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Staying in Taiwan or Going to China: Analysis of the Game between "Inherently Unified" and "Naturally Independent" in Taiwan

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Abstract

In the face of low salaries in Taiwan and the lure of high salaries in China, both the "naturally independent" and the "inherently unified" are forced to choose the path beneficial to themselves at the juncture of life regarding whether they should go to China. This research uses the perspective of games to analyze the optimal income-related decisions of the "naturally independent" and the "inherently unified" youth in their choice between low salaries in Taiwan and "Taiwan favorable" policies in China. The findings indicate that moving to China for work is an advantageous strategy for both the "naturally independent" and the "inherently unified".

Keywords: Attitudes Toward Independence or Cross-Strait Unification, Naturally Independent, Inherently Unified, Game Theory, Advantageous Strategy

1. Introduction

Ever since Taiwan lifted Martial Law and China began its openness and reforms in 1979, both the governments and private sectors across the Taiwan Strait have engaged in unprecedented exchanges and interactions, both politically and economically. Research and discussions of personal identification across the strait have expanded immensely along with the development of cross-strait relations, offering countless empirical and theoretical studies on cross-strait identification issues since the 1990s. One after another, revelations have appeared during recent years from poll surveys conducted by academic institutions and media in Taiwan on the cross-strait identification of the Taiwanese people. Immediately in the wake of the Sunflower Student Movement in 2014 emerged the term "naturally independent" in Taiwan, becoming an essential keyword for understanding the cohort politics of the new generation in Taiwan (Rigger, 2006; Wu, 2005; Lin, 2015)^[35, 48, 20]. Cohort politics is a central issue of traditional politics (Eyerman and Turner, 1998; Jennings, 2007)^[12, 16]. Indeed, many scholars label those born in certain years (e.g., student movements or "Protecting the Diaoyu Island Movement" in Taiwan) as "political cohorts" (Chen, 2010)^[5], yet political cohort effects vary among different generations. These effects are created and diffused within the same cohort through historical experience and collective memory construction (Lin, 2015)^[20]. The "naturally independent" generation in Taiwan is an independent sovereign nation. They identify with Taiwan and lean towards the independence of Taiwan.

As the "naturally independent" cohort has received complete civil education and constitutional education, they view Taiwan or the Republic of China as an independent sovereignty. While they behave as Taiwanese and possess the emotions and perceptions of "fearful of China" and "against China", they cannot be classified as "Taiwan independence" activists or subjects for hatred (Teng and Sheng, 2017: 14-21)^[41]. What is in fact clear is that these young people will lead the cross-strait issues in the future. In this regard, is China going to let the "naturally independent" youth go on their own way and do whatever they want, at the expense of increasing the political distance between the two sides? Of course, China does not need to worry about the behavior of the "naturally independent" in Taiwan, as that is Taiwan's own problem. Unfortunately, the January 2018 issue of *CommonWealth Magazine* revealed a fact Taiwan has to face. Even as its citizens are not so optimistic about the future of Taiwan, their willingness to run away to China or overseas for new opportunities has increased. Even the young generation previously considered "naturally independent" is showing signs of wavering in the identification with Taiwan (Lin, 2018a: 24) [19].

The Democratic Progressive Party (DPP), which controls the presidency and the legislative branch, has in fact been mostly



focusing on so-called "transitional justice" since it took power. The key initiatives are about "improper political party assets" (Meaning those of the Kuomintang (KMT)), "annuity reforms", and "judicial reforms". To date, there has not been much achievement in economic issues that the public cares about. "Taiwanese money flooding the ankles" is a thing of the past. As a matter of fact, low salaries in Taiwan have existed for a long time. The Chen Shui-bian administration, the Ma Ying-jeou administration, and the Tsai Ing-wen administration have together never come up with any effective solutions. In the early days when China's income levels were far below those in Taiwan, many Chinese people were willing to break the laws just to come to Taiwan for money. Now that China's economy is developing fast, the income levels in some of its cities are approaching or exceeding those in Taiwan, and so there is no longer a need to come to Taiwan for money. On the other hand, the stagnation of salary levels is pushing some Taiwanese to go abroad or even work in China. This is a warning sign of a brain drain in Taiwan. Unfortunately, there is one election every two years in Taiwan, and these elections are the top priority for the ruling party. It seems that those in power are unable to devise effective solutions to low-salary problems. The Watchout Declaration by President Tsai Ing-wen for her second year in office on May 20, 2021 stated that young people's low salaries are a reflection of their short tenure at work and insufficient experience. Such inappropriate language, if not unflattering, disappointed the young generation, driving them even more to look to China for work.

Low salaries are obviously forcing Taiwanese people to venture abroad or to work in China, which is essentially Taiwan "pushing" talents offshore. In contrast, China has been offering policies favorable to Taiwan that serve as a "pull" and attract the Taiwanese younger generation to work there by luring people in with high salaries relatively. This affects not only the inherently unified, but also the young people who consider themselves to be naturally independent. The push-and-pull effect triggers the motivation for this study. This study also anchors on the rational choice theory and uses the game theory as an analytical tool to explain the advantageous strategy for young people in the decision of staying in Taiwan or going to China against the backdrop of former's gloomy economic outlook. Furthermore, this study explores whether China's policies favorable to Taiwan are effective.

2. Pursuit of Economic Benefits by Taiwanese Youth Under the Rational Choice Theory

The rational choice theory is widely used in today's political science. It also plays an important role in the study of politics in Taiwan (Lin, 2005: 67-104). A look at leading international academic journals on politics finds an increasing number of papers that use the research framework of this theory. It has influenced studies on topics such as elections, parliaments, and institutions (Weingast, 1996: 167; Mahoney and Thelen, 2010:2) ^[46, 24]. The objective of the rational choice theory is to produce political science that is deductive and predictive. The constant assumptions in neo-classical economics for model construction have a profound influence, bringing attention to the unusual, collective, and irrational effects often caused by the rational behavior of individuals. The theory posits that human behaviors are basically driven by money and the

prospect of profits. Under this set of generalized principles, a model is constructed to predict human behaviors (Scott, 2000:126-28)^[38]. In other words, the rational choice theory aims to construct a formulaic model on behaviors. It is presumed that individuals are rational, exhibit specific behaviors to assist in cost-benefit analysis for all possible actions, and select the option that may maximize material interests. Furthermore, rational actors take actions based on rationality in order to maximize personal benefits net of costs, almost without considering the possible consequences of their actions on other people.

There are many discussions of the rational choice theory in the politics literature. While there is largely a consensus, differing views still remain (Olson, 1965; Elster, 1986; Green and Shapiro, 1994)^[30, 10, 14]. In general, rationality is the best option to achieve a specific purpose when an individual has completed and sufficient information (Olson, 1965) [30]. This most efficient method of personal choices also involves maximization, as decision-makers opt for the route to maximize the expected utility (Bernasco, Elffers, and Gelder, 2017: 121-140)^[3]. In an uncertain environment, decision-makers are unable to know the outcomes for sure and have to make some assumptions for the future. Expected utility is estimated according to assumptions, and the option is chosen for maximization of expected utility (Sheng, 2002: 25) [39]. Put differently, decision-makers usually pursue the option believed to create the best overall outcome when facing multiple paths of action. In a deeper sense, the simplest conceptual problem for decision-makers is to reach parametric decision-making under a given situation. There is no influence from the action of other individuals on the link between actions and outcomes (Ward, 1995:79-80)^[45]. Preference ranking-order outcomes are produced for actions, so that rational decision-makers can choose the actions and outcomes that are feasible, in line with the preference ranking-order outcomes, and within the range of their abilities (Caplin and Dean, 2015:2183-2203)^[4]. Hence, rational choices are made with rationality, for self-interest, and to maximize utility. The ranking of preferences runs according to the gap between revenue and cost without considering other people's thoughts.

Some scholars have suggested that rationality usually contains consistency; i.e., decision-makers reach the same decisions in the same scenarios (Riker, 1990)^[33]. This means that decision-makers can always rank preferences between two specific options, and there is no conflict in the ranking. Consistency also implies transitivity. If a decisionmaker prefers A to B and prefers B to C, then the decisionmaker must prefer A to C. Having noted that, is the decision-making process rationally thought through? According to Kahneman and Tversky (1984: 341-350)^[18], psychological research indicates irrational and inconsistent behavior even in economic and spending matters if decisionmakers are influenced by the framing effects and scenarios. Kahneman and Tversky prove that people's preference rankings conflict with the assumption of rationality under different scenarios and due to the framing effects. The experiment by Quattrone and Tversky (1988:719-36)^[31] clearly shows that people prioritize loss avoidance over profit-seeking when making choices. Their forecast of the expected value of utility is also not as predicted by the calculation of the rational choice model. Both the research by Kahneman and Tversky and the research by Quattrone and Tversky on irrationality suggest that rational decisionmakers reach economic decisions that do not benefit selfinterest under unconscious self-deception as a result of limited information. In other words, actors are limited by cognitive capabilities and hence unable to reach complete and self-interest judgment. This leads to irrational decisions. When deciding whether to go to China or not at the juncture in one's life, both the "naturally independent" and the "inherently unified" are forced to choose paths favorable to themselves against the backdrop of low salaries in Taiwan and in the face of the lure of high salaries in China. Statistics from the poll conducted by Global Views Monthly in 2017 provide powerful evidence that rational actors choose to maximize economic benefits under the assumption of rationality and self-interest. The poll showed 58.8% of the respondents were willing to work overseas, and 51.5% were willing to work in China. As many as 71.3% of the young group were willing to work overseas, and 59.5% were willing to work in China. Among the "naturally independent", 43.2% were willing to go to China for development (Lin, 2017b)^[22]. In other words, the poll by Global Views Monthly faithfully presents the pursuit of opportunities and challenges by the naturally independent and the inherently unified who are driven by rationality and self-interest and are not influenced by the ideology of unification versus independence or choosing to stay in Taiwan for work, because of "sentimental" perception. While young people show higher support for Taiwan independence compared to the people of the country, they perhaps feel that the opportunities in China are better than those in other countries. Ideology is not a serious matter to them. Young people are pragmatic, thinking with rationality and for self-interest.

Is going to China for economic benefits an irrational decision for the "naturally independent" and the "inherently unified", as shown in the research by Kahneman and Tversky and the research by Quattrone and Tversky? In fact, Kahneman and Tversky and Quattrone and Tversky both indicate that rational entities make irrational judgments due to limited information and perception. The "naturally independent" and the "inherently unified" decide to go to China or stay in Taiwan based on fragmented and incomplete information received. Even in modern society where information travels fast online, a lot of information remains difficult to access such as labor conditions, work environment, and labor rights. While the basic regulations are available from the Internet and brochures, the information about detailed rules and the implementation process are not attainable. The rigidity of the perceived low salaries also causes cognitive limitations for young people in the interpretation of information and results in unconscious self-deception. As long as other young people have gone to China for work, others will follow suit without thinking. Conversely, young people may be encouraged to stay in Taiwan after hearing of someone's objection to working in China.

3. Game Matrix Analysis in the Pursuit of Economic Interests by Naturally Independent and by Inherently Unified

The national identity of Taiwan is influenced by the new political culture in Taiwan. In the context of cross-strait problems, Tsai Ing-wen administration's strategy of de-Chinalization and modification of curriculum agendas versus the social choice theory have sparked games between the "naturally independent" and the "inherently unified" in the pursuit of economic benefits by going to China. The naturally independent is content with the current status and even clinging to romantic imagination. However, this is gradually giving way due to asymmetric developments between the two sides in reality. In contrast, the inherently unified suggests that "both sides of the strait are the same family" and hence "unification is necessary", and that "people cannot forget about their ancestors" and will need to return to ancestral homes eventually.

(1) Current employment environment in Taiwan

During the eight years under the Ma Ying-jeou administration, the average yearly economic growth was 2.81% in Taiwan, the average unemployment rate at 4.47%, the average inflation rate at 1.08%, the average Misery Index at 5.58%, and the average gap between the rich and the poor at 4.19 times. Real salary growth averaged 0.1%, in stagnation (Lin, 2016) ^[23], and a basic salary was NT\$20,008 per month. All these numbers indicate that Taiwan did not do poorly in its economy during the Ma Ying-jeou administration, but the Taiwanese people were still dissatisfied with salaries and income distributions. Not too happy with these statistics, the DPP people pointed out that Ma Ying-jeou forgot about his own advocacy for the 633 policy after he took power. As a result, the Misery Index has hit a record high for the past three decades (Wang 2011: 110)^[44]. To improve the employment environment, boost economic growth, narrow the wealth inequality, and reduce unemployment rates at that time, Tsai Ing-wen proposed six initiatives in the 2015 labor policy as a key message for the election. The purpose was to rescue the gloomy employment market then and articulate the government's role as an assister to protect companies and workers through the rough patch in a difficult economy. This is particularly the case with relatively disadvantaged laborers. The government should also serve as a regulator on a timely basis and to protect companies from unfair market competition, consumers from damage, and laborers from exploitation (Tsai, 2015)^[42].

The first thing Tsai Ing-wen did once in power, however, was not to proactively improve the depressing employment market in Taiwan. Rather, the administration initiated aggressive resolutions to pensions, same-sex marriages, and the KMT's assets deemed "unfair and unjust" by the DPP, under the banner of transitional justice. The Tsai Ing-wen administration made the correct political call, implying that it was not only unable to handle cross-strait relations, but also unable to fix the employment market. Despite all this, the Tsai Ing-wen administration has been actively driving its economic policy (e.g., "5+2 Industrial Innovation Plan") to boost the basic salary of workers, yet none of these initiatives have been able to increase the basic salary for fresh graduates. The starting monthly salary for fresh graduates had been hovering around NT\$24,000 for a long time. Based on the average monthly living expenses in Taiwan at NT\$21,086 (Lin, 2018b) [21] in 2016, young people have little left on a monthly salary of NT\$24,000. Given the low salary in the Taiwan job market, the young people need to rely on economic support from parents. The gig economy of non-standard employment has also emerged. All these factors prompt the youth to look to "going west" for better salaries (104 Job Bank, 2018)^[1].

(2) Game: To-and-fro of deception and trickery

The rational choice theory is often criticized for its presumption that every game participant knows for sure the information relevant to each decision. In fact, participants make decisions under the limitation of social structures, regulations, ideologies, rules, and general practices (Ward 1995:86-92) ^[45]. In other words, judgment is made with bounded rationality - namely, decision-makers make choices given information uncertainties. The game theory starts by dealing with uncertainties (Myerson, 2013:483-485)^[28]. In the process, the game theory first assumes that information is equally distributed (Morrow, 1994) [27]; i.e., all participants are in possession of information relevant to their own decisions, but not known by other participants. In other words, all participants have private information and distribute wrong private information about themselves (Rubinstein, 1991)^[36]. Basically, certain factors must be incorporated to develop interactions into a game. This involves participants' mutual awareness of the cross effects and adoption of actions for their own benefits under this awareness (Kabalak, Smirnova and Jost, 2015)^[17]. In fact, a participant makes decisions without considering the reaction from the other participant in the interactive game under mutual awareness. Participant 2 does not know what Participant 1 is up to when both participants are playing at the same time. Simply put, at least two participants are required for this game, and the participants do not consider what others are thinking. The game can happen with each participant reacting to actions from others. Furthermore, the game can still happen without thinking or theory as long as participants play by the rules.

The key point of the game is to start with how preference and payoff are determined. Payout is based on any strategic combination achieved by all participants. The researcher assigns each participant a value in order to compare all possible outcomes. Usually the higher the payout is, the better are the outcome (Shih, 2003:4; Yu and Lin, 2005:49-50; Sanfey, 2007:598-602) [40, 49, 37]. Alternatively, the researcher can derive the value for the payoff in a game matrix with non-linear rescaling based on probabilities and expected values (Erev and Roth, 1998:863-870; Colman, 2003:139-153; Claussen, 2016:461-470) [11, 7, 6]. This value calculated with non-linear scaling measures payouts in lieu of monetary amounts. The researcher can also provide the payoff according to reference rankings (Tversky and Thaler, 1990:201-211) ^[43]; i.e., the payoff matrix in line with preference rankings.

There is no need in general to know about the types of games when playing them; the key is to derive solutions. Of course, equilibrium is the most common answer; i.e., the strategy adopted by each participant is an optimal response to the strategy adopted by others. However, it is not easy to identify the solution of equilibrium. Most scholars agree that the deduction process for a Nash equilibrium is the optimal solution for games (Arsenyan, Büyüközkan, and Feyzioğlu, 2015: 2073-2085; Weintraub, 2017:148-161) [2, 47]. A Nash equilibrium is the optimal strategy by each participant in response to the strategy adopted by other participants namely, the optimal response of each participant is to maximize one's personal interest given others' strategies. Simply put, game theorists refer to the concept of equilibrium to examine the tendency of game participants who are completely rational and hold correct views.

Other than the Nash equilibrium as the optimal solution, Pareto optimality also plays an important role in games (Geoffrion, 1968; Manser and Brown, 1980)^[13, 25]. Pareto optimality is defined in economics as the output maximization with effective use of production resources (Guesnerie, 1975; Razmi, Jafarian, and Amin, 2016)^[15, 32]. In simple terms, it is a focus on resource allocation efficiency. In the context of games, Pareto optimality emphasizes the improvement of the total payoff (Nan, Wei, and Li, 2016)^[29]. As a matter of fact, all game participants know that if they take certain actions, then they can improve payoffs from some or all people (Miller, 1993: 39)^[26]. Without changing the rule of the game, nobody can improve the total payoff by taking unilateral actions.

(3) Game participants and sequence of moves

Game theory is strategic thinking by guestimating the moves of the opponent and formulating a strategy that maximizes benefits. It is created according to the relationships among participants, information structure, and sequence of moves. Rational economic men are assumed to be in the pursuit of self-interest and have stable preferences (Morrow, 1994:73-75)^[27]. In fact, game theory covers a wide scope. It emerged initially for various situations in impersonal markets. When participants in the interaction are influential, such interactions are considered strategic games. It does not matter whether the influence is due to the importance of participants themselves or the focus on the relation of participants as a result of the commitment and private information. Riker (1995:25-42) [34] points out that no rational choices exist without defined goals or pursuits. In simple terms, strategy is the choice available to participants. Each participant must make a complete action plan. For example, "If the opponent goes for A, I will choose X. If the opponent opts for B, I will select Y". Each participant aims for the maximum payoff. However, are participants able to calculate the strategy for payoff maximization and act accordingly throughout the game? Game theory largely assumes that participants are equipped with the precise capability to choose the best strategy and take actions accordingly (Dixit and Skeath, 2014:27-28)^[8].

As it takes two to start a game, the participants in this study are the "naturally independent" versus the "inherently unified" young people. The sequences of moves and payoffs are as follows.

Possibility 1: The "inherently unified" are willing to go to China for work, and the "naturally independent" are unwilling to go to China for work. This study assumes the "inherently unified" obtain an economic gain of NT\$41,280 in the China market (EBC Financial News, 2019)^[9], and the "naturally independent" obtain an economic gain of NT\$24,000 in the Taiwan market.

Possibility 2: The "inherently unified" are willing to go to China for work, and the "naturally independent" are willing to go to China for work. This study assumes the "inherently unified" obtain an economic gain of NT\$41,280 in the China market, and the "naturally independent" obtain an economic gain of NT\$41,280 in the China market.

Possibility 3: The "inherently unified" are unwilling to go to China for work, and the "naturally independent" are willing to go to China for work. This study assumes the "inherently unified" obtain an economic gain of NT\$24,000 in the Taiwan market, and the "naturally independent" obtain an economic gain of NT\$41,280 in the China market. International Journal of Advanced Multidisciplinary Research and Studies

Possibility 4: The "inherently unified" are unwilling to go to China for work, and the "naturally independent" are unwilling to go to China for work. This study assumes the "inherently unified" obtain an economic gain of NT\$24,000 in the Taiwan market, and the "naturally independent" obtain an economic gain of NT\$24,000 in the Taiwan market.

(4) Modeling and analysis

As mentioned in the survey by 104 Job Bank, 9.7% of the sampled young people were willing to go to China for work, given the low salaries in Taiwan. This 9.7% consisted of both the naturally independent and the inherently unified. In other words, the youth group must be considering whether to stay in Taiwan or go to China for work. This forms a decision tree regarding salary incomes. These three shapes are usually referred to as "extensive forms" of the game. Game trees are made up with decision trees of individual participants regarding all the possible actions and potential outcomes. It is necessary to list all the details of the game in order to use trees to express the naturally independent and the inherently unified going to China for work against the backdrop of low salaries in Taiwan. The inherently unified make the first move in the game. They can choose between going to China and not going to China for work. After the inherently unified have made the decision, the naturally independent can choose to go or not to go. There are three decision nodes on the tree for this game. Node A indicates the first move made by the inherently unified. Node B and Node C represent the two actions available to the naturally independent after the move from the inherently unified. The outcome is the four end nodes, each showing the payoff to the participants as follows.



Source: Drawn by the researcher

Fig 1: Game tree for "inherently unified" and "naturally independent" in deciding whether to go to China for employment

This study uses backward induction of the game tree (Fig 1) to derive the equilibrium solution (41.28k, 41.28k) for the game. The game matrix of salary incomes converted from the game tree is as follows.



Source: Drawn by the researcher

Fig 2: Payoffs for "inherently unified" and "naturally independent" regarding whether to go to China for employment

Fig 2 shows that the Nash equilibrium (41.28k, 41.28k) derived is the same as in Fig 1. This suggests that both the "naturally independent" and the "inherently unified" eventually move to China to pursue their own economic gains. When the inherently unified go to China for work, the naturally independent follow suit. Although the two share the economic benefits released by China, both will receive the handsome salaries provided by China. If the naturally independent stay in Taiwan, then they only gain ideological satisfaction, and their salaries (economic gains) remain low. The inherently unified going off to China for work can enjoy all the economic benefits given by China. If the inherently unified choose to stay in Taiwan for work and the naturally independent go to China for work, then the naturally independent young people enjoy all the economic benefits given by China. If the naturally independent insist on staying in Taiwan, then neither party enjoys China's policies favorable to Taiwan and economic gains. Regardless of the naturally independent's strategy, Fig 1 and Fig 2 show that the inherently unified had better go to China for work, as it is an advantageous strategy for them. In a similar vein, the naturally independent had better go to

China, too, when the inherently unified choose to go to China. If the inherently unified decide to stay in Taiwan, then the naturally independent had better go to China. Therefore, the advantageous strategy for the naturally independent is also going to China for work.

The game clearly indicates three points of Pareto optimality: (1) the inherently unified young people go to China for work and the naturally independent young people stay in Taiwan; (2) the naturally independent young people go to China for work and the inherently unified young people stay in Taiwan; and (3) they both go to China for work to enhance economic gains. All three scenarios allow one party to achieve more economic gains, yet not at the expense of the other party's economic gains. Having noted that, the chronic low salaries in Taiwan and the attraction of high salaries in China will prompt the young generation staying in Taiwan to think rationally and gradually move to where economic gains are high and where the equilibrium of the game is. In other words, this game is not a competition between the naturally independent and the inherently unified in China. It is a model of rational pursuit of one's own economic selfinterest against the backdrop of the dismal employment

market and low salaries in Taiwan and China's policies favorable to Taiwan. Once China steps up its strength at the point of equilibrium (e.g., by moving the equilibrium point from (41.28k, 41.28k) to (56k,56k)), this study estimates that the game will increase its velocity and accelerate the two points of Pareto optimality ((41.28k, 24k) and (24k, 41.28k)) toward the equilibrium point. Hence, this paper develops the first proposition as follows:

Proposition 1: The more aggressive China is in driving the

policies favorable to Taiwan or increasing salary incomes, the faster Taiwanese youth move to China for work.

Given the same game structure, the change in payoffs eventually changes the outcome. This then begs the question: Will the original point of equilibrium at (41.28k, 41.28k) change if the Taiwan government creates an employment environment favorable to youth and increases salary incomes in a one-shot game?

		Naturally independent			
		Going to China for work		Not going to China for work	
Inherently	Going to China for work	41.28k	41.28k	41.28k	50k
unified	Not going to China for work	50k	41.28k	50k	50k
Source: Drawn by the researcher					

Fig 3: Change of payoffs for "inherently unified" and "naturally independent" regarding whether to go to China for employment

This study assumes that Tsai Ing-wen administration's improvement of Taiwan's employment market and the increase of salaries to a level comparable to China's offer to the young generation from Taiwan will change (24k, 24k) into (50k, 50k) (Fig 3). Given the same salaries for those who stay in Taiwan and for those who go to China for work, the familiarity of the Taiwan environment makes the young people perceive that the economic gains in Taiwan are greater than the gains from going to China. Therefore, they will not go to China for work. From the perspective of the game model, the equilibrium point moves from (41.28k, 41.28k) in Fig 2 to (50k, 50k) in Fig 3. That means staying in Taiwan for work is the best option for both the naturally independent and the inherently unified. Hence, this paper develops the second proposition as follows:

Proposition 2: If Taiwan's statutory salary is higher than or equal to the salary in China, then young people will not go to China for work.

According to game theory, going to China for work is an advantageous strategy for both the naturally independent and the inherently unified. However, most polls suggest that the low salaries in Taiwan and China's 31 policies favorable to Taiwan are the drivers for youth to go to China for work. Based on game analysis and the poll statistics, going to China should account for the majority of Taiwan's young workforce, but the reality is different from the theory and the polls. The game theory emphasizes the strategic guideline, while the statistics are estimated on the basis of minimal residuals. In other words, the game theory explains "what you should be doing", but the statistics highlight the level of risks involved. In this study the game theory clearly shows the advantageous strategy to young people, yet statistics describe different benefits of each strategy. The only thing common between these two is the evidence of "mathematically true". There is no pinpointing of the actual behavior in reality.

The probabilistic difference between theory and reality explains why only 2.6% of the young workforce in Taiwan has gone to China for work. While the game theory clearly tells both the naturally independent and the inherently unified young generation that going to China for work is their advantageous strategy, young people's friends and relatives (especially parents) will advise them to think it over. This "thinking it over" is young people's assessment about going to China for work. Of course, they will consider whether they can make it in China. If yes (profitability), then they will go. They also take into account whether their education and experience meet the requirements of Chinese corporates. If yes (actional), then they will go. This also explains why only 2.6% of young people went to China. Hence, this paper develops the following proposition.

Proposition 3: The self-assessment criteria of actionality and profitability raise the bar for the advantageous strategy in the game.

4. Conclusion and suggestions

The emergence of the naturally independent among the young people in Taiwan is due to the fear for the loss of property rights and rights to freedom after unification. The dislike of the idea of being unified by China is not due to the of Taiwan consciousness insistence or Taiwan independence. On the other hand, China thinks the DPP's ideology of de-Chinalization and the change of education curricula are the cause of the political inclination for "natural independence" among the youth in Taiwan. This is the natural result due to the gap in reality in political thinking across the strait. The increasing number of "naturally independent" young people in Taiwan is not hugely due to de-Chinalization or change in educational curricula. Both sides of the strait should step up exchanges between their young people, so that they understand each other's stance and position. This can create the possibility of consensus by narrowing the gap in political thinking between youngsters across the strait.

Second, the naturally independent generation is willing to go to China for work, due to low salaries in Taiwan. Once Taiwan's economy picks up or the salary is the same as in China or even slightly lower, the young people (both the naturally independent and the inherently unified) are likely to stay in Taiwan and not go to China for work. For them, Taiwan is the environment they grew up in. They are accustomed to the political system and the geographic environment. Even the inherently unified youngsters will stay in Taiwan if Taiwan's economy improves and incomes increase. It is worth mentioning that these young people know that China seeks to coerce Taiwan with economic means, but they know clearly that the two sides of the strait should not be in opposition; rather, there should be more exchanges for mutual benefits. This pragmatic thinking conflicts with their understanding about China as a political entity. As a result, most young people would rather stay in Taiwan for a salary of NT\$24,000 than to go to China.

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In sum, if China would like to change the perception and thinking of the new generation in Taiwan, then the key is to let the new generation know that the economic, industrial, and employment future is in China and not in Taiwan. Currently, the work environment is poor, job seeking is difficult, and salaries are low in Taiwan. At this juncture, China emphasizes exchanges between young people across the strait and encourages entrepreneurship. While this is the right direction, it does not pay off immediately. In addition to providing incentives to Taiwanese companies, inviting Taiwanese young people to go to China to sit for examinations for government jobs and teaching jobs, and hiring PhD graduates from Taiwan to work in China, China can create an employment environment suitable for Taiwanese young generation so that they feel "home".

This study posits that there is not such a thing as Taiwanese young people born naturally independent. They are thinking naturally independent today, but not necessarily so tomorrow. After all, young people tend to change their thoughts under the influence of external events. If China can overlook the DPP's unfriendliness to China, release more policies favorable to Taiwan, expand employment subsidies, create jobs, and offer great salaries for Taiwanese youth, then the naturally independent youngsters will gradually and eventually shift to the inherently unified camp and go to China together for economic gains, due to low salaries in the job market of Taiwan. On the other hand, only when the Tsai Ing-wen administration manages to improve the work environment and increases labor salaries can it break China's policies favorable to Taiwan and its strategy of talent attraction in the context of the game model.

5. References

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