TURNING POINTS AND TRANSITIONS

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TURNING POINTS AND TRANSITIONS

Selections from *Southeast Asian Affairs* 1974–2018

Edited by **Daljit Singh • Malcolm Cook**

ISEAS YUSOF ISHAK INSTITUTE

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Message from the Director

It is a great pleasure for me to write this message for *Turning Points and Transitions: Selections from Southeast Asian Affairs 1974–2018*. This volume is one of the major projects that the ISEAS – Yusof Ishak Institute has undertaken this year to commemorate the fiftieth anniversary of the Institute.

Southeast Asian Affairs is an annual review of the politics, international relations and economics of Southeast Asia. Started in 1974, it was the first major publication series undertaken by ISEAS, commencing six years after its birth. It is still the only publication on Southeast Asia of its kind anywhere in the world today.

A glance at the table of contents of *Turning Points and Transitions* will show chapters on many of the key political, diplomatic and economic developments in the region over the forty-five years covered by the series. Many are authored by prominent scholars and intellectuals of the time, both Asian and Western, with their own individual perspectives.

Needless to say, the editors faced a difficult task selecting 57 chapters out of the 960 in the series. As observed in the Introduction to this volume, they have strived to capture the most important turning points and trends in the rich and eventful history of the region. I think they have succeeded admirably in doing so.

Turning Points and Transitions should be of interest to scholars, students and all others who are curious about the recent history of this region. In a way, it serves as a memory bank for those of us who have lived through those times, to be drawn upon for reflection on how the region came to be what it is today. For the younger generation, it can provide a valuable window into the region's most recent half century of history, which is salient to their understanding of the present.

I thank the editors, Daljit Singh and Malcolm Cook, as well as others who worked with them, for compiling this remarkable volume.

Choi Shing Kwok
Director
ISEAS – Yusof Ishak Institute

Foreword

Hal Hill

For anybody working on Southeast Asia, the ISEAS – Yusof Ishak Institute (hereafter ISEAS) has been a "light on the hill", a beacon of warm hospitality and serious scholarship for fifty years. ISEAS has quickly established itself as unquestionably the leading institution in the field, a great testimony to the vision of its founders and to the wonderful work of its staff, past and present.

In what is arguably its flagship publication, *Southeast Asian Affairs* (hereafter *SEAA*) has been published annually since 1974. Each year, the Southeast Asian community, both within and beyond the region, and from the academic, policy, media and NGO worlds, eagerly awaits the arrival of this volume.

The series has generally followed a winning formula that has clearly stood the test of time. There are general overviews of politics, international relations, economics and social affairs. Then follows detailed country surveys highlighting, interpreting and assessing recent developments. The guiding principle has been to invite scholars with a deep knowledge of the subject matter to write analytical yet accessible and concise papers looking backwards and forward.

Perusing the pages of the present volume — *Turning Points and Transitions: Selections from Southeast Asian Affairs 1974–2018* — the reader is introduced to a veritable "who's who" of Southeast Asian Studies since the 1970s: Wang Gungwu, Chan Heng Chee, Michael Leifer, Rodolfo Severino, Sharon Siddique, Sjahrir, Suchit Bunbongkarn, and many, many others.

Appropriately, the editors have selected papers that call attention to key turning points and trends in the region. These are well reflected in some of the chapter titles: "the handling of contradictions", "the ASEAN economic miracle unravels", "from Bali to Iraq", "Kampuchea 1979–81", "the fall of Soeharto and the rise of Habibie", "what went wrong with the Thai democracy?", among many other arresting titles.

The timing of this volume is propitious. It is an opportunity to celebrate ISEAS's fiftieth birthday, to showcase its unrivalled network of scholars and to reflect on the "journey" that the region has taken since 1974. Few if any regions of the world can match Southeast Asia for its dynamism, its diversity, its rising economic and political coherence, and its effective international engagement. All these dimensions are evident in this wide-ranging volume.

An older generation clearly recalls the great challenges these new nation states faced as they began to make their way in an uncertain world. It needs to be remembered that the region's prospects in the 1960s were highly uncertain. *South-*

east Asia in Turmoil by Brian Crozier (1965) was a widely read volume at the time. This was the era of the "Peking-Pyongyang-Hanoi-Phnom Penh-Jakarta axis of newly emerging forces". Indonesia was "confronting" Malaysia. Malaysia and Singapore separated after a brief union. In the Cold War era, the countries in the region were seen as "dominoes" in some quarters, likely to fall to communism's southern thrust.

How wrong were these gloomy prognostications! ASEAN has emerged as the most durable and influential regional grouping in the developing world. The World Bank labelled several of the countries "miracle economies". Poverty has fallen more rapidly in this region than any other in the world.

But history doesn't stand still. New challenges abound throughout Southeast Asia. Composed of small and medium-sized states, the region has to juggle great power rivalry and its unpredictable effects. The democratic forces in the region are fragile. Some of the former economic stars appear to have lost their dynamism. There is rising inequality between and within nation states. The "ASEAN Way" has both strengths and limitations. Profound environmental challenges are on the horizon. We will look to future editions of *SEAA* to help us anticipate, interpret and understand these and many other issues.

Daljit Singh and Malcolm Cook have achieved the herculean task of judiciously selecting these 57 papers from the 960 published since 1974, and condensing the original versions where relevant. I congratulate them for this magnificent volume, and for expertly piloting the *SEAA* series over many years.

I also wish to congratulate ISEAS on its uniquely important, perceptive and durable contributions to understanding this fascinating region over the past fifty years. In an era of instant communications and "fake news", the work of the Institute is as important and as relevant now as the day it was established.

Hal Hill
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Foreword

Shamsul, A.B.

The region now known as Southeast Asia has been called the Malay World, Malay Archipelago, Nusantara, East Indies, the Far East, and Southeast Asia or the ASEAN region. All these terms are still in use in various contexts for different purposes, quite often interchangeably, for instance, in books on the history of Southeast Asia available for undergraduate teaching across the globe.

The region physically includes mainland and maritime components. The "Malay World" is being used by a number of academic institutions and publications in Malaysia, Indonesia and the United Kingdom. Others prefer to use Nusantara, instead, the old Javanese terminology for "archipelago". It refers to the maritime area of Southeast Asia. When British naturalists, explorers and biological scientists analysed the flora and fauna of the maritime region, they preferred to use the term "Malay Archipelago". The French, German, Austrian and British orientalists of the nineteenth century refer to this maritime geophysical space as part of the Far East.

The term "Southeast Asia" that refers to the present mainland and maritime parts of the region was first used by American priest and educator Howard Malcom in 1837. During the Second World War, a century later, the Allied forces established a South-East Asia Command (SEAC) in 1943 that covered the areas previously known as the Dutch East Indies; British Burma, Malaya and Borneo; French Indochina; and Thailand. In 1944, the Washington D.C.–based National Geographic Society published the first map of Southeast Asia as we know it today, based on SEAC's military concept.

What is significant is that each of these names or labels for the region was constructed with different sets of knowledge content serving the specific purposes of whoever its originators were — imperialists, colonialists, researchers or academicians. The knowledge produced, based on empirical evidence derived from this region, often enriched the global discourse on a particular theory or concept.

For instance, the contribution of Alfred Russel Wallace (1858) was instrumental in establishing the "natural selection theory", based on his eight-year research in the Malay Archipelago that was accepted and recognized by Charles Darwin himself. Similarly, the internationally well-known theory of "plural society" by J.S. Furnivall (1948), that was well received and applied widely in Africa and Latin America, was based on his research in Indonesia and Burma, which formed the empirical core of his theory. In 1983, Ben Anderson published his *Imagined Communities* based on field research conducted mainly in Indonesia, introducing his theory of nationalism and the origin of a nation.

ISEAS, founded in 1968, and its annual *Southeast Asian Affairs*, produced since 1974, have been among the pioneers in helping to dissolve the mental barriers between Southeast Asian scholars and thinkers shaped by long periods of colonial rule by different colonial masters, in the process contributing to better understandings and the gradual evolution of a regional identity.

They have also remained at the core of the construction of knowledge, the making of narratives, analyses and debate about Southeast Asian studies. More than that, much conceptualizing and theorizing within the global study of international relations and security studies, such as the debate between realism and constructivism or neo-realism versus constructivism, have often referred to Southeast Asia for empirical evidence and case studies. The corpus of knowledge provided by ISEAS and annually by *Southeast Asian Affairs* has helped to shape such theoretical discourses.

Both the regional section of *Southeast Asian Affairs* and the essays on individual countries of Southeast Asia have in the last four decades provided researchers, academics, policymakers, political analysts, risk studies specialists and others from all over the world a window to the region and the happenings within it. This will continue to be so into the future.

I congratulate ISEAS for bringing out *Turning Points and Transitions: Selections from Southeast Asian Affairs 1974–2018*. It is an impressive collection of essays from the annual *Southeast Asian Affairs* over a period of forty-five years.

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Introduction

Daljit Singh

Southeast Asian Affairs, the annual publication of the ISEAS – Yusof Ishak Institute, was launched in 1974 as an annual review of the politics, economies and international relations of Southeast Asia and its individual states. It is the only publication of its kind and is used by scholars, think tanks, universities and others interested in contemporary Southeast Asia.

As Professor Donald Weatherbee said in his short commemorative essay in *Southeast Asian Affairs 2013* to mark the fortieth anniversary of the publication, "the collected volumes of *Southeast Asian Affairs* have become a compendium documenting the dynamic evolution of regional and national developments in Southeast Asia from the end of the 'second' Vietnam War to the alarms and struggles of today." The chapters in the publication are written by experts and analysts both from within Southeast Asia and abroad in Australia, Northeast Asia, North America, Europe and India. As Weatherbee put it in the same essay, "A full list of contributors … reads like a kind of who's who in Southeast Asian studies."

The present publication, *Turning Points and Transitions*, is produced to commemorate the fiftieth anniversary of the founding of ISEAS in 1968. It comprises a selection of 57 chapters from the 45 issues of *Southeast Asian Affairs* from 1974, the first year of its publication, to 2018.

The Twists and Turns of International Relations

During these years, Southeast Asia went through major political and economic transformations.

Consider the international relations of the region. The communist victories in South Vietnam, Laos and Cambodia in 1975 crystallized the region's division into two blocs — one communist and the other non-communist. There were alarms then over the intentions of a victorious Hanoi regime with a seemingly invincible "million-man" army supplied by the Soviet Union and China. The nervousness was not unwarranted, given Hanoi's hostile propaganda against ASEAN and its self-characterization as the "beachhead" or "vanguard" of socialism in Southeast Asia, which was interpreted in the region as implying that it was only a matter of time before other countries would be "liberated". With the withdrawal of U.S. military power from the mainland of Southeast Asia, the field seemed open for communism to advance into a strategic vacuum. Sino-Soviet rivalry brought no real comfort to the ASEAN states; rather, they feared that it would increase the threat through competitive bidding by the two giant communist states for influence with the communist movements in Thailand, Malaysia, the Philippines and Burma

which were already engaged in insurgency warfare against the governments of these countries.

But then, within a few years, something largely unexpected happened. A growing Sino-Vietnamese schism erupted into open conflict after Vietnam invaded Cambodia in 1978. At the root of this rift was the Chinese belief that Vietnam had become a tool for the expansion of Soviet influence in Southeast Asia, a region China viewed as its hinterland and traditional sphere of influence. So, in a rapid turn of the geopolitical kaleidoscope, Southeast Asia found China becoming a balancer against the Vietnam-Soviet alliance in Southeast Asia. With the backing of China, ASEAN gave political support to resisting Vietnam in Cambodia, and Thailand became a platform for material assistance to the resistance forces. With the Vietnamese army on its border, Thailand felt the most threatened. In 1982, Thanat Khoman, the former Thai foreign minister, described Vietnam as a "tiger squatting" on Thailand's doorstep. In 1983, a senior Thai Foreign Ministry official said, "With us it is not an academic question, it is a matter of survival. China is on our side and that is all that matters."[1]

From sanctuaries and bases in Thailand, China armed the Khmer Rouge insurgents operating in Cambodia against the government that Hanoi had installed in Phnom Penh. This was part of the Chinese strategy to bleed Vietnam militarily and economically. When President Gorbachev of the Soviet Union cut Moscow's massive aid to Vietnam in the late 1980s, Hanoi could not sustain its occupation of Cambodia in the face of an intractable Khmer Rouge insurgency and a hostile China. The end of the Cambodian conflict through the Paris Peace Accords of 1991 was another significant turning point in recent Southeast Asian history.

The second half of the 1970s and the 1980s also saw a major reordering of international relations in the region following the U.S.-China détente. It is now easy to forget how bitter the U.S.-China enmity was in the 1950s and 1960s. But by the late 1970s and in the 1980s the United States and China were working together to check the common foe, the Soviet Union, in Asia. This realignment led the states of ASEAN to move to develop diplomatic and economic relations with China, with Malaysia being the first to do so in 1974 and Indonesia and Singapore the last in 1990. In 1978, Chinese leader Deng Xiaoping announced the opening up of China, and a few years later Beijing ended support for the communist parties engaged in insurgencies and subversion against the governments of non-communist Southeast Asia, which had been a major factor in their deep mistrust of China.

China needed to cultivate friends in its confrontation with the Soviet Union, and it also needed investments from abroad as it opened up its economy. In 1993 it became a Dialogue Partner of ASEAN and participated actively in the ASEAN Regional Forum and, later, in other multilateral fora established under the ASEAN umbrella. It soon became a major diplomatic player in the region and, within the first decade of the new century, also the largest or second-largest trading partner of ASEAN countries.

In the second decade of the new century, however, China became much more assertive in pursuing its interests. Developments in the South China Sea, including China's rejection of the ruling of the Permanent Court of Arbitration in the case brought against it under the UNCLOS

by the Philippines, its militarization of land features in the South China Sea, and its pressures on ASEAN and ASEAN states are cases in point. Meanwhile, the Obama administration in the United States had announced its "pivot" to Asia, later renamed "rebalance". U.S.-China competition for influence in the region seemed set to intensify.

ASEAN Matures and Faces New Challenges

ASEAN itself matured as a diplomatic and political consultative body during the forty-five years covered by this volume. The 1976 ASEAN Summit in Bali was a turning point, resulting in the ASEAN Concorde and the Treaty of Amity and Cooperation. ASEAN enhanced its international standing in the 1980s when it functioned as a single diplomatic community at the United Nations and other international forums to oppose Vietnam's invasion and occupation of Cambodia and to find a diplomatic solution to the crisis. In 1992, soon after the end of the Cold War, it boldly decided to create a regional architecture stretching well beyond the confines of Southeast Asia. This was the ASEAN Regional Forum (ARF), which first met in 1994 and included all the major powers of the Asia-Pacific. The purpose was to manage major power dynamics in order to maximize Southeast Asian regional autonomy. Other Asia-Pacific-wide forums under the ASEAN umbrella were to follow in subsequent years. In 1992 the Association also signed the ASEAN Free Trade Agreement, which marked the first significant step towards economic integration and was to lead to the ASEAN Economic Community in the second decade of the twenty-first century.

Arguably ASEAN was at the peak of its international standing between the end of the Cold War and the Asian Financial Crisis of 1997. It began to take in the other countries of Southeast Asia as new members so that by 1999 all the ten Southeast Asian countries were members of the Association.

But ASEAN soon began to encounter some difficult challenges. The first was the financial crisis which damaged the economies of key countries like Indonesia, Malaysia and Thailand and also had political reverberations within them. In particular, the downfall of the Soeharto regime and the emergence of a democratic Indonesia that was preoccupied with domestic affairs meant reduced interest on the part of Jakarta in exercising its soft leadership role in ASEAN, which had been an important factor in the Association's successes heretofore. The new members from the Indochina countries and Myanmar were much less developed and had different political histories and outlooks, which tested ASEAN's cohesiveness. Perhaps the biggest, and ongoing, challenge to confront ASEAN was the shifting balance of power that became apparent after the 2010s in China's more assertive posture in the South China Sea, which damaged ASEAN unity.

Still, ASEAN has remained an indispensable organization for the ten member countries for intra–Southeast Asian affairs, while the ASEAN-based security and economic architectures remain important components of the East Asian order.

The Individual States of Southeast Asia

Developments within some of the individual countries of Southeast Asia during

the period 1973 to 2017 were no less dramatic than the international relations of the region. Brunei became a sovereign independent state and the sixth member of ASEAN in 1984. Myanmar saw long periods of military rule and finally, in the second decade of the twenty-first century, major reforms initiated by the military itself which led to the establishment of a democratically elected civilian government, though the military still dominated the security sector. Cambodia arguably witnessed the most upheavals: the turmoil and destruction caused by the spillover of the Vietnam war into its territory in 1973–75; the brutalities of Khmer Rouge rule; Vietnamese invasion and occupation; a new democratic constitutional system set up under the Paris Peace Agreement; and the emergence of Prime Minister Hun Sen as the dominant strong man. Indonesia went through the military-based authoritarian Soeharto rule for over twenty years; a severe economic crisis in 1998 that also resulted in Soeharto's downfall; and the emergence of a rumbustious democracy.

In Malaysia there was accelerated implementation of preferential policies for the Malay community to raise their socio-economic status; more Islamization; the split between Prime Minister Mahathir Mohammad and his deputy Anwar Ibrahim which set in motion political tides contributing to the eventual loss in 2008 of the ruling coalition's critical two-thirds majority in Parliament. The Philippines had President Marcos's martial law regime and then the EDSA People's Power uprising. Thailand experienced major domestic upheavals and bloodshed in the 1970s and a number of military coups throughout the period 1973 to 2017.

The Selection Process

Needless to say the selection of 57 chapters for this volume out of 960 was a challenging task. The main criterion was to capture as well as possible the important turning points and trends in the Southeast Asian region's political, security and economic history from 1973 — from both the Southeast Asian and international perspectives. Examples of turning points for the regional section of this volume are the diplomatic emergence of China after a decade of self-isolation during the years of the Cultural Revolution, the victories in 1975 of revolutionary communism in the states of Indochina, ASEAN's first summit meeting in Bali, the establishment of the ARF, and the Asian Financial Crisis, among others.

Examples of turning points for individual countries are Vietnam's invasion and occupation of Cambodia in 1978, the 1991 Paris Peace Accords on Cambodia, Burma's election and imposition of military rule in 1991, Myanmar's political reforms in 2011, Malaysia's general election of 2008 which saw the ruling coalition lose its two-thirds majority — and many more.

Some chapters have been selected because they reflect important trends of the times. On the regional plane these include Southeast Asia's changing relations with China over the years. Likewise, with respect to the individual countries of the region, there are chapters on the effects of Khmer Rouge rule on Cambodian society, the character of Pancasila rule in Soeharto's Indonesia, and the communist insurgency in Malaysia in the mid-1970s, to name just a few.

Inevitably, some excellent chapters could not be included because they did

not meet the editors' criteria of turning points or important trends. Further, for a number of the original chapters we had to use only relevant excerpts. For example, in Ben Kiernan's long chapter on Cambodia in *Southeast Asian Affairs 1982* we were interested only in the sections on the effects of Khmer Rouge rule on Cambodia's economy and society. We were also mindful of the need to manage length.

Note

1. Cited in Robert O. Tilman, *Southeast Asia and the Enemy Beyond* (Westview Press, 1987), pp. 1 and 84, respectively.