

## Accidental Silicon Shield: A History of Taiwan's Semiconductor Industry

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**Abstract :** This paper traces the origin of Taiwan's semiconductor industry by arguing that the present-day popular concept of "Silicon Shield" was the result of inadvertent and accidental decision-making rather than a thoughtful, carefully devised strategy by the Taiwanese government. In the 1970s, a small group of techno-bureaucrats boldly suggested the investment of making the island a hub for semiconductor manufacturing. A fierce internal debate led to a reluctant approval by Chiang Ching-kuo, then premier of Taiwan and the de facto ruler of the island state. With the support of an American outfit, Taiwan gradually transformed itself into an island of IC manufacturing. In retrospect, the creation of Taiwan as the top maker of semiconductors globally involved both luck and severe policy debates, as well as bold decision-making at the top level, which will be demonstrated in my presentation.

**Keywords :** semiconductor, Taiwan, silicon shield, Chiang ching-kuo

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