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SOUTHEAST ASIAN AFFAIRS 1990

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FOREWORD

Southeast Asian Affairs 1990, like its sixteen 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 1990* fall into two categories. There are articles of a background nature, which attempt to review and where necessary comment upon and explain significant developments during 1989 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 1989 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 1990* 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 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 1990

Institute of Southeast Asian Studies

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INTRODUCTION

A regional survey must inevitably take into consideration events at the global level and, thus, *Southeast Asian Affairs* has traditionally demonstrated a keen awareness of the influence that the wider world has had on developments within the region. Indeed, if anything, in recent years a special effort has been made to incorporate as much as possible of the major trends in the larger Asian-Pacific context in this annual volume. However, by all standards of comparison, 1989 has been a totally different experience altogether in terms of the magnitude and impact of change at the international level primarily due to the ongoing transformation of Eastern Europe and the domestic and foreign policy changes that are being wrought in the Soviet Union. Coupled with these new developments which will undoubtedly have a direct bearing on future economic and trade relations between Southeast Asia and the West, there is the further concern that the reduction in superpower rivalry and tension in the European theatre will result in new challenges to regional security in this part of the world. The anticipated impact of these historic developments further afield on various regional situations in Southeast Asia is hardly being hailed in terms of the much talked-about "peace dividends" that appears to have captured the imagination of the American public in particular. On the contrary, if in fact we have witnessed the demise of communism in the West, and the United States and the Soviet Union are in the process of establishing a more constructive relationship in managing their global interests, then there is growing anxiety in Southeast Asia, particularly among member states of the Association of Southeast Asian Nations (ASEAN), as to the future strategic balance in the region.

As the capitalist market economies of the ASEAN member states have clearly re-established their growth momentum over the past few years and especially so during 1989, it is inevitable that questions are being raised quite widely and repeatedly in Southeast Asia as to the chances of survival of the regimes in countries such as Vietnam, Laos, Kampuchea, and Myanmar. The prospects certainly do not look good but they had not been particularly promising from the very beginning either, given the single-mindedness of long-entrenched and battle-hardened leaders. However, the sweeping political changes in Eastern Europe and the alarming speed with which they are taking place have resulted in some scepticism about the future stability of even the ASEAN member states themselves. Hence, there has been a fair amount of discussion and debate during 1989 about the need for "openness" in politics and greater private initiatives in economics. Be it *doi moi*, liberalization, deregulation, or privatization, the call is loud and clear for more participatory forms of government with less interference in economic activities. Nevertheless, those holding the reins of power tend to be defensive towards these calls for greater freedom in the political process, possibly because of their natural reluctance at having to face change at too rapid a pace, which might well be counter-productive.

In these circumstances, 1989 has been a specially difficult period to cover in a survey such as this from a strictly intellectual standpoint. Should there be some response in the individual papers to the widely held perception in many quarters that

the end of the post-World War II order is also at hand in Southeast Asia as it has ended in Eastern Europe? While the predictability of change is always a challenge in the evaluation of recent developments in the region, to what extent can the analyst follow the logic that the fundamental nature of the reversal of previously intractable situations in others parts of the world portends a drastic turnaround of both the domestic and regional state of affairs in Southeast Asia? In organizing the selection of papers in this volume, however, it has been a guiding principle that the operative factors that have contributed to the major transformations in the West cannot be assumed to be present in exactly the same way here in Southeast Asia. Consequently, the authors of these studies have been left with a wide discretion to interpret the essentials of change and adjustment in their respective cases entirely on the basis of the realities on the ground and not be unduly mesmerized by the vast shifts in political and economic boundaries elsewhere in the world. There is no gainsaying that Southeast Asia is not Eastern Europe as much as it is not East Asia or any other part of the globe but the point to be stressed is that such simplistic expectations of the way in which major events in Europe will shape the future of this heterogeneous region can well detract from the true direction of change

Ng Chee Yuen
Chandran Jeshurun
Editors
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