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# **SOUTHEAST ASIAN AFFAIRS 1986**

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*SOUTHEAST ASIAN AFFAIRS 1986*  
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# **SOUTHEAST ASIAN AFFAIRS 1986**



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## FOREWORD

*Southeast Asian Affairs 1986*, like its twelve 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 1986* 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 1985 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 1985 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 1986* 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

January 1986

Institute of Southeast Asian Studies

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## INTRODUCTION

*Southeast Asian Affairs 1986* opens, as in previous issues, with overview papers covering the region. Normally, the paper covering political developments would attempt to tie together all the significant threads of political events that took place in the region during the year. However, this year's contributor has limited the analysis to the conflict in Kampuchea and its international repercussions. In the paper on regional economic affairs, the question of the decline in growth rates in the market economies of Southeast Asia is discussed, partly in the context of current and potential ASEAN economic co-operation. The second Bandung Conference is seen by the third contributor to the volume as a largely disappointing event, compared to the prestige and influence associated with the first Conference.

The first paper dealing with an individual country records the steady progress, and the consistency of purpose, of the new state of Brunei Darussalam in moving towards its own chosen definition of itself as a Malay Muslim Monarchy. The paper also brings out the affluence of the country as seen in its developmental projects. In contrast, Burma is perceived as continuing to display a certain air of political and economic stagnancy, despite official figures showing impressive economic gains during the year.

The theme chosen by the writer on Indonesian politics is, to a certain extent, focused on the manner in which the New Order government responded to the very limited unrest which was evident during the year, and which occurred in an otherwise stable environment. Indonesia's economic performance is discussed in the following paper. The reasons for the slowed growth in a year of lower petroleum prices are examined and the contributor of the paper points to the discussion within the country on the type of developmental path that Indonesia is to take.

Events in Kampuchea during the year have again disproved Vietnamese claims that it has succeeded in decisively weakening the resistance. The Kampuchean situation is discussed in the Kampuchean overview which also brings out the nature of the divisions within the parties that form the anti-Vietnamese coalition.

The paper on Laos concludes that despite political confidence, economic progress has been largely inadequate. In the heterogeneous environment in which Malaysia's political and economic development take place, the writer of the Malaysian overview sees the government's responses to the problems and events during the year as largely a question of management, that is, of continuing balance and compromise. The Malaysian economy is dealt with in the next paper which recognizes the threat of the economic setback, as posed by the decline of world commodity prices, and its significance to the New Economic Policy.

The momentous events that took place in the Philippines in 1985 are detailed in the overview paper on that country. Whatever else may happen, it is hoped that this overview on the Philippines will provide future readers with an analysis of the atmosphere of deep crisis that gripped the Philippines throughout 1985. The paper on the Philippine economy proceeds to analyse in detail the many economic problems that faced the country during the year, and concludes with a discussion of future economic prospects for the country.

In the case of Singapore, there is a departure from the normal format. There are three papers on the country instead of two. The first paper deals with what is perceived as a change in the style of leadership in a situation of developing economic crisis. The suddenness and steepness of the economic decline which appeared to have taken many



analysts by surprise seemed to warrant more attention being paid to the problem. Hence, there are two papers on the Singapore economy. Both of these papers, in their different ways, point to the factors contributing to the downturn while indicating possible paths for future action.

The contributor of the Thailand overview focuses on the events revolving around Prime Minister Prem Tinsulanon's political responses to the issues besetting his coalition government, while drawing attention to what he, the contributor, sees as the less than satisfactory economic policy of the government. The paper on the Thai economy deals largely with the technical aspects of the overall problem of the recovery of the Thai economy from its slowed growth rates of 1983 and 1984.

The volume ends with an overview which analyses the difficulties that faced Vietnam in the implementation of policies fostering economic growth for the country.

Lim Joo-Jock  
Editor  
*Southeast Asian Affairs 1986*