

Reproduced from *Southeast Asian Affairs 2010* edited by Daljit Singh (Singapore: Institute of Southeast Asian Studies, 2010). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of the Institute of Southeast Asian Studies.
Individual articles are available at < <http://bookshop.iseas.edu.sg> >

SOUTHEAST ASIAN AFFAIRS 2010

The **Institute of Southeast Asian Studies (ISEAS)** was established as an autonomous organization in 1968. It is a regional centre dedicated to the study of socio-political, security and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute's research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPPS), and Regional Social and Cultural Studies (RSCS).

ISEAS Publishing, an established academic press, has issued more than 2,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publishing works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

SOUTHEAST ASIAN AFFAIRS 2010

**Edited by
Daljit Singh**



**INSTITUTE OF SOUTHEAST ASIAN STUDIES
Singapore**

First published in Singapore in 2010 by
ISEAS Publishing
Institute of Southeast Asian Studies
30 Heng Mui Keng Terrace
Pasir Panjang
Singapore 119614
E-mail: publish@iseas.edu.sg
Website: <http://bookshop.iseas.edu.sg>

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the Institute of Southeast Asian Studies.

© 2010 Institute of Southeast Asian Studies, Singapore

The responsibility for facts and opinions in this publication rests exclusively with the authors and their interpretations do not necessarily reflect the views or the policy of the publisher or its supporters.

ISEAS Library Cataloguing-in-Publication Data

Southeast Asian affairs.
1974–
Annual
1. Southeast Asia — Periodicals.
I. Institute of Southeast Asian Studies.
DS501 S72A

ISSN 0377-5437
ISBN 978-981-4279-81-9 (soft cover)
ISBN 978-981-4279-82-6 (hard cover)
ISBN 978-981-4279-83-3 (PDF)

Typeset by International Typesetters Pte Ltd
Printed in Singapore by Utopia Press Pte Ltd

Contents

Foreword <i>K. Kesavapany</i>	vii
Introduction <i>Daljit Singh</i>	ix
THE REGION	
Southeast Asia in 2009: A Year Fraught with Challenges <i>Joseph Chinyong Liow</i>	3
Review of Southeast Asian Economic Developments <i>Manu Bhaskaran</i>	23
The United States and China in Southeast Asia: Conflict or Convergence? <i>Robert Sutter</i>	44
The Year in ASEAN: The Charter, Trade Agreements, and the Global Economic Crisis <i>Rodolfo C. Severino</i>	60
BRUNEI DARUSSALAM	
Brunei Darussalam in 2009: Addressing the Multiple Challenges <i>Pushpa Thambipillai</i>	71
CAMBODIA	
Cambodia in 2009: The Party's Not Over Yet <i>Caroline Hughes</i>	85
INDONESIA	
Indonesia in 2009: Democratic Triumphs and Trials <i>Edward Aspinall</i>	103
The Impact of Domestic and Asian Regional Changes on Indonesian Foreign Policy <i>Dewi Fortuna Anwar</i>	126
LAOS	
Lao People's Democratic Republic in 2009: Economic Performance, Prospects, and Challenges <i>Omkar Lal Shrestha</i>	145

Laos: Crisis and Resource Contestation <i>Holly High</i>	153
MALAYSIA	
Malaysia: The Rise of Najib and Malaysia <i>James Chin</i>	165
The Limits of Malay Educational and Language Hegemony <i>Lee Hock Guan</i>	180
MYANMAR	
Myanmar in 2009: On the Cusp of Normality? <i>Robert H. Taylor</i>	201
Ethnic Politics in Myanmar: A Year of Tension and Anticipation <i>Martin Smith</i>	214
THE PHILIPPINES	
The Philippines in 2009: The Fourth-Quarter Collapse <i>Herman Joseph S. Kraft</i>	237
SINGAPORE	
Singapore in 2009: Braving a Grave New World <i>Azhar Ghani</i>	261
Rooting for the Future: Views for the Heritage Sector in Singapore <i>Michael Koh</i>	285
THAILAND	
Thailand in 2009: Unusual Politics Becomes Usual <i>Chairat Charoensin-o-larn</i>	303
“Unity” as a Discourse in Thailand’s Polarized Politics <i>Pavin Chachavalpongpun</i>	332
TIMOR-LESTE	
Timor-Leste in 2009: Marking Ten Years of Independence or Dependence on International “Assistance”? <i>Selver B. Sahin</i>	345
VIETNAM	
Vietnam: A Tale of Four Players <i>Alexander L. Vivving</i>	367
Vietnam and Rising China: The Structural Dynamics of Mature Asymmetry <i>Carlyle A. Thayer</i>	392

Foreword

The good news in 2009 was that the global economic crisis affected Southeast Asia less than had earlier been feared, and towards the end of the year most regional countries were poised for a sharp recovery. Yet, uncertainties and challenges for the future remained in view of the sluggish growth and indebtedness in the developed world.

In the realm of politics, the re-election of President Susilo Bambang Yudhoyono in Indonesia with a landslide majority in a peaceful election was a clear plus for both Indonesia and the region, notwithstanding the unfortunate attempts towards the later part of the year by certain forces to weaken the anti-corruption efforts of the government and to undermine two widely respected members of the President's government, namely Vice-President Boediono and Finance Minister Sri Mulyani, over the issue of the bailout of Bank Century.

Politics in Malaysia was unsettled while in Thailand it remained tumultuous. In Malaysia, Prime Minister Najib Tun Razak's well-conceived 1Malaysia concept seemed to lose its momentum amidst racial and religious tensions caused partly by attacks by extremists on religious establishments. Political uncertainty was also accentuated by the impending trial of opposition leader Anwar Ibrahim on sodomy charges. In Thailand, the destabilizing and disruptive street politics used by the anti-Thaksin yellow shirted mobs in 2008 to oust perceived pro-Thaksin governments were emulated in 2009 by the pro-Thaksin red shirts against Prime Minister Abhisit.

Politics in the rest of Southeast Asia was comparatively more quiescent and "normal". In Myanmar, always an exception to the Southeast Asian norm, the generals were preparing for elections in 2010 for a new constitutional order that would be dominated by the military.

Meanwhile, the Association of Southeast Asian Nations (ASEAN) continued its evolution towards a more rules-based organization with the efforts directed at strengthening procedures for dispute settlement and implementation of agreements. During the year a comprehensive free trade agreement (FTA) was concluded with Australia and New Zealand and another involving trade in goods was signed with India. Meanwhile the FTA with China on trade in goods was due to be

implemented on 1 January 2010, even though tariff reductions with China had been proceeding for some years.

ASEAN's centrality in East Asian regionalism was challenged by two proposals for a new "architecture": one by Australian Prime Minister Kevin Rudd for an Asia-Pacific Community and another by Japanese Prime Minister Yukio Hatoyama for an East Asian Community. However it was clear by the end of the year that it would be very difficult to establish a new overarching "architecture". Cooperative mechanisms are more likely to grow organically, often even haphazardly, as pragmatic responses to needs and then evolve as they adjust to new exigencies, which was the way ASEAN evolved. More importantly, as Ezra Vogel has recently pointed out, regionalism in East Asia has been largely fruitful over the past decades and "existing forums offer the best opportunity for leaders in the Asia-Pacific to work together in solving regional and global problems".

Southeast Asian Affairs 2010, like the previous thirty-six editions of this flagship publication of ISEAS, provides an informed and readable analysis of developments in the region. I am confident that it will continue to be of interest to scholars, policymakers, diplomats, students, and the media. I wish to thank the editor and the contributors for the work they have put in to bring out this volume.

K. Kesavapany
Director
Institute of Southeast Asian Studies
March 2010

Introduction

With a gross domestic product (GDP) about the size of India's and growing in recent years at over 6 per cent a year, relatively open economies, a population approaching 600 million, location on the strategic sea routes between the Pacific and Indian Ocean, and the leverage in international relations provided by the Association of Southeast Asian Nations (ASEAN), the vibrant and very diverse region of Southeast Asia seems destined to play an increasingly important role in Asian affairs.

However, in viewing the condition of Southeast Asia in any particular year one is faced with both the positive and negative, a situation akin to a glass being half full or half empty, depending on the perspective of the viewer. Official elites, especially in Southeast Asia, often tend to highlight the full, while less sympathetic critics tend to emphasize the empty parts. The year 2009 continued to present this mixed picture, with both encouraging and troubling trends and developments. Economic indicators have been encouraging, and the economies will also benefit from the rise of China and India. However, GDP, even GDP per capita, while undeniably vital, are not deities exclusively determining the progress of countries and societies. Even as significant poverty remains in the region, serious shortcomings in governance abound in many countries.

In this Introduction it is of course impossible to draw out all the rich insights about the region and its component countries presented by the contributors to this volume. I can only, very selectively, highlight some trends and developments, focusing first on regional issues and then some individual countries.

Resilience in Coping with the Economic Crisis

Although Southeast Asia was significantly affected by the global economic crisis, thereby disproving the decoupling theorists, the adverse effects were not as dire as many had feared. Indeed, as Manu Bhaskaran shows in his economic review of Southeast Asia in this volume, regional economies manifested a surprising resilience in the face of the crisis. Bhaskaran attributes this to stronger financial sectors than during the time of the 1997–98 Asian crisis, better policy responses and macro-economic management, and, generally, the existence of more and

better shock absorbers and fewer shock amplifiers. At the end of 2009 regional economies seemed poised for a good rebound, though the challenges of building longer-term resilience to cope with the uncertainties of a changing post-crisis global economy would continue to test state authorities.

Still in a Happy Spot in Major Power Relations, but Some Underlying Unease

Southeast Asia continued to be generally at peace, notwithstanding mistrust and problems in several interstate relationships and domestic political tensions, with pockets of violence, within some countries. The region also remained encased in a fairly comfortable zone of reasonably good relations between the major powers in the Asia-Pacific. As Robert Sutter points out in his chapter, despite Sino-American competition, these two great powers had overriding imperatives to remain committed to constructive engagement. Southeast Asia also saw enhanced U.S.-engagement during this first year of the new Obama administration, including the signing by the United States of ASEAN's Treaty of Amity and Cooperation and overtures to Myanmar (see below). However, a meaningful trade agenda was conspicuously lacking.

Sutter, in his chapter, explains the strength of the U.S. position in Asia relative to other major powers. While this reality was appreciated by many Asian states, some underlying unease in the region about the longer-term balance and relations between the major powers still existed — generated in part by major power competition for influence, military modernizations among the rising Asian powers, Japan's domestic political changes and search for a new identity, China's posture in relation to the South China Sea, and, more recently, possible adverse effects of the financial and economic crisis on the longer-term strategic posture of the United States. On the last point, the concern was that if American politicians could not come together to make the politically painful choices to deal with the country's enormous deficits and public debt in the coming years, at some point defence expenditure, together with U.S. overseas commitments, could face curtailments.

ASEAN Regionalism: Doing the Difficult Part

ASEAN regionalism continued to advance, though slowly and cautiously. The ASEAN Charter for the first time commits ASEAN states to norms about internal behaviour and also seeks to improve implementation procedures for

ASEAN agreements. In 2009 the ASEAN countries' Committee of Permanent Representatives started to function in Jakarta to facilitate implementation. The terms of reference of the ASEAN Inter-governmental Commission on Human Rights (AICHR) were adopted and members of the commission appointed. Though the very formation of the AICHR is a step forward, in view of the traditional sensitivity among many ASEAN countries about domestic discussion of such issues, it lacks an enforcement mechanism. As Joseph Liow says in his opening chapter, this, together with the continued primacy of the principle of non-interference in internal affairs, means that "progress towards a regional norm that defines, honours, and defends human rights in an active and substantive fashion will likely be incremental". Or as Rodolfo Severino puts it cautiously in his chapter on ASEAN, implementation would depend on "the collective will of the member states and on their perceptions of how implementing those provisions will serve the interests of the nation, the regime, or even, politically or personally, the leaders themselves" as in "other regional associations of sovereign states, except ... the European Union."

ASEAN: Free Trade Agreements (FTAs) with Outside Countries

ASEAN signed its free-trade-in-goods agreement with India in August 2009 which provides for the start of tariff reductions on 1 January 2010 with a view to their elimination by different dates for different ASEAN countries. ASEAN's FTA with Australia and New Zealand, concluded in February 2009, barely received media attention. Yet, as Rod Severino points out, it is the most comprehensive of ASEAN's FTAs, covering not only tariff reductions and elimination, rules of origin and customs procedures, but also sanitary and phytosanitary measures, product standards and technical regulations, trade in services, movement of people, electronic commerce, investments, intellectual property, competition, and dispute settlement. Receiving much more media attention was the scheduled elimination of tariffs on goods between China and the ASEAN Six by 1 January 2010, even though it was relatively a non-event because tariff reduction had been going on since 2005 and by 1 January 2010 up to 150 tariff lines could still remain protected up to 2012.

Challenges to ASEAN-centred Regional Security Order

ASEAN also faced new uncertainties about the future of the regional security architecture in which at present ASEAN-anchored forums like the ASEAN

Regional Forum (ARF), the ASEAN Plus Three (APT), and the East Asia Summit (EAS) play a vital role. Two new schemes, Australian Prime Minister Kevin Rudd's proposal for the establishment of an Asia-Pacific Community (APC) and the Japanese Prime Minister Yukio Hatoyama's idea of an East Asian Community (EAC) modelled on the EU drew considerable attention in the media and in government and academic circles, and both are well covered in Joseph Liow's chapter. Although neither proposal gained much traction by the end of the year, they drove home the message that ASEAN could not take its centrality in the regional order for granted and in the end what the major players want would have an important bearing on the future of the regional security architecture.

The APC, first proposed in 2008, was seen as a more serious challenge than the EAC, in part because of divisions within ASEAN over it. In 2009 the Australian proponents of the APC, realizing that a new overarching architecture would be difficult to set up, suggested that the APC could be built around one of the existing forums, like the East Asia Summit. Attempts were made to assure ASEAN of its continuing importance and centrality, but sceptics in ASEAN wondered how Canberra would propose to square the circle of having, on the one hand, a smaller, more compact forum, and on the other hand keeping the existing inclusiveness (with sixteen members, and eighteen if the United States and Russia are admitted) and the "driving" role of ASEAN. To the sceptics the proposal still smacked of an attempt to build a concert of some big and a few middle powers in which ASEAN would be sidelined.

Hopefully, such challenges may yet propel ASEAN to get its act together. As Joseph Liow puts it: "Time and again, it has been forces beyond the control of Southeast Asian states that have forced their hand on matters of regional integration. This appears to be happening once more. As ASEAN faces up to the challenge, not only of rising Indian and Chinese power, but also the emergence of alternative visions of regional order that threatens the 'ASEAN Way' with irrelevance, the members of the forty-two-year-old regional organization must yet again set aside their differences and apprehensions towards one another — and these are deep-seated apprehensions indeed — in order for the organization to remain relevant."

Indonesia: Looking Up, Yet Held Back by Domestic Constraints

The third successful elections since 1998 marked a milestone in the country's democratic consolidation. President Susilo Bambang Yudhoyono became

the first Indonesian president to be democratically re-elected. The economic performance was positive as the country was spared the worst effects of the global crisis, thanks in part to a big stimulus package (the growth rate declined but remained well above negative territory while unemployment actually fell). The terrorism threat continued on its downward trend, notwithstanding the bombings in Jakarta in July 2009. Aceh demonstrated further stabilization when Partai Aceh, the party of former GAM (Free Aceh Movement) members, won a landslide (with a near majority) in the provincial parliament and became the largest party in sixteen of the twenty-three district parliaments. Significantly, in the presidential election, President Yudhoyono won 93 per cent of the vote in Aceh, by far the best anywhere in Indonesia.

Yet, as Edward Aspinall notes in his chapter, Indonesia has seen average economic growth rates over the period of the first Yudhoyono administration at 5.7 per cent per annum, well below the government's 7 per cent target, and serious problems remain in spurring infrastructure development, manufacturing growth, and achieving poverty reduction goals. Perhaps more troubling, the later part of 2009 glaringly exposed a pervasive culture of corruption in key state institutions, including law enforcement agencies, and attempts by them to undermine the anti-corruption agency. The President himself came under unfavourable public light for his apparent complacency and indecisiveness in the face of these developments. As Aspinall puts it cautiously in the conclusion of his chapter: "It is ... far too early to talk about a crisis of Indonesian democracy.... But it would be equally wrong to ignore the problems and adopt a merely celebratory tone.... Viewed favourably, as most Indonesian voters apparently do, the first Yudhoyono term was a period of consolidation, and of modest progress. Viewed in another light, it was a period of stasis, perhaps even stagnation. Yudhoyono's next term in office promises to be — quite literally — more of the same.... in 2009 there were signs that the long-term effects of [his highly cautious] approach might fall short of what many Indonesians desire out of their democracy, even if they expect little more from it."

...But with New Foreign Policy Directions

The changes on Indonesia's domestic political scene since the fall of former President Suharto have been followed by changes in foreign policy. To be sure the country's national interests dictate important areas of continuity, but there have also been significant changes. Dewi Fortuna Anwar sets them out in her chapter on "The Impact of Domestic and Asian Regional Changes on Indonesia's

Foreign Policy”. After more than thirty years of Suharto’s style of making and conducting foreign policy, countries of this region have to get used to the new realities in which democracy and multiple centres of power — in particular a powerful Parliament that is eager to flex its muscles — shape the formulation and execution of foreign policy. While ASEAN remains a cornerstone of Indonesia’s foreign policy, says Anwar, the emphasis on democracy and human rights has introduced “new priorities and attitudes” which affect Indonesia’s relations with its ASEAN neighbours. She also explains how Indonesia is engaging the major powers, including rising Asian powers, with its “free and active” foreign policy. On the whole, after several years of preoccupation with internal problems, the country is stepping out, with more confidence, as an actor on the international scene. Its international profile is also highlighted by its membership of the G-20 forum.

Myanmar: Taking a Step Forward

Barring the political ripples caused by the escapades of American John William Yettaw, nothing that was extraordinarily dramatic or unexpected happened in Myanmar in 2009. There were signs of hope as the country prepared to establish a new constitutional order, with elections expected in 2010. Whatever the limitations, if successfully implemented, it would be a break from the political stagnation of two decades and thus a step forward. There was increased uncertainty and even fears of volatility among some opposition and ethnic groups as they contemplated the future and prepared to deal with the new political landscape. Martin Smith’s analysis in this volume of the ethnic issues serves as a timely reminder that their management in this country, one of the most ethnically diverse, has always been a major challenge for any central government, democratic or non-democratic, and will continue to be so in the lead-up to and after the establishment of the new constitutional order. The regime seemed confident that it would successfully implement the new order, making 2010 a landmark transitional year as 1988 and 1974 were in earlier periods.

The change in America’s Myanmar policy under President Barack Obama suggested that strategic considerations now feature in Washington’s policy, not just democracy and human rights. The tone of the bilateral relationship has certainly improved. However, as Robert Taylor points out in his review, the sanctions mandated by Congress remain in place and demands continued to be made by the U.S. government on the Myanmar junta’s policies in relation to the coming

elections. Any significant breakthrough in U.S.-Myanmar relations is unlikely at this sensitive time when the regime is preoccupied with ensuring the successful implementation of the new constitution. If the U.S. approach to Myanmar now seemed somewhat more nuanced and sophisticated, observes Taylor, the EU sent conflicting signals during the year, while China and India continued to develop their relationship with Myanmar.

Malaysia: Can Prime Minister Najib Razak Pull it Off?

Many analysts were of the view that Malaysia needed reforms in its governance and its political economy if the UMNO (United Malays National Organisation)-led ruling coalition, the Barisan Nasional (BN), was to recover its electoral fortunes. During 2009 BN lost four of the five by-elections it contested in the peninsula. The two main partners of UMNO in the BN coalition — the Chinese-based Malayan Chinese Association and the Indian-based Malayan Indian Congress — were in disarray because of internal power struggles and scandals. Since powerful entrenched vested interests in UMNO seemed dead against change, it might be difficult for Prime Minister Najib Razak to have the broad spectrum of support from within UMNO and its supporters to promote his 1Malaysia concept, however well-intentioned. Some have even suggested that the extremists might seek to rally Malay support for UMNO by frightening the community into thinking that their special position, even their religion, was under threat. The incidents of violence against churches in 2009 underscored the dangers.

However, James Chin, in his review of Malaysia, draws attention to the advantages that the BN still possessed and the Prime Minister's political skills to exploit them. Najib could increase support for the ruling coalition, especially among the non-Malays, by highlighting the positive aspects of policy and by taking steps to improve the economy, without necessarily having to make major changes to the existing pro-Malay policies. Chin in fact sees Najib's political stature as having risen as the year 2009 progressed and opines that if general elections had been held at the end of 2009 or early 2010 the BN would have recovered its two-thirds majority in Parliament.

The opposition alliance (PR or Pakatan Rakyat), despite winning a number of by-elections, and despite the corruption and other scandals affecting the BN, was hobbled by the charges of sodomy against its leader, Anwar Ibrahim, who could be put away for an extended period of time if convicted; the pro-BN orientation of the civil service and police in states controlled by PR; and by defections from the ranks of opposition parliamentarians and assemblymen. Chin alludes to

attempts to destabilize PR-led state governments by investigations of its members for corruption and other offences.

Thailand: The Curse of Street Politics

There was no end in sight to the political disorder in Thailand, driven as it was by deep underlying fissures in the country's body politic. The age and the frail health of the King injected a particularly worrisome element in the situation. As Chairat Charoensin-o-larn says in his review of Thailand, the hopes of a return to normalcy, the same hopes that the coup of 19 September 2006 had stirred, still remained unfulfilled, with Thailand having a barely functioning government. Predictably, in 2009 the pro-Thaksin red shirts were emulating the disruptive tactics used by the anti-Thaksin yellow shirts in 2008 to bring pressure on the Abhisit Vejjajiva government to resign and hold elections. The traditional Songkarn days celebrations were marked by a bloody riot; ASEAN leaders had to be hurriedly evacuated from the ASEAN summit disrupted by the red shirts in Pattaya; and Premier Abhisit was harassed by the red shirts wherever he went. The only difference, and a critical one, was that the same military that had connived at the disruptive acts of the yellow shirts in 2008, including the occupation of the country's international airport, protected the Abhisit government in 2009. Indeed, as Chairat points out in his chapter, the military has been the biggest beneficiary of the political turmoil of recent years: its budget has almost doubled and it has become a decisive factor and referee in the political game, with any sitting government dependent on it for its support. Chairat also observes that the three years of turmoil has damaged the credibility and legitimacy of Thailand's political and social institutions.

Meanwhile, the insurgency in the south of the country raged on, with no end in sight. The idea of some devolution of power to the southern Muslim provinces in some kind of limited autonomy arrangement remained anathema to the Thai elite.

Vietnam: The China Factor

Vietnam, the biggest country on mainland Southeast Asia in terms of population size, and of considerable strategic importance, saw an economic growth rate of 5.3 per cent in 2009, standing out, alongside Indonesia and Laos, as one of a few countries in the ASEAN grouping that grew more than 2 per cent. Alexander Vuving, in his review of Vietnam, notes that the country was not without significant

economic vulnerabilities. He also observes that in recent years there has been a considerable widening of space for public discussion and 2009 saw a dramatic development of civil society.

Developments in Vietnam's relations with China are covered in both Vuving's and Carl Thayer's chapters. China's assertiveness in the South China Sea, felt particularly sharply by Vietnam over the course of 2009, seemed to show to Hanoi that its policy of deference to China over the years was not entirely effective and needed to be complemented by more vigorous national efforts to protect its vital interests. China's diplomatic and economic inroads into Laos and Cambodia in recent years were also viewed with concern. As Vuving puts it: "Chinese activities ... have left the Vietnamese little doubt that China's intentions include control of the South China Sea, which Vietnam sees as its front door, and influence in mainland Indochina, which Vietnam regards as its backyard." Vietnam took steps in 2009 to modernize its military forces and increase cooperation with Laos and Cambodia, even as it continued its web of dense relations and exchanges with China at the party-to-party, state-to-state, and military-to-military levels — demonstrating, as Carl Thayer puts it, that, as the weaker party, it would continue to use the levers of both cooperation and struggle in managing its relations with China.

The year 2009 also saw the emergence of anti-China nationalism as a powerful force in domestic Vietnamese politics. The network of groups opposed to the big bauxite-mining project to be undertaken by China in the central part of South Vietnam grew into a national coalition of mainstream elite motivated by nationalist and human security concerns, forcing the authorities to resort to a crackdown and start a campaign against "the strategy of peaceful evolution". Vuving assesses that the clampdown "did not seem to create the necessary fear".

The Rest of Southeast Asia: Relatively Quiescent, with Business as Usual

In the Philippines, the second most populous country in Southeast Asia, after Indonesia, the political elite was preoccupied with the elections due in 2010. The country weathered the global economic crisis without falling into recession, thanks to beneficial policy reforms carried out earlier and a generous stimulus package. However, the challenges of governance were highlighted again by events towards the end of 2009. The destruction caused by tropical storm Ketsana and Super Typhoon Parma showed a failure to provide adequately, on a long term

basis, the infrastructure needed to cope with such natural disasters which are all too common in the Philippines.

The massacre of fifty-seven people associated with Mayor Andal Ampatuan Jr. in Maguindanao in the south was a reminder not just of election-related violence in the country and the existence of private armies but also of the continuing hold of wealthy and powerful clans on the political system. Herman Kraft in his chapter observes that elections in the Philippines “have always energized people with the prospect of change.... It is, however, very difficult to understand why this should be so, considering the kind of leadership that electoral exercises have given the country.” A bright spot, though, was the resumption of peace talks between the government and the Moro Islamic Liberation Front in Kuala Lumpur with the Malaysian government acting as facilitator and an International Contact Group set up in the Malaysian capital to provide support. However, a bumpy road lay ahead in the negotiations. The conflicts with the communist New People’s Army and with the Abu Sayyaf Group continued.

In Singapore, as Azhar Ghani says in his review, “despite the unusual challenges in 2009, in some fundamental ways, it was reassuringly business-as-usual”. As the most internationalized and export-dependent economy in Southeast Asia, there was much preoccupation with economic issues as the country experienced its first recession since 2002. There was some questioning of Singapore’s longer-term growth model by critics who argued that the striving for maximum growth with increasing dependence on foreign workers, who already constituted about one-third of the workforce and took up seven of the ten new jobs created in 2008, produced unintended negative effects and delivered too little of the benefits of growth to Singaporeans relative to foreigners and foreign firms. The subject of foreign workers remained a touchy one and the government was paying more attention to its various dimensions. An Economic Strategies Committee (ESC) was also set up to come out with recommendations on how to keep the economy growing in the next decade and to spread more gains to Singaporeans. The government announced some tweaking of the system to allow for a greater diversity of views in Parliament and some relaxation of rules on films and online material with political content.

In Cambodia the economy suffered an estimated contraction of 2.5 per cent after five years of high growth, but this did not bring about social or political unrest. Indeed Prime Minister Hun Sen continued to ride high in popularity and, as Carolyn Hughes affirms in her review, there was further entrenchment of the hold of his Cambodian People’s Party on local politics, facilitated by the patronage system. The Khmer Rouge tribunal continued its work. Hughes observes that

while it has increased the level of interest in its work in Cambodia, the handful of punishments which it is likely to deliver will neither adversely affect stability nor satisfy those who think that it could reform Cambodia towards becoming a country governed by the rule of law. The diplomatic row with Thailand did not seem to affect day-to-day business relations between the two countries, with Thailand remaining an important investor.

Among the remaining two members of ASEAN, there was more continuity than any significant change in basic trends. In her review of Brunei Pushpa Thambipillai discusses developments in a generally stable and well-managed sultanate with a pro-active and shrewd ruler who is focusing on modernization with stability, friendly ties and cooperation with other countries, and longer-term plans for socio-economic development of his country. On Laos, Holly High dwells mainly on the process of “resourcification” and resource contestation and their political and other dimensions, while Omkar Lal Shrestha deals with the country’s economic performance and prospects.

Finally, the only non-ASEAN country of the region, Timor Leste, which has been shaken by traumatic events in its recent past. Selver Sahin argues in her chapter that while 2009 was marked by relative stability and security in the sense of absence of rioting and gang violence, little progress had been made towards addressing the structural problems that had triggered the 2006 crisis. Her chapter examines the formidable challenges facing the country like security sector reform, weaknesses in the rule of law, and socio-economic development.

Apart from the eleven country reviews and the four regional chapters, this volume of *Southeast Asian Affairs* has seven country-specific thematic chapters. Those so far not mentioned in this Introduction include Lee Hock Guan’s chapter on the limits of Malay educational and language hegemony, Michael Koh’s on the development of arts and culture in Singapore, and Pavin Chachavalpongpun’s on “unity” as a discourse in Thailand’s polarized politics. Each makes its unique contribution to understanding important or interesting facets of the countries discussed.

Southeast Asian Affairs seeks to accommodate a variety of views and opinions, both Southeast Asian and others, for which the contributors alone are responsible. I would like to thank all the contributors for making this volume possible. Special thanks go to Holly High and Omkar Lal Shrestha for contributing the two chapters on Laos at short notice because the original writer on Laos had to withdraw for unforeseen reasons.

I also thank Stephen Logan of ISEAS Publishing for his meticulous copy-editing and his composure and helpfulness under pressure in accommodating the

many amendments, and Ms Betty Tan who, in addition to many other duties, served as a very efficient secretary to the *Southeast Asian Affairs 2010* project. Finally, I thank Mrs Triena Ong, Managing Editor and Head ISEAS Publishing; Dr Chin Kin Wah, ISEAS Deputy Director; and ISEAS Director Ambassador K. Kesavapany. All three had useful advice to offer or lent a sympathetic ear when I went to see them about some problem or other.

Daljit Singh
Editor
Southeast Asian Affairs 2010