

# **SOUTHEAST ASIAN AFFAIRS 1984**

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*SOUTHEAST ASIAN AFFAIRS 1984*  
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# **SOUTHEAST ASIAN AFFAIRS 1984**



INSTITUTE OF SOUTHEAST ASIAN STUDIES

## **Institute of Southeast Asian Studies**

Heng Mui Keng Terrace,  
Pasir Panjang, Singapore 0511

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Established as an autonomous organization by an act of the Parliament of the Republic of Singapore in May 1968, the Institute of Southeast Asian Studies is a regional research centre for scholars and other specialists concerned with modern Southeast Asia. The Institute's research interest is focused on the many-faceted problems of development and social change in Southeast Asia.

The Institute is governed by a twenty-two-member Board of Trustees comprising nominees from the Singapore Government, the National University of Singapore, the various Chambers of Commerce, and professional and civic organizations and groups. A ten-man Executive Committee oversees day-to-day operations; it is chaired by the Director, the Institute's chief academic and administrative officer.

## FOREWORD

*Southeast Asian Affairs 1984*, like its ten 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 1984* 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 1983 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 1983 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. The emphasis has been on background papers, including regional surveys. These, however, have been 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 tables have been kept to a minimum and a conscious effort has been made to avoid too ponderous a style. If *Southeast Asian Affairs 1984* 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 others who have, in one way or another, helped to make this publication possible. While the Institute encourages 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.

Kernal S. Sandhu  
Director

15 January 1984

Institute of Southeast Asian Studies

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## INTRODUCTION

Southeast Asia went through another year of relative calm and peace except for two major events that attracted world attention: the assassination of Philippine opposition leader Benigno Aquino in August at Manila Airport, and the October bomb blast in Rangoon where 21 people, including four members of the South Korean cabinet, were killed. Though both events sent shock waves through the region, they did not, however, have any direct political effect on the other countries in the area. On the other hand in the countries directly involved, the impact was marked. In the case of the bombing incident, Burma became an arena for political conflict between North and South Korea. Burma, which has tried to pursue a policy of strict neutrality, broke off diplomatic relations with North Korea after it was established that the North was responsible for the bomb blast. Commenting on this in his essay on Burma, Tin Maung Maung Than, has taken the view that the seriousness of the incident notwithstanding it did not become an issue of domestic concern; his article has therefore concentrated on other aspects of the Burmese scene, especially economic development.

In the Philippines the assassination of Aquino sparked off a wave of protests and opposition-led activities that had been smouldering for some time. The issue involved was essentially one of leadership change and the demand for popular participation. With increasing political uncertainty, the economy of the country faced its most serious setback in years. These two issues are discussed in depth by the two writers on the Philippines — Belinda Aquino focusing on the political aspects, and Gerardo Sicat on the economic.

The Philippines was not alone in its attempt to maintain stability and improve domestic development. The other states in the region were similarly involved in the process but in a less eruptive manner, thereby not attracting much world attention.

In Indonesia, President Soeharto was re-elected as expected by the Peoples' Consultative Assembly for another five years. Unexpected, however, was the appointment of two new personalities to the Cabinet: retired General Umar Wirahadikusumah as Vice-President and General Benny Murdani as Commander of the Armed Forces, with ministerial rank.

In Thailand the April general election was the major political event of the year. Prime Minister Prem Tinsulanond was able to consolidate his position despite the usual excitement characteristic of recent Thai politics. In contrast, 1983 was another quiet year for Singapore, though the Cabinet reshuffle caused partly by the resignation of Lim Chee Onn, Minister without Portfolio, who had earlier stepped down as Secretary-General of the National Trades Union Congress, did evoke some interest. The leadership also expressed concern that if the present trend of women graduates remaining single, or, if married, having too few children, continued unchecked, future generations would be deprived of a steady pool of intelligent Singaporeans.

The above developments are discussed at length in the background papers on Indonesia by Ahmad Habir, on Thailand by Chulacheeb Chinwanno, and on Singapore by Lee Lai To.

Malaysia, too, would have had a rather politically quiet year had it not been for the "constitutional" issue that suddenly took on crisis proportions towards the end of the year, despite the fact that the related Bill had been introduced in Parliament several



months earlier. For a while it appeared that the Prime Minister's political future depended on how well he could manage the mounting opposition to his proposed constitutional amendments that called for modification in some of the powers held by the King and the Sultans. As the year neared its end, it was, however, clear that the government leaders and the hereditary rulers had reached a compromise, thus averting a potential threat to the political stability of the country. These changes are highlighted by Michael Ong in his article which also provides a detailed analysis of Malaysia's party politics and socio-economic issues.

Another state with a monarchical system, Brunei, was making preparations to join the ranks of the other independent states of Southeast Asia. Roger Kershaw has covered this and other essential events of the year in Brunei, but in a rather unusual manner; he has compared the government weekly *Pelita Brunei's* views and information with non-Bruneian perspectives and sources.

The socialist states of Indochina, especially Vietnam and Kampuchea, and the Coalition Government of Democratic Kampuchea, continued to be locked in their disputes, with no progress in the settlement of territorial and other issues. Internally, Vietnam and Laos did not appear to have any new serious problems. These and other developments in Indochina are discussed by Ng Shui Meng, Martin Stuart-Fox, and Lao Mong Hay in their papers on Vietnam, Laos, and Kampuchea respectively. In the case of Kampuchea, Carmel Goldwater also provides a complementary essay on the socio-economic situation in the country.

Economically the Southeast Asian countries were still trying to recover from the ill effects of the previous year. Several of them suffered deficits in their trade performances, faced currency devaluations, or turned to heavy external borrowings. Of particular concern was the case of the Philippines whose economic future seemed to be intertwined with its political problems. As for the other countries, since their economies were in general still expanding, they appeared to have absorbed the set-backs generated by the global downturns much better. A. Kintanar, Jr. has provided an overview of the economic scene in the region during the year, while some of the more specific issues pertaining to each country are covered in the essays on the individual countries. In addition, we have included some articles of more general interest, such as Paitoon Wiboonchutikula's paper on the performance of the Thai economy during the past two decades and the implications of this for the future, Iyanatul Islam's study of socio-economic progress in Indonesia, and Lim Hua Sing's analysis of Japanese perceptions of Malaysia's "Look East" policy.

Politically, at the regional level, the Association of Southeast Asian Nations (ASEAN) continued to be firm in its stand on the Kampuchean issue at the various political meetings, including the Non-Aligned Conference in New Delhi, the U.N. General Assembly, and the various ASEAN sessions. Internally, ASEAN prepared to admit a new member, Brunei, although Brunei's membership in the Association would not be quite "new", in the sense that Brunei (besides Papua New Guinea) had already been an observer at ASEAN meetings. A Special Task Force was also set up to reappraise the organization in an effort to upgrade the structure and function of ASEAN.

From the international perspective, Japan was very much in the news in Southeast Asia, especially with the visit of Prime Minister Nakasone to the area in May and the ensuing discussion on Japan's role in the region — politically and militarily — besides its considerable economic presence. Prime Minister Nakasone assured the Southeast Asian states that Japan was not interested in any military role in the region and that its military build-up was for its domestic defence. The growing presence of the Soviets was another issue of concern for some of the states in the region. The Soviet role in Indochina as well as their increased naval activities in the western Pacific was closely watched. The shooting down of the Korean airliner by the Soviets was strongly condemned in the

region, too. Indeed, Singapore, in protest, cancelled a number of scheduled cultural performances by artistes from the Soviet Union.

These and other issues of regional concern are discussed in detail in the regional papers. Arnfinn Jorgensen-Dahl, for instance, provides an overview of developments in ASEAN and Southeast Asia in general, while Fedor Mediansky and Frances Lai review Soviet and Japanese policies in Southeast Asia respectively.

As usual, in planning this annual, we have left the specific emphases to the writers, to review and analyse developments as they perceived and logically understood them. As far as possible we have tried to include three basic sections in each country background paper — domestic politics, economics, and foreign relations — while the second paper on the country has meant to be of topical interest. Undoubtedly, such an approach and the variety in the mode of presentation and analyses pursued by the different authors, is not likely to go unnoticed by readers. All the same, we feel there is merit in this approach.

Pushpa Thambipillai

Editor

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