THE DYNAMICS OF NON-IN Volvement IN ASEAN: PRIMORDIALISM AND A CASE OF MISTAKING RHETORIC

Vejai Balasubramaniam

For much of the eighties and nineties Southeast Asia had been economically the most dynamic part of the world. The advances in economics, it is argued, had begun to ramify into politics in the new States of the region. Among other things, the initial contention arising over Myanmar’s application for membership in ASEAN is seen as indicative of a trend away from the cherished principle of non-involvement by governments in the region. The same view is also held with respect to the remarks and the ensuing war of words engaged by the leaders of States in the Malay world. Ideologically, this trend is viewed favorably and perceived as helping to expedite democracy in the region. This article argued that to construe the war of words and criticisms as involvement in the internal affairs of another member State is misplaced and a historical. What appears as interference is no more than rhetoric and a reflection of the primordialism which pervades inter-State relations in the region. It further contends that to the contrary, this rhetoric works to enhance regional cooperation and that non-involvement is alive and well in Southeast Asia.

The centrepiece or the crowning jewels of the Association of Southeast Asian Nations (ASEAN) is the spirit of consensus and the principle of non-involvement. According to the spirit of consensus decisions concerning ASEAN must secure the consent of all member States. The principle of non-involvement on the other hand states that members should not become involved in each others’ internal affairs. But while the idea of consensus appears to be generally lauded reflecting (as it does) broad democratic ideals in decision making, that concerning non-involvement however has come under increasing scrutiny and seen as retrogressive. In fact, it is argued that of late this principle is undergoing a change. The initial disagreements surrounding Myanmar’s application to be a member of ASEAN is seen as reflective of a change. This despite the fact that it amounted to no more than rhetoric. For, in the final analysis, Myanmar’s membership was endorsed by all the ASEAN delegates (in spite of the initial reservations of Thailand and the Philippines). Accordingly, the excitement came to pass only to resurface with Jusuf Habibee and Joseph Estrada comments attendant on the sacking of Anwar Ibrahim from the Malaysian cabinet and with it his post as Deputy Prime Minister and Finance Minister.

For a moment it appeared the pundits who argued that some fundamental change was taking place were about to have their day when Jusuf Habibee, the President of Indonesia and Joseph Estrada, the President of the Philippines stated that they may not attend the APEC Summit in Kuala Lumpur in mid November. But this was short-lived following the
announcement by both presidents confirming their attendance for the Kuala Lumpur talks. Once again the pundits were left disappointed merged into the background where the major European powers in the sixteenth century and the subsequent colonization of the region led to its division into British, Dutch, and Spanish spheres of influence. Thus, for example, the 1824 Anglo-Dutch Treaty divided the Malay archipelago whereby the area covering present day Indonesia passed under Dutch control to become the Dutch East Indies. The Malay peninsula (covering the states of Selangor, Perak, Negeri Sembilan, Johore, Malacca, Penang, and Singapore) and North Borneo came under British influence. Scant attention if any was paid to the loyalty defined kingdoms in the Malay world. Hence, it is not surprising that in the post-colonial period there arose overlapping territorial and boundary claims between the different States.

This can be traced to the failure of the colonials to take into consideration the boundaries of the feudal Malay kingdoms (which as explained above were loyalty defined). This fact coupled with the making of Southeast Asia into raw material producers for European-based industries and consumers of manufactures too led to the transformation of the maritime Malay kingdoms into land-based kingdoms.

Among other things, European colonialism led to the rise of nationalist consciousness in the region. By the 1960’s, with the exception of Brunei, the Malay world became a land of independent states. Nationalism also put a check on the free movement of peoples in the region with the introduction of passports and travel documents. At the same time, it meant the Javanese or Bugis in the Malay peninsular became Malaysians while their counterparts in Java and the Celebes were Indonesians.

As nationalism and modernization came to be intertwined in the colonies it was the desire for the latter which provided support for the anti-colonial struggle and thus the objective of modernizing society gained center stage in the newly independent states. In this respect it was almost certain that the governments of Southeast Asia would come into contention with one another. Economically they were in the main similar. They were producers of primary commodities such as rubber, tin, rice, sugar, and coffee. This together with overlapping territorial claims were potential flashpoints in regional relations.

In 1967, the Bangkok Declaration led to the formation of ASEAN which was seen as a vehicle to help diffuse potential tensions in the region through greater regional cooperation. But ASEAN’s capability in resolving tensions arising from competition in the economic front remained untested as the region became the theatre of Cold War rivalry.

The need to contain communism led to a common stand and Indonesia’s annexation of East Timor received quiet acceptance from ASEAN and the major Western powers. This is not to say that there were no issues of contention (to be sure Singapore’s separation from Malaysia in 1965
remained one of the most contentious issues affecting relations between both countries to this day) but they tended to be submerged by the rhetoric of the Cold War. For a while, the end of the Cold War too did not cause the latent contradictions between countries to surface. Southeast Asia in the late eighties and nineties was arguably economically the most dynamic part of the world. The region had attracted large inflows of foreign capital and were recording an average annual GDP growth rate of between 8-9%.

However, as of July 1997, the economies of Southeast Asia took a beating following depreciation of their currencies amidst speculative attacks. Gone was the “Asian touch” of their governments and with it their sense of confidence. The “Asian values” and Asian Renaissance debate the boom years had spawned which was set to challenge Weber’s thesis in Economy and Society and the Protestant Ethic has become a dead letter. Henceforth, the region came to be seen as reeking with cronyism, corruption, and administrative mismanagement. More important, the economic crisis and impending recession also meant that competition between the countries in the region in the world market would intensify. The boom years and Cold War had led ASEAN member countries to ignore or postpone greater economic cooperation and coordination aimed at harnessing the region’s potential. Rather, each country acted to promote its own national interests leading to the cultivation and promotion of the sectional economic interests of the nascent national bourgeoisie. But while the needs of this bourgeoisie could be sustained in a period of strong growth, in a recession they would demand assistance from the state. This fact together with the political pressures exerted by their citizens made the need to find solutions to overcome the economic crisis critical.

The regional economic crisis saw citizens adopting the language of transparency and accountability advanced by spokespersons of international finance capital. There was a change of government in Thailand, Indonesia and the Philippines. In Malaysia although there was no leadership change, the rumblings of discontentment against the government had taken to the streets. In Brunei, the sultan had removed his brother from the post of Finance Minister amidst reports of mismanagement of state funds. Singapore in contrast stood apart and remained an island of stability in a sea of uncertainty. This fact together with Singapore’s relative stable economy made it the focus of attention.

To be sure, Singapore’s superior infrastructure both physical and in the services sector saw her development as the regional base for foreign capital from whence they penetrated the surrounding region. (This was also assisted by Singapore’s ability to package itself as an island of calm in a turbulent sea.) Thus, the modernization of the Malay world had greatly contributed to Singapore’s economic wealth.

For its part, Singapore could point out that it is her advanced status, economic and political stability and needs that has helped expedite her
neighbors' modernization. At a time when the region was economically the most dynamic in the world the advances Singapore made tended to be marginalized. But in the present situation where the economic crisis had begun knocking on the door of politics (to use Trotsky's comment on the kulaks entering the door of politics of the Soviet state in the 1930s) the need to secure national interests became paramount. It is in this context Habibee's remark that Singapore had not been a friend in need in reference to the republic's failure to be more forthcoming to alleviate Indonesia's financial resources crunch, should be viewed. Yet, there is something primordial in his rhetoric which harks back to the region's former glory and wealth which was appropriated when foreigners and outsiders exploited it. Having a predominantly ethnic Chinese population and bearing in mind her position in the Malay world Singapore easily stood out as the exploiting foreigner. In this context comments by Singapore Senior Minister Lee Kwan Yew that Indonesia's economic problems were systemic did not help matters for in revives the Orientalist construction of the colonised or natives are seen as lazy and corrupt. No sooner had this war of words with Indonesia subsided the republic became engaged with a war of words with Malaysia.

Malaysia and Singapore have a long history. The island had belonged to the Sultan of Johore till 1819 whence it together with a number of surrounding islands were acquired by Stamford Raffles and became British possessions. Both states are connected by a road and rail link via a causeway from Johore (Malaysia's southern most state) along which also runs fresh water pipeline. Under British rule, Singapore became the center from which Malaya's exports and imports were channelled.

In 1963, Singapore and the Bornean territories of Sarawak and British North Borneo joined the Federation of Malaya to form Malaysia. Two years later (that is, in 1965) amidst bitter disagreements with the Federal Government in Kuala Lumpur Singapore left Malaysia to stake out as an independent state. When Singapore was part of Malaysia the territories which define Singapore was not an issue since they all constituted Malaysian territory. However, following separation they (boundary issue) became the center of dispute as both states sought to redefine their territorial limits. This coupled with Malaysia's perception that Singapore had unfairly benefited economically from Malaysia promised to raise the contention stemming from overlapping territorial claims to new heights. Thus when Singapore announced to go ahead with the transfer of her Customs, Immigration, and Quarantine (CIQ) facilities to Woodlands in May this year it led to a war of words from both sides of the causeway with both accusing the other of insensitivity.

To be sure talks between senior officials of both states had been going on for the past three years on the subject. That both parties failed to reach an agreement stemmed from the concern of the Malaysian side that the transfer
would mean the effective closure of the Malaysian Railway terminus at Tanjong Pagar (the terminus and the land on which it stands is its territory). This together with the fact that the transfer date of CIQ facilities came smack at a time when the Malaysian economy was arguably facing its greatest challenge since independence ensured Singapore’s decision to go ahead with relocating the CIQ facilities would be contentious to say the least.

By April the Malaysian ringgit had depreciated by some 60% to the greenback and was continuing its downward slide; Malaysians were transferring funds to Singapore banks which were offering lucrative interest rates; unemployment figures rose as companies saddled with large debts began to downsize and the region was experiencing a net outflow of foreign funds. All these factors led forecasters to predict that the country would experience negative growth for the first time since independence. Thus, a flurry of war of words came to be exchanged by the governments of both states. Yet what appeared as a war of words over a fairly small matter centered on the transfer date of CIQ facilities in fact had primordial roots in the overlapping territorial disputes and perceptions of each other. That is, it amounted to rhetoric intended to flex each other’s muscles.

Among other things this saw the Malaysian authorities campaigning to transform Port Klang into a regional shipping hub and ending overseas trade in selected blue chips of Malaysian companies making the ringgit untradable overseas. The Singapore authorities on the other hand threatened to take the issue to the World Trade Organisation and sue Malaysia for unfair trade practice.

Just as Malaysia and Singapore had flexed their muscles in a primordial show of force the same took place between Malaysia on one side and Indonesia and the Philippines following the support extended by the leaders of both countries for Anwar Ibrahim, the sacked Malaysian Deputy Prime Minister and Finance Minister.

Habibie and Estrada voiced their unhappiness over this decision by indicating for Anwar be given a fair trial. To be sure Anwar’s sacking had drawn large demonstrations in Kuala Lumpur. The Reformasi campaign he led was reminiscent of the similar movement which occurred in Indonesia and culminated with Suharto stepping down from the Presidency. Arguably, the Mahathir administration was now facing the greatest challenge to its rule. More important was its potentially divisive effect on the mass of Malay supporters in the country and from which UMNO draws its electoral support.

The economic crisis had affected the financial standing and cash flow of the national bourgeoisie nurtured by government policies and who were therefore allied to the national political elites. In a scenario of slow growth competition between this class can be expected to be heightened and hence exert pressure on the national political elite for business, contracts, and financial grants/assistance. During the initial stage when the Malaysian economy was in the early stages of a downturn, the pressure could have been
contained but as the crisis came to be more drawn out it became critical. From Mahathir’s standpoint the weakening of Malaysian corporations could lead to a position where ownership is transferred to the hands of non-Malaysians and result in a new form of colonialisation. It is in this context and differences over the “right” economic policy for Malaysia that the contradiction between Mahathir and Anwar should be seen.

As far as Mahathir was concerned much of the problems which had come to affect the Malaysian economy were the result of the greed of money market speculators and traders. Here he had singled out George Soros and the foundation he heads as the main culprit. In addition he also indicated that the media’s (he was referring to the foreign media) role in painting the country in a negative light had done much to affect her image. Likening the International Monetary Fund’s (IMF) strategy as a recipe for disaster (the reference to the IMF as the “kiss of death” by the Cuban leader Fidel Castro comes to mind) he was in favor of more relaxed monetary policy, the easy availability of credit and the lowering of interest economy: Politics, Patronage and Profits, Cambridge: Cambridge University Press, 1997. Chapters 4 and 5 of the book give details on businesses, which benefited from relations with the national political elites.

Following his sacking from the government Anwar has come to lead the Reformasi (movement for reformation); and among whose leading lights come from ABIM (the Islamic Youth Movement of Malaysia). In pressing and demanding for greater democracy the movement hopes to rectify the bias of the Mahathir administration and accountable to cronyism. In this respect it would do well to point out that the demands for greater democracy has as its objective the extension of larger economic benefits to the Malays. That is, Mahathir is seen as favoring the non-Malays. The New Economic Policy which was introduced in Malaysia following the racial riots of May 1969 had as its central goal the upliftment of the economic condition of the Malays in particular. But while the NEP did undoubtedly help to improve the economic condition of this class it had also worked to the advantage of the non-Malays who were well poised to take advantage of its general pro-business thrust. In Malaysia’s communal political setup it is all too easy for politicians to point to the gains of the non-Malays arguing that it had been at the expense of the Malays for the purposes of political expediency. The problem becomes more acute in a period of economic slowdown. It is in this context that the Reformasi and its ability to attract support from large sections of the Malays should be seen. This fact can be further attested when the despite adopting the language of greater democracy the campaign does not, for example, in anyway seek to address the communal bias of the Malaysian Constitution where despite equal citizenship status, non-Malays are not granted similar access to government jobs, places in universities, and grants. The latter can be explained from the lack of an idealist component in the demands for
democracy adopted by the Reformasi as can be discerned from their embracing the representative democracy without questioning its elitist character and denial of direct participation by individuals in the political process.

The Malaysian Minister of Defense recently announced that a study on the effectiveness of the FPDA would be made to analyze its continued relevance in the future.

In this respect, Singapore is well known to have very tight control over the media. In the previous years, the print media such as Wall Street Journal and Far Eastern Economic Review, for example, have been sued and their circulation severely restricted.


Sociologically, it is possible to understand this criticism as a product of modernity and the promise it held for man. The resulting pluralism this criticism encourages is indicative of a shift to the postmodern. Postmodernism is seen as a critique of modernism and its product. While this shift to postmodernism has, among other things, helped to enhance the role of individuals in the political process in the advanced industrial countries and contributed to greater democratization nationally it is not reflected internationally. Here governments and to an extent the people in the developed West continue to act hegemonically and undemocratically, as may be discerned in the actions of the United States for example.

Dr Vejai Balasubramaniam teaches politics and culture at the Department of Southeast Asian Studies, University of Malaya. Kuala Lumpur. (Fax: 603-7595461, Email: f5vejai@umcsd.um.edu.my)