic reasons and less by the intrinsic values. In the final section of this chapter, I examine how the hospital as a site transformed the movement and how the movement operated in the post-hospital period (1986-1990). This discussion includes the new power arrangement within the organization and the new relational patterns of the movement with the society. The hospital project was a critical event in which new ideas and new relationships could be created from behind the surface.[1]

Old Elite, New Opportunity: The Medical Doctors

In Taiwan, medical doctors consistently occupy the highest social status in different social survey and rankings.[2] Doctors are the most respected occupation an individual can enter into, and with the highest salary. The medical field is also the most desired field of young students when they choose their future vocation in college. Students strive hard to attend medical schools by receiving higher scores in the general college entrance exams. There are many shadow schools that offer special programs to those students who want to be doctors but fail the general exam. The desire to be a doctor is so high that it is not

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[1] For an explanation of critical events, see Abbott (1991, 2001), Clemens (2006, 2007) and Sewell (1996, 2005).
[2] See Tsai and Qu (1989).

uncommon to hear that some young people spend several years in a shadow school program in order to re-take their exams to become a doctor. This strong desire is also shaped by parents' expectation. Many Taiwanese parents expect their children to become medical doctors and push their children to choose the medical track in high school when students must decide on their vocational track.[3] The elite image of doctors is deeply entrenched in the Taiwanese culture.

In addition to their higher income and social respect, doctors are endowed with various cultural expectations. They occupy a unique position in the society in which they are at the same time a possessor of professional knowledge and the leader in society. The current mayor of the city of Taipei, Dr. Ke, is a surgeon from the NTU hospital and is the former director of its emergency department. He is widely known for his campaign slogan, which loosely translates to "let the doctor resuscitate the city". Managing the city affairs is thought to be equivalent to, or less difficult than, dealing with patients in the emergency room. In addition to Dr. Ke, many medical doctors have become famous politicians and occupy important positions in the Democratic Progress Party. Doctors' public engagement is highly valued and encouraged by the public. Seldom do people question why doctors engage in public affairs and politics rather than remaining solely in the medical field.

The Medical Profession and the Formation of the Medical Field in Taiwan

The exceptional status of medical doctors in Taiwan is often taken for granted. Although doctors usually possess high social status in other societies, it is unusual to see medical doctors who are endowed with such high social power and expectations apart from the

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[3] There are two general tracks in a high school—the natural and the social track. Students are asked to make a decision at the end of the first year of the high school (9th year in the American high school system).

general public in Taiwan.[4] The elite status of medical doctors, as a social institution, has been created at a particular historical period, and has been reinforced and reproduced by social forces. The exceptional social status and role of the doctor as a leader of the society in Taiwan was especially created and institutionalized during the colonial period. A series of colonial policies were influential in building up the social status of medical doctors.

Before the Japanese colonization, Western medical knowledge and practices were only diffused to the local society through Christian missionaries. The famous Canadian Presbyterian George Mackay (1844-1901) was among the earliest to establish a Western medical clinic in northern Taiwan in 1880.[5] However, it was Japanese colonization that fully brought modern medical and public health knowledge and practice together by establishing a medical elite class[6] The colonial government made medicine and public health one of its most important issues, devoting more attention to it than even pacifications of indigenous group early on in colonial rule.

Medical service provisions were among the first social institutions that the Japanese colonial government built. Only four days after the ceremony that marked the beginning of Japanese governance in June 1895, the government set up the first hospital in downtown Taipei. The first medical school, a small training center, was set up in April 1897. This institute aimed to quickly equip indigenous Taiwanese people with basic medical knowledge. The small training institute was soon transformed into a full medical school, the Taiwan Governor-General Bureau Medical School, after Goto Simpei was

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[4] Abbott (1981) has combined Mary Douglas's theory on purity and Edward Shils's theory on charisma to argue that the high prestige of medical doctors primarily comes from their ability to tackle the social disorders.
[5] The Mackay Memorial Hospital in Taipei owned by the Taiwan Presbyterian Church was in memorial of Rev. Mackay's contribution.
[6] See Lo (2002).

appointed as the head of the Ministry of Civil Affairs in April 1899. At this time, rebellious groups were still prevalent on the island and it took several years for the colonial government to establish effective governance. Despite this situation, the medical education program was established and began to admit its first students.

The Governor-General Bureau Medical Specialty School was the first educational institution that the colonial government established. It was built even earlier than the establishment of normal elementary and high schools and almost twenty years earlier than the establishment of the Taipei Imperial University in 1928. The Medical School remained separately from the Taipei Imperial University until 1936. The Medical School was assimilated into the newly established division of medicine of the University. The school only admitted indigenous Taiwanese students. After four years of medical training and a one-year internship, these students were licensed to practice medicine. Throughout the colonial period, the Medical School produced more than 1,000 graduates between the years of 1899 to 1945. More than 200 of these doctors pursued higher education after graduation from the school. Medical doctors, in a sense, were the first group of highly educated people of the island and constituted the highest members of the early intellectual spectrum of the new society under the colonial rule.[7]

The colonial government's emphasis on medical education over general education was obvious. The early education policy of the colonial government was to encourage students to pursue education with practical goals and to discourage education in fields that may lead to social dissidence (e.g., law, political science). Thus, medical education schools and the regular school for training teachers were the earliest established education institutions. The regular high school system only admitted very few Taiwanese

[7] Lo (2002).

students in comparison to their high rates of admission for Japanese students who migrated to the colony with their parents. Taiwanese students with better family backgrounds often chose to study in Japan, rather than remain in Taiwan. The overseas Taiwanese students in Japan formed several associations to advocate mild political claims for equal treatment under the colonial policy. These overseas students, together with the intellectuals, formed the basis of the political movements in the 1920s.

Medical doctors were the major leaders of political campaigns in the 1920s. The political movement was a response to the colonial government's discriminating education and social policies that favored the migrant Japanese over the indigenous Taiwanese. Weishui Chiang (1890-1931), who was a graduate of the medical school in 1915, became the central leader in the political campaigns. He was also one of the founders of the Taiwan Cultural Association in 1921, an organization that promoted equal political rights through cultural education, and later the association that further became the Taiwanese People's Party following the split of the association in 1927. He had been a member of the Tongmenghui (the Chinese United League) when he was a medical student and had personal connections to famous Chinese nationalists, like Sun Yat-sen, who was also a medical doctor. Chiang's engagement in the public sphere was not exceptional. Many doctors choose the same path. He Lai (1894-1943), who graduated a year earlier than Chiang in 1914, has been praised as the father of the Taiwanese literature. He too was a member of the Taiwan Cultural Association and used his fictional works, poems and essays in order to raise the consciousness of the public.

The creation of the medical elite was one of the first acts of colonial rule. Because social mobility through political participation was strictly limited, being a doctor was an

alternative way to move to the upper stratum. At the beginning stage, it was merely a class "in itself." As there was only one medical school in the society, it created a strong elite network among the graduates and a sense of elite pride, as well as the possession of privilege. However, the tension between the colonial state and the indigenous society bred ethnic-national consciousness and group identity for these doctors. The medical professional field was marked by its highly hierarchal structure. Senior graduates and those with higher medical degrees were at the top of this hierarchy. The Imperial University replaced the former Medical Specialty School to become the highest medical education institute in Taiwan, and its professors were the authority figures of each subfield. The political campaigns and movements through cultural means further transformed the medical elites into a class "for itself."[8] Around the end of the colonial period, doctors had participated extensively in the local public sphere and took important leadership roles in the society.[9]

The Medical Field After the Colonial Period

The end of the colonial period and the arrival of the KMT rule brought about new challenges and uncertainties to the maturing medical field. For many of these medical elites, the change was not welcome. It brought turbulence to the medical field and led to the declining status of the medical professionals. These challenges included the persecution of Taiwanese elites by the government, the resuscitation of alternative medicine (e.g., Chinese herbal medicine), the increase of medical education institutes, and more turbulent medical regulations.

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[8] See Lo (2001) for a sociological study on the making of the medical profession during the colonial period. Lo's analysis ends at the year of 1945.

[9] See Wu (1992, 2008).

Between 1950 and 1960, in the name of anti-communism, the government persecuted thousands of Taiwanese elites. Doctors, as the major constituents of the elite class, suffered greatly during the resulting period of political persecution. Second, the rise in alternative medicine, represented by Chinese herbal medicine, was institutionalized and regulated by the colonial government very early on. Chinese herbalists could receive official licensure since 1902 in Taiwan, though in contrast, due in part to the war and a lack of infrastructure, the regulation of alternative medicine was relatively weak in mainland China. The coming of the KMT after 1950 brought many of these unlicensed medical practitioners to the Taiwanese medical field. Medical regulation in the early years of KMT rule was particularly problematic. The government loosened the once strict set of regulations to allow individuals who had limited knowledge in medicine and little formal education to join the medical schools (i.e., medical practitioners in the military or Chinese medicine practitioners).[10] This brought about tension between elites trained in the rigorous Japanese medical schools and those who had obtained their knowledge from other, less reputable, sources.

While once a monopoly, the medical field expanded with the new establishment of medical schools post-1950. There are presently eleven medical schools in Taiwan, and five of these were established between 1950 and 1970. Four were established after 1980. During the colonial period, a single school monopolized medical education. The NTU Medical School was the only source of medical doctors. The arrival of the KMT dramatically changed this situation and ended their monopoly. The National Defense Medical Center (NDMC), which was established as the first military school in China in 1902, was relocated to Taiwan in 1949. As the oldest modern medical education

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[10] Ge (2010).

institution since the Qing dynasty, the NDMC had a long history and a deep relationship with the KMT. It trained military medical practitioners during wartime without using a regular medical education curriculum. NDMC and other related hospitals (e.g., the Veteran General Hospital) relied on their political connections to challenge the monopolized status of the NTU Medical School in the medical field.[11]

Beginning at 1970, two historical processes further brought about change to the status of medical doctors. The first is that under the influence of neoliberal thoughts, the state attempted to privatize the provision of medical services. Large private hospitals emerged to gradually replace small and medium sized hospitals to become the largest employer of medical doctors. Doctors now were viewed more as an employee rather than an independent professional. The second process is, accompanying privatization, the rise of commercialization in medical activities. With the privatization of medical provisions and the rise of the large private hospitals, the medical field became much more like a commercial activity. Doctors were now judged by the standard measure of labor productivity, and the number of patients they treated mattered more so than the quality of care they gave to patients.

From Consultants to Participants: The Involvement of Elite Doctors

The medical doctors working at the large private hospitals were the first to serve as consultants for the new hospital plan. Mr. Wang, a vice president within the newly established Cathay Hospital, was not a doctor but was an expert in hospital management and planning. His wife was a passionate Tzu-Chi commissioner and had helped arrange the meeting of the planning team with Mr. Wang. Dr. Shi, the director of the department

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[11] See the reflection of the former president of NTU hospital, Dr. Sibiao Yang, in his memorial of Dr. Du. *Tzu-Chi Monthly* Vol. 274, August 1989.

of orthopedics at the Changgung Hospital, also served as consultant to the project.[12] The planning team, led by Cheng Yen, made regular visits to the Cathay Hospital to consult with Mr. Wang. He further introduced the president of the Cathay Hospital, Dr. Chen, who graduated from the NTU Medical School in 1945, to the planning team. They recommended that in order to improve the quality of the plan, they should seek the support of experts at the National Taiwan University Medical School.

The planning team visited the medical school and invited Dr. Shimian Du and Dr. Wenbin Zeng to serve as reviewers for the open competition of the hospital design in 1982. The open competition was an innovative practice in which the details and the vision of the design were released to the members of Tzu-Chi and the public. Dr. Du and Dr. Zeng agreed to join the review board along with Dr. Shi, Mr. Wang, and several other board members from different professional fields in 1982. Both Dr. Du and Dr. Zeng had previously served as the vice dean of the NTU hospital. They were both board members appointed by the government to evaluate the performance of hospitals. In other words, they were at the top of the medical elite hierarchy. They played a fundamental role in the success of the hospital and the later establishment of the Tzu-Chi Medical School.

Dr. Du (1920-1989) was born in Taipei into an upper-middle class family. His father was an early graduate of the National Language School, a school that trained teachers, and was a schoolteacher.[13] Dr. Du graduated from the Medical School of the Taipei Imperial University in 1942 and obtained his Ph.D. degree from the Tokyo Medical University. He had previously studied at the University of Illinois at Urbana

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[12] *Tzu-Chi Monthly* Vol.235, May 1985.

[13] The National Language school was the first "higher" educational institution that admitted those with at least four years in the high school. The institute served a political goal to quickly increase the number of teachers that were able to teach Japanese. The school also became another source of indigenous elites. See Hsu (2012).

Champaign and Northwestern University. He was the expert in otolaryngology (ear-nose-throat) and was the founder of the Department of Otolaryngology at the NTU hospital. He served as the director of the department for more than twenty years. He was also the former chairperson of the Chinese Otolaryngological Association in Taiwan and had trained many students. He was widely known for his contribution to the study of otolaryngological cancers.

He first met Cheng Yen and other planning team members with the president of NTU hospital, Dr. Yang, and the vice president, Dr. Tzeng, in 1982. They were all graduates of the Imperial Medical School. Dr. Yang and Dr. Du were in the same cohort while Dr. Tzeng was two years behind them. As Dr. Du recalled, he was impressed by the vision provided by the planning team and amazed by how much the movement had done. He and Dr. Tzeng then joined the consulting board that offered professional evaluations of the hospital blueprint. From 1982 to 1986, the monthly newsletter reported that he actively engaged in the monthly meeting usually held in Taipei and attended several important conferences with the government on behalf of the board. In early 1984, he was diagnosed with serious liver cancer and only had a few months to live. However, Cheng Yen, the leader of the planning board, still invited him to be the first dean of the hospital in the same year. He retired from the NTU hospital in 1985 and entered his new position in the new hospital. He died in 1989, three years after the completion of the hospital.[14]

Dr. Du was the earliest and most elite of the medical professionals that wholeheartedly responded to the grassroots hospital project. The records indicate that instead of acting just as a rubber stamp, he participated in almost every meeting, no matter whether the meetings were formal or informal. He sometimes arrived to meetings

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[14] *Tzu-Chi Monthly* Vol.228, October 1985.

late at night to discuss items with the planning team after he completed his work in the NTU hospital. He was also the first doctor to offer to resign from his prestigious job in the NTU hospital to relocate to Hualien, if needed. He wanted to devote the remaining time he had left to the new hospital following his cancer diagnosis, and was strongly motivated by his vision of a new hospital that would "put saving people's life and sacrifice for the public" over other interests. His vision of a modern hospital was modeled after the Mayo Clinic, which was founded by two surgeons and supported by a group of Catholic sisters, where doctors were able to concentrate their energy on the quality of their services rather than worrying about the operational costs.[15]

Similar to Dr. Du, Dr. Tzeng, who was an internationally renowned expert in the research of Blackfoot disease, first served as a consultant to the planning board. He then became the first vice president of the new hospital and later held several important positions in the Tzu-Chi medical university. Dr. Tzeng was the past chair of the High Blood Pressure Association and an authority in cardiology. He was a Christian and his faith was often reported on by journalists and the monthly newsletter to demonstrate the inclusive attitude of the movement toward other religious faiths. He had shown his interest in the public medicine when he conducted the research in Blackfoot disease. He was a pioneer in offering an affordable high blood pressure clinic while the hospital was open. The clinic asked for a very low fee (less than one dollar) and the drug fee was limited to 30 NTD (around one dollar).[16] Dr. Tzeng became the second dean of the hospital after the death of Dr. Du in 1991.

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[15] *Tzu-Chi Monthly* Vol. 237, July 1986.
[16] *Tzu-Chi Monthly* Vol. 258, April 1988.

Ally, Legitimacy and The Guided Recruitment

The high level involvement of the elite medical doctors had multi-dimensional effects and benefits to the hospital project on the organizational, field, and individual levels. On the organization level, these elite doctors served as brokers to connect the grassroots project with two well-established medical institutions in the field—the NTU Medical School and its affiliated hospital, and the Cathay Hospital. The NTU hospital was the most prestigious medical institute and the Cathay Hospital was the newest private hospital; a wealthiest Taiwanese billionaire funded it in 1979. The new hospital was able to ally with these two established institutions and secured much needed resources. The hospital signed collaborative memos with these two institutions separately. The memos guaranteed that the two institutions would consistently offer consulting, medical resources, and human resources. The three-year collaborative memo with the NTU hospital was especially crucial as this offered the much needed sources of doctors and medical staff that the peripheral hospital previously lacked. The memo specified that the NTU hospital would rotate their doctors to the Tzu-Chi hospital and that their service there would help them to receive promotions in the NTU hospital. Because of this contract, the new hospital was able to retain high quality and famous doctors in the peripheral region.[17] This kind of alliance was missing in the two other grassroots hospital movement discussed in the last chapter.

At the field level, the elite doctors' involvement greatly increased the donors' trust, attention from the general public, and the government's confidence in the grassroots project. This distinguished the project from other grassroots hospital projects. Based on their elite status in the medical field, their evaluations and their judgments were a source

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[17] *Tzu-Chi Monthly* Vol. 227, September 1985.

of authority that could be easily reproduced in media. Thus, when elites asserted that the new hospital was absolutely essential to changing the poor medical situation in the eastern region, the government and other professionals took their opinions very seriously. When the public and members of the movement saw that a medical elite like Dr. Du was willing to ask for the help on behalf of the planning team, it created a strong trust for the project and for Cheng Yen, the leader of the movement. The logic was that if Dr. Du and Dr. Tzeng, two high status and well respected medical elites, trusted this movement, others should as well.

At the individual level, it generated a phenomenon of what I call "guided recruitment." Similar to the block recruitment phenomenon discussed by social movement scholars, guided recruitment was a recruitment process guided by the specific logic of the medical field.[18] The block recruitment thesis argues that the recruitment of the social movement often takes place in existing organizations. If some members of the organization were recruited, this would often lead to the participation of more members to the movement. Thus, a block of people is mobilized. Following this logic, scholars of social movements reveal several recruitment strategies in which the recruitment process was not individualized and random.[19] The guided recruitment process was made possible by the early recruitment of top elites in the preexisting hierarchy. The elites at the top of the hierarchy possess enormous resources and power over those on the lower level of the hierarchy. They often have the power to command the action of those lower than them. The medical field, as I have described, has this typical hierarchical structure. The top elites are the producers of the new actors (i.e., students), the gatekeepers of the field, and

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[18] For the description block recruitment, see Oberschall (1973).
[19] See Yu and Zhao (2006).

the maintainers of the order of the subfields. The movement of these top elites often induced the cascading move of the field and those following them.

The guided recruitment process began after several of the elite doctors moved to the new hospital. The earliest doctors were uncertain of the new hospital and they tended to hold more negative impressions of the east region than later arrivals. The external incentive for the move was given by both the Tzu-Chi's hospital and the NTU hospital. The majority of transitioning doctors were young, lower ranked residential doctors in the NTU system. Their future in the NTU hospital was uncertain, but they were informed that if they served in the new hospital they could be promoted more quickly in the NTU hospital. This was the first step of the guided recruitment process that brought newly recruited doctors with higher positions into the organization that began to push those under them to join the new project.

The second step of the process was when the initial uncertainty was eased. More senior doctors at the NTU hospital realized that the Tzu-Chi hospital project offered new opportunities. The top elites in the Tzu-Chi hospital used the success of the project to draw in new resources and to expand the scale of the projects. By the time the hospital was completed, the plan to establish a nursery school was already underway. The potential expansion of the medical project and the autonomy that the new project offered became very attractive to a greater number of already established medical elites. In 1988, a group of young doctors from the NTU hospital moved to the Tzu-Chi hospital. They were all promoted to Visiting Staff in the hospital and some of them were widely considered as rising stars in their specific fields. Their move was a shock to the medical

field that had consistently viewed a job at the NTU hospital to be the most prestigious career path.[20]

The guided recruitment process then moved from its first goal, of obtaining the doctors necessary for the daily operation of the new hospital, to its second goal of creating of a medical research field in the new region. The joining of these elite young doctors dramatically increased the research capacity of the new hospital and reinforced the legitimacy of the hospital and its expansion to build the medical school. I analyzed the biographies of these newly appointed doctors to ascertain their motivations to leave behind their prestigious positions to the join a new environment. Among these 12 newly appointed directing doctors in the hospital in 1988, ten expressed that they desired to make the new hospital the first medical center in the east region. Nine expressed that the influence of Cheng Yen and the positive impression on the organization were important to in making their decisions. Four expressed that their motivation was to bring advanced medical services to the region and be pioneers in making the first subfields in these new hospitals. All of them expressed that their decision was motivated by the desire to serve more people and all mentioned inequality as a contributing factor.

The desire to be a pioneer was a common narrative seen in these doctors' reports. Dr. Cai, a young cardiologist specializing in cardiac surgery, commented on his view of the new medical project. He said: "the department of surgery at the Tzu-Chi hospital is well qualified for conducting cardiac surgery because the two doctors were trained in the NTU hospital and have obtained the license of the specialization. There were no other private hospitals equivalent to us." His decision was inspired and motivated by the

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[20] *Tzu-Chi Monthly* Vol 263, September 1988. See also the special issue of the fifth anniversary of the Tzu-Chi hospital. *Tzu-Chi Monthly* Vol. 294, May 1991.

mission of the medical project to "do what you consider good for the patients."[21] The new

medical project provided these young elite medical doctors an opportunity to be the

founders or pioneers of a field and supported them with the needed resources. Dr. Chen, a

well-established orthopedist from the NTU hospital, expressed that under the new

medical project, he desired to establish Taiwan's first bone marrow lab.

The core of the medical doctors of the Tzu-Chi's hospital project came from the

oldest, most respected, most competitive medical elites in the society—the Medical

School of the National Taiwan University (known as the Medical School of the Imperial

University of Taipei prior to 1945). The participation of these medical elites from the

NTU hospital system in Tzu-Chi's project was first sparked by the move of the older

generation and top elites within the system. They saw the new hospital as fulfilling the

mission of the medical profession. The young generation also recognized the

opportunities the project offered. The project was expanding and had the potential to be a

leading force within the medical field. It also offered flexibility that was difficult to

receive from the NTU hospital to create innovative practices. The project gave them

enough room and freedom to design an innovative medical institute. The elite medical

leaders frequently shared that the goal of their new hospital was to become the Mayo

Clinic of Asia. Lastly, the common wisdom suggests that since the movement was

closely affiliated with the KMT, it should seek supports first from the NDMC system

rather than the NTU system. However, in the hospital project, Tzu-Chi chose to ally with

the NTU system and its medical elites.

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[21] *Tzu-Chi Monthly* Vol. 263, September 1988.

New Elite, Old Choice: The Participation of New Capitalist Elites

The medical elites knew how to make a great hospital and how to train the medical practitioners. Their professional service and knowledge was the cornerstone of the success of the grassroots medical project. However, these medical professionals were not as informed in regards to raising money, attracting the attention of the public, and dealing with those "dirty things". The much needed construction funding was made possible by the unprecedented participation of the new capitalist elites in the early 1980s. In addition to the existing mobilization system of the movement, the commissioner network, the new capitalists' network became another crucial source of donations.

Different from the old capitalist elites, the new capitalist elites were the majority of the capitalist participants in the hospital project. The new capitalist elites differ from the old capitalist elites in the following ways. The old capitalists were those whose wealth was built upon their political connections to the KMT. They were mostly migrants from mainland China with the KMT after 1950. They were the direct beneficiaries of the nepotistic capitalism under the party-system. Their business and wealth were built before 1970. In contrast, the new capitalists were indigenous Taiwanese or migrant Chinese, and the majority were entrepreneurs. Many of them were the direct beneficiaries of continuing economic prosperity in the 1980s. The new capitalist elites also differed from the local business elites in the scale of their business, the accumulated wealth, and the social influence. Most of them ran businesses in the entirety of society or even internationally.

The influence and the roles that the new capitalists played in the project went beyond merely making donations happen. They provided diverse benefits to the project

and their role in the movement was more complicated than that of the medical doctors. For example, the participation of a construction company boss brought both his donation and also his experience, knowledge, and network to the construction of the hospital. He knew all the dirty things necessary to construct a building. The participation of a computer company founder quickly brought digitalization to the management of the movement. The new capitalist elites also promoted the hospital project within their own companies and factories. They frequently spread the news and activities of the project and urged their employees to contribute. Even though they did not actively promote the project on the work floor, employees knew what their bosses are doing and were influenced indirectly. It led to an effect similar to block recruitment where new donors and participants were recruited via the new capitalists' social influence in their business organizations.

The movement had deep roots in the business realm since its founding (see Chapter 2). Businesswomen, particularly women working in a family business, constituted the majority of the first generation of leadership. Cheng Yen, the leader of the movement, was immersed in her family business when she was young and had been in charge of running the business after her father died. They transplanted several common practices seen in the business realm and repurposed these practices to run their charity organization. The success of the early mobilization of the local society was also influenced by the local elite businessmen, like Mr. Congmin Xu, who was the chairperson of a local financial institute. Although the local business relationships continued to be a crucial source of support for the hospital project, the joining of the new capitalist elites was not solely established by these local and older generation of business

elites. The new capitalist elites were more directly recruited to the movement through the project's outreach program in metropolitan Taipei.

Who were these New Capitalist Elites?

Compared to the medical professionals, the activities of the new capitalist elites are more difficult to detect. This is due to the fact that the number of these capitalist elites exceeded the medical elites with a large margin, and their activities were more diverse and hence recorded more randomly. However, from the archives, I manage to identify five of the new capitalist elites who had a high level of influence in the hospital project.[22] Although the archive contained more names than this number, these people were identified because they participated regularly and played significant role in the project. Near the completion of the hospital in 1985 and 1986, there was a new wave of the participation within the capitalist elites and the fervor of participation continued into the middle of 1990s.

The five new capitalist elites that played crucial roles in the early stage of the hospital project were Zhongzhi Cao, Xinxiong Ji, Duzhi Song, Xinchen Ho, and Laodian Hong. Mr. Cao ran a trading company and was one of the largest milk powder distributors. He was also the founder of Cao's Cultural Foundation, which was devoted to social welfare. Mr. Cao and his wife were initially members of Tzu-Chi's commissioner board and had made regular donations to Tzu-Chi since 1976. He gradually took on a more active role in the project and became one of the eight regular board members of the newly established Honorary Board of Tzu-Chi. The board was comprised of eight

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[22] The frequency with which activities and elites were reported in the newsletter was an important selection criterion. Many of these capitalist elites were featured in the newsletter, beyond making a donation, more than ten times.

members who each had made donations of more than a million dollars (around $30,000 USD) in 1986.

Mr. Ji was a successful businessman and he joined the movement because of his wife, Mrs. Ji, a famous Tzu-Chi commissioner in 1979 (see Chapter 4). Initially, he was suspicious of the movement and alerted his wife that this might be a religious trick. However, his view gradually changed after viewing his wife's change, and through personal contact with the planning team, composed of other social elites like Dr. Du. Mr. Song was an owner of a construction company, and he and his wife were recruited to join the project by their neighbors. His wife became a devoted commissioner and he became a voluntary construction consultant to the planning team. Mr. Ho was a successful entrepreneur who ran a trading company. His wife was also a well-known commissioner and he followed his wife's lead as he became involved in the hospital project. Lastly, Mr. Hong was the CEO of a large manufacturing corporation that made detergent. Mr. Ho and his wife introduced him to Tzu-Chi.

These five entrepreneurs constituted the core of the new capitalists in the early stages of the hospital project. In addition to making large donations, they helped introduce the work of Tzu-Chi and the undergoing hospital project to their business friends on the golf course, at the rotary club, in business meetings, and in private family gatherings. Besides these five well-established entrepreneurs, several younger people who also occupied higher positions in the private sector also began to play significant roles in the project. They were mostly in their early 40s but had managed to be in leadership positions of private companies at a young age. This group of young leaders came from even more diverse social backgrounds. For example, Yuxing Chen, who was

the chief manager of a computer company, volunteered to take on an important role in holding a public charity bazaar. Shaoming Chen, who was a high manager in one of the largest chemical companies, also played a significant role in the management of the public affairs and the organization. He eventually left the job and became one of the three vice presidents in 1991. Kun Ouyang, a young CEO of an advertising company, organized a special task group for the charity bazaar that combined a group of younger professionals in the media.

When the completion date of the hospital project was approaching, around 1985, there was a new wave of participation in the new business elites. Some of the participants of this wave became important leaders in expanding the movement. Guoqing He, a young real estate tycoon in his early 40s, made tremendous wealth through his investments during the rise in housing prices in Taipei during the early 1980s. He was a pioneer and an entrepreneur in the real estate market, and he founded the first housing brokerage company in the early 1970s. An employee informed his wife about the hospital project and she then donated 1 million NTD (around $30,000 USD) to the project on behalf of her and her husband in 1986.[23] He then became highly involved in the movement and became a leader on the honorary board. He immigrated to Vancouver, Canada in the early 1990s and established Tzu-Chi's first Canadian branch. Zongde Li, a transportation tycoon specializing in overseas shipping, joined the movement because of his daughter's involvement in the hospital project. Mr. Li had migrated to Taiwan with his parents from mainland China during the 1950s. He strived to be successful in the business realm and his company benefited from export growth in the economy since 1970. He then became an important figure in the honorary board and led many activities targeted at reaching

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[23] *Tzu-Chi Monthly* Vol. 247, May 1987. See also *Gongshang Shibao* (Digital Commercial Times), Feb. 2. 1996.

business people.[24] Many Tzu-Chi members knew him as Grandpa Li. When he died in 2002 at age 77, his body was donated to the Tzu-Chi Medical School for the purpose of anatomical teaching.

Under the work of these new capitalist elites, there emerged a strong subgroup within the original organization. The subgroup was centered on the operation of the honorary board (*rongdong*). Honorary board membership was awarded to those who donated one million NTD to the hospital project. There were 225 people who qualified by this criterion and there was a public ceremony to recognize their contributions. Business elites like Mr. He, Mr. Li, Mr. Cao, and Mr. Hong took on important roles in the creation of this honorary board as a regular practice within the organization. They held regular meetings during periodic intervals (e.g. three months or half a year). They often discussed issues facing the movement in these meetings and invited honorary board members to support the movement. Using the honorary board meeting, they drew more and more business elites to the movement in the 1990s. This included several new elites who had made their wealth in the emerging technology field and other more traditional industries.

The set of business elites who joined the movement after 1990 included many famous and influential business leaders. To list a few big names found in the archive, two founders of the world-renowned computer company Acer, Taizhong He and Zhengrong Shi, and the founder of another technology giant Asus, Chongtang Shi, also joined Tzu-Chi through a specific outreach program designed to reach business people. Perhaps the most dramatic and well-known case of entrepreneurial participation from the tech world was Junyuan Du, the founder of Silicon Integrated System Corporation (SIS). Mr. Du donated both lands and stocks held by the company, and made donations of several

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[24] *Tzu-Chi Monthly* Vol. 247, May 1987. See also *Gongshang Shibao* (Digital Commercial Times), Jan. 19. 1996

billion NTDs to Tzu-Chi. He and his wife both became devoted commissioners and active members in the honorary board. In addition to business leaders in the high tech company, there were also many business leaders from the traditional industry who joined Tzu-Chi. This included Yingchong Wei, one of the founders of a large Chinese food corporation, the Ting Hsin International Group (known as Kang Shifu in China). He even became a disciple of Cheng Yen and worked for Tzu-Chi's global humanitarian work. Mingde Wang, a tycoon who owned several department stores and companies, also became a dedicated participant in Tzu-Chi's volunteer work.

The Recruitment of the New Capitalist Elites

The biographical sketches of the new capitalist elites portray a very diverse picture of these business elites. Unlike the guided recruitment process of the medical doctors, the participation of the new capitalist elites was drawn from diverse paths. The paths to membership were shaped by the timing and by the closeness of their business activities with the hospital project. Those elites who joined the hospital project in the early 1980s were primarily recruited to the movement through family relationships. It was common for Tzu-Chi's commissioners to first be recruited by their wives or family members. The elites were often suspicious of the movement early on. But, most of them reported that their early doubts disappeared after meeting with the planning team. Some had reported that they even went personally to Hualien to check whether the story told by the commissioners was true or fabricated. It was mostly the hard work and the thrifty life style of the leaders of Tzu-Chi that really touched their hearts.

Business opportunities brought in by the hospital project were a frequent recruitment path for the new capitalist elites. Business companies are often clustered

together according to the relevance of their activities. For example, construction companies are often in close connection to the real estate development companies and the hotel industry. Thus, recruitment often first took place among these interrelated business circles. The hospital project was one of the largest private construction projects in the early 1980s, and the potential that the hospital project would expand even further made joining the project a valuable investment. Many construction companies' owners donated to the project and a number of the owners participated in the project. Some of them became very dedicated to the movement, though the planning team for the hospital attempted to maintain strict rules to avoid any conflicts of interests. Mr. Song, an owner of a construction company who was known for his volunteer work in Tzu-Chi, participated in various Tzu-Chi mass construction projects. Although he did not win the bid for the project, he nonetheless devoted his time as a voluntary on-site supervisor for the construction and provided his knowledge. Influential business elites in the movement, like Guoqing He and Mingde Wang, were both in the real estate development business. The small circle of business elites became another path of recruitment.

There emerged a more institutionalized way to recruitment business elites after the completion of hospital project. The honorary board meeting was an important source of recruitment. The honorary board, under the lead of the passionate elites, designed diverse ways to approach other business elites. They designed collective activities like a three-day retreat (known as the Still Thoughts Life Camp) in Hualien, which has invited targeted business leaders since the early 1990s. The life camp integrated Buddhist teachings, business management, and experience sharing activities designed to help business elites relieve their anxiety and think about ways they could help society. In

addition, these business elites also further differentiated into several sub-groups. For example, Ciyou (translated literally as the friend of Tzu-Chi) was organized by the female relatives of business elites. Members of Ciyou were all from the most elite and richest family background. This informal channel was also important to draw new business elites to Tzu-Chi.

Resonance and Motivation

The hospital project and the Tzu-Chi movement's ability to elicit the participation of the business elites was due to its ability to generate resonance at multiple levels through personal experience, practical and pragmatist ethic, religious framing, and social responsibility. At the personal level, the emphasis of the collective and the grassroots dimensions of the project fit within these first generation entrepreneurs' life experiences. For many of these entrepreneurs, they believed that their success was not given, but was made by their hard work and by the support of the society. They appreciated that the hospital project was a collective project that received support from many commissioners and was built from the collaboration between elites and the common people. In addition, Tzu-Chi's effort to become successful from a local small charity organization mirrored their own career experiences. Many of the most dedicated business elites expressed that Tzu-Chi was just like them, someone who had grown from a nobody to become a somebody step by step.

At the practice level, the movement and the hospital project promoted practice based pragmatist ethic. For example, it emphasized management and accountability through providing detailed reports about how the project will be executed and made the information transparent to the public. The project revealed all of its financial information

since 1966 to 1980 to the public in the newsletter, even though the legal framework of Taiwan did not require non-profit organizations to make this information public. From 1980 on, every monthly newsletter introduced several of the commissioners' stories. These stories emphasized their family background, their motivation, and the actual work conducted by these commissioners in the movement. It emphasized how common people, like these commissioners, could make a difference in the society though their everyday efforts. It did not tell grandiose narratives, but rather the everyday engagement of commoners in dealing with prevalent social problems. I find that the project mostly did not ask for a large sum of money from a single donor. Instead, it usually offered a variety of ways for business elites to become engaged in the project besides financially support. They were invited to be consultants sitting on the planning team with other professionals, to live in the dormitory near where Cheng Yen lived, or to be a local representative for an outreach program. The project encouraged creative ideas and valued the pragmatist approach to solicit support.

The religious framing of the hospital project emphasized its unification, tolerance, and open attitude to different faith backgrounds rather than only emphasizing Buddhism. At the beginning of the project, I found that the project was occasionally framed in a narrative style that stressed the need for a Buddhist hospital to compete with already established Christian-run hospitals. This framing strategy was later abandoned when the project was underway and the campaign was widely expanded. It began to advocate for the hospital project in a variety of ways that associated the project with certain intrinsic values of Buddhism. For example, the project was framed as a collective effort to accumulate merits to compensate for bad karma. Healing a wounded stranger was

thought to be of the highest value in popular Buddhist ethic.[25] Building a hospital that is able to offer continuous medical healing is like digging a well that will generate endless water in terms of karma. At the same time, everyone could find his or her own place in this collective project. People, like business elites with more resources, could play a leading role in making this project happen. Helping others to accumulate merits is also thought to be a high merit that a Buddhist could obtain. This sort of reflection was also commonly seen in these new capitalist elites' stories.

Lastly, the call for awareness of the social responsibility approach to societal problems resonated very well with the prevalent feelings of the new business elites. The Tzu-Chi movement advocated for the society to come together to fight against serious social problems rather than be divided along different lines of interests. The hospital project was an example of how the different parts of the society could find a common ground to work together. This provided an alternative route of public participation beyond the prevailing method of the 1980s, social protests. This approach deemphasized conflict within public participation and was especially welcomed by the business elites as they, in particular, felt the anxiety of coping with a rapidly changing society while their status prevented them from taking on more radical ways of public participation. Many of these elite business leaders stated that they felt a responsibility to contribute something to society, but that before joining Tzu-Chi they did not know how.

The Power of the Hospital Project: Hospital as a Critical Event

The hospital project transformed the Tzu-Chi movement in a remarkable way. Through the opportunities brought by the project, the original local charity movement was able to

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[25] A popular Chinese idiom says, "saving a person's life exceeds the merits of building a seven level pagoda." (jiuren yiming shengchao qiji futu). The contrast between these two social practices reflects the different attitudes between Theravada and Mahayana Buddhism.

expand to the wider society and connect to a resource abundant metropolitan area. The mobilization process of the project allowed the movement to penetrate those previously disconnected networks, like the medical elites and the new capitalist elites living in the city. The project not only offered an opportunity to access these valuable networks but also served as a platform that merged and integrated these diverse social networks in a creative way. Medical elites, new capitalist elites, and the thousands of Tzu-Chi members were merged into a new organizational entity through the project. In this sense, the project itself was a critical historical event for the Tzu-Chi movement.

Critical events are commonly understood as events that have the capacity to "change the course of history." To move beyond this relatively vague conceptualization, historian William Sewell Jr. defines historical events as "sequences of occurrences that result in transformations of structures."[26] Most historical sociologists use similar ideas to understand how large-scale institutional change takes place.[27] While this concept is mostly applied to the macro level of social change, I consider that it could be used to explain meso-level organizational phenomenon. It also helps us understand several organizational puzzles. For example, why do certain organizations have a sudden growth cycle after a period of stagnation? How do some organizations remain innovative? The potential answer for these, and other questions, may lie in how these organizations create critical events. Critical events, in this regard, have several meanings for organizations. They first seek to reshuffle the original intra-organizational social relationships, and then seek to rearrange the social relationships of the existing organization. By doing so, these events have the power to change the path of the organization as it defies the constraints

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[26] See Sewell (1996, p.843), Sewell (2005. Ch.3).
[27] See Abbott (1990, 1991, 2000); Clemens (2007).

imposed by path dependence.[28] The problem is then how we are able to make certain that an event is crucial and that it has the capacity to elicit structural change prior to our examination. More fundamentally, what constitutes an event?

In this regard, it is not the hospital, but the hospital project as a whole that is the critical event. This interpretation differs from past studies that often employed a narrative that assumes a linear and point-to-point relationship between the success of the hospital and the movement. The hospital *caused* the success of the movement. This narrative contends that the hospital is an isolated event and should be treated as a single point in the time horizon. Instead, my interpretation, as shown in the previous discussion, treats the hospital project as whole with an internal logic that structures the mobilization process that is characterized by a structure of unfolding mobilization. The analysis on two separate elite fields, medical professions and the new capitalist elites, demonstrates that the transformative power of the project cannot not be fully understood if one does not take the development of these two field into consideration simultaneously.

In the remainder of this chapter, I explore the ways in which the hospital project transformed the overall movement. The launch of the hospital project in the late 1970s, through its extensive mobilization, significantly influenced and changed three existing structures. The project had first greatly transformed the existing organization structure. The hospital project is theorized as the source of three changes: organization, institution and field level. After the completion of the hospital, the original local movement had been scaled-up to a national-level movement. It had now shifted its organization center to metropolitan Taipei but maintained its spiritual center in Hualien. Within the organization, the project created several new internal sub-organizations and specific task work groups.

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[28] For path dependence, see Mahoney and Thelen (2010), Pierson (2000a, 2000b), Thelen (2004, 1999).

The mobilization process diversified the existing organizational networks greatly, and with this diversification we see more creative framing strategies during the mobilization process. Institutionally, the grassroots medical project successfully made several institutional changes, including the abandonment of the mandatory deposit for medical treatment and the institutionalization of a volunteer-based social service department within the hospital. At the field level, the mobilization integrated two powerful social elite groups and created a novel civil sphere composed of the business philanthropists, common volunteers, and religious practitioners. It promoted the morality of *Noblesse Oblige* in this new field in which the rich should be taught to behave in a moral way to help the poor. Combining a new morality with innovations in business and volunteerism, this created an unprecedented mora-economic complex in the 1990s that controlled media, factories, religion, discipline, education, and humanitarian relief parts.

The Hospital Project as a Source of Organizational Change

Before the launch of the hospital project, the organization of the Tzu-Chi movement was operated within a simple organizational structure. It had a committee composed of senior commissioners that made decisions, and the majority of the functions were fulfilled by the commissioners and members affiliated with each commissioner. There was little hierarchy within the organization and the movement operated like a widespread net. The organization did not have a legal status; this meant that the organization did not register with the local court (see Chapter 3). One obvious change that the hospital project made to the movement was to push the movement to obtain its legal status in order to be qualified to run a hospital. The movement ended its 15-year informal status to become a registered civil association with a legal personality in 1980. The second obvious change was that the

size of the movement greatly expanded post-mobilization. Although already one of the largest civil associations at the end of the 1970s, the number of commissioners seemed to stagnate at around 100-150 and the number of general members was around 4,000 to 5,000. After the hospital's completion, the number of commissioners grew to around 500 and then exceeded 1,000 in 1990. Membership also grew quickly. Thirdly, a new foundational form was created in 1990 as the umbrella organization of all the newly created institutions, such as the hospital, nursery schools, and the future medical school.

The hospital project fundamentally rearranged the existing organizational structure of the movement. The multi-level mobilization strategy created opportunities for a large number of heterogeneous people to enter into the existing organization. The arrival of these diverse elements brought with it a diversification of the organizational structure. This differentiation often took place among those who joined the movement who already shared similar characteristics. Before the project, the organization had small sub-groups. The leaders of the movement did not intentionally design many of these sub-groups. For example, the most well-known and representative case of this was the honorary board. The honorary board was an organizational innovation designed to incorporate certain elites by bestowing social prestige upon their generous financial giving. However, it was the elites who actively made the honorary board an influential sub-group. The honorary board was at first merely status symbol title for those who contributed more than one million NTD to the project in the opening ceremony of the hospital in 1986. The original purpose was to express Tzu-Chi's gratitude to those who contributed significantly. The institutionalization of the board and the routinization of the board activities were carried out by social elites who made this board a powerful tool of

the movement. The title *Rongdong* (honorary board member) became an institutionalized title along with two other titles, *Weiyuan* (commissioners) and *Huiyuan* (members). Similar differentiation processes took place for other sub-groups. The sub-groups continued to emerge until mid-1990s when the organization decided to control the emergence of new sub-groups. More than 15 sub-groups had existed in the organization, though not of all them were institutionalized.

The organizational structure was also profoundly changed as large medical institutions and medical professionals joined the movement. Prior to the project, the movement's relationship with these medical professionals was cooperative, but now it had incorporated a large number of these medical elites into its organizational realm and these elites were now an integral part of the movement. This changed the internal dynamic of the movement. Similarly, the incorporation of business elites into the organization created many specific task teams during the project. Some of these teams continued to exist after the hospital was completed. Some members from the task teams were recruited to be employees in the newly established foundation.

The need for mobilization and the incorporation of a large number of heterogeneous people made the framing of the movement differentiated and innovative during the period. The framing prior to 1980 was quite simple. The new frameworks rapidly appeared during the mobilization process, especially in the first charity bazaar event. This fundraising event created most of the major framings that the movement still uses today. The framers eagerly sought to integrate terms commonly used in other fields to create new ways to interpret the religious teachings. For example, they used concrete terms to visualize abstract concepts like love.

One framing strategy was centered on the use of scientific terms. Thus, love was framed like seeds (*zhongzi*). It is necessary to sow (*bozhong*) these seeds as early as possible and to be a careful gardener (*yuanting*) with a love of the nursery (*miaopu*). The reciprocity of good will (*shan*) was framed as the flow and circuit of air (*shandeqiliu*). Doing good things could generate the greenhouse effect of humanity (*renxing wenshi xiaoying*). Doing Tzu-Chi is to master the economy of good will (*shan de jingjixue*). The Tzu-Chi way of doing charity was framed as knowledge of "the dynamic of good will" (*donglixue*). The framers of Tzu-Chi were quite experienced in incorporating some of the latest terms to frame their thoughts. For example, in Buddhist thought there are numerous similar worlds that co-exist with the world in which we live. The framers of the movement thus borrowed the popular term *naimi* (nano) when the technology was introduced to the world in the late 1990s and became popular. The term 'nano' was soon borrowed to create phrases like *naimi shijie* (nano-world) to imply the similarity between the medical field and the real world. A family of new phrases with the prefix nano was then invented. For instance, it was never too late for people to find their "nano good-will." While the movement tried hard to come out with new framings, the most creative period was still during the hospital project.

The Hospital as a Source of Institutional Change

The hospital project was a source of three major institutional changes—medical, gender, and religion. The primary way these changes occurred was through a pioneering model.[29] One of the most successful appeals of the movement was to reform the medical practices that favored the wealthy over the poor. The most well-known of these practices was the requirement of a medical deposit to receive medical treatment (see Chapter 4). This

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[29] For the analysis of institutional change, see Clemens and Cook (1999) and Schneiberg and Clemens (2006).

practice was not formally legalized but its prevalence demonstrated how resilient a social institution can be. The government made several efforts to discourage this practice but their efforts garnered little effect. In this regard, the grassroots hospital project was in part a movement against this unfair medical practice and it aimed to make access to medical service a universal right, regardless of one's level of wealth. However, it aimed to reform this institutional practice not through the common political channels (e.g., lobbying) but worked to build a model hospital that abandoned this practice and offered affordable medical services to the public. Given the potential financial burden (i.e., if patients did not pay the fee after receiving the treatment), many people doubted whether this hospital could succeed financially. Nevertheless, the hospital received the full support of the movement and was able to keep its promise that no matter their economic status, it would not reject a patient. It thus acted within a "rule-changer" role, if not a challenger, to an existing institutional practice. It thus initiated a cascade effect that pushed the government to institute stricter rules against the medical deposit by declaring it illegal in 1987.

In addition to this immediate change, the project had a lasting impact on other medical institutions. It established the first bone marrow database in the world that was focused on the Chinese population. The bone marrow dataset was advocated for several times in the past, but neither the government nor private medical institutions had the motivation and the incentive to create it. One issue was that in order to harvest the bone marrow, donors had to accept a more intrusive technique. In Japan, the government administered the bone marrow dataset but the growth of the samples was slow. The Taiwanese bone marrow dataset was launched in 1991 and soon became the largest

dataset available to the Chinese population by soliciting more than 200,000 donors. The success of the bone marrow center was one part of the expansion of the Tzu-Chi medical activities. In assembling a global medical elites' networks, it established the Tzu-Chi International Medical Mission Association (TIMMA) in 1988, an affiliated organization with a mission similar to the French Doctors without Borders.

The impact of the hospital project on gender and religious institutions was intertwined. Women, although they were the majority of religious practitioners, did not take on leadership roles in other major religious organizations. In both religious public ceremonies and in institutional capacities, men often took the lead roles over women. In the two grassroots hospital projects undertaken by religious organizations, men took the leading roles, rather than women. However, the Tzu-Chi project was carried out mostly by women and succeeded in building the most advanced and biggest hospital in the country. Because of the success of the hospital, Cheng Yen and other female Buddhist practitioners were viewed by the public as Buddhist role models. This was a direct challenge to the Buddhist Eight Special Rules (*aṭṭha garudhamma*), a Buddhist model that many practitioners still followed, that places women in a subordinate role.[30] By accomplishing something that men had failed to do, the success of the grassroots hospital highlighted women's potential and was also seen as a representation of the declining influence of monks. The project was thus the hallmark of a shift in the institutional order of Buddhism.

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[30] The Eight Special Rules is believed to be told by Buddha in regards to women. It puts women under the supervision of men in the monastery and is often used to justify the superior status of men over women. For the discussion on the Eight Special Rules and how it stirred the debate between male and female Buddhists in Taiwan, see Lee and Han (2015).

The success of Tzu-Chi attracted critiques within religious circles, both Buddhist and not. In the Buddhist realm, many debates were centered on whether the relief work, public engagement, and general doing of good things, were actually what true Buddhists needed to do. Will doing this lead to salvation from the world? Other Buddhists and intellectuals criticized the practices by stating that they were based on the ordinary and judgmental mind instead of true wisdom.[31] However, these critics and attackers had to recognize that Tzu-Chi had revolutionized the traditional religious practice by highlighting the importance of public engagement. Christians, with their long-term stagnant growth rate in Taiwan since 1970, carefully monitored the activities of Tzu-Chi. They tried to learn the secret behind the rapid growth of Tzu-Chi's membership. In general, Christians saw that the movement's success lay in their active engagement with public issues, like social welfare. It was thus suggested that Christians should pay more attention to those in need and engage more directly with the public.[32] The hospital project's success pushed these religions to re-evaluate their attitudes toward public issues and the social welfare engagement.

Does Tzu-Chi's method of public engagement benefit the nascent democracy and the civil society? In addition to the critiques from religious circles, several renowned public intellectuals made criticisms of the potential negative effects brought on by Tzu-Chi. These intellectuals and scholars viewed the Tzu-Chi fervor as a cultural phenomenon that was surely a sign of culture degradation. They saw that people joined the movement because of an uncertainty caused by social change. The lifting of the

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[31] It was argued that what Tzu-Chi's members learned through their works was only a superficial knowledge. As the term *buliaoyi* implies, they did not truly understand the meaning of Buddhism.

[32] The Catholic Church in Taiwan had established a good working relationship with Tzu-Chi. A Catholic nunnery in Taipei had collaborated with Tzu-Chi's volunteers in helping the urban poor. Catholic fathers and nuns had visited Hualien several times and had co-hosted a conference about social work and social service in 1994.

martial law and the democratization process indirectly caused this uncertainty. For some

of these scholars, religion, no matter how groups engaged in the public realm, was not

good for democracy. Religion tends to encourage individual worship and discourages the

democratic spirit. In their eyes, the highly disciplined and organized nature of Tzu-Chi's

volunteers and the movement's remarkable mobilization capacity was not a sign of

liberated individuals. Instead, it signified religious authority over human free will.

The number of critiques, doubts and attacks on Tzu-Chi in the 1990s indicates the

social impact of this movement. Most of the critiques were in response to the institutional

changes brought about by Tzu-Chi. It was the first large-scale and highly religious

organization that sought to engage with public issues seriously. It was also a hybrid and

new form of social organization that combined religious teaching, professional

knowledge, and the material wealth of business people. In addition, it was also a

movement led by a group of women. At the same time, the way the movement viewed

social change was mild and even conservative. It promoted gradual and peaceful methods.

Critiques saw the conservative aspect of this movement but overlooked how it challenged

many existing institutional practices.

The Emergence of the Moral-Economic Complex and the Morality of Noblesse Oblige

Lastly, the successful mobilization of the hospital project helped to create the conditions

for the emergence of what I call the moral-economic complex. The movement grew from

a simple local charity movement in the 1970s, to become an organization that controlled

a modern hospital by the end of the 1980s, and became a giant multi-divisional and

transnational organization in the 1990s. Under the umbrella foundation, the movement

now controls medical organizations, media (i.e., press, television station), and even has a

for-profit company that manufactures products used in disaster relief and environmental actions.[33] The company uses the recycled plastics from the more than 5,000 recycling sites that Tzu-Chi has built in the country since 1991 to make their own products. The products designed by the affiliated company frequently win global design awards and are used widely in global humanitarian missions. Its enormous medical, media, and education institutions and the affiliated high-tech company distinguish the movement from the typical religious organizations in Taiwan and blurred the boundary between for-profit/non-profit and religion/non-religion. What accounts for the development of this movement to become such a moral-economic complex?

The emergence of the moral-economic complex was the result of the movement's interaction between the business field and the hospital project, which had helped to consolidate a nexus of social networks composed of numerous business relationships. The hospital project created a new opportunity that made the hybridization between wealth and philanthropy possible and easier to achieve. The civil sphere, where philanthropic behavior mostly took place, was highly controlled by government-affiliated organizations prior to 1980. The government, in certain national events, usually guided the philanthropic behavior of organizations. The hospital project invited the new business elites to engage in philanthropy in a more direct way. The two large-scale charity bazaars in 1983 and 1985 were two culminating cases for the shift in the philanthropic behavior. These two multiple day charity bazaars were organized mostly by new business elites from the city. They donated items that would be sold in the event and served as volunteers in the events. Celebrities were mobilized by these business elites to join and

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[33] Dai Ai Technologies Co. Ltd. was founded in 2008. It claims it is the first social enterprise that is devoted to environmentalism in Taiwan. See: http://www.daait.com.

often chaired the bidding process. The events were broadcast on television and reported on by newspapers. They were a few of the earliest privately held philanthropic events in the early 1980s.

The success of the charity events was due to the enthusiasm of the new business elites. In response to this enthusiasm, a new self-understanding arose in the movement. Previously, the movement was known as a movement for the poor. Its central mission was to relieve the poor from miserable conditions (*jipin jiuku*). Since 1984, a new term *jiaofu* (teach the rich) was added to the original framing. The new mission became *jipinjiaofu* (relieving the poor and teaching the rich). Teaching the rich now was now a new element for the self-understanding of the movement. The rise of this discourse reflected the increasing influence of wealthy people in the movement and the expansion of the movement to the metropolitan area. The rich needed to be reached and taught their social responsibility to take care of the poor people. Although the discourse was not theorized in terms of obligations like *Noblesse Oblige*, the wealthy people were expected to understand that their current affluent status was made possible by the support of the society.[34]

Although the discourse emphasized that the rich needed to be taught, wealth was not considered to be a sin or an obstacle to salvation. Instead, wealth, salvation, and social action were integrated together nicely. Wealth is seen as an important tool for social action to aid those people in needs. The business people who were willing to spend their wealth properly to impact general public goods were known as the rich of the rich. In contrast, those who possessed wealth but refused to help other people were the poor of

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[34] Cheng Yen addressed the new mission of the Tzu-Chi commissioners in 1984 in Taipei. The commissioners now had two primary responsibilities—to assist the poor and to teach the rich. See *Tzu-Chi Monthly* Vol. 212, June 1984.

the rich. The teaching elevated the merit of sacrifice and helping others over all else. People who are economically poor but still willing to make donations are admired highly as the rich of the poor. The poor of the poor are those who are both economically poor but do not have the spirit of helping others. Clearly, wealth is at the center of this pragmatic ethic. If you help others, although it cannot guarantee fortune of this life, the accumulated merits will transfer to the next life.

From the hospital project, Tzu-Chi provided both a platform and a solution center for the capitalist elites. It offered non-superstitious, direct, and engaging methods for these elites to find their own ways to publicly participate. In addition to the cases discussed in the previous section, business elites sought solutions from Tzu-Chi to deal with problems they encountered. One of the richest Chinese families in Indonesia sought the advice of Tzu-Chi to help them engage in philanthropy in Jakarta, Indonesia. They collaborated on a project to clean and rebuild the urban ghetto in an inner city. In return, business elites donated huge amounts of their wealth to the movement. Large amounts of donations occurred frequently in the late 1980s. Several business people first donated land in Taipei to construct the Taipei branch building. The land donations made the Tzu-Chi organization one of the most land-owning civil organizations in Taiwan.

The Da Ai technology company was one such innovation that was created by the donations of the business elites. The idea for the company came out of the discussions of several senior and influential business elites in the Tzu-Chi movement. They wanted to institutionalize their donations to support the movement after they passed. They co-founded the company and donated the company to the Tzu-Chi Foundation, the umbrella organization overseeing all affiliated organizations. The tech company designed and

manufactured various products, particularly clothes, using recycled plastic from the contracted recycling centers. Some of the products are designed specifically for disaster relief work. Ideally, the company was the final piece of the movement's environmental mission. It obtained the raw materials (plastic) from its own recycling sites to make the products. The products are then sold to the organization's members, to the public, or are purchased for disaster relief work. This is an ideal circle of the good will (*shan*). Then, the generated profit from the company is used to support the operational needs of the movement. A moral-economic complex is completed.

CHAPTER 7
THE EMERGENCE OF CHARISMA:
ORGANIZATION, NETWORK AND MEANING

The completion of the hospital in 1986 and the following series of projects (e.g., expanding the hospital and establishing a nursing school, medical school, university, and global humanitarian work) kept pushing the fame of the movement to new heights. Accompanying the success of the movement was the phenomenon of Cheng Yen's personal charisma. This chapter turns the focus from the organizational level phenomenon of the previous chapters to the individual level to study how Cheng Yen's charisma emerged by linking her personal charisma with the actual organizational process. In contrast to the typical understanding of charisma that is highly based on personal traits, this chapter offers a theoretically different and empirically challenging interpretation to the emergent phenomenon of Cheng Yen's charisma.

Contemporary studies of charisma follow Weber's classic definition. In his theory of legitimate authority and the sociology of religion, Max Weber (1968, 1978) describes the characteristics of charismatic leaders, the structure of charismatic organizations, and the routinization of charisma. However, his theory of charismatic emergence is less clear, and even confusing. Following Weber, sociologists have examined charisma using several different approaches. The existing research has helped us better understand the structure of charismatic organizations and the maintenance of charisma.[1] Nevertheless, our knowledge on charisma emergence is still quite limited.

At the same time, it is puzzling to find that although almost all sociologists now agree that charisma is an organizational phenomenon and scholars should examine it

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[1] Biggart 1990; Andreas 2007; Smith 2013; Chen 2012; Reed 2013.

relationally (see Smith 2013), the literature of social networks, one of the most promising subfields of sociology, seldom examines charisma.[2] Why do scholars of social networks ignore the concept of charisma? A simple answer might be that charisma is incompatible with network analysis, because scholars of network analysis tend to place social relationships over group meaning and identity.[3] Kirchner and Mohr (2010) argued, "a relational sociology begins from the assumption that the elements of social life are defined by the systems of relations within which they are contained" (p. 556). On the other hand, charisma imposes a strong identity on social relationships and creates social relationships within homogeneous organizations. Thus, charisma is the antithesis of social networks. This is supported by the fact that with only a few exceptions (e.g., Bradley 1987), scholars who study culture, religion, and leadership conduct most of the research on charisma.[4]

The case for the emergence of Cheng Yen's charisma suggests that the diverse organizational network configuration facilitated the emergence and consolidation of charisma. At first glance, this argument seems to run against most of the existing literature, which suggests charismatic organizations are marked by tight-knit interpersonal relationships (Bradley 1987). The problem with this common view is that it assumes the existence of a charismatic leader in the first place, and cannot tell us how charisma emerges. In contrast, a more sophisticated treatment hidden in Padgett and Ansell's (1993) seminal study implies that charisma's emergence is linked to its effect on the specific network arrangement. However, scholars have overlooked this view and have

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[2] For example, in White's (2008) seminal work *Identity and Control*, the author does not mention charisma at all. Similarly, in Padgett and Powell's (2013) recent and important work, *The Emergence of Organizations and Markets,* this term receives no discussion. There are only seven articles mentioning charisma in the journal *Social Networks,* and none of these articles are devoted to discussing the concept.

[3] See Emirbayer and Goodwin 1994 for further discussion.

[4] See Joose 2012; Junker 2014.

not systematically developed it. The recent cultural turn in network analysis offers a

timely remedy to this void in current theory. The idea that meanings, identities, and

networks mutually constitute and co-evolve provides a fresh angle to tackle the old

question of how charisma emerges.[5]

Cheng Yen, the leader of Tzu-Chi and arguably one of the most influential

Buddhist nuns in the world, and the emergence of her charisma elucidate my argument's

logic. She led the Tzu-Chi movement (which literally means compassion and relief) for

fifty years. The movement originated in Taiwan in 1966, and grew rapidly to become one

of the most influential religious, social, and humanitarian organizations. The movement

now has millions of members worldwide. Due to the movement's success, Cheng Yen

received numerous awards[6] and a great deal of praise for being the commander of a "non-

profit humanitarian machine with divisions in 50 countries and nearly 10 million

supporters and volunteers."[7] Scholars often attribute the movement's success to her great

charisma. In this popular account, her charisma predates the Tzu-Chi movement's

formation (see Huang 2009).

My explanation offers a new standpoint to view her charisma based on the

organizational dynamic. The analysis is based on the Tzu-Chi movement's primary

organizational publications. The movement began to publish monthly newsletters nine

months after its founding. These organizational publications have become the most

valuable source of information on the organization's operations and the interaction

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[5] See Mische and White 1998; McLean 2007; White 2008; Pachucki and Breiger 2010; Mische 2011; Padgett and Powell 2013.

[6] Among the numerous awards she won, Cheng Yen received the Eisenhower Medallion from People to People International (a foundation founded by President Dwight D. Eisenhower) in 1994, and in 2011, she became the first person from outside the U.S. to receive the Franklin D. Roosevelt Distinguished Public Service Award.

[7] "The 100 Most Influential People of 2011." *TIME Magazine*, April 21, 2011.

between its leaders, its followers, and outsiders. In most cases, similar movements and religious organizations did not have such detailed reports of organizational activities. The digitized articles from the newsletters enable me to trace how meanings and language attributed to Cheng Yen changed over time. The Tzu-Chi movement's scale and global influence make it an invaluable case for understanding charisma's emergence.

By bringing the study of social networks into the study of charisma's emergence, this chapter brings a renewed understanding of charisma by engaging with the literature of networks, organizational identity, and meanings. Furthermore, by discussing charisma in the context of the study of social networks and organizations, this article facilitates a genuine synthesis of cultural studies and social network studies. Social network scholars could learn from the study of charisma, in which emotion and identity play a significant role in shaping social relationships. In what follows, I shall first discuss existing theories of charisma with a focus on charisma's emergence. Second, I will discuss my theory on the emergence of charisma, based on the literature of the cultural turn in organization and network analysis. Then, I briefly describe my case, my research agenda, and the data. After this, I enter into a substantive discussion of the emergence of charisma. I end the chapter with a discussion about the implications of my research.

Charisma and The Difficulty of Studying Emergence

Charisma has been a key concept in sociology since Weber borrowed the term from theology and repurposed it for his theorization of forms of legitimate authority and his sociology of religion. In U.S. sociology, the concept gained popularity in the 1960s and 1970s when Weber's work was translated into English. Several prominent U.S. sociologists spent significant energy clarifying and applying Weber's concept of

charisma.[8] The concept also gained popularity in other, related fields like cultural anthropology. In addition to Geertz's (1983) classic work, many scholars applied and extended Weber's concept of charisma, especially to the study of new religious movements.[9]

The scholarly interest in charisma can be understood in two ways. First, because charisma is an ideal type of legitimate authority, scholars are interested in understanding how charismatic authority differs from the other two types of domination. This leads to the study of specific characteristics of charismatic organizations. This first type of study generally aims to clarify Weber's original concept or to extend it. [10] Second, scholars are interested in the empirical questions of how charisma emerges, maintains itself, and becomes routinized. This line of questioning has led to many empirical studies that apply Weber's concept to understand social organizations, especially new religious movements.[11] In fact, these two types of studies are hard to distinguish from each other, and scholars often involve both lines of questioning in their theoretical discussion and their empirical studies.[12]

Thanks to these past studies, we are now better informed about two important dimensions of charisma. First, we have a great body of knowledge on how the structure of charismatic organizations differ from normal, bureaucratic organizations. Scholars of management and leadership have used the concept of charisma to indicate a type of organization in which the leaders constantly rely on immaterial incentives like values, emotion, and vision to lead (e.g., Conger and Kanungo 1987; Boas, Robert and Michael

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[8] Berger 1963; Shils 1965, 1975; Eisenstadt 1968; Roth 1975.
[9] Wilson 1975; Tambiah 1984; Lindholm 1990; Smith 2000; Feuchtwang and Wang 2001.
[10] Friedland 1964; Berger 1963; Dow 1969; Greenfeld 1985, Shils 1965.
[11] Stark 1965; Bord 1975; Glassman 1975; Feuchtwang 2009.
[12] See Smith 2013.

1993; William and Bruce 1998; Bradle et al. 2006). In sociology, Biggart's (1990) classic study on direct sales companies in the U.S. further connects specific types of activities to organizational form. According to her, the practice of direct selling facilitates leadership based on values and vision. In his study on the student movement during the Chinese Cultural Revolution, Andreas (2007) shows that charismatic mobilization and bureaucratic mobilization differ in "distinctive types of organizational norms and means of producing cohesion" (p. 437). Scholars widely perceive charismatic mobilization to be characterized by its flattened organizational structure and its cohesion, generated from a shared mission instilled by the charismatic leader.[13]

We are also well informed about the operation and maintenance of charismatic organizations. In their studies of American communes, Zablocki (1980) and Bradley (1987) used data from the Urban Commune Project to show that charismatic communes were generally less stable than non-charismatic communes (see also Yeung 2005). These findings follow Weber's diagnosis that genuine charisma is always ephemeral in nature and has to be routinized after it emerges. The existing research describes how charismatic organizations use different strategies to maintain themselves. In her study on the Burning Man festival, Chen (2012) argues that storytelling is an important mechanism to keep the organization working and to maintain a high level of voluntary participation. Reed (2013) goes further by using the concept of performance to argue that in order to maintain charisma, the leader must constantly and appropriately perform leadership. This line of argument echoes scholars who take the stance of symbolic interactionism. According to

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[13] For other recent studies that apply the concept of charisma to Chinese society, see also Palmer (2008), Huang (2008), and Ji (2008).

these scholars, charisma is best understood as the reciprocal relationship between leaders and followers (see Finlay 2002).

In contrast to their consensus on the two dimensions discussed above, scholars constantly debate charisma's emergence. In general, we can divide current theories into three rubrics: structure, personal traits, and interaction. These three perspectives all claim their explanations are rooted in Weber's original theory. In structure-based theories, scholars hold that charisma emerges during periods of crisis and instability (Berger 1963; Greenfeld 1985). In periods of dramatic social change (e.g., struggles for national independence), charisma emerges as a response to the circumstances (Willner and Willner 1965). According to Wilson (1975), a charismatic leader arises when the culture's integrity is threatened.

Theorists in the second camp argue that charisma emerges because of personal traits. This view can be subdivided into two types. The first fits the Great Man theory, in which some individuals possess specific characteristics, which might be physical, spiritual, or supernatural.[14] The second type of personal trait theory argues that charisma emerges because individuals are associated with ultimate values.[15] Finally, in interaction-based theories, charisma emerges from the interaction between leaders and followers.[16] It has long been argued that public recognition and a response from followers are necessary conditions for charisma's emergence.[17] In addition, some argue that significant others

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[14] Dow 1978; Willner 1982; DuPertuis 1986.
[15] Shils 1965; Tambiah 1984.
[16] Wallis 1982; Couch 1989.
[17] Wallis 1982; Smith 2013.

play a crucial role.[18] Others write that the reciprocal interaction between the leader and followers is fundamental to charisma's emergence.[19]

Although the existing literature contains important insights, these explanations for charisma's emergence share several common weaknesses. Methodological challenges are the main causes of these weaknesses. Empirical cases drive the study of charisma, and most of the existing studies rely on secondary materials and employ the "find-a-case-and-name-it-charisma" research strategy. This leads to a post hoc interpretation of charisma's emergence. This problem applies not only to those holding a static view of charisma (e.g., personal traits), but also to interactionism perspectives. Although it claims to explain charisma's emergence, the symbolic interactionism perspective merely explains the operation of charisma. For example, the reciprocal thesis emphasizes the roles of both the leader and the followers. The leader has to fulfill his or her responsibility, and the followers respond. The flaw in this argument is that it fails to tell us why the common reciprocal interaction of human beings generates charisma in some cases, while in other situations it does not.

The methodological challenge leads scholars either to neglect or to downplay the organizational process before the charismatic leader emerges. Because of this omission, the existing research usually assumes the existence of charisma and thus upholds the classic view that charisma is a self-driven process. This view frames charisma's emergence as a sudden event detached from the ongoing social process. Charismatic leaders emerge out of nowhere, create charismatic relationships, and form an organization. We study charisma only after charisma has been observed. Therefore, we

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[18] Finlay 2002.
[19] Andelson 1980; Ji 2008.

know little about what happened before the emergence of charisma and charismatic organizations. [20] Is this linear relationship reversible? Can charismatic social relationships exist before the existence of a charismatic leader? If they can, what do they look like? Because the organizational process is generally understudied, we know little about these questions. The current literature tends to treat organizations either as external factors that offer justification to the charismatic person, or as instruments that the charismatic leader can manipulate.[21] These tendencies strengthen the popular view that charisma is incompatible with formal organizations.

A Theory of Charisma Emergence

In a recent, long review essay, Smith (2013) argues that charisma "is, sociologically speaking, a social status, not a wonder working power" and at the same time, charisma is a phenomenon of social relationships (p. 12). Despite correctly pointing out the two most important dimensions of charisma (i.e., the social status of the charismatic leader and their social relationships), he does not answer the question of these two features' origins. In this section, I draw on sociological theories of prestige attainment and the co-evolution theory of culture and network to construct a theory of charisma emergence, built on an understanding of these two fundamental dimensions of charisma.

The Source of Social Status

No matter what theories it draws upon, the existing literature of charisma has to assume the charismatic leader's social status comes from abstract, supernatural, irrational, and superhuman elements. Even in Bradley's (1987) exceptional study, which combined a

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[20] Similar methodological challenges apply to the study of entrepreneurship. Aldrich (1999) argues, "If we only study entrepreneurs after their organizations have attracted enough public notice…we overlook a critical phase in the founding process" (p. 77).

[21] See Finlay 2002.

unique network technique and an extensive ethnography to uncover the structural

foundation of charismatic communes, the author still relied on a definition of charisma as

something that comes from a pure belief in supernatural power. Trice's (1990) review of

Bradley's book points out the methodological problem generated from this assumption,

because "charisma continues to be treated largely as a property of the individual" (p. 619).

This makes Bradley's work similar to other studies (e.g., Wilson 1975).

How do we solve the difficult problem of the source of the charismatic leaders'

status? I suggest that we can learn from Abbott's (1981) work on the prestige attainment

of the profession. Abbott argues that there are two fundamental, empirical puzzles related

to the status of professionals—intra-professional hierarchy and inter-professional

evaluation. How do we explain the formation of intra-professional status in a way that

distinguishes higher status subfields from lower status ones? How can we explain that a

professional subfield that has high public prestige often has a lower status within the

profession? To explain the first question, Abbott uses the cultural anthropologist

Douglas's dichotomous concept of pure/impure. His treatment of the second question is

most relevant to my interest in this study. To explain the discrepancy between intra- and

inter-professional status, Abbott develops the concept of "the charisma of disorder."[22] He

argues,"in our society, as in any other, those who possess the cultural apparatus sufficient

to touch and possibly control these social impurities assume their charismatic status" (p.

829). To obtain charisma, professionals have to perform "effective contact with the

disorderly," and this is "the basis of professional status in society" (p. 829). Furthermore,

public prestige is associated with the types of social disorders handled by the professions.

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[22] Abbott develops the concept from Shils, who closely associates the concept of charisma with the creation of social order (see Shils 1965).

Different social disorders are perceived as containing different elements of charisma. Professionals usually specialize in offering solutions to a particular social disorder. Insight to the charisma of disorder lies in the way Abbott relates the immeasurable, subjective evaluation of prestige to more objective things like the social disorders. Recognizing this point does not imply that social disorders are totally objective things. Truly, social disorders are both social and cultural constructs, and the content of social disorders varies from society to society.

Borrowing Abbott's insight on the "charisma of disorder," it is possible to build a theory of the source of charisma based on non-supernatural elements. I argue that charisma could be generated from continuous contact of an individual, a group of people, or a group of organizations with things that are considered social disorders. Actors can obtain prestige by continuously performing as a cure to these social disorders. Leaders of new religious movements frequently promise that they will solve the crisis of modernity. Politicians in newly independent countries must prove their determination to grow the economy, improve education, and fight for autonomy. Organizations (e.g., Médecins Sans Frontières) can become quite prestigious and attract volunteers willing to sacrifice their life. As a result, charisma can be analyzed as the accumulation of prestige generated from tackling social disorders. However, pure accumulation of prestige does not automatically lead to charismatic emergence. It requires a further transformation.

The Mechanisms of Charisma Emergence

The transition from the pure accumulation of prestige to charismatic emergence requires a suitable organizational setting and a proper network configuration. Here, I am concerned with the question of what kinds of social relationships tend to generate

charisma. From the current literature, it is possible to tease out two types of potential answers. First, charisma emerges from tight-knit social relationships or from fully connected social networks (see first graph in Figure 7.1). This view fits the popular idea that charisma involves a group of zealous people. This understanding of charisma can be found in several studies that show that in charismatic organizations, followers are tightly connected to the leader and to each other.[23] The totally unconnected thesis is completely different from the thesis of tight-knit social relationships. The totally unconnected thesis has its roots in research on crowd psychology[24], according to which the unconnected social network or the anomaly facilitates excitement and emotion, and thus contributes to charisma's emergence (see second graph in Figure 6.1). This thesis is supported by studies of new religious movements that find that people tend to avoid recruiting social acquaintances.[25]

However, both of these theses are weaker when it comes to explaining the process by which charisma emerges. First, they contradict themselves. For example, Bradley (1987) argues that charismatic communes are marked by highly interconnected relationships, but his data shows that in the charismatic communes he studied, the members were previously unconnected. Second, as I have emphasized, neither of these theses actually explain the process of charisma's emergence. The connected thesis merely describes the network structure of charismatic organizations after they are established. The unconnected thesis explains the pattern of recruitment by charismatic organizations. Both schools of thought assume charisma predated the communes' formation. Third, these two theses do not fit many large, modern charismatic organizations like the Tzu-Chi

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[23] Bradley 1987.
[24] Le Bon 1908; Kornhauser 1959.
[25] Snow, Zurcher and Ekland-Olsen 1980.

movement, which are characterized by members with diverse backgrounds and highly

heterogeneous networks (see third graph of Figure 7.1).

Figure 7.1: Three Ideal Types of Network Configurations
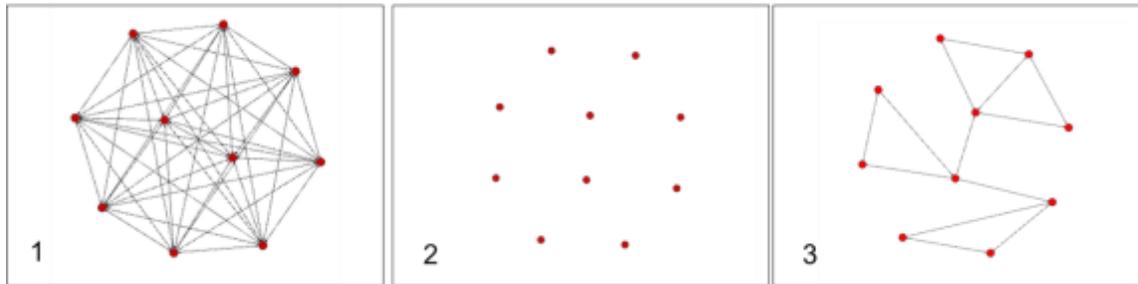
How does the diverse and heterogeneous network configuration facilitate

charisma emergence? At first glance, it seems to run against intuition and the scholarly

literature that network diversity encourages a spillover effect from one network to

another network, and thus leads to innovation. However, network diversity does not

preclude the possibility of charisma's emergence. Through several mechanisms, charisma

emerges from diverse networks in a way similar to what Padgett and Powell (2013) term

"linguistic autocatalysis," in which the recombination of diverse elements results in the

formation of a system of language and corresponding behavior.

I argue that three mechanisms make diverse networks particularly suitable for

charisma's emergence; they are identity formation, meaning switching, and concealment.

First, diverse networks promote the formation of a new identity. In contrast to highly

connected networks, there is no dominant identity in the diverse network configuration,

and in contrast to the unconnected structure, diverse networks contain several coherent

sets of stories that specify individuals' relationships and identity.[26] These stories could be

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[26] Mische and White 1998.

further used by actors and reassembled into new narratives.[27] Second, the diverse network configuration facilitates the generation of multiple and highly heterogeneous meanings. The generation of meanings is made through what White (2008) calls "domain switching." In his terminology, a "netdom" contains a network of social ties and a domain of cultural symbols, language, and meanings.[28] Switching between these netdoms generates meaning.[29] In both highly connected networks and unconnected networks, an insufficient amount of netdoms prevents the effective generation of new meanings. Effective generation of new meanings is crucial to the emergence of charisma, because charisma needs an aura of novelty (Geertz 1983). These first two mechanisms are relatively straightforward compared to the third mechanism, concealment.

The last mechanism, concealment, is related to public evaluation. Past studies of charisma rarely touch on the effect of the public on charisma. Public evaluation refers to how the public regards the organization in the making. This public evaluation could manifest in various forms, including newspaper reports or scholarly research. Concealment means that compared to other types of network structures, the diverse network configuration has a more concealing effect that makes outsiders, or even insiders, confused about the whole network's actual operation and relationships. This confusion generates a dynamic in which the public tries to simplify things by reducing the complicated organizational operation to the work of a specific person.

I derive the concealment mechanism from Padgett and Ansell's (1993) seminal work on the power of Cosimo de' Medici of Florence. Although Cosimo de' Medici amassed unprecedented power, Padgett and Ansell refuse to use the term "charisma" to

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[27] Swidler 1986.
[28] White 2008.
[29] Godart and White 2010.

describe his success. They argue his power lay not in his personal characteristics, but in the specific network configuration that channeled his learning. Regarding Cosimo de' Medici's high status, they argue, "cognitive classification of Medici group identity, both by contemporaries and by historians, was the product not of Medici action but of vitriolic oligarch polemics ... [and] *inscrutable* Cosimo of course did nothing to deny it" (p. 1285). By treating organizational identity in this way, Padgett and Ansell reject the existence of genuine charisma. Nonetheless, their work sheds light on an important aspect of charisma emergence, which is that interactions between the network configuration and the environment produces an effect that makes the public recognize the existence of charisma.[30] The public view, as Mische and White (1998) argue, "increase[s] the stakes and charge of a cross-netdom situation, pushing toward resolution through eventual switching and subsequent accounting processes" (p. 709).

In this section, I argued that first, charisma's emergence requires an accumulation of social prestige; second, the emergence of personal charisma requires a network configuration; third, diverse networks facilitate charisma's emergence, rather than totally connected or unconnected networks, as scholars commonly assume; and fourth, charisma's emergence requires an accompanying change in the use of language and symbols. My theory of the emergence of charisma echoes Emirbayer's (1997) call for a relational understanding of social phenomena. My approach also echoes Padgett and Powell's (2013) eloquent argument that "in the short run, actors create relations; in the long run, relations create actors" (p. 2). Past research has devoted little attention to

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[30] While admiring the contribution of Padgett and Ansell's work, Emirbayer and Goodwin (1994) point out that they fail to explain why Cosimo de' Medici ultimately came to be considered the father of his country. They suggest that Padgett and Ansell overlook the discursive framework that existed before. The discursive framework (e.g., cognitive classification of public versus self-interest), together with other factors, made the robust actions of the Medici possible.

studying how charisma emerges from changing social relationships. The following section will demonstrate this point.

Organizational Dynamic

Two distinct characteristics of the Tzu-Chi movement make it a suitable case for studying charisma emergence—the movement's scale and the existence of diverse and primary materials. First, compared to the movements in previous studies, the Tzu-Chi movement is truly a global-scale movement, and its leader Cheng Yen is widely studied as a charismatic leader.[31] The movement's scale and sheer influence distinguish it from those cases studied in the past, which were usually small in scale and marginal to mainstream society. The many existing studies on this movement, together with abundant primary materials, offer an opportunity for critical examination of existing arguments. The major methodological problem in the study of charisma is that the arguments are often hard to validate, since the body of evidence is often limited. In contrast, the case of Tzu-Chi offers scholars an opportunity to use multiple sources of evidence, including both observation and archival work. Therefore, this case provides an opportunity to critically examine and validate existing arguments.

Most of the existing studies of the Tzu-Chi movement base their arguments on the observation method.[32] They predominantly rely on a famous, secondary report written in the early 1980s to reconstruct the movement's history.[33] As I have argued previously, this method often takes what is happening now as a basis to infer what happened in the past, and thus creates the problem of the post hoc inference. To avoid this problem, I rely on

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[31] see Huang and Weller 1998; Lindholm 2002; Huang 2003, 2009.
[32] See Ting 1999; Huang 2009.
[33] This first report was written by Huijian Chen and was titled, "*Zheng Yan fashi yu tade ciji shijie*" ("Master Cheng Yen and her Tzu-Chi world"). The report offers a summary of the life and practices of Cheng Yen.

primary historical materials. Fortunately, the movement has published its own

publications since July 1967, only a year after its founding in 1966. The title of their

publication is *Tzu-Chi Monthly* (*ciji yuekan*). It first appeared in a newsletter format, and

later in the form of a magazine. The monthly publication reported organizational

activities, the names and social relationships of the participants, comments on public

affairs, and the movement's social engagement. It also welcomed the submission of

articles from the general public on various issues relevant to the general theme of doing

good for society.

I adopt a historical and processual method in this article. This method requires

paying attention to critical events and underlying social processes, and it is suitable for

analysis of this topic.[34] The materials used to support this processual analysis are

digitized versions of 337 publications dating from 1967 to 1994. The choice of this time

period is to match the existing literature in time frame, which observes clear charismatic

features in the Tzu-Chi movement in the mid-1990s. The 337 publications contain more

than five thousand separate articles and reports, and contain more than fifty million words.

To manage the archival work efficiently, I used content analysis software to help code

and organize these publications. For the purpose of this article, I pay particular attention

to stories, reports, and records of activities. These stories not only offer information about

the group's identity, but also define the social relationships among participants. I

categorize these hundreds of stories into three general types: public speeches, confession

narratives, and activity reports. I then analyze these texts to obtain information about the

change or continuity of leadership and the change of identity, meanings, and the general

public's view.

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[34] Abbott 2001, Sewell 2005, Johnson 2007, Aldrich 2009.

The Puzzle of Cheng Yen's Charisma

The Tzu-Chi movement was founded in May 1966 by a group of women including Cheng Yen, a 28-year-old Buddhist nun, as well as several other nuns and laywomen in a small city on the east coast of Taiwan. Their organizational body, the *Tzu-Chi Gongde Hui* (merit society), was operated as an informal social organization without a legal status.[35] The initial goal of the movement was to use donations collected from participants to help those in need. The movement grew rapidly in the 1970s and became one of the largest charity organizations in Taiwan. In the 1990s, the movement began to expand its reach globally.

The movement now claims more than ten million members worldwide. Its activities include disaster relief, poverty relief, medical services, education, and environmental protection. It is one of the few organizations from Asia that possess global influence. The movement entered the U.S. in the late 1980s. As a registered non-profit foundation in the U.S., it has eight regional headquarters, runs a medical center in Alhambra, California, and operates several mobile medical clinic trucks that offer free medical services to rural farmers and the urban poor. It engages deeply in public service and civil activities. For example, it mobilized thousands of volunteers during crises including the September 11 attacks, Hurricane Katrina, and Hurricane Sandy. The U.S. branch of the movement is the center of its global humanitarian work for Central and South America.

The theory of charisma is the most popular explanation for the Tzu-Chi movement's achievements. This explanation emphasizes multiple aspects of the leader's

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[35] The Taiwanese government requires social organizations to register with the government in order to obtain legal status. Before the lifting of martial law in 1987, the authoritarian state was cautious about civil associations. Only a few associations managed to get permission.

personal traits, including her eyes, her voice, and her behavior. The charisma explanation stresses the difference between the exceptional qualities of Cheng Yen and the ordinary qualities of the participants. For example, it is a common view that the early participants of the movement were powerless housewives. The contrast between the image of the domesticized housewife and the movement's unprecedented success fits the charisma discourse quite well. The clearest attempt to summarize this popular view is in the anthropologist Huang's (2009) study. In this important work, the author argues that Cheng Yen is a charismatic leader by nature. Her charisma established a movement that became completely subordinated under her. This finding is unsurprising, since most of the past studies on charismatic movements follow the same narrative structure—that is, the charismatic leader creates the organization. However, none of these arguments have been seriously subjected to critically examination.

I argue that the existing charismatic explanation lacks empirical support in three crucial aspects. First, it fails to recognize Cheng Yen's social background. Second, it fails to recognize the initial leadership configuration; in truth, the movement was founded on a pluralist, rather than a charismatic, structure. Third, it fails to recognize the initial identity of the participants; early on, a charismatic calling did not motivate the participants. In the next section, I will briefly discuss these three problems.

Miracle as a Social Construct

To support the claim that Cheng Yen has genuine charisma, scholars like to use two historical events as evidence of her charismatic traits. First, they note the sudden death of Cheng Yen's father, which led to her decision to become an ordained nun in 1960. The incident illustrates her determination and shows what a filial, pious daughter she was.

The second event is the 1964 acceptance of Cheng Yen to be a student of the famous Chinese Buddhist monk, Yin Shun. This event was notable because Yin Shun had not accepted new students for some time, and neither party knew each other. This event was crucial because it was considered the first encounter of the two most important figures in modern Chinese Buddhist history. The assumption that both sides did not know each other until that encounter undoubtedly put a veil of mystery over the event. Although other events are sometimes hard to validate, their verifiable nature means these two events are considered real miracles that only a genuine charismatic figure could make happen (e.g., Huang 2009).

However, the above interpretation of these two events lacks historical support.[36] First, the existing studies misdate Cheng Yen's father's death. Most of them, including Huang's (2009) landmark work, dates her father's death to 1960. From close archival research and the recent disclosure of new information, it is clear that Cheng Yen's father actually died in 1958, not 1960. This means her decision to be an ordained nun was not as dramatic as the existing studies suggest. In other words, their attempt to use this incident to support the charisma thesis is problematic. Second, the typical interpretation of the legendary encounter between Cheng Yen and the Ven. Yin Shun is also problematic. A careful analysis of the organizational publications reveals that Cheng Yen, who had spent years learning from a Japanese-trained Buddhist nun between 1958 and 1963, would have had a certain level of knowledge about the Ven. Yin Shun. This does not imply that the encounter was a strategic plan, but it does suggest the encounter was neither an unexpected incident nor a miracle, as the existing studies describe it.

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[36] A detailed historical analysis will be presented in other places. Here I just point out where the current interpretation goes wrong.

The Early Leadership

Apart from personal traits, the existing studies often use the contrast between the exceptional leader and her ordinary followers to support the claim that a leader's charisma has long existed and contributed to the success of her movement. In other words, the structure of the initial leadership should show a clear, charismatic hierarchy, with Cheng Yen as the absolute leader. The popular claim that Cheng Yen and thirty housewives led the movement is an example of this kind of argument. The term "housewife" implies powerlessness by definition, and in turn accentuates the greatness of the leader.

Nevertheless, this view does not have empirical support. Analyzing the organization's early leadership profile, I find the existing studies are only right in their description of the gendered nature of the early membership.[37] Most of the early leaders were married women, but they were not powerless housewives. A closer examination of their socioeconomic backgrounds reveals these early female leaders came from four major social networks. The largest of these was the religious network. Most of these commissioners were female Buddhists involved in the local Buddhist network. The second-largest network was the local business network. At least four of the early leaders were involved in local business networks. They were small business owners and the heads of their family businesses. The government network was the third largest. Finally, at least three of the early commissioners had family relationships.

The movement's early leadership was characterized by its network configurations as locally embedded, egalitarian, and pluralist. Except Cheng Yen, all of the movement's

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[37] This profile of the early leadership is extracted from *Tzu-Chi Monthly*, Vol. 1, July 1967. In the publication's first issue, the organization announced its leadership team, which was composed of ten board members.

other leaders were local people. All the leaders had good social connections and were embedded in the local society. Several of them had multiple positions in different social networks. For example, one young woman was both a newspaper reporter and a business owner. The decentralized mobilization strategy strengthened the organization's egalitarian tendency, because board members collectively made decisions. At this point, no one could assert an overwhelming power over the others. Although Cheng Yen was the president (*huichang*) of the new organization, she functioned as the coordinator of this new charity initiative. She was expected to share responsibilities (e.g., soliciting donations) with the other leaders. In addition to the president of the organization, the director and chief editor of the movement's newsletter was equally or more important in the early leadership team. At this early stage, the movement's power structure was neither hierarchical nor a pyramid shape, nor was the power centered around Cheng Yen. It was marked by an egalitarian and pluralist structure in which decisions were made collectively.

Language, Symbols, and Identity

Finally, it is necessary to consider the linguistic and symbolic aspects of charisma at this emerging state. If the existing studies are correct, it would suggest that a charismatic style of language and symbols would be used to define the relationship between the charismatic leaders and her followers. Thus, I ask, how did the movement's participants, including leaders and members, perceive Cheng Yen? Secondly, how did Cheng Yen perceive herself?

In the members' view, Cheng Yen usually took on two different images. Older and senior local people perceived her as their own daughter. Therefore, several people

said they wanted to help her because they also had female family members who became ordained Buddhist nuns. She was also known as a young woman from a wealthy business family. The title given to Cheng Yen was president (*huichang*), a quite common term in business and civil associations. This pragmatic, secular understanding of Cheng Yen was also reflected in other leaders' self-understanding.

In a fundraising event held in June 1968, the director and chief editor of the monthly newsletter gave an opening remark on behalf of the movement to hundreds of local supporters. She talked about the founding of the movement. She said, "The movement was organized by the Buddhist women of the whole county to provide relief service to the poor people."[38] Interestingly, this founding movement leader did not mention Cheng Yen, the president of the organization, in her talk in this important event. This shows that the participants understood the movement as a collective effort by the local female elites, rather than the creation of a charismatic leader.

Interestingly, this interpretation by the movement's participants correctly describes Cheng Yen's role at this stage. She did not and could not make unilateral decisions for the organization. Most of the decisions were made collectively in monthly meeting with the board members. Being the president of the organization, her role was more like the role of a professional manager of a charity organization, maintaining daily office operations and assisting in participants' work. This is supported by the fact that the monthly publications did not publish Cheng Yen's articles regularly, as one might expect to see in a charismatic movement. Between 1967 and 1974, not a single article was published under her name. The first record of her speaking in a regular board meeting did

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[38] *Tzu-Chi Monthly,* Vol.1, June 1968.

not appear in the monthly publications until 1974, eight years after the founding of the movement.

To sum up, the empirical evidence disproves several of the existing studies' key arguments. The evidence shows that the movement did not present the typical features of a charismatic organization, that is, a pyramid structure of power relations and a strong identification with the leader. This poses a challenge to the popular theory of charisma, which assumes genuine charisma emerges from the malfunction of organizations.

The Emergence of Cheng Yen's Charisma

In this section, I apply the theoretical framework developed in the previous section to analyze the emergence of Cheng Yen's charisma. As I demonstrated in the last section, the process of charisma's emergence in the Tzu-Chi movement cannot be explained by the current theorization of charisma, which is based on the assumption that the leader's personal traits predate the movement. To account for the emergence of Cheng Yen's charisma, it is necessary to dive into the organizational process and the transformation of meanings. The following sections analyze the accumulation of prestige, the effect of diversifying organizational networks, and the transformation of languages, symbols, and identity within the movement's participants.

The Accumulation of Prestige

The Tzu-Chi movement accumulated prestige by serving the extremely poor population, tackling disasters, and offering free medical services to the local society. Its reputation and fame grew rapidly because of its innovative use of these three methods to deal with social disorders. Its geographical location in a small city in a peripheral region of Taiwan further contributed to the rapid growth of its prestige. The backwards situation and the

lack of public service infrastructure encouraged people to participate in activities aimed at mitigating these social disorders, and the circumstances accentuated people's tendency to recognize those who can use effective methods to manage these disorders.[39]

In the 1960s and the 1970s, the government, led by the Chinese Nationalist Party (KMT), provided very limited welfare services to the population living in extreme poverty. Its poverty relief work was left to the local government, and it was largely conducted in an ad hoc manner. There were no public assistance programs. At the same time, the weak civil society did not offer a satisfying way to supplement the lack of public programs. Private poverty relief work was mostly conducted by religious organizations. The traditional method of religious welfare service was temporary, short-term, small in scale, and most importantly, it was considered inefficient by the general public. It did not provide sufficient support to people who encountered misfortune in their lives. With the changing economic structure brought by modernization, the increase in the extremely poor population brought disorder to the society.

Aside from the issue of poverty, disasters also posed consistent threats to people's life security. These disasters included natural disasters (e.g., earthquakes, floods, and typhoons) and artificial disasters (e.g., fire). In the movement's particular geographical area, local people faced more typhoons and earthquakes than people living in other places.[40] When disasters happened, they always resulted in huge costs to the economy and took people's lives. The weak local government worsened the cost of disasters,

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[39] The city of Hualien, where the movement was founded, was located in the eastern region of Taiwan. Due to factors like the geographical barrier caused by high mountains, the region was historically less developed and less populated than the Western region, where Han Chinese people had been settled for a long time.

[40] The eastern region of Taiwan faces the Pacific Ocean and is at the intersection of two continental plates. Therefore, typhoons and earthquakes constantly threaten it.

because it was unable to offer timely remedy and assistance to the victims. Disasters were thus a source of social disorder.

The movement came up with an innovative way to tackle these two social disorders. In contrast to past practices, which were mostly short-term and temporary, the movement assembled a durable, autonomous mobilization system built on committed participants called commissioners. Like a salesperson, the commissioner was in charge of soliciting donations and conducting poverty relief work. The initial, diverse leadership team contributed to the development of this commissioner system. The initial leadership's diversity and its pluralist nature further helped to keep the recruitment process of new commissioners open. Commissioners were independent and autonomous. They were deeply embedded in the local social context. This organizational form ensured the most freedom for the participants, without subjugating one person under another.

The direct benefit of this system was that the new organization had sustainable financial resources and a larger pool of volunteers than other, similar charity organizations, which solicited donations mostly through short-term fundraising events. In addition to a source for the relief fund, it established a pool of potential volunteers based on commissioners' social networks. In some cases, entrepreneur commissioners could have a membership network of more than seven hundred people, equal in membership to a small or medium sized business. These decentralized networks became an efficient tool in mobilizing resources and volunteers when disasters took place.

Combining the effective organizational methods and the hardworking nature of its participants, the movement accumulated huge prestige from engaging with the three above-mentioned social disorders between 1966 and 1979. It participated in more than

thirty fire relief projects and two large-scale relief initiatives after massively destructive typhoons. It provided monthly cash support to more than two thousand poor people, whom they evaluated to determine their actual needs. Since 1972, it has mobilized volunteers to set up medical clinics to provide free services to the poor. Along with its engagement in tackling social disorders, the number of commissioners grew from 10 in 1966 to around 150 in 1979. Membership grew from less than thirty to more than four thousand. The monthly donations the movement collected through its diverse commissioner networks grew from several thousand NTD at the beginning to more than one million NTD (around $30,000 USD) in 1979.

An increase in public recognition demonstrated the movement's growing prestige. The local government awarded the organization in 1971 for its poverty relief work. Newspapers also kept reporting its activities. In 1978, the organization received the first award from the provincial government for being the religious organization that donated the most to the public in the past year. In 1979, 125 commissioners received awards from the local government for their volunteer work. At this stage, most of the public recognition was centered on the movement's relief work. The organization had attained a high social status, but this organizational prestige needed a transformation to become personal charisma.

The Transformation of Organizational Structure

The transformation of the accumulated prestige took place when the movement expanded to a new realm, an expansion that consequently diversified its original network configuration. In 1979, the organization began a project to build a modern hospital in the city of Hualien. The project brought tension to the movement. Several senior leaders,

including the director of the *Tzu-Chi Monthly*, expressed their worries about this project. They thought the project was too risky, because similar projects proposed by other religious organizations had failed. Except for Christian organizations, no other religious organization had been able to operate a hospital. However, Cheng Yen managed to persuade the majority of the members to accept her view that a hospital was what the movement needed.

The project began in 1979 and ended with the completion of a state-of-the-art hospital in 1986. This seven-year period was the transformation period in which the movement's previously accumulated prestige was gradually transferred to become Cheng Yen's personal charisma. The transformation was able to take place because the project brought one consequential change to the movement, the rapid diversification of the movement's network configuration. The diversification process can be divided into two parts—the diversification of the participants' social backgrounds, and the diversification of the participants' locations.

The rapid diversification of the movement was largely forced by the pressure to fund the hospital project. The original, local network was effective in raising funds for programs like poverty relief, but it could not support the hospital project by itself. In 1979, the total amount raised by the movement's four thousand members was ten million NTD (around $300,000 USD) annually. However, the hospital project required an estimated budget of 500 million NTD (around $10 million USD). In order to achieve the goal, the movement had to find sources other than its existing local network, which seemed to be saturated by the end of the 1970s.

The movement turned to the capital city of Taipei, the wealthiest region in the country, for support for the project. Before 1980, there were already several commissioners who came from Taipei. However, until the hospital project began, the movement did not focus their activities on the city of Taipei. Cheng Yen and several members who were deeply committed to the project went back and forth between the eastern region and the city of Taipei. They had two major tasks: to seek the endorsement of the professional community, the doctors, and to seek new funders and new commissioners from the new capitalist class.

The medical profession occupied the highest social status in Taiwan. Doctors were the widely accepted leaders of society. Doctors' undoubted social status was the result of government policy that dated back to the Japanese colonial period.[41] Unlike past, failed attempts to build hospitals, which did not incorporate doctors in the beginning, the Tzu-Chi movement's hospital project tried hard to bring doctors into their project from the very start. With the help of members' social relationships, they managed to invite two of the most well respected doctors to join their planning board. These two doctors were medical elites who had been trained at the Japanese Imperial University and established their reputation afterward. Both of them were vice chancellors of the National Taiwan University Medical School, the most respected higher education institution in Taiwan. Their willingness to participate in the project greatly increased the legitimacy of the project in the eyes of the medical community.

At the same time, economic growth since the late 1960s had created a new capitalist class. They accumulated their wealth by running small to medium sized

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[41] Lo's (2002) book offers an excellent account of the relationship between colonial policy and the professionalization of medical doctors.

companies and by investing in real estate. Prosperity in the 1980s also facilitated the growth of the housing market in the Taipei metropolitan area. Many people were able to obtain huge amounts of wealth by investing in the opportunistic real estate market, and they became millionaires. The movement reached several of these new capitalist elites through the members' social relationships, especially through the ties of their wives. Wives of these new capitalist elites were eager to participate in charity activities with the help of their husbands' business successes and to engage with other businesspeople. They helped introduce the hospital project and the mission of Tzu-Chi to their social networks. Documents from the archive show several of these new capitalist elites, like those in the construction industry, developed deep interest in the hospital project because of the potential business opportunities.

The successful mobilization effort to incorporate medical doctors and the new capitalist elites, two of the most powerful social groups, greatly strengthened the appeal of the hospital project. However, the joining of these two powerful social groups shuffled the original network of the movement, which had been based on the local elites. The coming of the new elites, who had nationwide influence, brought new participants with more heterogeneous social backgrounds. They were new to the movement and strangers to the movement's existing local networks. Their connection to the movement was through the hospital project. As the primary advocate for the hospital project, Cheng Yen became the hub that connected these new participant networks with the existing movement network. Figure 7.2 visualizes the network structure of the movement before and after the transformation.

Figure 7.2: The Prior and Post-Transformation Organizational Structure of the Movement
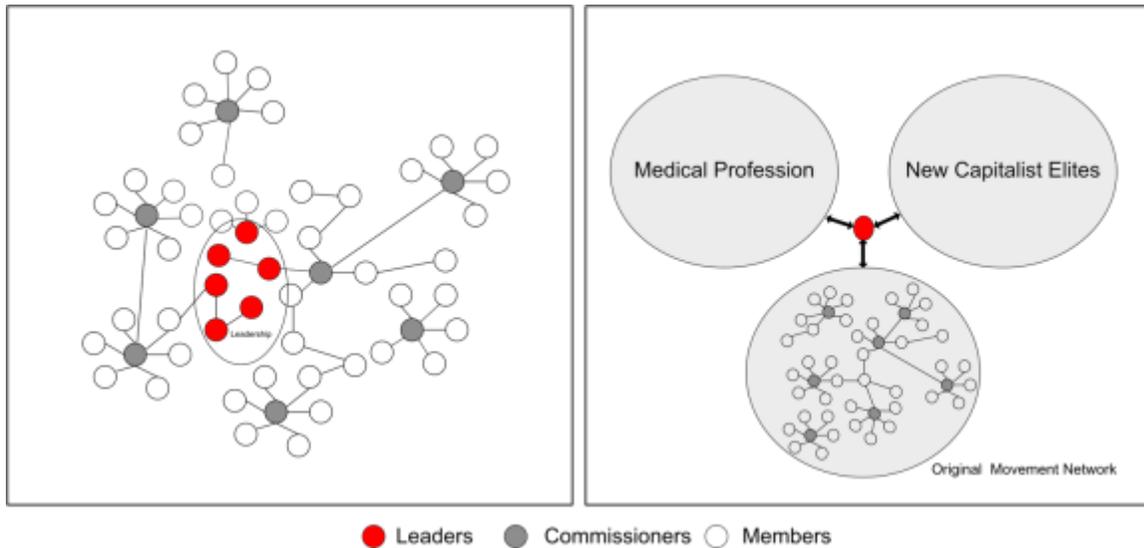
The difference between the pre- and post-transformation periods is marked by the movement's differentiated network structure. Previously, the movement network had been marked by lateral ties between diverse participants, who were mostly from the local society. The movement's organization was composed of several small, cell-like groups led by commissioners. Cheng Yen led a group of leaders who coordinated these small groups. After the transformation, two new, distinctive social networks, the medical doctors and the new capitalists, joined the movement, but they were not required to be commissioners. They were most directly linked to the organization through Cheng Yen. The transformation thus introduced many vertical ties between the new elites and the movement. Cheng Yen occupied a critical position between these three networks. Her role was strengthened by this structural position. The transformation of the movement's network from a simple structure to a more heterogeneous one provided the structural opportunities that made it possible for its accumulated prestige to become the source of Cheng Yen's personal charisma.

New Meanings, Rituals, and Identity

The charisma eventually emerged from the new organizational network structure, which was marked by three heterogeneous networks: the original movement network, the medical profession network, and the new capitalist network. Each of these three networks had its own unique internal relational structure and its own language, symbols, and culture. They constituted separate netdoms. The original movement network was marked by its pluralist and egalitarian culture that connected different, heterogeneous participants. The medical profession network had a clear internal hierarchy that reproduced the doctors' high social status. They strived to preserve their declining status from the encroachment of the gradual commercialization of the medical practice. The new capitalist elite network did not have such a clear internal hierarchy. Rather, the new capitalist elites were often connected with each other through friendship or business relationships. These new capitalist elites needed public recognition of their social status. The hospital project offered an opportunity to connect these three highly different netdoms.

The integration of heterogeneous netdoms in a unifying project facilitated charisma's emergence. The heterogeneous network configuration was more conducive to the emergence of new meanings and a new identity because of the existence of several netdoms. Constant switching between netdoms generates new meanings and identity. These new meanings contained two elements, the new understanding of the movement's mission and the invention of new practices. The movement's heterogeneous network configuration also had a concealing effect that tended to emphasize that an individual was responsible for the achievement, rather than seeing the achievement as a collective effort. This is especially true when netdoms are quite different from each other, as in this case,

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in which the two new netdoms joined the original movement not only late, but also from a far away area.

The generation of new meanings was associated closely with the transformative period. Before the coming of the new elites, the movement emphasized its role in poverty relief. During the integration of the new networks, the new capitalist participants coined the slogan "relieving the poor and teaching the rich," and this slogan soon became the central mission statement. Those who were rich and joined the movement were recognized as the awakening rich, who could serve as models for other rich people. The new capitalist elites promoted Cheng Yen, previously the leader of the local charity movement, as their teacher. At the same time, the medical profession rediscovered the historical Buddha as a great medical doctor who cured people's illnesses. The stories in the classic Buddhist sutras were used to buttress their claim that being a great doctor is close to the spirit of Buddha. The movement's medical professionals, facing declining status due to the increasingly commercialized medical environment, found that through the hospital project, they could regain their professional honor. These two new meanings amplified the original framing of the movement and significantly enlarged Cheng Yen's public image.

The most direct indicator of her charisma emergence was the change of the title attached to Cheng Yen. Between 1966 and 1979, participants internally referred to her as *shifu* (teacher) or *fashi* (dharma teacher). Her formal title within the organization was *huichang* (the head of the association). Both of these titles were quite common for the general public to use for Buddhist monks and nuns. The transformative period and the participants from new social networks brought changes to this linguistic usage. In 1982,

in an introductory report on the hospital project, the author first used the term *shangren* (superior people) to refer to Cheng Yen.[42] The author, a young woman around forty years old, was a successful businesswoman. Before joining the movement, she ran an auditing company. The term was only used occasionally by participants from new social networks. From 1982 to 1985, the term only appeared two times in the archive. It appeared 23 times in 1986, 23 times in 1987, 25 times in 1988, and 140 times in 1990. The increase in the term's usage indicated the shifting identity of the participants, from their former identity, which was centered on doing good for the local society, to an identity with an emphasis on Cheng Yen. This linguistic transition was produced by the intermingling of three heterogeneous networks.

Along with the new meanings, the new participants invented novel practices. Like the new meanings, these novel practices are strong indicators of the emergence of charisma. In the initiation of the *chaoshan*[43] (mountain worship) practice, members gathered outside the organization's headquarters. Then, they walked three steps and bowed to the ground. They repeated these steps to arrive at the headquarters. This practice was invented in the early 1980s, and the organization did not practice this ritual until the movement sought to incorporate new and heterogeneous networks. As with the initiation of the new title given to Cheng Yen, a group of women who came from metropolitan Taipei and belonged to the new capitalist elite initiated this practice. Their purpose in initiating this novel practice was to pray for the success of the hospital project and for the health of Cheng Yen. The *chaoshan* practice was eventually ritualized as the core of the organization's activities.

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[42] *Tzu-Chi Monthly*, vol. 184, February 1982.
[43] Because the well-known temples are located in the mountains, Chinese Buddhism traditionally referred to their temples as a specific Buddhist school "mountain."

Lastly, to the general public and to latecomers to the movement, the movement's success and organizational operations continually posed a puzzle—who led the movement, and why had it succeeded? The coming of highly diverse and heterogeneous netdoms increased the difficulty in recognizing the organization's true operations. Instead of seeking a clear sociological answer, there was a tendency to settle for a simpler answer. When the movement network became extremely heterogeneous and diverse, the answer was reduced to one or two simple principles. The increasing heterogeneity was expected to have a concealing effect. For example, in 1981, a male journalist and lay Buddhist wrote a famous article that introduced the movement, with a focus on Cheng Yen. The report appeared in a national newspaper.

In this widely read article, the author implicitly adopted a clear, charismatic narrative to explain the movement. He selectively ignored the other leaders, and only focused on the personal story of how Cheng Yen decided to become a nun and how she overcame difficulties. The article, which has been the primary source for many academic studies, was not accurate in many of its historical facts. However, this article had great resonance, especially with those in the new social networks. After this report, newspapers and public media adopted the charismatic narrative to describe the movement.

From Organization to Charisma

Weber's classic model and the studies that followed it make a strong assumption that charisma is the antithesis of the formal organization. Charisma emerges before the organization. Charisma creates the organization, rather than the organization creating charisma. In contrast to this commonly accepted model of charisma's emergence, I showed in the above sections that Cheng Yen's charisma emerged from the transition of

the existing organization. The historical and processual analysis analyzed how the

organizational process made this emergence possible. To help distinguish this alternative

explanation from the existing one, I make a diagram to visualize the two paths (see

Figure 7.3).

Figure 7.3: A Diagram of the Two Models of Charisma Emergence
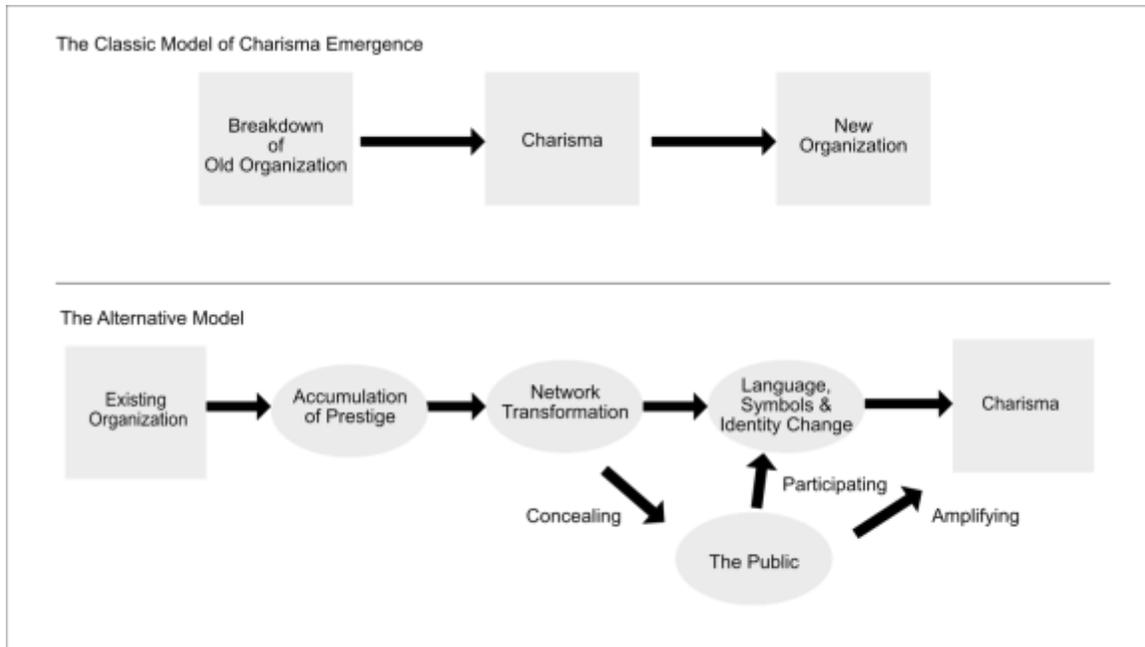
The above figure describes how charisma emerges from the breakage of existing

organizations. Charisma exists before the creation of a new organization. Then, the need

for charisma to be routinized creates the new organization. In the lower diagram, the

organization accumulates prestige, and then the coming of heterogeneous networks

transforms the internal relationships within the organization and creates the need for a

charismatic leader.

CHAPTER 8:

CONCLUSION

The conclusion summarizes the findings of each chapter. These seven chapters deal with the period between 1966 to 1990—the formative period when the Tzu-Chi movement was established and developed but this period receives sporadic discussion. Furthermore, none of the existing studies had paid attention to the changing welfare regime context, especially the parallel development of privatization effort on health delivery system, and its relationship to the making of Tzu-Chi in the 1980s.

Chapter 2 presents the first comprehensive examination of the social environment prior to the emergence of the Tzu-Chi movement. Based on several sets of original data, I provide new information that adds to existing studies on the Tzu-Chi movement. None of the existing studies have paid attention to the social environment from which the movement emerged. Their discussions tend to ignore the interaction between the social environment and the movement. This gives a misleading impression that this movement was self-containing and developed within a vacuum. This chapter remedies this weakness in these existing studies.

At the macro level, the state-society relationship in the 1960s remained stable and the authoritarian regime maintained its effective rule over the society. The white terror period ended in the late 1950s and the party state consolidated its power. It began its first local election in 1958, which marked the limited opening of political opportunities to local people. The state enjoyed aid from the U.S. that helped to cover their welfare costs. However, the end of the U.S. aid in 1965 brought a significant financial burden to the state, especially to the local welfare programs. Civil associations were censored and only

a limited number of associations were allowed to operate. The eastern region, in general, lacked the intermediate organizations necessary to support the local people. I find that the number of civil organizations was significantly lower in the eastern region than other areas and cities in the early 1960s.

Although backwards in many ways, the city of Hualien was unique in its economic structure as it had the highest ratio of the tertiary sector in the 1960s. The city was also at the top of the regional economy and was the hub of transportation to other areas. The prosperity of the tertiary sector and the unequal development between the Hualien city and other places offered significant opportunities to the movement. Not through their lack of intermediate organizations, the eastern region and Hualien were further characterized by their lack of traditional Chinese religious organizations. Because of the historical legacy and their late development, the folk religious temples were underdeveloped in the eastern region. Instead, Christian organizations outnumbered the Chinese religious organization in this area. Although we should not over interpret this finding, it suggests that when local people made a decision to join a new religious organization they were less constrained by the customs, practices, and communal obligations commonly seen in the traditional Han Chinese villages of the western area.

Finally, communication channels in the area and in Hualien were characterized by the existence of the most successful local newspaper since 1946. In the 1960s, KSDN, the local newspaper based in Hualien, was quite popular in the area. The success of KSDN was due to its strategy that bound itself to the local society. The local newspaper thus offered an existing and expedient communication channel for spreading news and activities and was thus beneficial to the movement's recruitment. It could help the new

organizations build much needed legitimacy by positively reporting their activities to the local people. In addition, the lifestyle of the eastern region and Hualien was based on the shared experience of natural disasters. The fear of disasters and the demand for mutual aid constituted an idiosyncratic lifestyle for the local people.

This was the social environment prior to the rise of the Tzu-Chi movement in 1966. The chapter does not argue that factors identified here played a decisive influence alone over the success of the mobilization effort of the movement. Instead, these factors should be viewed as opportunities and constraints. This chapter deals primarily with opportunities and constraints. It shows that nascent organizational and social movements face constraints and obstacles posed by the environment in which they operate.

In Chapter 3, by using primary materials to examine Cheng Yen's early life, I challenge several common views on Cheng Yen and provide a new perspective on her early life. I argue that the decision to leave home was not as commonly perceived, in that it did not take place immediately after her father's death. This misunderstanding happened because most of the studies replicated incorrect information from an earlier report. I demonstrated that before her decision to leave home, she was close to Japanese Buddhism via the influence of Xiu Dao, a middle-aged nun who was trained in Japan. The linkage can explain why they went to the east and finally settled in Hualien. It was because the east and Hualien were previously dominated by the Japanese Buddhist networks. For example, there they found an early supporter who was a member of the local gentry who had a Japanese background and shared the same Buddhist lineage as Xiu Dao.

I also offer an alternative view to examine the historical event of Cheng Yen's acceptance by Yin Shun. I show that Cheng Yen already knew who Yin Shun was and his teacher Taixu although I try to avoid asserting that this event was the result of an intentional calculation. However, I believe that Cheng Yen consciously knew that Yin Shun was someone who fit her ideas about Buddhism more so than other Chinese monks. He and his teacher Taixu's ideas to reform Chinese Buddhism were closer to Japanese Buddhism Cheng Yen was familiar with.

The biographical sketch of her early life shows that at the dawn of the movement, Cheng Yen, unlike the typical image presented, was embedded in three diverse networks—the past business and local friendship network, the Japanese Buddhist network, and the Chinese Buddhist network. I argue that the movement was highly shaped by the crystallization of these networks.

By do doing, I provide the first empirical analysis on the founding period of the Tzu-Chi movement. The findings of this chapter differ dramatically from most of the existing studies. First, the existing studies tend to deemphasize this period and view it as an extremely difficult period for the movement's growth. Without denying the founders' hardships, my analysis nevertheless shows that the movement achieved success quickly. Second, the existing studies, following the popular view, argue that because Cheng Yen and a group of housewives led the movement, they were powerless and obedient. In contrast, my analysis demonstrates that the early leadership was composed of diverse and experienced women. I show how the diversity in the leadership had long-lasting influence towards the innovation of organizational practices. Third, the existing studies view that the movement has an affiliation with the KMT but do not know how to explain this. I

show that this was to a certain extent historically determined, because the timing and the place when and where the movement was founded positioned the movement as a follower of the state ideology. Nonetheless, I show that the movement created innovative positions, including the service provisions for charity motivated individuals. This aspect has not been explored by the existing studies. Sociologically speaking, this chapter demonstrates how important the diverse networks of the movement leadership were to the movement's success and shows that the innovative organizational forms come from the hybridization of multiple networks and the innovative practices were assembled from different local practices.

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Chapter 5 presents the first systematic analysis of the Tzu-Chi hospital project by viewing the project from a mobilization perspective. The chapter contributes to three renewed understandings: the changes in the medical environment, the actual mobilization process of the hospital, and a comparison with two other grassroots hospital projects. The findings suggest that the public policy shift towards privatization of medical services encouraged the building of the private hospital, but that the government preferred for business corporations to run the hospitals rather than common civil associations.

However, this shift provided the opportunity for the government to claim responsibility for the success of hospital project. The decision to build a hospital was also influenced by the organization's past experiences in working with medical professionals. The decision was more influenced by internal organizational pressure than the competition or transaction cost. The key to its success, when compared to the other two similar grassroots projects, was that the project was able to mobilize support on multiple grounds and used the support from one ground to legitimize its mobilization in another ground. This kind of mobilization was only possible when the organization was flexible enough to allow local improvisation of its hospital "activists." The commissioners became activists in the hospital project when they spread the news, held small gatherings,

led the campaign, and managed donations. In contrast, the less successful cases relied merely on their own internal resources, or mobilized resources from within its network. They rarely went beyond the organizational boundary to seek support, and thus this made their projects more vulnerable than Tzu-Chi's.

In Chapter 6, I investigate the elite mobilization during the hospital project and discuss the social effects and consequences of the hospital project at the organization, institution and field levels. I first show how the two social elite groups—medical doctors and the new capitalist elites were mobilized and found their roles in the project. Facing new situations in the environment, the elitist doctors, mostly from the Medical School at the National Taiwan University, saw the grassroots hospital project as a way for their traditional professional values to be reestablished. The new capitalist elites, in contrast, found that the project and the movement provided an opportunity to conduct public engagement work. Through the hospital project, these two elite groups were integrated into the movement.

By theorizing the hospital project as a critical event, I show how the project has a profound influence on the organization, institution, the field of philanthropy, and the civil sphere. Previously, women were rarely the main leaders and actors in social movements and only participated in minor roles in the public realm. The mobilization project for the hospital, in this regard, was the first large scale social movement led by women. The project made the movement larger, more powerful, and at the same time both more diverse and heterogeneous. Many sub-organizations were created, and specific task teams were organized for temporary goals. The organizational structure that resulted from the project was fundamentally different from its past form. The project also changed

institutions through its activities and moral claims. It successfully cancelled the medical deposit and led other medical institutions to follow it. Lastly, a unique moral discourse on the social responsibilities of the wealthy emerged and an unprecedented moral-economic complex was gradually established through the collaborative effort of Tzu-Chi and business elites.

Lastly, in Chapter 7, I develop a theory of charisma emergence and apply this to Cheng Yen. As an important social phenomenon and a fundamental concept in sociology, charisma deserves constant attention from scholars. Based on the existing sociological studies, this chapter makes progress in the study of charisma in three ways: by exposing flaws in previous theories of charisma's emergence, by developing an alternative model based on the organizational process, and by devoting attention to the interaction between culture and networks.

Due to data limitations, the past sociological studies on the phenomenon of charisma could not allow for validation. This shortcoming obviously hinders the field's progress in improving its understanding of the charisma phenomenon, especially in the area of charisma emergence. By using an invaluable case, the Tzu-Chi movement and the rise of its leader Cheng Yen's charisma, I critically examined the past arguments about how charisma emerges. Based on an archive of rich organizational materials, I was able to invalidate several key arguments of the existing studies. I showed that their arguments are based on misinterpretations of historical facts. However, I view the misinterpretations as the result of charisma's concealing effect. The evidence suggests that the emergence of her charisma was more closely associated with the organizational process.

Second, the existing model used to explain charisma clearly cannot explain the phenomenon observed in the case of Cheng Yen, in which the leader's charisma emerged much later than the establishment of the organization. To explain this, I developed an explanatory model based on current studies of charisma and inspired by the cultural turn in network analysis. My model contains two fundamental elements—prestige from tackling social disorders, and the network configuration. The emergence of charisma relies on two conditions: first, a systematic way to generate prestige; and second, the network configuration creating an effect that makes people imagine that a single person is responsible for the organization's achievements. I argue that the emergence of charisma is the network transformation of the organization's accumulated social prestige. This alternative model solves the puzzle of the Tzu-Chi movement, and also shows that charisma can emerge from an existing organization.

This alternative model, with a focus on the organizational process, does not exclude the possibility of the existence of genuine charisma based on personal characteristics. However, I view the model based on personal traits as limited to explaining some small-scale phenomena. It has difficulty explaining large-scale phenomena like this case. To persuade one man to follow a leader is qualitatively different from persuading thousands to do so. The common, personal account often reduces the importance of the organizational process to the interaction between the leader and the followers. This understanding does not fit the finding that the Tzu-Chi movement was not based on personal charisma when it was founded. Instead, Cheng Yen, who later became the charismatic leader, was one of several founders of the organization.

Third, the analysis adopts the conceptual tools from the recent cultural turn in network analysis. Although the article adopts a historical and processual analysis rather than the conventional social network analysis, the article shares a similar goal to the netdom analysts, who hold that culture and networks should be analyzed together. I show that instead of opposing charisma's emergence, a heterogeneous network configuration in fact facilitated the transformation of accumulated organizational prestige into Cheng Yen's charisma. I traced the change of linguistic usage, rituals, and practices and observed that the initiators of new meanings usually came from members of the new networks. I also showed how the new meanings were produced by the intersection of different networks. Under these conditions, the charisma emerged as a balance, a buffer, and a unifying power for the heterogeneous networks within the movement. Accompanying the transition of the organization's network configuration, there was a corresponding adjustment in its language, symbols, and rituals.

The mechanisms found in this article can be applied to other cases. Scholars can study why organizations with a similar nature (e.g., religions) may have different authority structures. Some have a charismatic leader, while others are based on a bureaucratic structure. The comparison could generate fruitful results and lead to a better understanding of how actual organizational processes lead to different authority structures. The comparison might also help us understand the extent of gender's role in making the leader charismatic. This aspect could not be fully examined in this case study. I suspect that gender plays a role in making it easier for the public to use charismatic rhetoric to understand the movement. However, male-founded movements are frequently examined as a rational outcome enacted by the strategic leader. To test this, researchers

could compare my case to similar organizations founded by men, like Falun Gong, Foguanshan, and Soka Gakkai. It would also be useful to examine how scholars apply different analytic tools to explain the success of these movements.

Using a relational stance to examining the phenomenon of charisma's emergence, I not only analyze the Tzu-Chi movement's internal organizational structure, but also investigate its overall relationship with the broader society. It offers evidence that the perceptions of the general public affect the internal relationships of the organization. This aspect generally has been overlooked in past studies of charisma. Future studies can investigate how the critical event or the shifting of the public interests changed the internal perception of organizational members on the charismatic leader.

These seven chapters start from the location where the Tzu-Chi movement emerged and end with the discussion on the emergence of Cheng Yen's charisma. It thus highlights that the different organizational logics behind the different periods of the movement. In the earliest period, the expansion and the growth of the movement was highly conditioned by the local situation. In the later period, the organization no longer relied on the highly localized opportunities but could directly rely on more powerful tool—Cheng Yen's charisma to mobilize people and resources. It is under this condition that the movement began its globalized route to the world. The dissertation also reveals the intricate relationship between the state's medical and health policy. The privatization offers both the opportunities and constraints to the new movement aiming to reform the health delivery system. In many cases, more resourceful organizations failed but in Tzu-Chi's case, it succeeded. The success, as I imply here, is to institutionalize the idea that health is a public good and should not be privatized.

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