

integration as rooted in domestic coalitions, economic strategies and state forms which governed the “miracle” years. The resultant regulatory state and regulatory regionalism do require policy co-ordination and harmonization, from the Asia-Pacific to the Southern Cone of Latin America.

Whether Mercado Comun del Sur (MERCOSUR) or ASEAN Free Trade Area (AFTA) is more dismal as regionalism driven by domestic and political processes or should be more responsive to market-led regionalization is a tussle. As much as AFTA touts “developmental regionalism” to marry domestic-owned capital with the globalization-regionalism relationship, it being overshadowed and marginalized by ASEAN Plus Three is no less than MERCOSUR caught out with North American Free Trade Agreement (NAFTA), now Central America Free Trade Agreement (CAFTA) and Free Trade Area of the Americas (FTAA).

Will Southeast Asian industrialization and regional production networks survive the international variants with “systemic globalization”? The emergence of billion-populated India and China again stresses on how unique can localization-regionalization be touted as appropriate cluster subsets of globally-linked production.

Southeast Asia seems more infamous by its financial crisis in a contagious strain quite different from the rest of Northeast Asia. But it highlights co-operation in money and finance amidst the political and co-ordination issues.

Like in Dent’s volume, Asia-Pacific’s new bilateralism did not escape attention in Jayasuriya’s volume. Notwithstanding collective agreements in post-crisis East Asia, the growth of bilateralism involving insignificant countries in overall trade and economic growth seems to be “liberalization without political pain”. Their negative consequences for the domestic economy equation may be one contrarian view to Dent’s volume. But reality and empirical evidence need to be reconciled with the political and security *raison d’être* of bilateral pacts. “Too-early-to tell” seem as good a view.

As the “sick man” in ASEAN, Indonesia

warrants a chapter on its coalitions and corporate governance reform. Despite significant changes, Indonesia seems to be still muddling through, but displays a remarkable resistance to any universal adoption of the outsider model of corporate governance, not in any time soon. The volume’s thesis that domestic political systems and coalitions remain determinants of reforms despite globalization is reinforced. Indonesia may have to develop its own variant of corporate governance, provided it can. Regional governance projects undertaken by domestic actors and coalitions such as embedded mercantilism and open regionalism with roots in domestic structures may be a possible help.

Clearly, sovereignty is under siege in Southeast Asia, with states have power only “in the last instance”, far and few in between as this may be. Security concerns may be a saving grace as post-September 11 terrorism supplants Cold War security co-operation. Like sovereignty, democratization is in transition with prospects for participatory regionalism in Southeast Asia in contrast to traditional elite-centred, political illiberalism. The usual baggage of non-interference, the ASEAN way and lack governance, transparency and rule-based interactions still outweighs any displacement of traditional patterns of regional elite socialization, making the relationship between democratization and regionalism tenuous.

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***Deforesting Malaysia: The Political Economy and Social Ecology of Agricultural Expansion and Commercial Logging.* By Jomo, K. S., Chang Y. T., Khoo K. J. et al. London and New York: Zed Books, 2004. Pp. 253.**

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Agricultural expansion and commercial logging have been identified as the chief causes of

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deforestation in Malaysia. The causes of deforestation can be broken down into two reasonably distinct periods. The first, prior to 1957, was as an outcome of agricultural expansion in rubber plantations and small-holdings. The second, which began after 1957, was driven by land development schemes designed to provide a livelihood to the landless and the land-poor, based on rubber and palm oil schemes. In addition, the second wave has also been driven by the development of commercial logging activities, which gained significance in the 1970s and which has continued into present times. This agricultural expansion and land development wave has continued well into the 1980s, and while diminishing in Peninsular Malaysia, remains prevalent in the states of Sabah and Sarawak.

The analyses of deforestation in Malaysia cannot be undertaken by an examination of factors affecting Malaysia as a single geographic, economic, and political entity. This is because regional variations were present between Peninsular Malaysia, and the states of Sabah and Sarawak in the island of Borneo. As such, the authors of the book have wisely chosen to examine separately and break down these areas into three entities or regions guided nevertheless by a “consideration of the common and various factors influencing decision making on agricultural expansion as well as commercial logging, including the role of international agricultural and timber markets” (p. xiii). These common factors broadly include popular pressures, poverty, land hunger, public revenue considerations, the state–business nexus, the search for political support and legitimacy, global demand, international business pressures, and the global political economy.

Chapter 1 provides background information on the topography, climate, history, demography, politics, and economic development of the three regions, as agricultural expansion and forest management, the authors show in later chapters, have been influenced by these factors. The common as well as different histories and economic structures present in Peninsular Malaysia, Sabah, and Sarawak mean that the scope

of agricultural expansion and deforestation have varied depending on the region.

The policy context that has influenced the pattern of agricultural development (rubber and palm oil) and forest management in the three regions is discussed in Chapter 2. For agricultural expansion, the role of the Federal Land Development Agency (FELDA) was discussed, the agency being the forerunner of other federal and state/regional development agencies and is the largest and most important state agricultural agency in Peninsular Malaysia. In recent years, the role of the agricultural sector has become more important for Sabah and Sarawak rather than Peninsular Malaysia, with their respective (but similar) land development agencies operating in these states.

In terms of forest management, the National Forestry Policy (NFP) was issued in 1978, in line with concerns over the extent of logging and the unsustainability of forest practices in Peninsular Malaysia. Sabah and Sarawak have their own similar and parallel institutions, laws, and policies that deal with the management, conservation, protection, and use of forests. However, in spite of the legislation and policies present in all three regions, the authors point out that in both Peninsular Malaysia and Sarawak, the total forested area “declined by almost 50 per cent between 1971 and 1990. In Sabah’s case, the area still unlogged in 1989 was less than 20 per cent of that available in 1971, indicating that Sabah had logged out most of its forests in the interim.” (p. 50). None of the three regions have been practising sustainable forestry, as large areas of forests have been harvested beyond the natural rate of timber regeneration; environmental considerations have also been sacrificed (soil erosion, and the destruction of watersheds and biological diversity), and native communities dependent on these products now have far lesser access to non-timber forest products.

Chapters 3 to 5 then focus on agricultural and land development policies, and logging activities in Peninsular Malaysia, Sabah, and Sarawak respectively. For Peninsular Malaysia, the rate of agricultural land expansion slowed down in the

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1990s in line with the increasing pace of industrialization and development. Deforestation in Peninsular Malaysia was closely associated with agricultural expansion schemes (particularly rubber from 1908 to 1932, and oil palm from 1966 to 1984) rather than commercial logging. For the states of Sabah and Sarawak, deforestation has been more closely related to commercial logging activities (in recent years, timber remains a significant if not a major revenue earner) rather than agricultural expansion schemes which only started gaining momentum after the late 1970s. Many political controversies surround logging concessions and native rights in the states of Sabah and Sarawak. Sarawak received greater scrutiny because of the native blockades occurring in the late 1980s and early 1990s. The Sarawak Government has also sought to limit native customary rights with the view that shifting cultivation has been destructive to forested areas.

Chapter 6 considers the role of markets and politics in the logging and timber trade and their impact on deforestation. The authors show how the vested interests of politicians have played a role in deforestation via abuses through the concession system which is considered the “most coveted prize for political office and power in Malaysia” (p. 210). The International Tropical Timber Organization (ITTO), in spite of its lofty aims, has also not been able to effectively promote the management of forests on a sustainable basis. Part of this has stemmed from the fact that ITTO has the conflicting goal of promoting timber trade while at the same time ensuring that forests are used and conserved sustainably. Last, but not least, the “insatiable” and unregulated demand for timber from Japan has also served to exacerbate

deforestation in Malaysia, especially in Sarawak. Chapter 7 summarizes and concludes.

This is a very timely book examining the impact of agricultural expansion schemes and commercial logging on deforestation in Malaysia. The strength of the book also lies in the authors’ examining issues affecting deforestation in Peninsular Malaysia, Sabah, and Sarawak separately as there were nuances unique to each of the regions. It is also refreshing to note that the authors have presented a more balanced view of shifting cultivation and have highlighted that such cultivation can be ecologically friendly. That this will find support can be substantiated by the many anthropological studies focusing on swidden agricultural practices in the region.

In summary, the political economy aspects of deforestation have been well laid out in the book. Environmentalists and property rights economists would welcome the publication of this book as it attempts to weave forestry issues with the institutional framework. In addition, readers wanting to get a comprehensive overview of agricultural and forest policies and institutions in Malaysia would also be wise to refer this book. It would have been better, however, if more recent accounts could have been used in the political chapter of the book (Chapter 6), given that it was published in 2004. Most of the discussion of Sabah and Sarawak is drawn from experiences in the 1980s and 1990s (as well as the works quoted by the authors). Overall, a very laudable attempt by the various authors involved, considering the diversity of Malaysia as a country and the political-economy forces involved in causing deforestation.

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