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FOREWORD

Southeast Asian Affairs 1980, like its six predecessors, is a review of significant developments and trends in Southeast Asia, with special emphasis on the ASEAN countries. Readable and easily understood, the publication aims at giving the enquiring reader a broad grasp of major political, economic, social and strategic developments within the region.

The contents of Southeast Asian Affairs 1980 fall into two broad categories. There are those of a background nature, which attempt to review and where necessary comment upon and explain significant developments during 1979 in the individual countries of Southeast Asia and in the region generally. Then there are the articles of more specialized current interest. These are not necessarily focused on events in 1979 alone. They deal with topical problems of concern to those who desire to know more about the region and its affairs than is possible from background articles. Readers may also be interested to know that from this volume onwards, the emphasis will be on background papers, including regional surveys. These, however, will continue to be supplemented by topical articles of the type described above.

To the best of our knowledge, Southeast Asian Affairs is the only publication of its kind wholly devoted to Southeast Asia. It is, perhaps, also unique in that, unlike many other annuals, its discussion of issues is from the vantage point of the area, most of the contributors being in and of the region. Moreover, though scholarly in their approach and analyses, the authors have been encouraged to aim at accuracy and readability, and to handle their subjects in a direct manner. Footnotes and bibliographical and other references have been generally dispensed with and a conscious effort made to avoid too ponderous a style. If Southeast Asian Affairs 1980 helps to generate and enliven interest in, and a better understanding of, the affairs of the region, then its purpose would have been well served.

I would also like to take this opportunity to thank the authors and the members of the Editorial Committee, as well as all others who have, in one way or another, helped to make this publication possible. While encouraging all points of view, needless to say, the individual authors are exclusively responsible for the facts and opinions expressed in their respective contributions, and their interpretations do not necessarily reflect the views and policies of the Institute itself or its supporters.

Kernial S. Sandhu
Director

15 January 1980

Institute of Southeast Asian Studies
CONTENTS

FOREWORD
INTRODUCTION

THE REGION
Southeast Asia in 1979: A Political Overview
J.A C Mackie

Review of Southeast Asian Economies, 1979
Cheong Kee Cheok

Current Australian-ASEAN Relations
Robyn Janet Lim

The Soviet-Vietnamese Treaty: A Giant Step Forward
Lau Teik Soon

The Sino-Vietnamese War of 1979: Only the First Round?
Masashi Nishihara

Contemporary Islamic Developments in ASEAN
Sharon Siddique

BURMA
Burma 1979: Socialism with Foreign Aid and Strict Neutrality
Aung Kin

INDONESIA
Indonesia in 1979: Controlled Discontent
Leo Suryadinata

The Devaluation and Structural Change in Indonesia
Peter McCawley

KAMPUCHEA
Multipolarity and Cambodia’s Crisis of Survival: A Preliminary
Perspective on 1979
Roger Kershaw

LAOS
Laos: The Vietnamese Connection
Martin Stuart-Fox

v
ix
3
17
37
54
66
78
93
121
145
161
191
MALAYSIA
  Malaysia in 1979: Restructuring the Economy, Realigning Political Forces
  Laurence K.L. Siaw

  The Kedah UMNO-PAS Power Struggle: Its Origins and Development
  Mahadzir bin Mohamad Khir

PHILIPPINES
  The Philippines in 1979: Towards Political Change
  M Rajaretam

  Prospects for Normalization in the Philippines
  MacArthur F. Corsino

SINGAPORE
  Singapore: Bold Internal Decisions, Emphatic External Outlook
  Lim Joo-Jock

  The Singapore Experience: Cultural Development in the Global Village
  Koh Tai Ann

THAILAND
  Thailand in 1979: A Year of Relative Stability
  Vichitwong na Pombhejara

VIETNAM
  Into the Third Indochina War
  Huynh Km Khanh

  Vietnam, ASEAN and the Indochina Refugee Crisis
  Frank Frost
INTRODUCTION

As last year, the Southeast Asian political scene in 1979 continued to be dominated by the conflict in Indochina and its ramifications for the region.

The conflict between Vietnam and Kampuchea which resulted in the Vietnamese invasion and the setting up of the Vietnamese-backed Heng Samrin régime towards the end of 1978 did not bring stability to the region. because the People's Republic of China (PRC) soon invaded Vietnam “to teach Hanoi a lesson.” Political and socio-economic change and conflict in Indochina generated the exodus of ethnic Chinese, ethnic Vietnamese and Kampuchean people, creating new problems for the countries of the Association of Southeast Asian Nations (ASEAN). Jamie Mackie's political overview of the region examines these complicated events and their developments in 1979 as well as the political conditions in each Southeast Asian country, while Cheong Kee Cheok's paper reviews the economic performance of Southeast Asian states, with special reference to the five ASEAN members.

The Indochinese crisis can be viewed as a conflict between the major powers utilizing small states as convenient tools to achieve their respective goals. Lau Teik Soon's paper considers the Soviet-Vietnamese Treaty as a giant step forward for the Russian camp in achieving a major foreign policy objective, that is, to strengthen its Asian Collective Security System to contain the influence of the PRC and the U.S. Masashi Nishihara's article, on the other hand, focuses on the recent Sino-Vietnamese war, analysing its origins, development and prospects. In the paper, he notes that the war originated from the historical rivalry between these two nations, and that the “co-operative relations” between them is an exception rather than a rule. He also argues that the war “is likely to remain a serious factor of instability in the regional balance of power.”

Besides the relations of ASEAN states with countries in the north, this volume also deals with ASEAN relations with its southern neighbours. For instance, Robyn Janet Lim surveys Australian-ASEAN relations in 1979 and identifies major issues and problems, including the Indochina crisis, refugees, and the International Civil Aviation Policy (ICAP). She points out that ASEAN leaders often misunderstand their Australian counterparts and calls for more mutual understanding, although she cautions “heightened understanding does not necessarily make for smoother relations.”

Islam is another factor linking the ASEAN States with the outside world. With the rise of Islamic fundamentalism in the Middle East, Muslims in Southeast Asia have also been affected. A large Muslim population in the ASEAN states is a factor in the political stability of the region. Sharon Siddique's article reviews the contemporary situation of Islam in five ASEAN states and discusses the problems faced both by the governments where Muslims form the majorities as well as those where Muslims are in the minority. Indeed, the Islamic factor could become increasingly important in the years to come.

Burma also has its Muslim minority problems, but other issues appear more serious. Like other developing countries, the Burmese Government has problems in the
economic sector. Due to scarcity of resources, the Burmese Government decided to
develop its "socialist economy" with foreign aid. Aung Kin's paper surveys this aspect in
considerable detail. It also touches on Burmese foreign policy including Burmese with-
drawal from the nonaligned movement.

Three papers in this volume probe into developments in the three Indochinese states,
namely, Vietnam, Kampuchea and Laos. Huynh Kim Khanh examines Vietnam's
relations with its neighbours, focusing on Kampuchea and China while Roger Kershaw
gives a detailed background survey and analysis of Kampuchean* domestic politics and
reinternationalization of conflict in Indochina. Kershaw concludes that "the extent to
which Cambodia retained some autonomy in various spheres from now on" may depend
on the readiness of "Westernized Cambodians abroad ... to trust in Vietnam's
assurances, and participate in reconstruction under a hegemony which they have feared
so long and struggled so uncompromisingly to prevent". Martin Stuart-Fox's back-
ground survey on Laos, another Indochinese state presently dominated by the pro-
Vietnam leadership, also deals with its relations with Vietnam and its eventual sub-
ordination to Vietnamese force.

One of the legacies of this Indochinese crisis is the problem of refugees. Many
Kampuchean have fled to Thailand while many ethnic Chinese and Vietnamese have
become "boat people" roaming the South China Sea. Many have arrived in ASEAN
countries. Frank Frost gives a detailed treatment of the Vietnamese "policies" towards
refugees and its impact on ASEAN countries. He maintains that the fundamental causes
of the outflow remain unsolved, that is, "continuation of severe economic and political
problems in Vietnam and Laos, the continuing tension in Sino-Vietnamese relations and
the possibility of a further Chinese 'punitive' attack and the uncertainty of the
situation in Kampuchea ...."

The ASEAN country directly affected by the Indochinese turmoil is Thailand which
has had to solve a serious refugee problem as well as to strike a balance in its relations
with super and regional powers. Vichitvong na Pombejara's article reviews the
situation in his country within the last twelve months, assessing the achievements and
shortcomings of the Kriangsak Government. He concludes that, despite various
problems, Kriangsak succeeded in maintaining Thai political stability.

The Indochinese conflict resulting in the presence of refugees has increased the
burden of ASEAN states as well as has created ethnic tensions in some states where there
is the "ethnic Chinese problem". Ironically, it has also tended to make ASEAN countries
more co-ordinated in their foreign relations. ASEAN has been able officially to present
a common stand towards Vietnam and Kampuchea. But the fact remains that there are
differences in ASEAN perceptions of the problem, due to the different geographical
positions and varying ethnic composition in each member state. Indonesia still conceives
of Vietnam as a potential buffer state to contain China's southward movement.

Indonesia in 1979 was faced by political, social and economic problems which caused
the emergence of rather widespread discontent. However, the discontent was still under
control, but the sources of discontent were by no means removed. Leo Suryadinata's
overview paper discusses these problems in considerable detail and identifies forth-
coming challenges. One of the challenges is in the field of economy. Peter McCawley
assesses the devaluation of the rupiah in November 1978 and its impact on the
Indonesian economy, arguing that the government faces the challenge to restore "the
stability which had almost been achieved at the end of 1978 when the devaluation
abruptly jolted the Indonesian economy and left it facing in an unexpected direction".

* Editor's Note:
The spelling of Kampuchea has been consistent throughout this volume except in
Kershaw's article which deviates from this practice for reasons given in his article.
Introduction

The Marcos Government has also been beset with many internal problems. M. Rajaretanam reviews the performance of the government and records its successes and failure. Identifying enormous political and economic problems, he argues that the Marcos Administration has failed to cope with most of these and this in turn has undermined political stability in the country. He foresees that the Philippines is moving towards significant political change. MacArthur Corsino, on the other hand, examines the problems and prospects of normalization in the Philippines, arguing that martial law will not be lifted and Marcos is likely to be confronted with more discontent unless he can broaden the support of the élites and redress the poor economic condition of the country.

Malaysia has been dominated by a different kind of problem which has a strong ethnic overtone. Although the government in 1979 gave a creditable performance, the internal power struggle and ethnic disagreement persisted. While Laurence Siaw's paper deals positively with most of these issues, he also argues that the time has come to examine the economic performance of the non bumiputra communities. Mahadzir bin Mohamad KHIR's article, also on Malaysia, examines in historical perspective one of the crucial issues in Malay politics, the Kedah UMNO-PAS power struggle. He indicates the importance of Kedah in Malay politics and UMNO's determination to maintain this stronghold.

Singapore's problem is of a different kind. The government is faced with restructuring the economy and with educational reform. Lim Joo-Jock details these aspects in his overview paper, maintaining that 1979 could be "a landmark in the political, economic and cultural development of Singapore". Singapore's political stability and economic miracle are well known but its cultural development is seldom investigated. Koh Tai Ann examines Singapore's cultural policies and assesses Singapore's development in this aspect, arguing that cultural development in Singapore does not measure up to the development in other fields. She also suggests alternative policies on cultural development in this island republic.

A point has to be made, at this juncture, on the format of Southeast Asian Affairs 1980 which has undergone minor changes. Previously, the volume used to include more topical articles for the country section. However, this volume has reduced the number of country topical articles in order to concentrate on background papers both on the region and on individual countries. In fact, the main characteristic of Southeast Asian Affairs has been its emphasis on background papers which have been supplemented by topical articles of contemporary interest. The Editorial Committee feels that Southeast Asian Affairs will render its readers better service by providing longer and, hence, more detailed background papers.

As usual, on behalf of the Editorial Committee, I would like to thank all the authors for their contributions and their co-operation. To friends of the Institute of Southeast Asian Studies, I would also like to take this opportunity to express my appreciation for their assistance in one way or another in the publication of this volume.

15 January 1980

Leo Suryadinata
Editor
Southeast Asian Affairs 1980
Editorial Committee