

Essay questions

EQ1:

TITLE. **Establishing Political Structures and Legitimacy**

32. **Democratic and Authoritarian Features of Different Forms of Government Established Over Time**

33. **Factors for the Establishment of Different Forms of Government**

NOT JUST DEMOCRATIC AUTHORITARIAN

1. Communal politics
2. Unitary vs federal state
3. Communist vs anti-communist vs non-aligned
4. Socialist vs mixed economy

33.1. Decolonization experience

Country	
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Burma	<p>Sangharaja (Buddhist Monk Council) was actively repressed under British rule for fear of galvanizing nationalist sentiment →Pongyis wanted larger role of religion in the new Burma</p> <p>British practiced a policy of 'Divide and rule' →Placed ethnic Barmars (resided in lowlands) under their direct rule but gave ethnic minorities, who typically resided in the mountains high degree of autonomy in their own affairs →Provided they pay taxes and recognised British authority</p> <p>→ This legacy made the ethnic minorities prefer a federal system of governance and democracy →Provide them with autonomy +political representation</p> <p>Some others became more extreme, secessionist movements →Great threat to territorial integrity</p> <p>British also nurtured political elite, who were exposed to western ideals of democracy etc U Nu and Aung San went on to play essential roles in Burma's history and development</p> <p>Aung San's understanding of democracy and the federalist system and astuteness in rejecting the resurrection of Bamar monarchy →Panglong Agreement '47 → PROBLEM with '47 constitution though was that Shan and Kayah states were given the option to secede within 10 years to appease the radicals →Threat to territorial integrity in the future</p>
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Indonesia	<ul style="list-style-type: none"> - Like Burma, geography played a major role in ethnic differences - Javanese are largest ethnic group, outer islands are less integrated <p>→ Outer island minorities suspicious of Javanese due to historical context: Javanese elites actively supported and aided the Dutch in their military expeditions in the outer islands, making them complicit</p> <ul style="list-style-type: none"> - Outer islands were also only nominally controlled by the Dutch. Java was directly ruled however - Part of the basis for the Indonesian state was the Majapahit empire, whose capital was also based in Java → Much discontent amongst Acehnese as they had their own sultanate and were never part of Majapahit empire - West Irian as well <p>Indonesian nationalism in the early years (prior to PNI and Sukarno) rarely manifested itself in envisioning a larger Indonesian state</p> <ul style="list-style-type: none"> - Primarily reactionary against Dutch policies that undermined their interests - Sought to purify religion, culture or protect economic interests - PNI advocated for a unitary system in Indonesia <p>→ This was done in retaliation to the Dutch who turned the minority regions in outer islands against Sukarno to hold on to power → but this was still deemed inadequate by minorities who desired more control over their land and resources</p> <p>This was especially the case because amidst the Dutch police actions, minority leaders collaborated with the Dutch as evinced in the Malino Conference in 1946.</p>
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Singapore	<ul style="list-style-type: none"> - PAP consisted of western-educated elites and their lived experiences in Britain influenced their political leanings - Hock Lee bus riots → Anti-communist sentiment amongst local elites <p>In 1959, Singapore attained the right to internal self-government. PAP captured 43 out of 51 seats in local elections</p>

Malaysia

- British began affirmative action for Malays in Federated Malay States (FMS) → provided them with Western education and political models
- Chinese on the other hand, even those who did have western education were not given such access in the colonial administration
- Henceforth, British rule helped set the stage for Malay dominance in post-independence politics

British rule also brought about large numbers of Chinese and Indian immigrants

British 'divide and rule' policy.

- British gave preferential treatment to Malays for political endeavors
- But economic dominance lied in the hands of Chinese and Indians, who feared marginalization whilst the Malays feared losing their political power due to their high economic power

Nonetheless, Malaysia did not gain independence through war etc

- Gained independence through negotiation on 31 August 1957 as per the Alliance Formula
- Federal system also established, where each state had a measure of autonomy and the Sultans operated on a system of rotating rule (every 5 years, Yang-di Pertuan Agong will change)

Similar to Burma and Indo: Mass political participation during WW2

- Japan sought to take advantage of rising anti-chinese sentiment amongst Malays → Malay Nationalism became tainted with anti-Chinese sentiment
- Sook Ching Massacre and perceived Malay complicity sowed seeds of discord between Malay and Chinese

	<p>ALSO. Malay perceptions of Chinese worsened with the Malayan Communist Party (MCP) led by Chin Peng →who launched an insurgency in June 1948 against British rule and lasted until July 1960.</p> <p>Race-based parties took form as seen in UMNO and MCA →Alliance formula worked as Chinese and Indian economic dominance was exchanged for Malay political dominance</p> <p>Broadly acceptable to all → Entrenched position of Sultan + Affirmative action for Malays → Non-Malays granted economic concessions</p>
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Philippines	<p>Philippines embraced liberal democracy and had a government structure similar to that of the USA</p> <p>From independence, challenges facing Philippines was the</p> <ol style="list-style-type: none">1) Ethnic and religious unrest in Mindanao as the Moro Muslims did not trust the Philippine government to secure their interests + discontent over Catholic rule in a Muslim majority area2) Huks' communist rebellion → Stoked fears of communist takeover amidst cold war
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Thailand

Thailand was never colonized.

Yet nonetheless, western influence was strong and in the 1800s the Thai Kings embarked on modernisation and westernization → Led to a class of western educated political elites

These elites later curbed and limited the powers of the Thai king → Thailand became a constitutional monarchy in 1932 rather than an absolute monarchy

33.2. Role of local political elites and masses

Country	
Burma	<ul style="list-style-type: none"> - WW2 led to rise in nationalist sentiment following Japanese oppression → Wanted sovereignty and to be free from foreign invaders - Aung San and U NU were western-educated → Went on to play major roles in securing Burmese independence and its governance later on respectively
Indonesia	<p>PNI</p> <ul style="list-style-type: none"> - Western-educated leaders who were exposed to democracy and advocated for an independent Indonesia as a single polity <p>Sukarno and PNI were utilized by the Japanese to galvanize support for them against the western imperialists → Following Japanese surrender they unilaterally declared independence → Fought against Dutch police actions and attempts to retake control over Indonesia</p> <p>PKI → PKI was an important force and was use in Sukarno's power tripod</p> <ul style="list-style-type: none"> - PKI's communist ideology had the potential to galvanize the agrarian community even though communism is at odds with islam - PKI also shared Sukarno's anti west sentiments, which were made especially worse after traumatizing Dutch police actions
Vietnam	Viet Minh emerged from WW2 as the only

	<p>credible political force in Vietnam. Enlarged its base of support, recruited Viets and worked with Americans to resist Japanese</p> <p>Viet Minh also moved fast between Japanese departure and French return → Land distribution programs were immensely popular.</p> <p>Communist guerilla tactics led to humiliating French defeat in 1954 → and Ho Chi Minh was seen as an effective, nationalist leader who sought Vietnamese independence</p>
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33.3. Cold War developments

Country	
Burma	<p>In March 1948, following orders of arrest → communists launched a civil war</p> <ul style="list-style-type: none"> - Communists were joined by half of the troops in the government (U Nu did not command the respect of the military the same way Aung San did. Did not have military background) - Ethnic minorities joined like Karen National Union
Indonesia	<p>Under Sukarno, Indonesia took an anti-west stance and nationalized Dutch and other Western businesses, isolating Indonesia from the western capitalist countries</p> <p>→ Grew dependence on and affinity for China and USSR</p> <ul style="list-style-type: none"> - CCP was largest funder of PKI as China sought to secure a communist foothold in maritime SEA <p>Under Suharto,</p> <ul style="list-style-type: none"> - Indonesia was pro-west and receive immense western investment and technology → Enabling it to grow

	<ul style="list-style-type: none"> - Suharto ended Konfrontasi, Indonesia rejoined UN → eradicated PKI which helped gain Western support - US and Japan made \$600 million available to Indonesian government for Assahan Dam Project and modernization of port facilities in Western Java
Thailand	<p>Rise of communists in China and their support for CPT (Communist party of Thailand) justified Phibun's rise to power to protect Thailand from communism</p> <p>Under Sarit, Thailand prospered thanks to economic assistance from the USA due to anti-communist ties</p> <ul style="list-style-type: none"> - Sarit allowed the US to build military bases in Thailand + American military presence kept communism at bay - Thailand's economy grew rapidly as a result
Singapore Malaysia	Cultivation of democratic governments + colonial elite

34. **Consolidation of Power**

34.1. Role of government leaders

Country	
Burma	<p>Aung San was the only leader who could gain the trust and respect of the minorities and military</p> <p>His assassination, followed by U Nu who was evidently incompetent, unable to appreciate the diversity of Burma and his back-and-forth politicking with respect to religious rights, and his inability to manage the interests of various</p>

	<p>groups hence led to the rise of the military under Ne Win</p> <p>Ne Win was successful in preserving Burma's territories, and brought about some degree of economic welfare. BUT his curtailment of civil liberties eventually led to his downfall, but the military remained a powerful force to be reckoned with even after</p> <p>In summary, Aung San > Ne Win > U Nu</p>
Indonesia	<p>Sukarno EVENTUALLY decided 'democracy sucks' —> declared Martial law in 1957</p> <ul style="list-style-type: none"> - Abolished elections —> Curtailed previous democratic features such as separation of powers as Sukarno now led by presidential decree - In 1960, Masyumi and the Socialist Party of Indonesia were closed and their leaders confined to house arrest - In 1963, Sukarno forced the National Assembly to declare him President for life <p>After failed democracy experiment, Sukarno's power now was characterized by his power tripod between military and PKI</p> <ul style="list-style-type: none"> - Sukarno needed to use the military's force of coercion to defend him against regional leaders and Masyumi - In return, military was given key positions in civil admin and economic management of nationalized businesses - Nonetheless, army did not pledge complete loyalty to Sukarno and declared that they would not fight to establish military government, but they would also not be a tool of the government <p>Sukarno also cultivated ties with PKI to prevent army from getting too strong</p> <ul style="list-style-type: none"> - PKI was the largest communist party in a non-communist country - - Remember that military already hated

	<p>PKI owing to the Madiun incident/affair, in which suspected communists attempted to undermine the war of independence by sabotaging the Indonesian military → Led to the belief amongst the military that the communists would never compromise on their goals, and would always put themselves above the state</p> <ul style="list-style-type: none"> - BUT this was still unstable - Sukarno's patronage and support for PKI isolated him from the military and landowning class (Aksi Sepihak led to much turbulence and anger → Land distribution) - The military were further distraught by Sukarno's support for PKI when he allowed PKI to receive military training and receive arms from USSR and China → Saw this as a threat to their monopoly of force - PKI allegedly launched an abortive coup in a bid to take over Indonesia in October 1965 (GESTAPU) incident → Sukarno refused to ban PKI → Military launched a coup against Sukarno and effectively deposed him in March 1966. <p>This was also arguably inevitable given that</p> <ul style="list-style-type: none"> - He restricted the biz activities of Chinese → Fall in exports and compounded economic mismanagement - Severed ties with the West → Cut off much-needed capital and technology - Despite hyperinflation, corruption and unN → erected monuments and embark on foreign policy adventurism as evinced in West Irian and Konfrontasi against Malaysia <p>Suharto then came to power with the New Order Regime</p> <ul style="list-style-type: none"> - He depoliticised society and focused on stability and economic growth
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	<ul style="list-style-type: none"> - All political parties were dissolved, and Indonesia operated on a system of three 'functional groups' instead - The other two groups beside Golkar pledged allegiance to Golkar and support Suharto's presidency - Golkar consistently maintained 62-64% of votes in the elections → Showing that Suharto was popular
Malaysia	<p>Will overlap a fair bit with below (especially on parts before Mahathir's tenure)</p> <p>Ops Lalang and erosion of democracy</p> <ul style="list-style-type: none"> - Using ISA in October-November '87, 119 people were arrested and detained without trial under the pre-text of a racial riot similar to that in '69 - Riots came about because Chinese clamored for more control over vernacular schools, Malays staged counter-protests: SEE THE PARALLELS between '69 and hence Mahathir ordered a crackdown on the instigators - Some observers criticized how some of those arrested were merely critics of Mahathir and not instigators - Newspapers that criticized UMNO and Mahathir were shut down - Mahathir also pushed to create laws that made it more difficult to speak out against the government, <p>Such as the</p> <ul style="list-style-type: none"> - Societies Act amendment whereby any comment deemed 'political' could lead to it being deregistered → UNLESS it had already registered as explicitly political - Official secrets act (OSA) expanded definition of official secret and introduced jail term for committing this <p>He also curbed Sultan's powers (see</p>

	traditional role)
Philippines	<p>By 1972, Marcos had been in power for two terms and the constitution precluded him from running for President a third time</p> <p>He declared martial law in September 1972, and used the military to carry out a coup against his own government</p> <ul style="list-style-type: none"> - Seized emergency powers - Dissolved congress and curtailed democratic civil liberties - Also promulgated a new constitution in 1973 which essentially gave him control of the legislative and judiciary organs and forced the National Assembly to declare him President and Prime Minister → Justified to contain MNLF separatists in Mindanao → Leveraging upon the military

34.2. Sources of power and legitimacy:

34.2.1. **Constitutional processes and elections**

Country	
Burma	<p>Initially, Burma was founded as parliamentary, federalist democracy</p> <p>Nonetheless, factionalism was a severe problem</p> <ul style="list-style-type: none"> - AFPFL was an alliance of a myriad of parties, but many of them had little in common - U Nu sought to centralize AFPFL in response by forcing all factions to adhere to a central ideology - But this failed as rivalry and politicking remind rampant

	<p>More importantly</p> <ul style="list-style-type: none"> - AFPFL leaders had lacked real experience in politics, were unable to formulate sound policies and make informed decisions as per the democratic system as they could not debate - Eventually → Democracy became a means for them to advance their own factions' interests, rather than working for the good of the citizens <p>Examples of how democracy was bad for Burma</p> <ul style="list-style-type: none"> - August '52: U Nu government proposed a series of plans for Burmese development → Politicians unable to form consensus on how to finance such plans → Resorted to printing money → Inflation and economic instability - <p>AFPFL Still managed to win 1952 and 1956 elections though → But when civil war and economic problems became too much to bear → U Nu called for military to form 'caretaker government' between 1958 to 1960</p> <p>1960 U Nu's AFPFL's faction managed to narrowly win</p>
Indonesia	<p>Separation of powers was outlined in 1945 constitution</p> <ul style="list-style-type: none"> - Elections were to be held every five years <p>This constitution was later replaced with 1950 provisional constitution → Greater freedoms with 28 articles pertaining to civil liberties</p> <ul style="list-style-type: none"> - But in 1959, in light of growing factionalism and instability → 1945 Constitution, granted himself more executive powers → Highlighting diminishing influence of democracy <p>Whilst democracy gave the opportunity for the minorities to be represented, it was deemed inadequate because it could not replace the autonomy that the federal system provides</p>

	<p>Flawed democracy period (similar to Burma)</p> <ul style="list-style-type: none"> - In 1955 elections, nearly 92% of voters voted and a total of 28 parties were elected, but none had a majority mandate to form a government - In the years between 1949-1955, various coalition governments formed but debates were inconclusive because of the varied agendas → In the first 6 years of independence, not a single coalition government survived more than a year <p>Under democracy period there was economic chaos as well</p> <ul style="list-style-type: none"> - Cost of living rose by 100% between 1950-1957, and the Indonesian government was unable to rebuild plantations and industry that was damaged by the war of independence
Singapore	<p>Despite PAP bringing about economic prosperity, there was a downward trend in percentage votes as seen in</p> <ul style="list-style-type: none"> - 1984: Opposition parties criticized Graduate mothers' scheme → Vote share declined from 75.6% in 1980 to 63% in 1984 - 1988 saw implementation of GRC scheme → vote share remained at about 63% <p>SG saw expansion of democracy in response to this</p> <p>1984: NCMP: Three 'best losers' can allow for alternative voices to be heard and discussed</p> <p>1990 NMP: Appointed by speaker of parliament → But have helped as seen in 1996 Maintenance Of Parents Act</p> <p>Elected presidency</p> <ul style="list-style-type: none"> - 1991: PAP proposed elected president to safeguard reserves

	<ul style="list-style-type: none"> - Ong Teng Cheong resigned from PAP and sought to create a defined and more powerful presidential role and PAP and Ong began to fight over the control and information he had over reserves <p>1994: Curbing of presidential powers → Nathan won the presidency uncontested in the next term hence the 'democratic' aspect was gone. Presidents have also primarily been PAP members due to stringent electoral rules pertaining to participation</p>
Malaysia	<p>Alliance party formula dominated Malaysian politics in the early years, though it gradually saw its share of popular vote decline through the 1950s into the 1960s</p> <ul style="list-style-type: none"> - UMNO and MCA began to lose support within their own communities by the 1960s - In 1955, Alliance Party had 81% of the votes, which declined to 52% in 1959 - Malays and Chinese began to gravitate towards other parties as they believed Alliance could not represent their interests (DEMOCRACY) <p>Many Malays began to support PAS, an Islamist party which sought to restrict the influence of ethnic and religious minorities and promote Malay rights + saw UMNO as traitors as they supported multiculturalism due to them forming Alliance Party</p> <p>DAP</p> <ul style="list-style-type: none"> - Like PAP, they wanted 'Malaysian Malaysia' → Gained Chinese support as they felt that DAP sought to address Chinese concerns over vernacular schools and rising unemployment better than Alliance <p>By 1969, Alliance formula lost its 2/3 majority and Malay extremists believed that the Chinese had betrayed the Alliance formula due to the high number of seats gained by</p>

	<p>DAP</p> <p>→ Supporters of DAP celebrated with a victory parade in KL, counter-protests from UMNO which led to carnage and communal rioting → Dearth of democracy as a result</p> <p>SHIFT TOWARDS AUTHORITARIANISM</p> <ul style="list-style-type: none">- In response to these riots, leaders shifted Malaysia towards authoritarianism through constitutional methods, similar to SG- Government was suspended for 21 months and the NOC (National Operations Council) governed Malaysia in place of an elected government.- Also suspended all political activities to stabilize the situation under the state of emergency <p>Also adopted new national philosophy of <i>Rukunegara</i> to foster national identity and loyalty to country instead of ethnicity</p> <p>In February 1971, NOC was dissolved and government powers were enhance</p> <ul style="list-style-type: none">- Constitution was amended with the 'Sensitive Matters Amendment' which restricted discussions relating to<ol style="list-style-type: none">1) Citizenship2) Malay language and its primacy3) Special position of bumiputeras and Malays4) Sultan's sovereignty <p>Political elites then dissolved Alliance Party in June '73 → Successor is Barisan Nasional (BN) which remained dominated by UMNO</p> <ul style="list-style-type: none">- Allowed UMNO to better address fractures within community by allowing smaller Malay parties and Chinese parties outside the scope of MCA to form coalitions- This was especially useful when it come to dealing with the disparities
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	<p>that emerged due to the development of a large Malay middle class (NEP) and Islamic revivalism</p> <p>Mahathir was elected PM in 1981. Against backdrop of 1985-1986 recession, a split within UMNO emerged in 1987, where 'Team B' faction led by Tengku Razaleigh challenged 'Team A' led by Mahathir</p> <p>In the 1987 leadership election, Mahathir narrowly won and Mahathir removed Tengku Razaleigh and his supporters from the cabinet.</p> <ul style="list-style-type: none"> - 'Team B' then filed a lawsuit against UMNO which led to UMNO being declared illegal technically in 1988 - Mahathir was incensed by this and sacked the Lord President of the Supreme court, and brought about a constitutional amendment in 1988 that ended separation of powers and judicial independence in Malaysia - He then established 'UMNO baru' as a separate new party - BN only won 52% of the popular vote and barely retained its $\frac{2}{3}$ majority in the 1990 general elections <p>BUT in 1995 elections, BN reversed their losses with ease due to high economic growth and prosperity during that period</p>
Thailand	<p>At the end of 1946, Thailand restored parliamentary democracy and a new democratic constitution was restored, partly to rehabilitate its collaborationist image with the Japanese</p> <p>This brought much turbulence and strife however. In 3 years, Thailand has had 9 administrations that rose and fell.</p> <ul style="list-style-type: none"> - Economic problems resulted - Thailand was forced to sell rice at

	<p>below-market prices to the British as compensation for collaborating with the Japanese → Thailand struggled to earn foreign exchange currency it needed → Only made worse by corruption and inflation</p> <p>Hence military step in</p> <p>Nonetheless, owing to rise of popular opposition and monarchy democracy came about between 1973 to 1976</p> <p>1992 onwards democratic period (following Black May)</p> <p>Elections were held in September 1992</p> <p>Further democratisation took place. 1997 constitution was the most democratic constitution in Thai history → Many features of parliamentary democracy</p>
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34.2.2. The military

Country	
Burma	<p>During WW2, the military played a major role in defeating the Japanese → Seen as heroes and defenders → Earned the respect of ordinary Burmese</p> <p>Following independence, the military was used to contain communists who launched civil war and preserve territorial integrity from ethnic secessionists. By 1951, de facto power lied in hands of military and not government</p> <p>During the caretaker government between 1958-1960,</p> <ul style="list-style-type: none"> - Army contained civil war, stabilized economy → Gave rise to perspective that military was the only credible force to provide strong leadership amidst crisis

1962 coup

- Gen. Ne Win grew frustrated with U Nu's government and inability to contain secessionist movements that threatened territorial integrity
→ launched a coup in March 1962.
(NO intention of returning to power)
- Was welcomed by many Burmese
→ Finally an end to the social unrest under democracy
- Ne Win was also well-respected by Burmese as he played a massive role in resisting Japanese rule and the fight for independence
- Military suspended 1947 Constitution and held supreme authority in Burma
- All political parties barring the military's BSPP (Burma Socialist Program Party) was banned
- Federal structure abolished, separate state governments of minorities dismantled and autonomy was curtailed for these states
- Highly resented by minorities

In 1981, four major and eleven minor armed rebellions by minority groups → Army was deployed to contain but often failed due to the mountainous and treacherous terrain

Military was successful in eliminating the threat posed by insurgent groups like KIA (ceasefire '94). KNLA continued fighting

Military still failed to achieve ethnic consensus, rather it likely made it even worse

- 1974 Constitution → Present a facade of democracy and stressed multiethnic character and equality of all ethnic groups (mere lip service)
- But still affirmed the role of the military in governance and sought to legislate and institutionalize it

	<p>Fundamentally, military still stabilized the country somewhat and provided some degree of socioeconomic development, but curtailed civil liberties → Mass protests calling for revival of democracy (see political challenges and popular opposition)</p>
Indonesia	<p>Military played a key role in securing Indonesian independence from the Dutch between 1945-1959</p> <ul style="list-style-type: none"> - Gained the respect of the people as it fundamentally defended the Indonesian republic against the Dutch imperialists - As a result, military sought a greater political role following post-war events <p>The PKI-military conflict is also very important to note</p> <ul style="list-style-type: none"> - The Madiun affair of September 1948 shaped military perspectives towards communists → Viewed communists as treasonous as they attempted to launch a coup whilst the military was still fighting the Dutch and believed they were unable to prioritize the state before their own agenda <p>Military launched a coup against Sukarno following his refusal to arrest, detain and ban PKI who the military viewed as responsible for the Gestapu affair → Led to much violence and suspected PKI patrons were murdered extrajudiciously</p> <p>Under Suharto, military had an expanded role</p> <ul style="list-style-type: none"> - Military personnel dominated highest ranks of government, civil service → 21 out of 27 provincial governors were from military backgrounds - Military had immense respect and trust for Suharto (led the successful capture of West Irian, was a general) and transferred total operational control of the military to himself → even as he was President of the republic

	<p><i>Dwifungsi</i> became enshrined in law → where military is both a defense and social force, AND also is to act as a stabilizer and be involved in government decisions. THIS BECAME A FEATURE of Indonesia not a bug</p>
Singapore	<ul style="list-style-type: none"> - Government passed the March 1967 National Service Bill →Conscription - Armed forces was intended to be strong to deter aggressors and ensure SG's security - NONETHELESS, role of military was still subordinate to government because for instance, a referendum necessitating $\frac{2}{3}$ approval would be necessary for Singaporeans to agree to military rule as per constitution - Armed forces leaders were often politically aligned with the government and hence SAF has no historic role unlike Burma and Indo
Phillipines	<p>Military played a somewhat significant role</p> <ul style="list-style-type: none"> - As the democratically elected President earlier on, Marcos expanded the military and increased its budget - He also served as Defense Secretary whilst being President →Had a direct role in the running of the military and developed close ties with military leaders by rewarding them for their loyalty to him <p>Similar to Suharto however, the military's refusal to comply with his demands to shoot at protestors and disperse them also led to his downfall as he lost the support of the military</p>
Thailand	<p>Thai military gained support of Thai king → Dominance of royals in military positions + traditional role of military in protecting king</p>

	<p>Following tumultuous democracy period (1946-1947) military came in again in mid-1948</p> <ul style="list-style-type: none"> - Field Marshal Phibun took over as Prime Minister → Kept a semblance of democracy in a bid to receive economic aid from USA which was much-needed <p>Military government also leveraged on fear of communism to lend them legitimacy, which was especially after China became communist in October 1949 and Thais' feared Chinese support for CPT (Communist Party of Thailand)</p> <p>In 1957, Sarit (another military strongman) launched a coup against Phibun</p> <ul style="list-style-type: none"> - Sarit abandoned legislature and constitution - In 1958, he declared martial law and banned all political parties → Secured military dominance in Thailand <p>Sought legitimacy to his regime by aligning the military with the monarchy and sangha. Three Key Ideas: King, Religion and Nation</p> <p>Sarit aligned himself with the king, exploiting peoples' reverence for the king to his advantage</p> <p>Also exploited influence of monks to gain support for regime Sarit died in 1963 → Field Marshal Thanom replaced him</p> <p>Following chaotic democracy period 1973-1976 and fear of communism with the indochina communist tide → Military launched a coup in October 1976 and established military rule again, with some aspects of democracy (Semi-democracy period)</p> <p>Regular elections were held, parliament was in session and political parties existed. But the military remained the pre-eminent</p>
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	<p>institution of governance until 1988 elections where Prem (military leader) declined coalition leadership → and hence Chathichai (leader of largest party) was elected as Prime Minister</p> <p>Nonetheless, military was discontent with his rule due to corruption → Feb 1991 coup and another military government under General Suchinda was formed</p>
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34.2.3. **Traditional institutions (religion and monarchy)**

Country	
Burma	<p>1950 U Nu government enacted Buddha Sasana act → State-financed agency to propagate Buddhism</p> <ul style="list-style-type: none"> - 1961: Buddhism declared state religion <p>→ Only appealed to Burmese who were buddhists, widened ethnic and religious divisions in Burmese society.</p> <ul style="list-style-type: none"> - Muslims and Christians feared Burmanisation and marginalization - This only intensified separatist movements → Within a year they controlled 1/10 of the country <p>Later, he tried to diffuse tensions by declaring his willingness to consider separate Arakanese and Mon states (loss of territorial integrity) +reversed move to declare buddhism state religion →This evoked strong opposition from Bamars especially Sangha →Ended up delaying statehood bill pertaining to Arakanese and Mon states →Worsened ability to control fragile ethnic situation</p>

Indonesia	<p>No Monarchy in Indonesia → Religion manifested itself in the form of radical Acehese islamists</p> <ul style="list-style-type: none"> - Also in the Santri
Malaysia	<p>Mahathir was a commoners' son and was not related to monarchy like his predecessors</p> <ul style="list-style-type: none"> - He sought to curb the powers of Sultan <p>In 1983, proposed several amendments to the Constitution to limit the role of royals, particularly in passing laws</p> <ul style="list-style-type: none"> - Wanted to remove the need for Agong's assent in passing laws at both state and national levels - Wanted to transfer power to declare a state of emergency from Sultan to Prime Minister - THIS WAS IMPORTANT BECAUSE it was a deliberate attempt by Mahathir to remove the check on central government powers by Mahathir and gave him the opportunity to strengthen his power - They were passed in parliament but were publicly rejected by royals <p>Compromise was reached in January 1984</p> <ul style="list-style-type: none"> - Sultan granted power to delay passing of laws for two months and assent needed from Sultans to pass state laws, BUT NOT national laws - Retained power to declare state of emergency
Phillipines	<p>Marcos government was wary of catholic church</p> <ul style="list-style-type: none"> - Cardinal Jaime Sin called upon Marcos to end martial law since he was appointed leader of Catholic Church in Phillipines in 1974 and implored Catholic Fillipinos to change the political situation using peaceful means

	<ul style="list-style-type: none"> - Marcos persisted in killing opponents, including Catholic Church members - Economic morass had deepened due to 1984-1985 recession, and religion galvanized popular opposition
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34.2.4. Government performance

Country	
Burma	<ul style="list-style-type: none"> - In the democracy years, the U NU government failed to contain the ethnic minorities → The military in essence formed a parallel government and de facto power lied in the hands of the military - Failed to address hyperinflation and control ethnic rebellions <p>Military</p> <ul style="list-style-type: none"> - Military provided degree of economic stability and contained during 1958-1960 - Nonetheless, later on curtailment of civil liberties, rampant corruption → political challenges and popular opposition <p>Fundamentally,</p> <ol style="list-style-type: none"> 1) Restoration of Law and Order <ul style="list-style-type: none"> - Under democracy, parliamentary gridlocks stalled decision-making, hampering economic growth and social development - Much of the country was in the control of gangsters, and ethnic insurgents <p>Military rule and Martial law led to semblance of peace and stability</p> <ul style="list-style-type: none"> - Burmese peasants no longer feared that their assets would be seized by moneylenders or landlords. → Brought about the stability needed for

	<p>economic growth</p> <ul style="list-style-type: none"> - Nonetheless, repression of civil liberties led to discontent → Boiling over in the 8888 uprising <p>2) Preservation of territorial integrity</p> <ul style="list-style-type: none"> - Under U Nu and his statehood bill → Mon and Arakanese could have seceded → dismemberment of Burma → Military prevented dismemberment through abolishing federal system - BUT this only made ethnic nationalism stronger and discriminatory practices led to much resentment that continues till today - In the 1990s, government sought to address ethnic problem by adopting a 'soft approach' - Military junta proposed ceasefire agreements in which ethnic insurgents would be allowed to keep their weapons in return for an end to fighting - Genuine effort to seek peaceful coexistence - Military government also build extensive roads and bridge constructions to areas where minorities lived → Highly successful as 17 insurgent groups signed ceasefire agreements by 1995 <p>3) Promotion of socioeconomic development</p> <ul style="list-style-type: none"> - Ne Win liberalized the economy, supplied consumer goods and made reforms in healthcare and education - Drug trade was controlled and drug smuggling reduced - Nonetheless, Burma was isolated under military rule as Burmese leaders were suspicious of foreign investments and foreigners → depriving Burma of capital and foreign investments that could accelerate economic and social progress - Poverty and deprivation continued as a result → Burma under the traumatic
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	<p>democratic experiment and military went from being the richest country in SEA due to its high profitability to being one of the poorest countries in the world and being recognised as a 'least-developed' country</p>
Indonesia	<p>Ethnic unrest was rampant under Sukarno years</p> <p>→ Tiny Javanese elite held exclusive power → did not seek to address minority grievances</p> <ul style="list-style-type: none"> - Perception of exploitation became commonplace amongst minorities in the outer islands, as they provided most of the resources yet received the least investment - Moreover, Christian Indonesians feared rule by Muslim leaders and government under Sukarno did not focus on socioeconomic development - Separatist movements took place in Kalimantan, Aceh and Sulawesi in retaliation <p>Suharto's regime was extraordinary stable compared to Sukarno's</p> <ul style="list-style-type: none"> - Subdued communist threat - Regional revolts were contained with military coercion - The respect he possessed from the military enabled him to govern SEA's largest and most diverse country - Also brought about immense economic development to Indonesia, helping it develop into an 'Asian Tiger Cub' - But nonetheless, the cukong-patron relationships and rampant corruption culminated in the 1997 AFC which led to his downfall
Singapore	<p>PAP's pursuit to blunt appeal of communism came in the form of</p>

	<ul style="list-style-type: none"> - Employment act and Industrial relations act → Reduced negotiating power of workers - Trade unions who had previously supported PAP were now subsumed under NTUC and were removed from far-left influences. NTUC leadership came from PAP and deemphasized the negotiating and bargaining role of trade unions to expand to take up a social role as evinced by NTUC insurance - Press freedom also strictly curtailed - Newspaper and Printing presses act '74 → Printing requires permit and empowers authorities to restrict foreign newspapers that intervened in domestic affairs - This can be seen as a repudiation as democracy as the West sees media as the fourth estate, but PAP believes government needs to be free from press and social harmony >spectre of communal violence <p>By '78, Singapore was deemed a favorable site for FDI and this helped SG maintain double-digit rates of growth throughout the 1960s and 1970s</p> <p>Housing shortages were addressed through formation of HDB which took care of Singaporeans' needs</p> <p>PAP maintained legitimacy despite Operation Coldstore and anti-democratic measures</p>
Malaysia	<ol style="list-style-type: none"> 1) Delivering racial harmony and social stability <ul style="list-style-type: none"> - Through constitutional guarantees, policies to assuage fears of different communities, and with laws to deter discord → Communal tensions were largely soothed <p>Although racial fault lines began to develop again in the 1980s with the PAS islamic</p>

	<p>challenge and Chinese community demands for more concessions → BN curbed this through authoritarian measures as well as adopting more Islamic policies (Islamic banking and insurance etc)</p> <ul style="list-style-type: none"> - Territorial integrity was also preserved through concessions to the indigenous people in East Malaysia <p>2) Government performance</p> <ul style="list-style-type: none"> - Rapid economic modernisation and social development - Bumiputera and Malay nationalist economic policies helped stifle Malay discontent - Malaysian economy tripled in size from the 1970s to the 1990s
Vietnam (basically summary of everything)	<p>North Vietnam managed to unite the entire country and merged it into one under communist rule</p> <p>Democratic elections were held in the sense that citizens could vote for candidates selected by the communist party and those that supported the communist party.</p> <p>Vietnam was evidently not democratic (maximum government) → Judges were appointed by communist party.</p> <p>Civil liberties actively curtailed → Only one television channel in the country which was state-owned and laws were passed in 1992 that banned criticism of the communist party</p>

34.3. Political challenges and popular opposition

Country	
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Burma	<p>University of Rangoon protests: July 1962</p> <ul style="list-style-type: none"> - Students criticized and protested new education policies by military government - These protests were violently suppressed, military blew up the students' union building → killed hundreds and arrested thousands - Government closed all universities for 4 months and curtailed student activism through 1964 University Education Act - Student protests and demonstrations led to declaration of Rangoon under martial law → 1975 <p>Buddhist Sanga also played a role</p> <ul style="list-style-type: none"> - Ne Win sought to undermine the Pongyis as he viewed them as a threat to his power → Mounted a campaign to discredit them in 1980 - → Pongyis took part in the 8888 uprising in support of student protestors and Aung San Suu Kyi <p>8888 Uprising (August '88)</p> <ul style="list-style-type: none"> - Large-scale demonstrations in Rangoon → For 2-3 months military was paralyzed - Ne Win resigned and called for referendum - Elections were promised to be held in September '88, but did not take place until May 1990 <p>Aung San Suu Kyi, leader of the NLD (National League for democracy) was banned from running and was under house arrest</p> <ul style="list-style-type: none"> - NLD still won 60% of popular vote and 80% of parliament seats - NLD leaders threatened legal action against senior army officials → Military government ignored election results and imprisoned politicians and smothered dissent (BURMESE military wanted to remain in power no matter what)
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	<p>Popular opposition's impact still largely minute, military remains in power even today</p> <ul style="list-style-type: none"> - Military abolished 1974 constitution in September '88
Indonesia	<p>PKI posed a huge problem to the Indonesian government in the early years, especially because the Sukarno government did not ban them and they continued to function</p> <ul style="list-style-type: none"> - Communists rapidly grew in numbers following the Madiun affair from 5000 in 1950 to more than 2 million by 1959 - They also led militant strikes to destabilize the government and even when the army struck down on them → They were never banned and hence continued to undermine government authority <p>But nonetheless were still reigned in by Sukarno who sought to use them as part of his power tripod</p> <p>For Suharto</p> <p>In the 1970s,</p> <ul style="list-style-type: none"> - Student groups protested against his regime - Campus 'normalization' undertaken by Suharto → Repressed student movements and student unions closed <p>In May 1998,</p> <ul style="list-style-type: none"> - Students held peaceful demonstrations to protest inflation and demanded Suharto to step down - Police prevented the march and the military opened fire with live bullets, killing 4 students - Generated massive public outrage and as a result, the military withdrew their support for Suharto → Forcing him to resign

	<p>Nonetheless</p> <ol style="list-style-type: none"> 1) Territorial integrity <ul style="list-style-type: none"> - Under Suharto, none of the ethnic groups that sought secession managed to do so - Rebel activities in Aceh, West Irian had to be contained by force, which highlighted that ethnic discontent continued. Hence stability was tenuous at best 2) Promotion of socioeconomic development <ul style="list-style-type: none"> - Suharto managed to attain loans from western nations and World Bank → In stark contrast to Sukarno where capital was lacking - Established an industrial manufacturing sector, and generated economic development
Singapore	<p>Barisan Sosialis were immensely popular and hence the PAP and them worked to form a coalition which helped them win as many seats as they did in 1959</p> <ul style="list-style-type: none"> - By 1962 this marriage had ended - PAP's use of ISA to hold suspected Marxists detained without trial in Operation Coldstore (Feb 1963) → Led to barisan Sosialis boycott of 1966 elections, which sealed their fate and they lost their ability to contest as a result <p>Government also sought to blunt the issue of communism through economic development → Viewed it as 'politics of survival'</p> <p>Also just remember Maria Hertogh riots ('50) and 1964 racial riots and how they influenced government policy with respect to race and religion</p> <p>Government responded to these by emphasizing multiculturalism and crafting</p>

	<p>policies that are intentionally accommodative (Ethnic integration policy '89)</p> <ul style="list-style-type: none"> - Constitutional provisions still granted to Malays - Article 152 recognises special position of Malays as indigenous people in Singapore, and highlights government's responsibility in securing Malay interests → Done to quell Malay dissent and opposition - GRC (necessitates inclusion of minority candidate in each constituency) <p>Singapore has nonetheless been successful at</p> <ol style="list-style-type: none"> 1) Multiculturalism <ul style="list-style-type: none"> - Rights of ethnic minorities protected, principle of meritocracy lead to social stability and consensus 2) Soft authoritarianism led to economic growth <ul style="list-style-type: none"> - Singapore was an Asian Tiger, and per capita income rose from US\$1000 in 1960s to \$15000 in 1995 3) Nonetheless, Democracy isn't Singapore's strong suit <ul style="list-style-type: none"> - Lawsuits against journalists who critique PAP under the guise of defamation remain rampant - Electoral commission rife with accusations of gerrymandering, GRC system criticized for making it more difficult for opposition parties to field candidates
Malaysia	<p>Similar to Singapore, Malaysia also faced communist threat in the form of MCP (Chin Peng)</p> <ul style="list-style-type: none"> - Tunku Abdul Rahman sought to negotiate with MCP in the Baling Talks where he considered granting amnesty → MCP refused to accept terms of surrender. Their hardline radical stance contributed to UMNO's anti-communist sentiment

	<ul style="list-style-type: none"> - British continued to assist Malaysia in tackling the communist threat, which in effect was subdued in 1960 along the Malaysia-Thai border <p>Communist sympathizers were hence detained without trial, and censorship was rampant</p> <p>Ethnic issues were initially resolved with the Alliance Party formula. BUT the inclusion of Singapore as part of Tunku Abdul Rahman's proposal of a united federation consisting of Malaysia, Singapore and the Eastern states would dramatically alter the ethnic proportions of the larger country</p> <ul style="list-style-type: none"> - Malays feared larger Chinese political influence → which could undermine Malay privilege and erode commitment to Islam as state religion - Singapore also viewed as fifth column - PAP's insistence on a 'Malaysian Malaysia' and not a 'Malay Malaysia' came to be viewed by UMNO as a challenge and evidence of PAP's Chinese chauvinist motives → Which led to their Utusan Melayu newspaper being used to vilify PAP and asking Malay Singaporeans to support <p>Read more on this constitutional processes and election</p>
Philippines	<p>Peoples' Power revolution '86</p> <ul style="list-style-type: none"> - Marcos dictatorship was corrupt and curbed civil liberties <p>Primarily triggered by assassination of Benigno Aquino</p> <ul style="list-style-type: none"> - Critic of Marcos → assassinated after he flew back to Philippines to contest against Marcos in elections which many believed Marcos was complicit in - Mobilized a national crusade against

	<p>Marcos as the Catholic Church galvanized the population to protest and organize against Marcos</p> <ul style="list-style-type: none"> - In 1986, snap elections were held as Marcos sought legitimacy through elections → won 54% of the vote but this was deemed illegitimate because many reported electoral fraud - Catholic Church condemned the elections and called on Catholics to repair the wrong of the elections <p>16 Feb People's victory rally → Civil disobedience campaign boycotting Marcos. Crowds of 2 million people gathered and was aided by Catholic Church religious leaders</p> <p>Marcos sent tanks to crush the rebels, but many tank commanders retreated or even joined the opposition as the military refused to support Marcos' regime (fundamental role of military)</p> <p>The USA supported the People's rebellion after it became clear that Marcos' tenure was over.</p> <ul style="list-style-type: none"> - On 25 Feb '86, Corazon Aquino became president of the Philippines - New democratic constitution introduced in 1986 which received widespread support <p>→</p>
Thailand	<p>Opposition in the form of communists/nationalists</p> <p>Close alliance with the USA led to</p> <ul style="list-style-type: none"> - China and North Vietnam instigating communist and ethnic insurgencies on Thai soil in border areas - Thai nationalists resented American presence which led to protests <p>Ethnic unrest (Patani Muslims)</p> <ul style="list-style-type: none"> - Thailand's assimilation policies which sought to erode the Patanis'

language, culture and religion led to insurgent movements pushing for secession

- Although the military managed to contain such unrest and insurgencies by force → the ethnic problem persisted because Thailand did not address their grievances

Popular uprisings

1973 Revolution

- Police opened fire on student protestors, and the military was called in to support the policies → More than 100 students killed
- King Bhumibol ordered Thanom into exile

Multi-party elections were finally held, though this was short-lived as it only lasted 3 years

Between 1973 to 1976,

- Four governments rose and fell in rapid succession, with one lasting barely a week
- Elections in 1976 were plagued with violence and chaos

The international context was very bad for the government → Oil crisis + global recession → Democratic government unable to generate growth hence failing to meet hopes to address grievances of minorities and rural poor

Moreover, communist governments were set up around Thailand's neighbors → Fear of communism hence military launched a coup again in 1976

The military's support for Gen. Suchinda as PM led to protests and unrest → Army responded in Black May incident. Killed more than a hundred demonstrators

King Bhumibol intervened → Democracy

	again in 1992 and civilian rule was restored
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Of course! Here's the numbered version:

****Pursuit of National Unity****

1. ****Importance and Challenges****

- 1.1. Need for national unity

Define national unity: National unity refers to the amount of cohesion that exists between the different communities within a state of Southeast Asian nations

Define National identity: National identity refers to a sense of willing identification and voluntary association with the state, regardless of ethnic identity, as well as a shared sense of belonging and collective pride in the country.

- 1.2. Challenges posed by ethnic separatism

2. ****Strategies for Building National Unity****

2.0: Colonial legacy and WW2

Factor	
Creation of artificial state constructs and boundaries - incorporation of ethnic groups lacking affinity and identity	<p>Burma</p> <p>Following the Anglo-Burmese wars, the British absorbed most of the Burmese empire into the British Raj.</p> <ul style="list-style-type: none"> - Burma consisted of more than a hundred distinct ethnic groups, with the country being divided by its

geography that posed a significant barrier to national unity

- The majority Bamars lived on the flatlands in the south and along the coastal areas
- The minority (Shan, Kayah, Mon etc) minorities however lived in the frontier rural provinces that were mountainous and hilly
- These minorities accounted for roughly 25% of the population, yet their combined area accounted for 55% of the land in Burma.

Note for Burma however: The territory that the British annexed was largely contiguous with that of the Konbaung dynasty (Burmese empire) and during this empire, the minority states were mainly tributaries who paid taxes to the king but remained lords in their own domain. HENCE it is more likely Burmese government's policies and factors of that nature that led to their grievances

- The Konbuang dynasty was BAMAR in nature

Indonesia

- Indonesia encompassed a huge east-west expanse, **being fragmented into more than 13,000 islands and stretching over 5000km East-west**

This meant that nearly every region in the country had its **own distinctive identity** and ethnicities

- Such as the Javanese, Sundanese, and Madurese communities
- The migration of Chinese to Indonesia as well as Eurasians of Dutch-Malay descent also made Indonesia even more diverse than it already was

SIMILAR TO PATANI MALAYS, MORO MUSLIMS, inhabitants of border areas **had more affinity with people across the border than country itself** (Kalimantan with

Malaysia, People of West Irian with Papua New Guinea)

Other states like Aceh had their own **distinct sense of identity** → and unlike most of the other states, had NEVER been a vassal state **to the Majapahit or Srivijaya empires and INSTEAD HAD THEIR OWN SULTANATE**

Nonetheless, the Indonesian government's insistence that the republic's frontiers were **coterminous with the Dutch East Indies** hence made the Acehnese and West New Guineans part of **INDONESIA**

Sukarno also dissolved the federalist structure created by the Dutch → Destroyed **minority hopes for autonomy**

- EXCEPT for Aceh, which was and is classified as a special district with autonomy over education, religion and tradition

Southern Moluccans envisioned a 'State of East Indonesia' in the federal arrangement whilst still being part of the larger Indonesian Republic → but the unitary structure advocated for by Sukarno thwarted such an aim

- As a result, a secession happened whereby the Republic of 'South Maluku' fought a secessionist war against Indonesia, and continued to wage guerilla war even into the early 1960s and this secession began in April 1950
- The Free Aceh Movement (GAM) sought independence for Aceh from Indonesia, and they fought against the government from 1976 to 2005 (Fear of Javanese parasitic tendencies and feelings of economic exploitation. Aceh contributed more than it received back etc)

Malaysia

1. Unlike other countries, Malaysia's transportation and communication networks in Peninsular Malaysia were more developed
2. Nonetheless, the creation of the Federation of Malaysia, consisting of Peninsular Malaysia and East Malaysia presented an obstacle due to the different ethnic compositions in the two regions

Peninsular Malaysia had a plural Malay majority, with sizeable Chinese and Indian minorities

East Malaysia on the other hand had a larger proportion of Chinese than Malays, and the majority of East Malaysians were indigenous ethnic groups who were distinct from the Malays. Thus, the challenge of creating affinity between Kuala Lumpur and these groups became an obstacle to national unity

Singapore

I KNOW IT's ODD to include SG here

BUT

1. The 'separation' of Singapore from Malaysia **WAS NOT A SECESSIONIST MOVEMENT**, BUT it created significant ethnic tensions
2. It also set a precedent for the East Malaysian states of Sabah and Sarawak, where Iban and Kadazan-Dusun nationalism emerged over issues like state rights and autonomy
3. MOREOVER, the economic exploitation of East Malaysia by KL gave rise to feelings of exploitation amongst East Malaysians, since **they produced most of Malaysia's petroleum output**, yet received very little investment back from the federal government which **continues to be a source of discontent even today**

	<p>Thailand</p> <ol style="list-style-type: none">1. The Patani Muslims are not well integrated into Thai society because of their <u>double minority status</u> (Both as Muslims in a predominantly Buddhist state and as ethnic Malays in a Thai state)2. In contrast, Thai Muslims fared far better as their <u>Thai identity</u> allowed them to better integrate and they could relate to Thai culture, language and history despite being Muslims3. Chinese in Thailand could similarly integrate well because like the Thais, they practiced Buddhism and also shared similarities in culture <p>Creation of Artificial boundaries</p> <ol style="list-style-type: none">1. The Patani Muslims found their ethnic homelands absorbed into Thai territory despite sharing a greater affinity with the Muslim Malays in Kelantan2. The cultural and religious affinity of the Malay Muslims in Patani with the Malays in Northern Malaysia hence hampered integrations effort <p><u>Thailand enforced the National Culture Act (1939)</u>, and promoted assimilation through Thaification</p> <ol style="list-style-type: none">1. THAI CIVIL LAW was introduced, replacing Sharia law which aggrieved the Patani Muslims who were largely very religious2. Schools in the region promoted Thai history and culture, and lessons were conducted in Thai, <u>diminishing the role of Jawi</u> which along with Islam, was sacrosanct to the Patanis as it was core to their identities3. IN RESPONSE, the Patani People's Movement (PPM) was established in 1947, and secessionist demands grew
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from there

CONTRAST WITH THAI MUSLIMS

1. Thai Muslims were readily accepted and seen as part of the larger Thai community, but **not the Malays**
2. Religion was a non-issue since the Thai governments did recognise Northern Thai Islamic authorities, but *not the Patani Ulama* because of their links to the Patani secessionist movement
3. This divergence can be explained by how although Thai Muslims were Muslim, they shared an affinity through language and culture with the Thai Buddhists and hence both groups were more amiable to one another
4. In contrast, the Patani Muslims had no affinity, neither in religion nor in culture/language with the Thai Buddhists yet had greater affinity with their brethren across the border in Malaysia → Contributed to secessionist movements in the region

Thai Chinese

1. Thailand is home to the largest Chinese overseas community in the world
2. Although similar to Indonesia, Chinese were pressured to adopt Thai sounding names, Chinese culture was NOT suppressed and major Chinese festivals are openly celebrated publicly
3. The Chinese community dominated the economy, and although they disproportionately controlled the economy as evident how more than 80% of companies in the stock market were Chinese-owned and they controlled 70% of the retail sector → This did not pose a challenge to NU because they had largely been assimilated

	<ol style="list-style-type: none"> 4. Anyways, modern Thai also bears significant Chinese influence, and the vast majority of Thais could almost certainly trace some distant Chinese ancestry 5. This is especially evident in how most of Thailand's prime ministers, Kings and parliamentarians have Chinese ancestry
Promotion of immigration	<p>Burma</p> <ul style="list-style-type: none"> - British promoted immigration of Chinese and Indians in Burma as they sought more manpower to exploit Burma's resources - Indian immigrants largely staffed the colonial administration as civil servants and military officers → This brought about resentment against the Indians who were viewed as complicit in maintaining the colonial system - Chinese and Indians also dominated the economy, which was also highly resented by the nationalist Burmese who viewed their economic domination by foreign aliens as unjust <p>Indonesia</p> <ul style="list-style-type: none"> - The 1854 Indonesian constitutions divided the population into 'three castes', with the Europeans at the top, followed by the Chinese, Indians and Arabs and at the very bottom were the pribumis - These communities were also segregated and the foreign orientals in the region were favored above the pribumi - Dutch utilized Chinese migrants to maintain colonial enterprise → and were de facto tax collectors for the Dutch

- The Chinese were also segregated into specially marked neighborhoods and education → contributed to strong anti-Chinese sentiment and the Chinese community's complicity in maintaining Dutch hand over Indonesia was **highly resented and posed a barrier to their integration**

Malaysia

British promoted immigration from China and India to British Malaya

- Chinese were brought in to develop Malaysia's commerce and industry, whereas Indians initially worked as labourers on the rubber plantations
- Both of these groups later went on to dominate Malaysia's economy, together with the Europeans as they controlled commerce, trade and also education (SAME THING AS BURMA PRETTY MUCH)

DESPITE THIS, the state of affairs was tolerated by the Malays because **the concept of a larger Malay identity was not conceptualised at that point + the traditional way of life was untouched and the nobility were looked after by the British**

Despite increasing Chinese pressure to increase political representation in the 1930s, the British restricted immigration and **sought to preserve Malay political dominance through affirmative action policies in the civil service to accentuate Malay consciousness of their 'special status' and the notion of *tanah Melayu***

Malayan Union Plan was highly resented by the Malays who believed it did not adequately safeguard Malay rights since it **gave equal recognition and right to citizenship to all ethnic groups**, including the Chinese and Indians who were regarded as external sojourners

The British **abandoned the Malay Union**

Plan and restored the concept of Malaya as a *federation of Malay sultanates,**

→ This was done to restore Malay political primacy, BUT this alienated the non-Malays further

POLITICISATION OF ETHNIC IDENTITIES AND RISE OF COMMUNAL TENSIONS

1. Malays resented economic dominance of Chinese
2. Chinese resented how they now had to play a secondary political role, despite being a significant minority

To address these communal issues, the UMNO Nationalists succeeded in negotiating with the MCA and MIC to create the **Alliance party** and the 'Social Contract'

1. Nevertheless, there was increasing uncertainty about whether it was a true power-sharing agreement or if it was a facade **concealing Malay political supremacy** → and hence Alliance gradually lost political support as shown in how its it went from securing 80% of votes in 1955 to 51.5% by 1959

The contest for a 'Malay Malaysia' vs a 'Malaysian Malaysia' between the PAP and the Alliance government led to Tunku Abdul Rahman **expelling SG from the federation** ⇒ which assured the Malays but worsened Chinese anxieties who feared greater marginalization

THIS CAME TO A HEAD IN 1969

1. Alliance Party emerged from the 1969 elections with only 48.1% of total votes, with the Chinese-dominated DAP making significant gains
- This gave rise to the fears that **both POLITICAL AND ECONOMIC POWER were being taken over by non-Malays**

HENCE, whilst the Alliance party DID produce a compromise between the main ethnic groups, EACH ethnic community grew disillusioned with their concessions to the

other **OVER TIME**

1. Chinese and Indians were frustrated with the limited access to university education and the systemic discrimination they faced in the civil service
2. Malays believed that the government was too slow in helping disadvantaged rural Malays

Singapore

1. Immigrants came from China, India and Indonesia

'Divide and rule' was instituted through occupation specialisation and residential segregation

2. More critically, migrants' political loyalties were tied to their home countries and NOT Singapore

Singapore experienced a number of instances of racial riots → which served as the largest threat to national unity owing to Singapore's racial diversity

1950 Maria Hertogh riots raised the specter of communal violence between the Malay and Eurasian- European communities

Traditional identification of the Malays with their brethren across the causeway **meant that developments in Malaysia can complicate efforts to foster cohesion in Singapore**

- May 1969 racial riots spillover to Singapore is evident in this

Challenge of Islamic revivalism

1. There was a fear that Islamic revivalism could lead to a more insular Muslim community, unwilling to integrate into society or lead to **radicalization and the outbreak of ethnic violence**

Development of Chinese chauvinism

1. The PAP leaders de-emphasised

Singapore's Chinese-ness by persuading the Chinese community to accept a multi-racial Singapore

But nevertheless, due to the utility of Confucian values in bringing about economic development, the government **DID institute policies that led to the development of Chinese chauvinist tendencies******

1. SAP (Special Assistance Plan) was introduced in 1980 to convert some secondary schools into **prestigious BILINGUAL Mandarin and English schools that PLACED STRONG EMPHASIS ON CHINESE CULTURE**
2. These schools were well-funded and more than 99% of their students were of Chinese descent, with little to no minorities
3. The government did not create similar Malay and Tamil schools → which enhanced fears of a **culturally Chinese**, and NOT multiracial Singapore
4. The 'Speak Mandarin Campaign' in the 1980s also led to minorities feeling threatened, alienated because they **became more acutely conscious of their minority status**

SINGAPORE IS ALSO UNIQUE AS I MEAN THE VAST MAJORITY OF ITS POPULATION WERE ALREADY IMMIGRANTS BUT...

1. It also had to accommodate to the 'new' migrants and address the xenophobia that might arise from the local-born resident population
2. The search and recruitment of foreign talent in Singapore has given rise to fears of dispossession by local-born Singaporeans,
3. The cosmopolitan and mobile nature of the population **also weakens**

	<p><u>affiliations and loyalties to the nation-state</u></p>
Divide and rule	<p>In Burma, the British administered the majority Bamar areas differently from the frontier minority-dominated areas</p> <ul style="list-style-type: none"> - Colonial rule was more pronounced in the Bamar areas, whilst the minority regions had a high degree of autonomy - Due to British efforts to propagate Christianity in the region, many Karens, Kachins and Chins converted <u>and they were promoted in the civil service and colonial defence force</u> → <u>where they were often employed to suppress Burman rebellions</u> <p>This created political, economic and socio-cultural divide between the ethnic groups</p> <p>Minority discontent also manifested when the Bamars tried to change this state of affairs</p> <ul style="list-style-type: none"> - The removal of General Smith Dun, an ethnic Karen as Chief of the Tatmadaw and an ethnic Bamar Ne Win taking over <u>brought about more anxieties of Bamar domination and</u> spurred separatist tendencies <p>Even when Aung San was alive and the Panglong Agreement was created, there was <u>still discontent amongst the minorities</u></p> <ul style="list-style-type: none"> - Mon and Arakanese delegates were not even invited to the conference <p>Indonesia</p> <ol style="list-style-type: none"> 1. Dutch 'caste system' between the different races 2. Malino Conference federal system

	<p>Malaysia</p> <ul style="list-style-type: none"> - British Malaya was not a single coherent territorial integrity, and its administration was divided into the <u>Straits settlements, the Federated Malay states, and the 'unfederated' Malay states</u> - The character of these settlements differed greatly. For instance, the Straits settlements had a Chinese majority and was more economically developed due to its entreport trade, as compared to the Malay states that had largely Malay populations and an emphasis on agriculture -
Religion	<p>Burma</p> <ul style="list-style-type: none"> - Bamars, Shans and Mons were primarily Buddhist - Rakhine, Karen, Kachin ethnic groups had Muslims and Christians <p>THINK: How come the Mon National Liberation Army still exists? Why does the Shan state army still exist? → FEAR OF MARGINALIZATION BECAUSE OF LACK OF RESPECT TO THEIR ETHNIC DIVERSITY. RELIGION NOT ALL THAT IMPORTANT IN BURMA</p> <p>Indonesia: Position of Islam</p> <ul style="list-style-type: none"> - Vast majority of Indonesians were and are Muslim - But there are areas within Indonesia with significant populations of non-muslims, such as Bali with Hindu majority and Ambon with a significant Christian population <p>EVEN within the Muslims, there are <u>two distinct groups</u></p> <p>Abangan: Practiced a syncretic form of Islam (mixture of Javanese animist, Hindu and Buddhist influences) → Influential in Java and</p>

	<p>did not actively seek an <u>Islamic state in Indonesia</u>, and were willing to support secularism (even supported PKI and were later forcibly converted after Indonesian mass killings to Christianity and Hinduism)</p> <p>Santri: Practiced more orthodox Islam, some elements within the Santri advocated for Sharia law and detested the secular outlook of Indonesia as they wanted an <u>Islamic state</u></p> <p>For example, under the Jakarta charter they insisted that the first principle of Pancasila was <u>a belief in one god, with the obligation of Muslims to implement Sharia law</u> (seven words → But Sukarno, cognizant of how that would threaten National Unity → removed the 'seven words' and instead shortened the first principle to only emphasize a belief in a single, supreme deity</p> <p>Suharto's promotion of Western values and secularism alarmed the Islamic organizations</p> <ul style="list-style-type: none"> - Muhammadiyah and Nahdlatul Ulama (NU) <u>turned to missionary activities since they were denied the right to win power through the ballot box</u> (3 parties) → which culminated in the Islamic movement gaining momentum in the 1980s and Islam became increasingly politicized in the 1990s - They later succeeded in pressuring the government to increase public expenditure on Islamic causes such as the building of mosques, which incensed the minority religions who did not receive such privileges - Islamic think-tanks like the ICMI (Association of Indonesian Muslim Intellectuals) campaigned against <u>Christian and Chinese involvement in politics in Indonesia</u> → which led to much opposition from Indonesian secularists and Christians <p>PROBLEM OF politicization of Islam</p>
What does <u>ethnic nationalism even mean?</u>	It's a highly nuanced issue that you need to

	<p>recognise</p> <p>It can vary from demands for special rights and treatment ALL THE WAY to <u>outright secession/separatist nationalism</u></p> <p>Separatism became an issue because <u>it threatened the territorial integrity and sovereignty of the state</u></p> <p>As the vast majority of SEA states <u>did not have any common cultural basis for national integration</u> (owing to colonial legacy) → Force from the military had to be used to coerce these secessions to stop <u>to prevent creating a precedent for other communities to secede</u></p>
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- 2.1. **Approaches:** (ASSIMILATION VS INTEGRATION VS DISCRIMINATION

- 2.1.1. Dominant Culture (REMEMBER MAJORITY POSED A PROBLEM FOR CREATION OF NU)

In some SEA countries, they sought to build a sense of national cohesion by using the language, culture, or religion of the dominant **cultural group as a unifying factor**

Country	
Burma	Ethnic Barmars viewed their culture, values and religion to be superior to that of the minorities → and hence, against the backdrop of separatist tendencies utilised assimilative policies to attain national unity (Primarily under religion,
Thailand	Contrast this between immigrants and natives

	<p>(How come Thai Muslim can but Patani Muslim cannot. Chinese can but Patani cannot? <u>HIGHLIGHT and underscore the difference in ethnicity and region at play here</u></p>
Indonesia	<p>Before studying the approaches towards the Chinese community, note that whilst the state DID accommodate the cultural and religious needs of indigenous minorities, with SOME exception due to <u>ethnocentric views of the Javanese</u>, the CHINESE WERE TREATED DIFFERENTLY because they sought to assimilate them and discriminated against them due to their economic dominance</p> <p>Issue of citizenship</p> <ol style="list-style-type: none"> 1. In identity cards, all Chinese Indonesians were designated as Warga Negara Indonesia, a <u>euphemism for 'ethnic Chinese' as opposed to just 'Indonesian'</u> for the pribumis 2. Their citizenship rights were also uncertain, which made it harder for them to integrate into the larger national community <u>because they did not have the sense of belonging that naturally come with citizenship</u> 3. This was because despite generations of locally-born Chinese viewing Indonesia as their homeland, the <u>pribumis were uncertain of their loyalty owing to their historical segregation from the pribumis and their complicity in maintaining colonial system</u> 4. The majority Muslim populations also viewed them as a fifth column in society, particularly because of their association with China which was a rising communist threat in the 1960s and 1970s. They also viewed their consumption of pork and practice of gambling as antithetical to Islam and hence sought to limit their influence in

Indonesian society

5. As part of the **1967 Basic Policy For the Solution Of the Chinese Problem,**

1. All but one Chinese-language newspaper was shut down
2. Chinese religious expressions had to be confined to homes
3. **Chinese-language schools were phased out**
4. **CHINESE SCRIPT IN PUBLIC PLACES BANNED**
5. **CHINESE WERE ENCOURAGED TO TAKE ON INDONESIAN-SOUNDING NAMES**

Anti-Chinese pogroms became frequent in Indonesia

1. 1965 anti-communist riots, many in the Chinese community were perceived to be active supporters of the PKI and communism in Indonesia, and hence many were assassinated
2. 1998 fall of Suharto → Chinese businessmen were blamed for the economic malaise following AFC and were scapegoated → violent riots against Chinese businesses and community

Throughout the 1950s and 1960s, hundreds of thousands of Chinese left Indonesia in response to the anti-Chinese measures that excluded them from employment and education, as well as violence against them in North Sumatra and West Kalimantan

ECONOMIC DISCRIMINATION UNDER SUKARNO

1. In 1959, Chinese were prohibited from doing retail trade in rural areas.
2. In West Java, Chinese businesses were shut down and they were forcibly removed,
3. The Benteng program was also introduced in 1950 to hasten the development of a pribumi entrepreneur class, which often came

at the expense of Chinese businessmen who now found it more difficult to obtain foreign exchange capital as preference for foreign exchange capital was given to pribumis instead

ECONOMIC FAVOURITISM TOWARDS CHINESE UNDER SUHARTO

1. Suharto saw the economic potential the Chinese possessed, and was hence more open to Chinese participation in the economy
2. The practice of Cukong relationships became rampant, whereby Chinese businessmen built up strong and mutually beneficial bonds with the military
3. Crony Capitalism became normalized as a result, and the Chinese became stronger than their pribumi results which engendered great resentment from the pribumis
4. Chinese dominance in the economy helped the Indonesian economy survive and brought about stability, up until AFC in 1997

Anti-Chinese sentiments peaked however with the AFC as **pribumis believed it was the Crony-capitalism between Suharto and the Chinese community that debilitated the Indonesian economy**

- The food shortages and mass unemployment as a result led to the May 1998 riots, where Chinese shops and areas were deliberately targeted and plundered

The Post-Suharto government was hence reluctant to introduce policies to reintegrate the Chinese because they feared a loss of support from the Pribumis → Hence the efforts to accommodate the Chinese were delayed

BUT

1. In 2000, he established Confucianism

	<p>as the 6th official religion in Indonesia</p> <ol style="list-style-type: none"> 2. He also withdrew Suharto-era legislation that prohibited the practice of Chinese culture and use of Mandarin in public 3. Under Megawati, she declared Chinese New Year a national holiday, signaling that the Chinese were a core part of Indonesian society
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- 2.1.2. Multiculturalism

In some SEA states, they stressed 'unity in diversity', acknowledging **ethnic, religious and linguistic distinctions but adopted primarily secular approaches with common goals**

Country	
Indonesia	Pancasila and state ideology here will overlap. I will park this under ideology though BUT IT IS STILL MULTICULTURAL ETC
Malaysia	<p>Hari Raya, CNY, Thaipusam and Christmas were declared National Holidays, and Tunku Abdul Rahman sought to promote intermingling between the different groups by participating in one others' cultural activities and bonding over sports</p> <ol style="list-style-type: none"> 1. BUT, cultural segregation remained in practice 2. The National Culture policy (1971) went on to proclaim that national culture <u>must take indigenous culture (Malay/Bumiputera) as THE basis</u>, BUT suitable elements from other cultures would be acceptable and should be incorporated 3. This was largely Malay-centric in nature however, as it also emphasized

	<p>the importance of Islam in the molding of the National culture which whilst benefiting Indian Muslims and Chinese Muslims, alienated non-Muslim communities of these races who were by far significantly larger (hence only appealed to few)</p> <ol style="list-style-type: none"> 4. Under Mahathir THIS CHANGED and dynamic concepts like <u>Bangsa Malaysia</u> were promoted as it appealed to all regardless of race and religion, as it promised for a developed, just and equal society 5. Bangsa Malaysia was enthusiastically received by non-Malays 6. However, the Malays feared the concept gaining greater momentum as they feared a loss of their special status and privilege, particularly with its emphasis on egalitarianism 7. Nonetheless, despite these efforts, the <u>concept and definition of what and who constitutes a Malaysian national identity is still contested even till today</u> <p>THIS ISN'T SO MUCH MULTICULTURALISM BUT MORE ON HOW MALAYSIA INTEGRATED EAST MALAYSIA (GOVERNMENT POLICIES AH)</p> <ol style="list-style-type: none"> 1. After joining Malaysia, Sarawak and Sabah were given a high degree of autonomy with control over legislation, immigration and language policies 2. The 1963 Malaysia Agreement also stated that <u>Sabah and Sarawak were equal partners with Peninsular Malaysia within the federation</u> <p>Further concessions were granted.</p> <ol style="list-style-type: none"> 1. Control over immigration was given to assuage fears of migrant takeover from Peninsular Malaysia
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2. Constitutional guarantees for the ethnic groups to have religious freedoms despite the status of Islam in Malaysian society were granted

NONETHELESS,

1. 1976 constitution was amended to make Sabah and Sarawak the 12th and 13th state of Malaysia **INSTEAD of equal partners** and this was done to reflect political unity between Peninsular Malaysia and East Malaysia → BUT THIS WAS VIEWED AS VIOLATION OF THE MALAYSIA AGREEMENT
2. But still, the Federal Government commemorates the inclusion of the two East Malaysian states **on Malaysia Day**. (16 September)
3. The celebration of Malaysia Day, along with independence day on 31st August sends a signal to citizens in East Malaysia that they are **still an important part of the federation, and their incorporation is something worthy of celebration**

Threats of secession movements remain generally low as the vast majority of citizens in East Malaysia still support UMNO and BN.

AFFIRMATIVE POLICIES (why they support it)

1. In the 1970s, pro Bumiputera policies were introduced in response to the socio-economic inequality brought about by British colonial policy (along with to address Malay grievances following 1969 race riots) (NEP)

This was both a boon and a bane for national unity

Boon: Promoted socio-economic development of bumiputeras, particularly indigenous people of East Malaysia who were largely impoverished and economically unproductive

	<p>Bane: Resented by Chinese and Indians who felt discriminated against since such privileges were not extended to them and were often taken at their expense</p> <p>NEP outlined the goal of increasing Malay share ownership in commerce and industry from 3% in 1971 to 30% over a period of 20 years</p> <ol style="list-style-type: none"> 1. Large non-Malay businesses had to restructure to <u>assure at least 30% Malay ownership</u> → Non-Malays had to sell their shares to Malays at below market prices 2. Bank Negara also provided easy credit for the Malays, in which loans at below-market interest rates were channeled towards Malay enterprises. Bank lending towards Malays rose from a mere 4% of total bank lending to 28% in 1985, giving Malays greater access to credit and capital 3. 30% of Public construction and telecommunication projects were exclusively reserved for Malays to limit the competition posed by established Chinese and Indian firms <p>BUT despite these efforts, effort to create Malay capitalists on par with Chinese and Indians failed and the <u>economic disparity remained a source of discontent</u></p> <ol style="list-style-type: none"> 1. Malays remained resentful of Chinese and Indian domination of the economy, and discriminatory practices eroded Chinese and Indian loyalty to the state 2. NEP Was still successful in creating Malay middle-class and <u>enabled the Malay population to move to more diversified occupations</u>, as compared to when they only
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	<p>dominated agriculture (Recall occupational dominance by race British era etc)</p> <ol style="list-style-type: none">3. They thus earned higher incomes which brought greater support for the government and conferred it stability4. Through affirmative action, employment quotas for Malays in government service increased tremendously5. However, bumiputeras were still under-represented in the medicine, property and banking sectors but their share STILL increased relative to other ethnic groups and their absolute numbers doubled (Link to education → Bumiputera quotas in Universities → Helped to raise their social mobility and gain employment in more lucrative areas <p>Other pro-bumiputera policies IN EDUCATION</p> <p>Managerial and professional posts tend to largely be dominated by Chinese and Indians, and this was largely because they were immigrants who had English-medium education and thus dominated the universities, which were largely conducted in English</p> <p>Hence, entry requirements were lowered and scholarships were awarded to both rich and poor Malays alike to increase their enrolment in medicine, science and engineering courses</p> <ol style="list-style-type: none">1. Recall proton example...willing to support bumiputeras even at the expense of having to pay higher fees than chinese or indian <p>ECONOMIC RECESSION AND RE-INTEGRATION OF NON-MALAYS from 1980s</p> <ol style="list-style-type: none">1. In 1985, in response to the economic
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	<p>recession, the 30% share objective of bumiputeras outlined by the NEP had been suspended</p> <ol style="list-style-type: none"> 2. An increasing number of non-Malay businessmen were awarded lucrative government contracts 3. Local Chinese were praised for opening up conduits for investors from China and Taiwan...and Chinese Malaysians who had migrated overseas were invited by the government to return 4. It was hoped that such measures and economic prosperity would bring about national cohesion. Non-Malays were better integrated in the economy, and though this brought the government greater loyalty...GENUINE unity remained elusive 5. By 1997, Chinese household incomes continued to rise, moving twice as fast as Malay households widening inequalities and harming the fragile social fabric of Malaysia
Singapore	<p>People's association was set up in 1960 to promote multiculturalism</p> <ol style="list-style-type: none"> 1. Celebration of ethnic festivals served as focal points for inter-racial bonding 2. Schools, museums and community centers helped to disseminate information about the cultures and customs of each ethnic community with ethnic holidays being celebrated as major school events 3. Government also actively promoted minority cultures CASE STUDY: Sikh community 4. In the late 1980s, the Sikh community

faced cultural erosion due to its members marrying outside of the community or converting to Christianity.

5. In response, the government promoted Punjabi and the Sikh religion in schools, which helped maintain the presence and survival of the Sikh community as a whole

Political representation

1. As Chinese voters accounted for the majority in all electoral communities (accounting for nearly 76% of the entire population) → Minority candidates had to be voted with the support of Chinese voters due to the small minority support they could receive
2. If the minority communities were not to be represented adequately, it would **hinder the nation-building process since minority groups would feel insecure** that their interests were not adequately represented
3. The GRC system was hence introduced which mandated at least one minority candidate in each constituency contested from all the different parties

Self help groups (Mendaki, Sinda, CDAC, EA)

1. Meritocracy was unable to prevent growing disparities between the various ethnic groups

In the 1980s, only 13.7% of Malays had secondary or higher education, lower than the national average of 20.8%

In 1990, Chinese students made up 90.4% of the university population whilst Malays and Indians made up 3.5% and 4.8% respectively

	<p>→ Such inequality threatened to jeopardize multiracial harmony, national integration and political stability</p> <ol style="list-style-type: none"> Henceforth, Mendaki was created to promote socio-economic advancement amongst the Malay/Muslim community Provided tuition, bursaries and scholarship and emphasized Islamic cultural values that promoted hardwork and economic success Mendaki was largely successful (can counter with lack of support to Indian Muslims though), and encouraged the government to establish EA, SINDA and CDAC later on Compared to bumiputera policy, Mendaki helped uplift Malays better Self-help model also <u>necessitated contributions of the community, which gave Singaporeans more ownership</u>
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- 2.2. **Tools:**/Socio-cultural policies to foster NU

- 2.2.1. Education

Country	
Burma	<p>Burmanisation was evident as the state promoted Bamar values in school and <u>gave primacy to Bamar history and culture</u></p> <p>With military rule in 1962,</p>

	<ul style="list-style-type: none"> - Schooling became universal in principle, centralized and homogenous - They also used schooling as an avenue to disseminate state ideology, with government textbooks being used to <u>reinforce regime propaganda and emphasizing the honour and importance of the military in maintaining political stability</u> - This irked the minority groups who were persecuted by the military - The government also did not provide as much coverage and respect to minority cultures as they did to the Bamar culture, which <u>signalled to the minorities that their heritage was less-valued and they felt treated as 'second class citizens' as a result → galvanized them into action to secede so as to protect their unique cultures and identities</u> <p>The state also allowed strong Buddhist influences to permeate into school culture → Buddhist rituals have been practiced openly in schools, with teachers and principals performing many of them</p> <ul style="list-style-type: none"> - Many textbooks also contained Buddhist homilies and poems → which gave rise to feelings of marginalization by the Muslim and Christian minorities <p>ALSO NOTE: Schools in rebel-controlled areas promoted their own historical narratives and actively seeded resentment and hatred against the Burmese government and even Bamars for their perceived 'parasitic tendencies' → Hence serving as a barrier to national unity</p>
Indonesia	<p>Bahasa Indonesia was naturally promoted as the medium of instruction (read on about language for more on this)</p> <ol style="list-style-type: none"> 1. History was also seen as a subject

that could strengthen the national integration spirit and perpetuate the values of the republic

2. In 1977, the National History syllabus was introduced and History became a compulsory subject in all schools

- The treatment of history was such that **it reinforced a narrative of common Indonesian identity → with the nationalist struggle between 1945 to 1950 against the Dutch police actions** covered in exhaustive detail to **emphasis shared, collective struggle**
- The abortive coup of 1965 vilified the communists as well, and yet, the killings of 1965-66 and the rampant violence that came after it were omitted

Moreover, Gerakan Pramuka Indonesia, the Indonesian scouts association became an import avenue to ensure universal appreciation and respect for the values of Pancasila

- Nearly all schools in Indonesia offered it as an extracurricular activity, with some going as far as to make it compulsory beginning in the 1960s
- It grew to become the largest scouts association in the entire world, with more than 20 million members
- Students from all across the country, of different religions were inducted as members and they participated in community development service projects, such as combating illiteracy and promoting the use of Bahasa Indonesia in rural areas

Gerakan Pramuka Indonesia was important because it became a shared experience through which Indonesians from all the different provinces, religions and cultural backgrounds could bond over → and was crucial in fostering greater interaction and understanding between the different groups

Thus, the education system sought to **embed**

	<p><u>patriotism, common language and a sense of shared history amongst the people</u></p> <p>Nonetheless, education also served as a tool to <u>ensure students aligned with the national narrative</u>, as teachers were made to whitewash the violence against the East Timorese and the opposition (communists/socialists) in the interests of national unity</p>
Malaysia	<ol style="list-style-type: none"> 1. Different language streams and schools were brought together into a common national system of education <u>with a common syllabus</u> <p>This was done to ensure that Malaysians would have a shared understanding of history, and would subscribe to the same values → With that <u>common base and shared ambitions</u>, national unity would become more achievable</p> <ol style="list-style-type: none"> 2. BUT due to pressure from MCA Tunku Abdul Rahman promised to encourage and sustain the growth of the <u>language and cultures of non-Malay races</u>, 3. To appease the Malays however, he ensured that only Malay or English could be used as the medium of instruction in secondary schools 4. Between 1961 to 1962, Chinese medium secondary schools were forced to go independent <u>OR become English or Malay medium assisted schools</u> 5. Many Chinese and Indian students enrolled in English medium schools, which frustrated Malay extremists who believed that the government was moving too slowly in promoting Malayanisation.

	<p>6. By 1980, <u>separate ethnic schools were still recognised, but ONLY at primary level or private ones beyond</u></p> <p>7. Although it was inefficient to allow primary education in one language and then shift to another at secondary level, it was maintained <u>to appease the minorities</u> → <u>Because then they would be more likely to attend the national school system</u>, and thus be inculcate with national values and ideals</p> <p>In sum, primary education in minorities' mother tongues was a <u>concession to the demand of free cultural development, and secondary education in Malay and English, AND EVENTUALLY IN MALAY</u> was intended to integrate the various communities and promote a <u>common Malaysian outlook</u></p> <p>Further concessions to minorities took place in the 1990s.</p> <p>1. Under the revised <u>Education Act of 1996</u>, the Minister of Education no longer had the power to convert vernacular schools into national schools → An assurance to the Chinese community that their cultural rights would remain intact</p> <p>BUT still: Malaysians attending different schools owing to their differing racial backgrounds, even in primary schools was a hindrance to the creation of national identity and unity as <u>it emphasized the differences between the different ethnic groups</u>, with the Chinese and Indian communities still finding greater affinity within themselves than with the Malays. Hence, was there ever a true common Malaysian outlook?' Or was it a 'Chinese, Malay, Indian' outlook instead?</p>
Singapore	<p>1. Schools served as an important avenue in Singapore to emphasize the national narrative of meritocracy, with <u>merit serving as the barometer</u></p>

of success rather than ethnicity or social status

2. Education also served as a tool to build national unity and identity, as schools had racial quotas to foster greater interaction between the Chinese, Malays and Indians
3. Social Studies was made a compulsory subject in the primary and secondary school levels, to help develop a greater understanding of Singapore's journey to statehood and the importance of values like racial harmony
4. Civics education was also used to develop moral and cultural values in line with fostering national identity

THIS IS NOT EDUCATION BUT SIMILAR
IDEA: NATIONAL SERVICE

1. Unlike other countries where the military is used as a tool of the state to deal with ethnic unrest, Singapore's National Service (Amendment) Act in 1967 made conscription compulsory for all male citizens, regardless of race, language or religion and social status
2. Was a key factor in nation-building because it created a common experience and emphasized the objective of protecting the nation that all servicemen belonged to

BUT do note controversy remains about how Malays were only enlisted later on in 1973 NOT 1967 AND remain excluded from 'sensitive units' → Countering narrative of meritocracy JUST do this for a short eval if needed

Public housing policy

1. The PAP government introduced HDB to build public housing and help as

	<p>many citizens become property owners, such that they would have a tangible stake in the country and would be more committed to Singapore</p> <ol style="list-style-type: none"> HDB also brought Singaporeans of different ethnic, linguistic and religious groups together to foster greater interaction between the different races and religions (EIP Ethnic Integration Policy) This contributed to national integration because <u>it desegregated the ethnic enclaves that the British colonial government had created</u> <p>Singapore's economic growth</p> <ol style="list-style-type: none"> Singapore was able to maintain double-digit rates of growth from the mid-1960s to mid-1980s Per Capita income GNP rose 74 times over, <u>which critically became a source of pride for Singaporeans</u> <p>Use of state power and legislation to maintain religious harmony and national unity (DRAW PARALLELS TO MY FOR THIS)</p> <ol style="list-style-type: none"> Although freedom of religion is affirmed and practices in theory, THERE ARE discrepancies Religious groups like the Jehovah's witnesses were banned → Refusal to pledge allegiance to the state → Scary precedent → Banned (REFUSAL TO SERVE NS OFC) Maintenance of Religious Harmony Act was passed in 1990 in response to rise of evangelical christians Legislative measures like the <u>Sedition Act</u> helped limit communal tension, as expressions of racist statements would be severely dealt with
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	<p>5. Inflammatory foreignz preachers were also barred admission from entering the country to prevent the development of enmity and religious discord</p>
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- 2.2.2. Language

Country	
Burma	<p>Burmese was the language of the majority Bamars, and hence it was promoted as the national language <u>and was made obligatory for all government affairs from 1952 onwards</u></p> <ol style="list-style-type: none"> 1. Burmese also became the <u>sole language of instruction for students from standard four onwards</u> 2. This contributed to national cohesion in the lowland majority Bamar areas as it facilitated communication and interaction through a shared language 3. In the mid-1960s, Ne Win prohibited the use of English as a medium of instruction to highlight the <u>primacy of indigenous language</u> and to gain larger support from the Bamar nationalists 4. This placed minorities at a disadvantage as they were now required to master a new language to <u>advance in schoos and gain employment</u> 5. Although minorities' vernaculars were allowed to be thought in the early primary school level, the implementation of this was fraught with problems

	<p>6. Karen textbooks that were <u>submitted for government approval in 1967</u> were not printed until the 1980s, by which point there was a <u>lack of Karenni-speaking teachers</u></p> <p>Schools controlled by rebel areas still taught their native tongues, with English and Bamar being second and third tongues → Became an obstacle to national unity since these ethnic communities did not speak Bamar as fluently given that it was their third language</p>
Indonesia	<p>Almost every Island in Indonesia had a few languages of its own, <u>and Indonesia had more than 400 languages spoken across its vast expanse</u></p> <ul style="list-style-type: none"> - In 1945, Javanese was the most prominent language as it was the native tongue of more than half the population (62% Javanese population), and was the language of religious and literary tradition - BUT it was unable to <u>unite the diverse Indonesian population</u> because the minorities would have resented such a system because they would perceive such measures as 'Javanisation' and as favoring the Javanese at the expense of themselves - In the 1945 constitution, Bahasa Indonesia was declared the national language and <u>the sole official language in the country</u> - This was accepted without much opposition from other language groups because it was foreign to nearly all Indonesians, barring those in the East Coast of Sumatra - Even the Javanese, who had a strong literary foundation in Javanese and a long history accepted Bahasa Indonesia as the national language → and this became a key pillar for national unity

	<ul style="list-style-type: none"> - The success of this can be attributed to the role of the nationalists, who sought to develop a national language beginning in the 1920s and <u>the impetus provided by the Japanese during the Japanese occupation</u> <p>BI was also the sole medium of instruction, except in the first three grades where local vernaculars were allowed to be used → and were later <u>taught as school subjects</u></p> <p>BI was significant because</p> <ol style="list-style-type: none"> 1. Avoided overtones of political and cultural domination by the Javanese 2. It was simple in script, grammar and pronunciation and flexible to assimilate foreign sounds and words, which starkly contrasted with Javanese that was complicated and sophisticated <p>BI has hence managed to tie the diverse ethnic groups together, and has helped deepen inter-group communication</p> <p>The constitution also <u>guaranteed preservation of vernaculars</u></p> <p>As for foreign languages,</p> <ol style="list-style-type: none"> 1. Dutch had declined so much that English has instead become the 'first foreign language' taught in Indonesia 2. Chinese language DID NOT become a political problem because the Chinese were a very small minority (3%) and moreover, they were scattered all around Indonesia and hence were unable to emerge as a threatening political force
Malaysia	<p>The 1957 constitution stated that Malay was to replace English as the national language, but in a <u>gradual process until 1967</u></p> <ol style="list-style-type: none"> 1. Malay was largely chosen owing to Malay political dominance in the

	<p>electorate, who demanded it <u>to be declared the national language as it would provide THEM with greater social and economic opportunities</u></p> <ol style="list-style-type: none"> 2. BUT Malay was also chosen because it was practical. Malay was already widely spoken by the Malays, Chinese and Indians and it was simpler to learn than Chinese or Tamil 3. ALTHOUGH Chinese and Tamil were not recognised as <u>official languages</u>, it was guaranteed that they, along with other minority languages would not be prevented from being spoken or taught 4. Non-Malay groups were more open to accepting Malay as the national language because it was a <u>gradual change</u>. English also remained important, as it necessary for the higher paying jobs and for university education, and hence they were willing to accept it 5. The National Language Act of 1967 declared the pre-eminence of the Malay language, and in 1969, Bahasa Melayu was <u>declared the national language and language of government</u> 6. It also became compulsory to teach Malay in all schools, by all pupils regardless of their race and ethnicity 7. From 1971, Malay replaced English as the medium of instruction in Grade one of all English-medium primary schools. The teaching of vernaculars was accepted, but only up till grade 6 8. By 1983, the medium of instruction was Bahasa Melayu in all universities and secondary schools 9. A credit pass in Malay was needed for entry into all government service
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	<p>positions, and examinations were also to be conducted in Malay</p> <p>10. The establishment of a common language enabled the population to communicate, fostering national identity and unity</p> <p>11. However, many Non-Malays still did not become proficient in Malay as some of them resisted such measures. The decline in the use of English also <u>limited their ability to communicate with other ethnic groups</u></p> <p>Note that the Malaysian government prefers to call the Malay language 'Bahasa Malaysia' rather than 'Bahasa Melayu' to be more inclusive</p>
Singapore	<ol style="list-style-type: none"> 1. Singapore made Chinese, Malay, Tamil and English its official languages 2. This sent a strong signal to all groups that their cultural background <u>was equally critical for the development of Singapore, engendering trust and harmony</u> 3. Malay was designated as the national language in recognition of the special status of the Malays as per Article 152, which regarded the Malays as the indigenous people of Singapore and the government had the obligation to secure their language, cultural and religious interests 4. To add on to this for protection of minorities' rights → National anthem is in Malay + A Malay head of state, called the Yang-di pertuan negara was also appointed (Yusof Ishak) 5. Malay students were provided with free education in the early years of

	<p>independence + bursaries and scholarships to minimize demands for quotas and special rights in Malaysia, and government maintained that a quota system would never be implemented as that it would impede the national value of meritocracy</p> <ol style="list-style-type: none"> 6. English was promoted as the working language as it was seen as a neutral, economically essential language <u>that did not threaten any racial groups interests</u>. Importantly, the promotion of English as an official language was critical in fostering communication between the different races as well as enabling them better access to knowledge, science and technology 7. The government allowed parents to enroll their children in Chinese-, Malay- or Tamil medium schools at primary and secondary schools BUT at the tertiary level, education was available only in English and Chinese 8. Nevertheless, more and more parents chose English-medium schools over the Language medium schools <u>because they recognised that English was the lingua franca of Singapore and hence saw more utility in it than their own tongues</u> 9. By 1979, Malay and tamil-medium schools ceased to exist due to lack of demand, and enrolment figures for Chinese-medium schools dropped substantially 10. BUT the government feared a loss in Asian values, and hence advocated for <u>bilingualism</u> in which Singaporeans would be able to speak both English and their mothertongues 11. Henceforth, the use of bilingualism was critical in ensuring that the
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	languages of the different races was preserved, yet they were still able to communicate with one another through English
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- 2.2.3. Religion

Country	
Burma	<p>Assimilative</p> <p>Promotion of Buddhism</p> <ol style="list-style-type: none"> 1. When Aung San wrote the Burmese constitution, he made sure to enshrine secularism and not Buddhism as he did not want to alienate the religious minorities 2. After his assassination however, the constitution was revised as it <u>included a provision that recognised the special position of Buddhism</u> yet nevertheless provided for freedom of religion and equality <p>Nevertheless,</p> <ol style="list-style-type: none"> 1. U Nu sponsored Buddhist religious rival and openly patronized the Buddhist sangha 2. In August 1961, he pushed a <u>Constitutional amendment that declared Buddhism the state religion of Burma</u> 3. Importantly, this amendment outlined provisions to protect and promote Buddhist teachings 4. Moreover, he passed the <u>State Religion Promotion Act 1961</u> bill which mandated the teaching of Buddhist scriptures in all schools, including in ethnic minority provinces 5. Minority resentment against such maneuvers is especially evident in

how the Kachin Independence Army (KIA) formed and developed against the backdrop of this, as they viewed such policies as stripping away of their religious liberties which were core to their identities as Christians

Nonetheless,

6. These constitutional changes were retracted by the military government when they took over in 1962, along with the State Religion Promotion bill

Moreover, Buddhism was still important as a source of national unity for the Barmans, who constituted the majority of the population

7. Ne Win initially sought to limit Buddhist influence in Burma due to his desire to limit the influence of the Sangha in government affairs → But publicly, he demonstrated continued and sustained interest in Buddhism to gain legitimacy amongst the Barmans (did this by presenting donations to Monks)
8. In addition, the SLORC presented themselves as the defender of the Buddhist faith in their bid to gain political legitimacy against the backdrop of their disregard for the 1990 Burmese elections

Religion has also been used as a sticking point to rally Barmans against the minorities

- In particular, the spectre of Muslim takeover fuelled nationalist sentiments against the Barmans → and Muslims have historically been scapegoated by the military governments to quell discontent with military role
- These policies hence deepened the animosity between ethnic groups and

	made reconciliation extremely difficult
Burma	<p>All main religions in Indonesia were incorporated into the first principle of Pancasila, which asserted belief in one supreme being</p> <p>Although freedom of religion was constitutionally guaranteed, the Indonesian Ministry of Religion only recognised 6 religions: Islam, Catholic Christianity, Protestant Christianity, Hinduism, Buddhism and Confucianism. Yet nevertheless, the government maintained that other religions like Judaism and Taoism were not prohibited and were still free to be practiced</p> <p>THOUGH keep in mind that because Pancasila asserted belief in one supreme being, Balinese Hindus had to adjust their traditionally polytheistic beliefs to conform to Pancasila</p> <p>Sukarno sought to neutralize the Islamist threat that posed an obstacle to National Unity by <u>banning Masyumi in 1960, which was the largest Islamic party</u> at the time</p> <p>In 1973, Suharto sought to neutralize political Islam by fusing the 4 major Islamic parties into the <u>United Development party (PPP)</u></p> <ul style="list-style-type: none"> - This was to undermine the coherence of the individual parties and foster political infighting within the Islamic parties due to their differing religious agendas, particularly over the tolerance for syncretic elements within Indonesia <p>Yet nevertheless, PPP still remained relatively popular, accounting for nearly 30% of votes in 1977 parliamentary elections</p> <p>Despite the efforts by successive Indonesian regimes to maintain secularism and a posturing of religious plurality → Muslim-Christian clashes in Aceh, Makassar and Ambon remained frequent, even after Suharto's personal appeals to foster inter-faith tolerance and respect</p>

Malaysia	<p>PAS advocated the creation of Malaya as a Muslim-Malay state and <u>regarded UMNO's concessions to the Chinese as excessive</u> (posed the Islamic challenge to UMNO)</p> <ol style="list-style-type: none"> 1. PAS won 13 out of 104 seats in the 1959 elections → and proved that there was significant support amongst the Malays for a theocratic, Islamist state even in the 1950s 2. In the late 1970s, the dakwah Islamic revival movement emerged and Islamic consciousness became more evident <u>and this made the differences between the Malays and Non-Malays more pronounced</u> 3. The success of the Dakwah movement also galvanized PAS to step up its calls for an Islamic state with Syariah law, <u>posing a serious challenge to UMNO and the secular nature of Malaysia</u> → which further alienated the ethnic minorities 4. This was especially so in the 1990s, where PAS made significant gains in Kelantan and Terengganu <p>NOTE that in both Indonesia and Malaysia the government themselves did NOT SEEK greater Islamisation UNTIL the majority exerted too much pressure, which contrasts with Burma where the government voluntarily did so</p> <p>Despite the overt pro-Malay Muslim stance of the government, <u>Malaysia has still consistently maintained a high degree of religious tolerance</u>, as the constitution continues to guarantee freedom of religion</p> <ol style="list-style-type: none"> 1. Mahathir responded to the PAS challenge with a 'modern' and 'progressive' version of Islam, which

	<p>appealed greatly to the ascendant Muslim urban middle class who came to call themselves <i>Melayu Baru</i></p> <ol style="list-style-type: none"> 2. This helped non-Muslims feel less suspicious of the enlarged position of Islam, particularly after Mahathir declared Islam to be the state religion in Malaysia in 2001 3. Mahathir and the UMNO leadership largely succeeded in maintaining the balance between advocating for Islam and allowing for the accommodation of Non-Muslim population <p>THIS WAS BECAUSE</p> <ol style="list-style-type: none"> 4. The Sharia laws in Malaysia only apply to Muslims and <u>other religions are constitutionally protected</u> 5. JAKIM's role as the Islamic morality police in Indonesia was only limited to the Muslim community, and it did not have the authority to arrest Non-Muslims for perceived transgressions
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- 2.2.4. Ideology

Country	
Burma	<p>The 'Burmese way to socialism' was the state ideology and socio-economic program of the Burmese government following military rule in 1962</p> <p>(LINK TO ECONOMIC PROBLEMS)</p> <ul style="list-style-type: none"> - The Burmese way to socialism under the auspices of the BSPP (Burma Socialist Programme Party) proved to

	<p>be disastrous, with Burma consistently experiencing one of the slowest annual growth rates at measly 1.3% p.a between 1962 to 1988.</p> <ul style="list-style-type: none"> - Moreover, all industries barring the agricultural sector were nationalized, and the nationalization of these businesses led to a massive exodus of Anglo-Burmese, Chinese and Indians who had previously dominated Burma's economy → Loss of talent and expertise <p>Although the vast majority of these immigrant communities virtually disappeared overnight, the economic problems became a core issue in national unity, particularly for the minority groups</p> <ul style="list-style-type: none"> - - For the minority groups, it convinced them of the incompetence and inability of the Burmese government → and galvanized them into securing their independence, such that they would be free from the rampant corruption and mismanagement that characterized Burma - Burma's isolationist economic policies and the termination of foreign investment inadvertently caused these minority regions to become even poorer than they already were, and hence they sought to gain sovereignty so that they would be able to draft and create their own economic policies
Indoneisa	<p><u>Pancasila</u> doctrine was established in June 1945, and enshrined five principles</p> <ul style="list-style-type: none"> - These principles were deliberately broad and inclusive to bind together the diverse groups in Indonesia - Suharto maintained Pancasila as the state's ideology → but transformed it from a set of ideals into a tool <u>of government control</u> <p>In 1984, Pancasila was proclaimed as the</p>

	<p><u>sole official ideological principle to be accepted by all organisations</u>, including the political and religious organizations</p> <ul style="list-style-type: none"> - This was done to ensure all Indonesians endorsed Pancasila and by extension, its inclusive approach and also to justify Suharto's authoritarianism - YET this was opposed by Muslim Clerics and culminated in protests at Tanjung Priok against the government - So can still eval here: Government still tried their best to promote national unity, but the undue influence of the religious majority undermined such efforts
Malaysia	<p>After the race riots of 1969, Rukun Negara was developed as an ideology with a set of principles to guide Malaysians and to cultivate <u>the ideal Malaysian</u>, irrespective of racial origin</p> <p>In 1970, the Rukun Negara was proclaimed and emphasized five principles, and <u>was worked into the school curriculum to be taught to school children similar to that of Pancasila</u></p> <p>These five principles, similar to Pancasila were largely flexible and were accommodative to the Malay Muslim majority and minority communities alike</p> <p>To also ensure that Rukun Negara would not be challenged, <u>the Constitutional Amendment and Sedition Act of 1971</u> was passed, which forbade discussions on sensitive issues such as</p> <ol style="list-style-type: none"> 1) Citizenship 2) Malay as the national language 3) Special position of the Malays and bumiputeras 4) Sovereignty of the Sultans <p>NOTE: Unlike Burma and Indonesia which used their militaries and force to manage instability and threats, MALAYSIA, similar to SG employed constitutional measures</p>

	<p>(overlap with political stability here)</p> <ol style="list-style-type: none"> 1. This was important because it muted discussions on such issues, even to the extent that <u>it was not to be brought up in parliament despite parliamentary privileges</u> 2. The Internal Security Act (ISA) was created in 1960, but was employed by the government to arrest and detain student leaders and university lecturers who challenged the government's communal policies – 3. Was also used in Ops Lalang to crack down on opposition members, journalists under the pretext of preventing racial riots (WHICH WAS ALMOST GOING TO HAPPEN SO kinda justified (?) u weigh)
Singapore	<p>Multiculturalism and Meritocracy</p> <ol style="list-style-type: none"> 1. PAP sought to nurture the growth of a uniquely Singaporean national identity to counter the threat of <u>Chinese chauvinism</u> and Malay and Indian alienation 2. The daily recital of the national pledge in all schools in Singapore reflects a <u>commitment to the shared values and principles of the nation</u> → In particular the emphasis on creating a united society irrespective of race, language or religion <p>Meritocracy was also promoted to ensure fair and equal access to opportunities for all races.</p> <ul style="list-style-type: none"> - This was to ensure that no race received
Vietnam	<ol style="list-style-type: none"> 1. Communism was used as a unifying ideology in Vietnam in the government's bid to promote socialist ideology and culture

2. Centralized control over government, military and media allowed the government to use **communist propaganda** and to propagate communist ideals in schools and government institutions
3. Buddhism was deemed incompatible with communist ideology, and hence Buddhist organisations were suppressed
4. More than 30% of Vietnam's population was **NOT VIETNAMESE** and has a history of secessionist movements, and hence Vietnam promoted Viet culture, history and language and **ASSIMILATED the ethnic minorities and hill tribes**
5. Tai, Lao and Hmong tribes in North Vietnam were assimilated through Vietnamization
6. The government also sought to assimilate the Chams, Degar and Khmer minorities → to which they responded to by forming the **FULRO** to fight against Vietnamisation, receiving support from China and Cambodia BUT they were eventually put down by the Vietnamese **after reunification**

CHINESE under South Vietnam

1. Chinese were granted legal citizenship. In fact, the constitution declared that a child born in Vietnam to Chinese parents **MUST receive Vietnamese citizenship and they are prohibited from rejecting it**
2. Nonetheless, still assimilationist in nature → Schools catering **SOLELY** to Chinese residents **were prohibited**
3. If necessary, official permits had to be

requested and such schools had to use Vietnamese textbooks and also teach in Vietnamese

North Vietnam

1. In 1948, Ho Chi Minh set up the Central Administration Office of Chinese residents' affairs → to motivate Chinese to participate in building of Vietnam and protect Chinese interests

Impact of reunification

1. Reunification saw implementation of socialist reorganization → ALTHOUGH these measures were not targeted towards Chinese → they disproportionately lost more as they previously dominated the Vietnamese economy → and now faced bankruptcy, uncertainty and turmoil
2. The 1982, the government issued instruction No. 10 which outlined how the Chinese were Vietnamese and enjoyed equal rights as all other Vietnamese citizens
3. However, due to ongoing clashes with China during the Sino-Vietnamese war → There maintained consistent suspicions on the loyalty of the Chinese community and they were barred from joining sensitive military positions
4. NEVERTHELESS, Chinese were never persecuted in Vietnam and Instruction 62 was promulgated in 1995 → AFFIRMING them as Vietnamese citizens and part of the 54 ethnicities in Vietnam

- 2.2.5: Democracy/Political representation/ Economic

Country	
Burma	<p>1947 minority provisions</p> <ol style="list-style-type: none"> 1. The 1947 constitution accorded ethnic states with their <u>own state councils who would also serve in the union government's parliament</u> 2. The Karenni and Shan states were also accorded the right to secede after 10 years if they wished to do so <p>Despite this provisions for a balanced polity, it still failed to <u>address the historical fears and apprehension of the minorities</u></p> <ol style="list-style-type: none"> 1. The Karens demanded a separate administration from Burma and under British rule as they did not believe that the AFPFL would actually commit to a Union of equal partners under the Union of Burma plan following Aung San's assassination. Moreover, they were only accorded observer status in the Panglong Agreement and were not granted their <u>demand that their territory include the Irrawady Delta</u> which included many Karens. → Led to the KNDO rising up in 1948 against the government 2. Subsequently, more and more ethnic rebellion groups openly aimed for total independence in the 1950s and early 1960s → which led to the military launching a coup against U Nu and seizing power → as they sought to maintain Burma's territorial integrity <p>The 1974 constitution made Burma a <u>unitary state under one-party rule</u></p> <ul style="list-style-type: none"> - To the minorities, this clearly rejected the <u>diversity of Burma and spelt an end to any sort of political settlement pertaining to autonomy</u>

	<p>→ The minorities formed the National Democratic Front (NDF) in response to this, which was made up <u>exclusively of non-Bamar ethnic fighters</u> who outlined their intention to abolish the military dictatorship and the unitary system</p> <ul style="list-style-type: none"> - They captured vast areas in their respective regions, and were successful in out-fighting the Tatmadaw - These ethnic minority fighters, in light of the lack of economic opportunities due to the mismanagement and corruption by the central Burmese government, promoted planting opium and the drug trade <u>which gave them much-needed financial resources</u>. From 1976 to until the early 21st century, the ethnic minority territories in the north were the largest exporters and participants in the illicit opium trade <p>I</p>
Indonesia	<p>Not really democracy but more so culture</p> <p>Religious events such as Christmas, Vesak Day and Nyepi (Balinese-Hinduism) were celebrated as national holidays</p> <ul style="list-style-type: none"> - Under Suharto, Indonesians could see themselves on display in the Taman Mini Indonesia Indah theme park in Jakarta, where <u>every ethnic group's distinct culture was displayed to highlight Indonesia's diversity</u> <p>Yet, the Javanese <u>MAJORITY</u> still believed in their cultural superiority and largely remained insensitive towards the minority cultures</p> <ul style="list-style-type: none"> - Javanese culture continued to be elevated and was exalted and promoted in the national curriculum, especially under Suharto whose regime faced innumerable accusations of practicing 'Javanisation' <p>THIS WAS PARTICULARLY BECAUSE OF THE TRANSMIGRATION</p>

- Suharto believed that national unity would be strengthened through transmigration of the Javanese

This was because,

1. It would promote regional and agricultural development of the outer islands owing to the migrants' greater experience and expertise
2. Secure the country's borders and strategic areas → Javanese were much more loyal to the central Indonesian government, who were also primarily composed of Javanese people
3. Encourage interaction to **erode regional differences in ethnic identities and economic standards**

Transmigration became a barrier to national unity because IT ignored the culture, needs and feelings of local people

1. In Kalimantan, the native Dayaks fought with Madurese migrants, who had treated the Dayaks with disdain as they viewed them as culturally inferior
2. In Ambon, native Christian Ambonese clashed with the Bugis and Butonese migrants who were primarily Muslim
3. To make matters worse, these migrants **dominated the economic and political sectors of their host regions BECAUSE THEY HAD HIGHER EDUCATION AND MORE EXTENSIVE SKILLS**

MOST CRITICALLY:

- Transmigration had altered the character of entire regions
- Minahasa and Ambon previously had majority Christian populations, but by the 1990s, had majority Muslim populations
- The migration of Javanese to West Irian also made West Irian have a plural Muslim majority by the 1990s, despite only having small remote Muslim communities in the 1960s

	The natives of these lands thus viewed such policies as 'internal colonisation' done in a bid to mitigate the threat of secession
Malaysia	<p>You should have already learnt about Malaysia's economic growth later under the economic change</p> <p>So just know that <u>despite the perceived discriminatory policies of bumiputera</u>, the competence of successive Malaysian administrations in bringing about economic growth (Mahathir near-quadrupled Malaysia's GDP within 20 years), poverty alleviation etc helped <u>plaster over the cracks in Malaysian society as all of the groups, including Chinese and Indians benefited from the economic growth.</u></p>

Use of Force

Country	
Burma	

t3. **Outcomes of Unity Efforts**

- 3.1. Results and impacts of various strategies and tools

Country	
Burma	<p><u>On indigenous minorities after 1988 (prior has alr been covered)</u></p> <p>Attempts by SLORC to appease minorities</p> <ul style="list-style-type: none"> - SLORC's main achievement towards NU was the <u>negotiation of cease-fires with the ethnic minority rebels</u> - The peace overture included

	<p>incentives for these minorities, such as allowing them to retain their arms and providing monetary assistance after the ceasefire agreements</p> <p>The Shan State Army, Kachin Defense army, signed ceasefire deals with the central Burmese government in the late 80s early 90s</p> <p>The military government also established schools and hospitals in rebel-controlled areas after 1988, and sought to foster national solidarity through socio-economic development in these areas</p> <ul style="list-style-type: none">- This was important because it gave credence to the government's claim <u>of upholding the interests of ethnic minorities</u> → and this emphasis on welfare garnered some degree of support amongst minorities- But nonetheless, even their ability to provide for the minorities was severely limited <u>because of the limited development they could provide because Burma was essentially bankrupt</u> because of its international isolation and mismanagement <p>Moreover, insurgent groups still remained resistant to the state's overtures, in part due to the historical animosity towards military</p> <ul style="list-style-type: none">- Many of the ethnic minority areas had long benefited from foreign aid and assistance, particularly from the USA and American missionaries- As a result, they remained resentful towards the military as the military had taken away what was critical for their advancement <p>On immigrants</p> <ul style="list-style-type: none">- The Burmese government, as described earlier has alienated the immigrant minorities in a bid to promote Burmese unity <p>The 1982 Citizenship Act aspect</p>
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- It Recognised 135 ethnic groups in Burma, but excluded the Chinese, Indians and Anglo-Burmans
- They were thus now ineligible to take charge of government departments and sit on policymaking bodies
- It also signaled to the immigrants that they were viewed differently and their exclusion in politics was hence deliberately done to disadvantage them

Economic nationalism aspect

- Indians and Chinese who had long dominated Burma's moneylender and import-export sectors were **expelled and their property seized by the state**
- There was thus an exodus of more than 300,000 South Asians from Burma
- These were done to distribute assets to indigenous people → But they were not economically sound as the Burmese did not have the management expertise and skills needed to effectively run these businesses
- This then led to shortages in rice and consumer goods → Chinese merchants took advantage of the situation and thrived in **the Burmese black market** → In 1967, the scarcity of rice in Rangoon brought about an attack on Chinese-owned businesses and the embassy of China

Political impacts

- The indigenous minorities, through and through were shut out of the Bamar-dominated political system **and did not have representation or autonomy under military government**
- This thus led to the persistence of secessionist movements, which in TURN aggravated the Burmese

military government who believed that the territorial integrity and unity was threatened hence they intervened **with the use of force**

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Economic impacts

- State oppression and ethnic conflicts have **resulted in neglect and deterioration of minority welfare** → Still remain poor with little social welfare and infrastructure development
- This galvanized these minorities into the drug trade, of which these minority areas formed part of the 'Golden Triangle', the largest supplier of illicit opium in the entire world
- Nationalization of immigrant minorities' businesses led to rise of black market, loss of dynamism and efficiency and management expertise → Hence worsened the economic situation

BUT in 1988, the SLORC encouraged private sector growth

- Gave Chinese and Indian businesses opportunities to expand and regain economic influence → and they both retained their strong business influence in the 1990s

Social impacts

- Assimilationist policies alienated ethnic minorities
- Under the Burmese military's 'four cuts' doctrine, many ethnic minority villagers who lived in insurgent areas were forcefully relocated to areas outside of their own homelands to **prevent them from aiding guerillas**
- This was pertinent in the Shan, Kayah and Karen states → and further aggrieved these minorities and worsened national unity
- Also pertinent in Rakhine states where the Muslim Rohingnya fled to

	<p>Bangladesh in the 1990s against violent persecution by the military</p> <ul style="list-style-type: none"> - The Burmese government also prohibited the Indian Muslims from celebrating their religious holidays and ceremonies →and rejected Indian Muslim campaigns for mosque-building and refused to provide visas for them to perform the Haj <p>Some Chinese on the other hand, who were primarily Buddhist were pragmatic and Burmanised themselves voluntarily to get citizenship</p> <ul style="list-style-type: none"> - Nevertheless, others remained non-citizens, and chose to rely on their own communities for their economic survival rather than the Barmans -
Indonesia	<p><u>Socio-economic development and regional equity efforts</u></p> <p>From 1992 to 1993, 16.3% of the development budget which accounted for more than 3 trillion rupiah was allocated for <u>provincial and village level development, particularly in the poorest rural provinces</u></p> <p>In 1991 and 1992, increased government expenditure was also earmarked towards the development of roads, education and rural infrastructure for the Eastern provinces → which helped to tackle regional disparities <u>and inequality.</u></p> <ul style="list-style-type: none"> - This elevated Suharto's standing and contributed to the minority provinces' sense of national belonging <p>Under Suharto, Indonesia became a newly industrialized economy and was one of Asia's second-tier tigers.</p> <ul style="list-style-type: none"> - The population below the poverty line

fell from almost 70% in the 1960s to 17% in the early 1990s

SPECIFIC POLICIES TOWARDS INDIGENOUS MINORITIES

1. Sukarno adopted a unitary system rather than a federal system because federalism was utilised by the Dutch to undermine the republic and retain colonial rule → Hence, the unitary state and its emphasis on preserving territorial integrity and national unity was selected
2. BUT..this resulted in political marginalization and under-representation of the ethnic minorities in favor of Javanese control
3. Suharto's depoliticization of society further limited avenues for minorities to voice their concern
4. Jakarta-centric government **also imposed policies in the outer islands with blatant disregard for local traditions** → Transmigration and the influx of Javanese into outer islands, who disregarded and contested the traditional economic systems and control of resources created minority resentment against Javanese rule, **which fuelled secessionist attempts in Aceh, East Timor and West Papua**

Use of force

1. The proclamation of East Timor's independence in November 1975 and the threat of a communist government rising to power galvanized Indonesia into invading East Timor, which it formally incorporated into the republic in July 1976
2. Military committed gross human rights violations in East Timor, with more than 200,000 Timorese killed or dead by starvation
3. This gave the Timorese no viable political avenue to address their

resentment → and they took up armed struggle that threatened to destabilize the region

EXPLOITATION OF RESOURCES IN MINORITY REGIONS

1. The most dynamic economic centers remained concentrated in Java and not in other areas
2. East Kalimantan, Riau, Aceh and West Irian contributed far more to the national economy **on a per capita basis than what they received for investment**
3. Aceh's oil was extracted and processed in foreign and Javanese-owned industrial enclaves → and the Acehnese saw their resources exploited and plundered only to sustain the lifestyles of a **corrupt national elite and to finance Javanese-centric programs**, yet RECEIVED NOTHING in return

Aceh's rich oil resources, and the role of the Islamists who detested Pancasila and wanted Sharia law → Helped fuel succession because an independent Acehnese state was economically viable since it had sufficient natural resources like oil to export and sustain itself

Move towards decentralization Post-suharto

1. President Habibie **passed the Regional Autonomy Law in May 1999**, according provinces a greater role in governing their areas
2. Habibie also acceded to the UN-backed referendum which brought about an independent East Timor → Despite the precedent for secession that it would set in the rest of Indonesia
3. Gus Dur also adopted a softer stance toward Aceh, engaging in negotiations and reducing the number of military personnel
4. In September 2000, West Papuans raised their ethnic Morning Star flag, which was accepted by Gus Dur so

	<p>long as it was placed lower than the Indonesian flag. THIS WOULD NOT HAVE BEEN TOLERATED BY SUHARTO DUE TO ITS ASSOCIATION WITH THE FREE PAPUA MOVEMENT</p> <ol style="list-style-type: none"> 5. He also preserved national unity through forceful means nonetheless, as he utilized the military and declared martial law in September 2000 in response to Christian-Muslim clashes in Ambon in 2000 6. The promises of greater autonomy <u>paved the way for the Acehnese to finally give up fighting (after almost 30 years).</u> 7. In 2005, the Indonesian government reached a settlement with the Acehense fighters, promising them greater autonomy and allowing them to enforce Sharia law → hence maintaining Aceh within the Indonesian realm
Malaysia	<p>Political impact and response</p> <ol style="list-style-type: none"> 1. Alliance formula helped ensure that the minorities could articulate and <u>protect their interests</u> 2. HOWEVER, this also meant that politics was communal and race-based in nature. Chinese minorities for instance turned to the DAP which sought for a more egalitarian Malaysia in which the Malays DID NOT HAVE their special rights → Harming Malay sentiments and overall NU <p>Socio-economic impacts</p> <ol style="list-style-type: none"> 1. Although the Chinese and Indians continued to maintain their economic dominance even with the NEP and its pro-bumiputera policies, it still

	<p>generated a lot of resentment</p> <ol style="list-style-type: none"> 2. This stems from the perception that the bumiputera policies were discriminatory by race, as poor Chinese and Indians still had the right to be beneficiaries of the policies, especially more than the wealthy Malays who nonetheless benefited despite their better financial status 3. The bumiputera quotas at tertiary level displaced minorities who sought higher education, the higher entry requirements also led to a fall in Chinese and Indian enrollment → which drove many Chinese and Indian overseas for their education 4. This thence diluted the sense of national identity amongst Malaysians → and contributed to Malaysia's brain drain problem as nearly 1.5 million Malaysians lived outside of Malaysia by 2005, with the vast majority of them being Chinese Malaysians living in Singapore
Singapore	<p>Political impacts</p> <ol style="list-style-type: none"> 1. GRC system brought about greater minority representation 2. The indian community has actually been over-represented in politics, as despite only accounting for 8% of the population they represent 25% of parliamentarians, and they have played an important role in securing the interests of all minority groups in Singapore 3. Nonetheless, PAP has entrenched Chinese dominance of the political system, in that PAP leaders have openly voiced out their belief that Singapore was not ready for a

	<p>non-Chinese Prime Minister and hence the executive branch of power was to remain Chinese</p> <p>4. GRC system was also criticized for promoting racial consciousness rather than reducing it → And also inadvertently promoted prejudice against the minorities as it suggested that the minorities had to get an unfair advantage in order to play an important role in the country</p> <p>Socio-economic impacts</p> <p>1. State actively ensures that there are places of worship for the various communities. For instance, the government created MUIS to look after the interests of the Muslim community → Has built mosques and has played a critical role in administering Muslim affairs such as halal certification and zakat → Much of the Zakat has been to the benefit of the lower-income earners of the Malay community</p> <p>The Malay community has benefited immensely from the government's provision of incentives (free education, scholarship bursary etc)</p> <p>1. In 1990, only 12% of Malays held PMET jobs, but this rose to 23% by 2000</p> <p>2. The total number of Malay university graduands increased by more than 3.5 times → with significant increases in the number of Malay graduates in engineering, medicine, dentistry and IT (professional sectors)</p> <p>3. Inequality still persists. Moreover, beneath the surface of a seemingly cohesive society,</p> <p>1. The continued existence of SAP schools which are almost exclusively Chinese, promotion of Mandarin AND the lack of Malays in the upper</p>
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	<p>echelons of the military means that Singapore has still not succeeded <u>in shackling itself free of pro-Chinese and bias and discreet discrimination</u></p> <p>Moreover, the OB markers (Out of bounds markers. Cannot talk about Race and religion openly similar to Malaysia) and LAWS (Sedition Act) means that the <u>achievement of national unity could just be a mere facade</u></p>
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Overall summary

Country	
Burma	<p>On the whole,</p> <ol style="list-style-type: none"> 1. The emphasis on Burman identity, superiority and Buddhism did <u>achieve unity amongst ethnic Bamars</u>, at the expense of inter-ethnic animosity with the other groups 2. The <u>failure of the state to recognise and respect the diversity of the ethnic groups</u> (ROLE OF GOVERNMENT) → was recipe for national disintegration <u>BECAUSE it entrenched minority consciousness of their status as a minority</u> <p>Even as the government succeeded with signing ceasefires after 8888→ Their use of extreme force and their perpetuation of war crimes against the minorities still <u>made these minorities resentful of the military</u></p> <p>The provisions for minority areas <u>signaled improve relations between the state and minority groups BECAUSE it was an accomodative policy</u> → and this generated</p>

	<p>a more positive response from minority groups who became more willing to consider themselves part of a larger Burma as a result</p> <p>HENCE, government is responsible</p>
Indonesia	<p>Political impacts</p> <ol style="list-style-type: none"> 1. The unitary nature of Indonesian statehood resulted in minorities being under-represented 2. It was not until Suharto's fall and the <u>Regional Autonomy Law in 1999</u> that ethnic minority leaders had more autonomy 3. The migrant Chinese however remained <u>convenient scapegoats whenever there was societal strife</u> <p>Economic impacts</p> <ol style="list-style-type: none"> 1. Economically, some minorities have benefited from the government's pro-growth and regional development policies 2. Ethnic minorities such as the Bataks and the Buginese benefited from urbanisation and the growth of the Middle class under Suharto 3. Minorities in the resource-rich region of Aceh and West Papua however continued to believe that they were economically exploited by Java as Javanese and Chinese business exploited their resources without sharing the economic wealth with the population 4. Indigenous tribes also lost their homes and land due to economic exploitation by government and businesses 5. The Chinese who formed patron-client relationships with the Suharto government profiteered immensely from Suharto's regime, with some forming monopolies in specific areas and Chinese Indonesian conglomerates grew to be some of the largest in the region

	<p>Social impacts</p> <ol style="list-style-type: none"> 1. Bahasa Indonesia became the lingua franca of the different ethnic groups → BUT the emphasis on BI and its economic value led to the extinction of many languages in the region 2. The emphasis on Pancasila and secularism alienated the Acehnese who wanted Islam to take on a greater role in society 3. But secularism helped alleviate fears of Muslim domination amongst the Hindu Balinese as well the Christians <p>For the Chinese,</p> <ol style="list-style-type: none"> 1. The assimilation policy from 1965 to 1998 banned the display of Chinese-related activities in <u>public, including symbols and language</u> 2. Festivals like the Spring Festival were not allowed to be observed openly, and CNY was only to be practiced at home up until Gus Dur lifted the ban and Megawati declared CNY a national holiday
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EQ 2:

Certainly! Here's a neater, numbered version of your outline:

****Economic Change in Southeast Asia****

1. ****Key Goals and Objectives****

- 1.1. Pursuit of economic growth, equity, and nationalism

2. ****Sectoral Changes and Continuities****

- 2.1. **Agricultural Sector:**

Country	
Thailand	<p>Although agricultural sector experience modernisation and though its share of GDP declined from nearly 60% in 1950 to less than 10% in 2000, it still remains a crucial part of the economy</p> <p>Agriculture remains important to the economy as it employs $\frac{1}{3}$ of the labor force</p> <p>Despite HYVs, green revolution and mechanization → Agricultural sector did not enjoy consistent economic growth as the annual growth rate fluctuates from -5% to 13% → Hence growth of agricultural sector was mainly contingent on external conditions not on government/private industry initiatives</p> <p>Even though industrial sector seems to > agricultural sector later on, agricultural sector still provides <u>crucial raw materials for manufactured products</u></p> <ul style="list-style-type: none"> - Importance of agricultural sector cannot be said to be eroded as Thai rubber plantations that provide the latex used in tires, gloves and condoms
Indonesia	<p>Decline of agriculture under Sukarno</p> <ul style="list-style-type: none"> - Three-year Rice production Plan (1960-62) sought to increase rice production to sustain Indonesia's growing population → Failed miserably as production even declined in 1962 - Sukarno sought to increase use of HYVs, use fertilizer and expand the use of pesticides → Failed due to lack of forex and hence government had to increase rice imports from 1950-1957 → Rice imports took up $\frac{1}{2}$ of forex under Sukarno's rule

	<p>-----</p> <p>Under Suharto, in Repelita I, <u>Bimas agricultural extension program</u> was introduced.</p> <ul style="list-style-type: none"> - Government provide subsidies to acquire fertilizers, pesticides and disseminated HYVs across Indonesia in the 1970s - At the height of the green revolution in 1978-1981, rice output grew at 6.1% annually. <p>Immense success: Annual output rose from 19.6 million tonnes from 1971-1975 to 37.6 million tonnes in 1984-1988. By 1984, Indonesia achieved self-sufficiency in rice and had transformed itself from a major rice importer to self-sufficient</p> <p>Nonetheless, whilst successful in rice Indo was not as successful in other areas</p> <ul style="list-style-type: none"> - Failed to develop commercial farming in rubber and sugar → and although Chinese and foreign investors were successful in developing cocoa and oil palm industries → They still lagged far behind Malaysia who had already developed palm oil industries in the 1930s
Malaysia	<p><u>Agrobank</u> was established in 1969 and by 1980, became the largest financial institution to provide credit in agriculture</p> <p>British control of plantation and mining sector was also reduced → Sime Darby, Guthrie and Harrisons were taken over by locals</p> <p>Agriculture's share of GDP declined from 43% to less than 10% in 2000 and its share of employment fell from 70% of the population in 1960 to just 16.7% in 2000</p> <p>Still remains a crucial part of economy → Agricultural products like palm oil are processed and exported as manufactured</p>

	<p>products</p> <p>Green revolution helped increase rubber yield by more than 120% between 1954 and 1970.</p>
Singapore	Nothing
Vietnam	<p>North Vietnam sought to collectivize all farms in Vietnam</p> <p>From 1953-1958, NV developed mutual aid teams (MATs) in which individual peasants were to help each other with their respective issues → BUT kept intact individual ownership of means of production</p> <p>MATs later evolved to larger cooperatives (collectivisation) and by end of 1959, more than 45% of peasant families worked on cooperatives</p> <ul style="list-style-type: none"> - Privileges such as lower tax and cheap credit were offered to peasants who volunteered to join cooperatives <p>Government later initiated 'three-point contract system', which in effect gave it control of workers' focus in aspects of agriculture in a bid to make farmers specialize and develop their niche in certain areas → Improve productivity</p> <hr/> <p>Limited effectiveness</p> <p>From 1958 to 1975, average paddy yield increased by only 3.9%</p> <ul style="list-style-type: none"> - Vast majority of cooperatives used rudimentary means of production such through ploughs and draught animals → was unproductive and lagged behind its neighbours in mechanising farming. STATE WAS <u>misallocating resources</u> towards industry instead of agriculture <p>More importantly, peasants had no incentives to work on cooperatives as despite the incentives, they were coerced to join and only did so because they feared sanctions</p> <p>Moreover, 'three-point contract system' was</p>

	<p>also flawed as despite the specializations, farmers themselves did not profit and hence were not economically motivated → Were indifferent to the quality of their work and only sought to finish what they were assigned to do quickly</p> <p>Most peasants devoted more attention to their family plot as although it only represented 5% of total agricultural property, it brought more than half of his total income</p> <p>In the fourth Five Year Plan (1986-1990), the state allocated more resources to help farmers use fertilizers and use pesticides and HYVs</p> <p>Collectivisation was still preserved, but households were now encouraged to play the chief role in agricultural production and cooperatives' role was limited to organising technical services to raise productivity</p> <p>Nonetheless, the famines mentioned earlier led the party to decollectivise agriculture entirely. Peasants now had the freedom to decide what, how much and how to produce and sell its crops on state allocated land</p> <p>COMPLETE CHANGE in agricultural policy</p> <p>Moreover, Doi Moi reforms are extremely important here as it helped transform Vietnam from a net food importer into the world's second largest exporter of rice and third largest producer of coffee by 2005</p> <p>Between 1989 to 1999, agricultural production increased continuously and reached a growth rate of 4.3% per annum. Rice yield increased by 33%</p>
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- 2.1.1. Agricultural modernization
- 2.2. **Industrial Sector:**

Country	
Thailand	<p>Industrial sector experienced rapid growth. Industry as % of GDP grew from 13% to 41% between 1950 to 1960.</p> <p>Services sector also grew from 30.5% in 1950 to 50%, becoming Thailand's largest sector in the economy in 2000.</p>
Indonesia	<p>Under Suharto, rapid industrial development was initiated and sustained during his tenure.</p> <ul style="list-style-type: none"> - Manufacturing sector grew at about 9.6% annually from 1967 to 1973, and 14.2% from 1973 into the 1980s
Malaysia	<p>From the government section/external development, Mahathir formed proton, Japanese FDI increased establishment of EPZs helped Malaysia develop CA in more-advanced areas etc BUT</p> <ul style="list-style-type: none"> - There was limited transfer of technology in the initial phases of industrialization - Even the revision of such policies to encourage transfer of tech was still limited <p>→ Foreign companies sought to ensure continued technological dependence on them rather than enable Malaysia to become self-sufficient technologically</p> <p>For instance, tech transfer in electronic and automotive sectors is limited as local component companies remain dependent on foreign tech</p> <p>Moreover, although Mitsubishi helped develop Proton → Proton relied on imported components from Japan and lacked the ability to produce such components on their own</p>
Singapore	<p>Manufacturing activities were sought after so as to reduce the fluctuations characteristic of entrepot re-export trade and help provide for more rapid economic growth</p> <p>During the oil crisis and when SG neighbors</p>

	<p>like Brunei, Indo and MY benefited from oil crisis</p> <ul style="list-style-type: none"> - SG constructed drilling rigs and vessels for export, and sought to make SG the hub for ship repairs by focusing on tanker construction and repair spearheaded by GLCs like Keppel Corp. (Largest oil rig builder EVEN TODAY) <p>In 1961, Shell built a \$30 million oil refinery in Pulau Bukom → Now it is Shell's largest oil refinery in the world.</p> <p>SG also built up industries specializing in electronic and electrical goods like semiconductors and integrated circuits → In response to the consumer boom in the western world. Singapore was also the second nation in the world to enter the semiconductor industry → STMicroelectronics opened a foundry in Ang Mo Kio in 1986</p> <p>Government efforts → In the 1980s and 1990s EDB adjusted its tax incentive programs to companies that adjusted production towards high-tech exports</p> <p>Disk drive industry came to SG in 1982 through EDB's incentives → Attracted Seagate and other major MNCs</p> <ul style="list-style-type: none"> - By late 1980s, >50% of disk drive exports came from Singapore - State-owned ST engineering also created a niche for itself in innovation, R&D in the military industry as it supplied many Western European countries and the USA → and was sought after for military contracts due to its competitiveness <p>Semiconductor industry was also formed in 1987 → Through a joint venture between ST engineering and CSM</p>
Vietnam	Intercepts with cold war

	<p>From 1955 to 1965, North Vietnam received more than 3 billion rubles of aid from socialist countries</p> <ul style="list-style-type: none"> - USSR provided capital for investment projects like power plants and mines - China funded 450 projects from 1954 to 1978, such as through funding the development of iron and steel complexes and chemical plants <p>NONETHELESS, much of assistance went towards furnishing economy with consumer goods which were sorely lacking and financing the growing trade deficit, which resulted from their export of commodities like coal and tin and their import of higher value-added goods like consumer goods and machinery</p>
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- 2.2.1. Expansion of the industrial sector

Country	
Thailand	<ul style="list-style-type: none"> - Growth rate of the manufacturing sector was 10.3% in 1961 and rose to 15.2% annual growth in 1976. - Share of manufactured products in total exports grew from 3.8% in 1966 to 65% in 1990, exceeding share of agricultural commodities <p>Hence both government and private biz were crucial in helping bring about structural changes in Thai economy, as it shifted from traditional dependence on agriculture into industrial products</p> <p>Manufactured exports also diversified from mainly textiles to more advanced forms such as electrical circuits and computers, which helped cushion the economy from commodity downturns.</p>
Indonesia	Under Sukarno in 1960, an eight-year

economic development plan was introduced to build up the manufacturing sector

- But the government had no ability to finance the 335 industrial projects that the plan outlined that costed millions
- The military, who had previously taken over western businesses, were evidently incapable of managing them due to lack of expertise and experience

Under Suharto, he welcomed foreign investors and promoted rapid industrialisation

1967 Foreign Investment Law

- Provided attractive incentives to investors
- Guarantees against nationalization, tax holidays, tariff rebates etc
- Attracted the International Nickel Company and Freeport Sulphur company → Mined Indonesian natural resources
- Toyota entered as well, forming joint venture with Astra International (Chinese-owned) and Astra Intl held exclusive license to produce Toyota cars in Indonesia

State-led development of ISI industries

- Government sought to expand manufacturing sector in production of aluminum, cement, food and textiles

By 1983, state enterprises commanded 50% of GDP and paid 50% of all corporate taxes

- These industries (state-owned) received subsidies and their competitors were warded off with tariffs (ISI) → but this raised costs for consumers and made Indonesian products uncompetitive

In 1968, the government implemented the **Domestic Investment Law**, which offered similar incentives that had been given to foreign investors → Primarily benefited Cukong businessmen

Malaysia	<p>Malaysia's industrial sector chartered significant growth in the early years → annual growth rate of 10% between 1965 to 1970</p> <p>Persistence of protectionism</p> <ul style="list-style-type: none"> - High import duties were imposed on steel products throughout the 1980s to protect local steel corporations <p>Complacency → Perjawa Steel (state-owned) had debts close to 2.3 billion RM by 2000</p>
Singapore	<p>In addition to those aforementioned industrialization efforts, Singapore also sought more FDI and provided an exceptionally favorable tax regime to foreign investors. → Became a global tax haven</p> <p>In 1967 <u>Economic Expansion Incentives</u> granted pioneer status with tax exemption on profits to new investment by firms.</p>
Vietnam	<p>Vietnam also sought heavy industrialisation in line with socialist doctrine</p> <p>In the <u>Socialist Transformation Plan</u> (1958-1960), nearly 45% of the budget was allocated for industrial purposes → and an emphasis was placed on mining and electric power industries</p> <p>Second to industry in the budget was investments in infrastructure (18-20%) → Pre-war rail network was restored, and sought to build roads and connections between North Vietnam & China</p> <p>French owned mines and factories were also nationalized in 1955-1957 (and see what happened to Chinese under role of pvt biz)</p> <p>From 1957 to 1960, both heavy and light industry increased their output value by 165%</p>

and 50% respectively, hence showing that hey, it wasn't that bad.

BUT

- This was only really possible because the starting point for Vietnam's industry was already very low
- The gross industrial output increased through from 1960 to 1965, but shrunk during war years because of devastating US bombing

Despite exponential increase, these goods were often low quality and substandard AND by 1975, North Vietnam was still primarily agrarian as industry only accounted for 28% of GDP compared to agriculture which was 40%

As the state prioritized heavy industry above light industry, as evident in how state investment in heavy industry accounted for 70% of all industry investment, they also nationalized light industries in Vietnam and focused and used their machinery etc and dedicated them for heavy industry use

In the south, this resulted in a greater shortage of basic consumer goods. Between 1976 and 1980, heavy industry grew 31.4% but consumer goods shrunk by 12.5%

Nonetheless, under Third FYP plan were there was now greater emphasis on light industries → Industrial production grew by 54% from 1981 to 1985 BUT this was still far from good given the low base and low quality of the output

New regulations were introduced in 1987 whereby state agencies would now not interfere in the daily operation of state enterprises.

- Moreover, if they could produce profitably, they could use additional funds to invest in their workers by providing bonuses/higher salaries or in production by using more tech
- State also encouraged direct links between SOEs and foreign

	<p>companies</p> <p>NONETHELESS, state-run enterprises still failed to play a leading role in economy unlike SG.</p> <ul style="list-style-type: none"> - Managers found it hard to make profitable decisions due to four-digit inflation rates and corruption was rampant amongst these managers - Moreover, state subsidies remained high which deterred risk-taking and independence <p>Henceforth, state subsidies ended by 1992 and price reforms were made → Helped improve the contribution of SOEs to economy from 14.4% to 20% in from 1990 to 1994</p>
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- 2.2.2. Shift from import-substitution industrialization to export-oriented industrialization

Country	
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Thailand	<p>Nonetheless, Thailand suffered from persistent problem of protectionism → Resulted in lack of export competitiveness</p> <ul style="list-style-type: none"> - Technocrats in BoI were more focused on macro-economy, and hence considered tariffs to be beneficial as they served as a source of government revenue - Local firms also benefited as they faced less competition → But this made them complacent and less efficient, hence less price competitive on global market <p>Many of these import-substitution firms charged higher prices for their products than the world market → Many of these products were inputs used in production of other things, hence the competitive position of the Thai economy was impaired in nearly all industries.</p> <p>The government then sought to restructure the tariffs → But these maneuvers were lobbied against by firms . The endemic crony capitalism hence then became a serious problem for Thai economy</p> <p>When they sought to move from ISI to EOI, they faced many obstacles</p> <ul style="list-style-type: none"> - There was a heavy reliance on foreign investors to drive the development of tech-advanced industries to promote exports - The tariffs that domestic firms were protected by led to an absence of incentives for technology transfer between foreign and domestic firms - <u>Dualistic industrial sector in manufacturing sectors</u> → Local firms largely lacked linkage to dynamic export sectors → Thus remained relegated to commodity components whereas foreign
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	<p>companies used Thailand as a base for technologically advanced manufacturing. Thai companies were mainly importing electronic parts to produce personal computers for domestic market, and then primarily selling them domestically</p>
Indonesia	<p>When the oil boom ended in 1985-1986, the Indonesian government moved from oil to manufacturing sector and embarked on EOI to expand manufacturing sector</p> <ul style="list-style-type: none"> - Initiated trade reforms to liberalize trade and introduced deregulation measures to stimulate export industries → which lowered production costs and incentivised private companies to invest in export sector - Government also attempted to sell of state industries to private sector so as to add more efficiency and dynamism that state owned industries often lacked - But this shifted assets from state to political elite → Suharto was not committed to privatization due to opposition from nationalists and bureaucracy <p>In the 1990s, curbs on foreign equity ownership were also removed and foreign businesses were allowed to enter previously restricted sectors → Channelled foreign capital, expertise and technology (Sony and Canon entered Indonesia as a result)</p> <p>As a result of such maneuvers, Indonesia's export structure diversified. In 1980, oil accounted for 72% of total exports whereas in 1997, manufacturers represented 73% of total exports and oil accounted for only 10%</p> <p>NONETHELESS, Indonesia still lagged behind its neighbors. Thailand, Malaysia, SG were already producing automobiles and</p>

	<p>electronics by the time Indonesia had developed CA in light-base industrial products</p> <p>MOREOVER, like Thailand → Persistent protectionism, lack of competitiveness</p> <ul style="list-style-type: none"> - Pribumi entrepreneurs had no desire to improve productive capacity and lobbied for continuation of tariffs and monopolies - The persistent restraints on domestic competition and over-protection damaged economic efficiency and production lacked the competitiveness it needed to develop industrial base for sustainable transition to EOI <p>Nonetheless, successfully transitioned to EOI after 1987, but this was still largely limited to labour-intensive low-tech industries and its CA still depended on low wages → Vulnerable to rise of India and Bangladesh who were able to offer cheaper labor</p>
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- 2.3. **Financial Services Sector:**

- 2.3.1. Expansion of the financial services sector

Country	
Thailand	<p>From 1990, Thailand embarked on financial reforms which intended to make Thailand a financial hub</p> <p>Key measures include allowing greater flexibility for financial institutions in managing their assets and lifting interest rate caps/ceilings +relaxation of e/r controls</p> <ul style="list-style-type: none"> - Relaxation of exchange controls facilitated movement in and out of Thailand for investment. - High i/r to attract FDI and also curb inflation <p>Bangkok International Banking Facilities (BIBF) was created in 1993. Take deposits</p>

	<p>and loans from abroad and extend loans to local borrowers. Served as intermediary between foreign banks and local borrowers</p> <p>Financial plans were effective in facilitating inflow of capital, which doubled in four years.</p> <p>Financial liberalization became problematic as manufacturers redirected their bank loans from investing in their production into the stock market to make quick gains. Also led to an asset bubble → worsened by lack of regulation and lowered investor confidence culminated in Asian</p>
Indonesia	<p>Indonesia deregulated financial sector in October 1988 → Gave private banks access to the Indonesian market with relatively low entry requirements</p> <p>Foreign banks were permitted to operate provided they operated in partnership with domestic private banks</p> <p>No. of domestic private banks doubled from 1988 to 1994 and foreign banks quadrupled in 1989</p> <p>Capital flow from Indonesia increased increased five-fold from 1992 to 1996 as a result</p>
Singapore	<p>Government sought to transform Singapore into a major regional economic hub</p> <ul style="list-style-type: none"> - Bank of America came in 1968 → made it easier for capital inflows to come into the country <p>International financial operations grew at 22% annually in the 1980s and by 1993, almost ⅔ of assets in banks were controlled by foreigners</p> <p>As such, Singapore liberalised its financial sector much earlier and by 1984, was the third most important financial centre after Hong Kong and Tokyo</p>

	<p>In a bid to ward off competition from other ASEAN countries who were liberalising their financial systems → Gov implemented more reforms</p> <p>→ Insurance and securities were completely liberalised</p> <ul style="list-style-type: none"> - By 1988, Singapore had hundreds of banks and was established as the banking capital of South-east Asia
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- 2.3.2. Financial liberalization and regulation

Country	
Thailand	<p>Nonetheless, such liberalization was arguably excessive</p> <ul style="list-style-type: none"> - Financial reforms made Thai economy vulnerable to capital flight - High domestic interest rates made inflation low → But made it cheaper for Thai biz to borrow from foreign banks rather than domestic ones - Foreign borrowing increased rapidly, and Thai external debt increased from US\$30.5 billion in 1992 to US\$92 billion in 1995 <p>Foreign debt multiplied when Thailand's central bank couldn't support the currency anymore despite expectations it could</p>
Indonesia	<p>Although Indonesia liberalised financial sector, there was little oversight</p> <p>Many banks flouted the Central bank's rules, and yet such blatant wrongdoing were excused because these banks were partly owned by Suharto's family or were owned by Cukongs (patron-biz relationships)</p> <p>In 1996, non-performing loans averaged 10% and this shot up to 54% shortly after AFC</p> <ul style="list-style-type: none"> - Yet the government committed to

	<p>paying out deposits of banks up to a limit of 20 million rupiah per customer → Costing Bank Indonesia (BI) 8.5 trillion in 1997 alone</p>
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- 2.4. Importance of key sectors to the economy

- 2.5. Extent of economic diversification

3. **Factors Shaping Economic Change**

- 3.1. Domestic economic conditions

Country	
Thailand	<p>Immediately after WW2,</p> <ul style="list-style-type: none"> - Thailand had a BOT deficit and a shortage of national reserves → saw it crucial to build them up and earn foreign currency to fund industrialization by selling more exports like rice
Malaysia	<p>The British colonial government exploited Malaysia's rubber and tin resources, and repatriated those profits back to the colonial metropole and did not diversify Malaysia's economy</p> <p>The British also practiced a policy of divide and rule, Malays were primarily farmers whereas Chinese dominated commerce and Indians dominated professions like doctors and lawyers</p> <p>As a result, the Malaysian government placed priority on economic diversification and poverty alleviation (for bumiputeras)</p>
Singapore	<p>Following independence, economic survival was of utmost priority due to lack of natural resources</p> <ul style="list-style-type: none"> - The British withdrawal 'East Of Suez' in 1968 also hurt SG economy → As

	British spending accounted for 25% of GNP and provided jobs for 21,000 citizens
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- 3.2. Role of government:

- 3.2.1. Economic aims and strategies

Country	
Thailand	<p>Immediately after WW2, the Thai government sought to reinstate export of key primary products like rice and rubber. Rice accounted for 48% of Thailand's export earnings from the late 40s to early 1950s.</p> <hr/> <p>In response to growing regional competition, government initiated Green Revolution to</p> <ol style="list-style-type: none"> 1) Diversify crops to reduce dependence on rice 2) Modernize agricultural sector 3) Develop manufacturing sector → Attract FDI and boost manufacturing capabilities <p>Government also promoted industrial sector and service sector as elaborated upon below</p>
Indonesia	<p>Under Sukarno, the Indonesian government ran persistent budget deficits due to spending on foreign policy adventures (West Irian, Konfrontasi) and building monuments → Less than 50% of funds went to investments in the economy</p> <p>- These deficits were financed by increasing money supply → Hyperinflation reached</p>

	<p>1500% in 1965</p> <ul style="list-style-type: none"> - High inflation led to decline of Indonesia's key exports → Industries were only producing at about 20% of their capacity. By 1965, Indonesia was bankrupt and had debts exceeding \$2 billion <hr/> <p>Under Suharto, he prioritized <u>economic growth</u> over nationalism and was pragmatic</p> <p>He stabilized Indonesia's economy following Sukarno years → Resumed friendly relations with western countries and promoted ASEAN cooperation.</p> <ul style="list-style-type: none"> - Negotiations with USA and Japan enabled resumption of economic projects like the Assahan Dam project and modernisation of port facilities in Java <p>Nonetheless, under Suharto the military had a disproportionately large influence on the economy, with them possessing exclusive monopolies over production/import of certain goods</p> <p>Many of these state-owned state-supported corporations were also badly managed</p> <ul style="list-style-type: none"> - Pertamina - One of the world's largest corporations by the 1970s → But amassed a huge debt of \$10.5 billion
Malaysia	<p>As mentioned earlier, government sought to nurture new areas of economic growth for Malaysia as well as reduce poverty, especially amongst the bumiputeras</p> <p>Tun Abdul Razak established <u>Felda in 1956</u> to address rural poverty and resettle land farmers</p> <ul style="list-style-type: none"> - Felda cleared land and developed new settlements for landless farmers, who received both a plot of land and a house - Felda focused on developing land for rubber cultivation and provided technical assistance and introduced modern farming techniques to these bumiputeras (similar to agriculture reforms but will be elaborated upon later) <p>MARA</p> <ul style="list-style-type: none"> - Aimed to promote socio-economic

	<p>development.</p> <ul style="list-style-type: none"> - Provided education to bumiputeras to help them enter the manufacturing sector - MARA also developed infrastructure projects to facilitate greater connectivity in Malaysia between rural and urban areas <p>Bank Bumiputera</p> <ul style="list-style-type: none"> - Bank Bumiputera was launched in 1965 to provide capital and funds for bumiputera entrepreneurs <p>Bumiputera involvement in SOEs</p> <ul style="list-style-type: none"> - Departure of the British led to Malays taking over management of SOEs. Malays replaced British officers in nationalised areas <p>The government also sought to attract FDI</p> <ul style="list-style-type: none"> - <u>Pioneer Industries Ordinance 1958</u> → Firms granted 'pioneer' status were granted tax relief - <u>Investment incentives act of 1968</u> offered enhanced investment incentives like tax holidays and provided infrastructure to help entice investment - These efforts were successful, as more than 60% of manufacturing sector was financed by foreign capital and more than half of pioneer companies were financed by foreign capital as well
Singapore	<p>In the early years after independence, economic strategy centered on building infrastructure, FDI and export-led growth</p>
Vietnam	<p>Vietnam's early government policies were in line with socialist ideals → State ownership and redistribution of all factors of production</p> <p>In 1953, rice exports from North Vietnam was only 215 milion metric tones, which paled in comparison to that of Thailand and Burma.</p>

	<p>As the government believed that collectivisation was <u>the</u> way to improve productivity and yield → In <u>Reconstruction 1955-1957</u>, large-scale rural reforms were undertaken</p> <ul style="list-style-type: none"> - 810,000 hectares of land was confiscated from wealthy landowners and redistributed among more than 8 million peasants, who worked on their newly acquired land - (see more under agriculture) <p>Moreover, after the fall of Saigon, the North Vietnamese launched a socialist revolution in the south</p> <ul style="list-style-type: none"> - Confiscated property and even personal belongings under the campaign code-named X1 - Many wealthy individuals were accused of being speculators and monopolists → which made stabilisation of the economy impossible - Many of those arrested were ethnic Chinese who had collaborated with the west and were regarded as 'crownless kings' due to their control over Vietnam's trade, industry and banking sectors - These industries were nationalised and their assets seized in a bid to expand the state sector, but due to the severe mismanagement, biz operations declined instead <p>Collectivisation also extended to South Vietnam</p> <ul style="list-style-type: none"> - Many peasants boycotted co-operative movement and resisted by slaughtering livestock and destroying their seeds - Moreover, peasants were discontent with the low prices they were expected to be compliant with from the state and the high output they were demanded to produce in their quotas - Moreover, lack of consumer goods also deterred peasants from producing more as even if they produced enough and earned high incomes, they would not be able to spend on it desirables <p>Gross agriculture output successively fell from 1977 and 1978. In 1979, Vietnam's invasion of Cambodia</p>
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	<p>affected industry and agriculture negatively since many men were enlisted in the war ~1.5 million men in the army. A series of typhoons in 1980 destroyed >40% of North Vietnamese crops</p> <p>Between 1975 to 1980, Vietnam had to import more than 8 million tonnes of food during the Second Five-Year Plan, hence highlighting how disastrous these policies were</p> <p>Third Five-year plan (1980-1985) ended the system where farmers received little income yet were forced to meet excessively high targets</p> <ul style="list-style-type: none"> - Farmers were now rewarded for the quality of their work + surpluses could be kept and sold on free market → which incentivised peasants to increase output - From 1981 to 1984, grain output increased 4% and paddy 6% annually → Nonetheless, although communist party celebrated 'food self-sufficiency in 1983', agricultural output still fell short of targets <p>After 1986, Vietnam government sought to stabilise socio-economic situation and revitalise its socialist transformation by implementing market-oriented measures that were largely half-hearted in nature which later evolved to full-blown reform by 1989 following the severe food shortages and famine that hit Vietnam.</p> <p>The context of this was important. Although it seems like 1981-1985 second fyp was good and succesful, this was not the case</p> <ul style="list-style-type: none"> - Hyperinflation of nearing 500% annually was rampant, rice production had declined and they feared how such an economic crisis may escalate into a political crisis → Hence sought to maintain their power through undertaking Doi Moi reform <p>With Doi Moi, the government began to focus on export-driven growth</p> <ul style="list-style-type: none"> - Petroleum was exported in 1987, all of it going to Japan which had refineries that could handle Vietnam's quality of crude oil - Oil output increased 10 times from 1988 to
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	<p>1994, and became the single most important export after 1990</p> <p>Normalization of relations with the USA and Bill Clinton's lifting of trade embargo → Led to them signing bilateral trade agreement in 2000 → USA became Vietnam's largest trading partner and Vietnam gained most favoured nation trade status</p> <p>Vietnam also joined ASEAN in 1995 and participated in AFTA (ASEAN free trade area)</p>
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- 3.2.2. Extent of government intervention

Country	
Thailand	<ul style="list-style-type: none"> - The government assumed monopoly control over the export of rice through the Siam Rice Agency in 1946. (accounted for 22% of public revenue in 1953) - Exchange control was imposed to build up foreign reserves so as to purchase imports and stabilize currency - Tariffs were also imposed to support industrialization efforts → Make local products more price competitive relative to foreign. <p>Early government efforts were largely successful. Strengthened national finances +inflation contained and relative economic stability (THOUGH still limited as seen in external developments portion)</p> <hr/> <p>Role In Agriculture</p> <ul style="list-style-type: none"> - In response to growing regional competition, Thai government dissolved Siam Rice Agency and privatized the rice export trade in 1955

- This was done to make rice trade more productive, efficient and competitive
- Moreover, Thailand diversified to plant fast-growing cash crops. By 1968, Export value of other crops had exceeded that of rice and hence Thailand became less vulnerable to fluctuations in price of rice

The governments' **4th National Economic and Social Development Plan** (1977-1981) sought to mechanize agriculture in Thailand

- Number of tractors increased from <50,000 in 1980 to 200,000 in 1997
- Irrigation was expanded and increased use of fertilizers

Government also encouraged HYVs (High-yielding varieties)

- This helped increase average rice yield from 1.5 tonnes per hectare in the early 1960s to 2.5 tonnes per hectare by early 1980s
- Government also promoted agro-industries. Encouraged **contract farming** which created business relationships between farmers and businesses → Helped provide farmers with access to supply chains and technology , whilst firms benefited from paying relatively lower prices
- This led to C.P group and Big C supercenter to use the contract farming system to produce quality products at low yet highly profitable prices.

Government measures helped boost agricultural productivity, with agricultural yield growth remaining high by more than 3% in the 1990s

Role in Industrial sector

The crisis decades in 1970s and 1980s led to government technocrats promoting exports of light industrial products.

	<p>The Baht was devalued by 15% in 1984 → Thai exports were now more price competitive. Protectionist barriers were also brought down to spur competition</p> <p>In 1985, exports grew annually at 17.8% per annum.</p> <p>Government also promoted the service sector.</p> <p>Visit Thailand Year campaign in 1987 → Sharp increase in tourism revenues and tourism industry employed more than 450,000 people</p> <p>By the end of the 1980s, Thai per capita income exceeded \$1000 and throughout the postwar period Thailand was only second to Singapore in average rate of growth.</p> <hr/> <p>Collaboration with private businesses</p> <p>Sarit established the Board of Investment (BoI) in 1966 to provide incentives for investment in Thailand</p> <ul style="list-style-type: none"> - BoI granted firms tax and tariff exemptions, banned unions and strikes to encourage investment - The 1965 Industrial Promotion Act provided privileges to Japanese and Taiwanese firms <p>BoI was successful in attracting private investments</p> <ul style="list-style-type: none"> - Rapid growth in import-substitution industries in the 1960s - By 1964, 86% of GNP was derived from private enterprises
Indonesia	<p>Under Suharto, Indonesia's economic policy was largely guided by the Berkeley Mafia, a group of highly educated technocrats</p> <p>→ These technocrats sought to liberalize Indonesia's economy and secure macroeconomic stability and they did so through Bappenas through a series of</p>

	<p>five-year plans to diversify the Indonesian economy.</p>
Malaysia	
Singapore	<p>Singapore government sought to create a conducive environment for trade and investment</p> <p><u>Economic incentives expansion act 1967</u> offered various incentives in the form of tax exemptions and loans to attract firms which possessed technological expertise and established marketing channels.</p> <p>Direct government planning came in the form of EDB who made sector-specific interventions in a pre-emptive and timely fashion</p> <p>Singapore's infrastructural base and facilities were expanded E.g:</p> <ol style="list-style-type: none"> 1) Port Of Singapore Authority (PSA) in 1964, developed state-of-art facilities to provide port facility needed to support Singapore's export-oriented strategy 2) Jurong Town Corporation (JTC) in 1968, which was critical in maximizing Singapore's urban land use for both economically productive areas and housing 3) HDB embarked on 30 year East Coast reclamation project in 1966 → which extended Singapore's commercial land in the Southeast <p>Government also intervened to form DBS in 1968 to finance industrial expansion, and DBS financed key areas of development identified by government like tourist and real estate projects</p> <p>Government also sought to differentiate Singapore from its neighbors to attract more FDI by ensuring a disciplined workforce that</p>

provided an environment conducive for FDI

- **Employment Act of 1968** provided standard work week of 44 hours for workers, and reduced annual paid holidays and sick leave provisions
- **Industrial relations act** reduced the power of labor unions and they later came to be controlled by the government through NTUC

Along with a disciplined and competitive workforce, the government also promoted education as part of SG's industrial policy

- In the 1960s the government initiated joint training programmes through EDB and worked together with foreign institutes to develop technically able local personnel. This was evident in the German-Singapore institute of production technology, which helped produce technicians, supervisors and middle management staff to run Singapore's nascent factories. Japan-Singapore software Institute of software technology was another area which sought to help SG become more technologically advanced

Through the National Computer Board (NCB) Singapore spent \$2 billion from 1991-1995 and \$4 billion from 1995 to 2000 to create high tech parks in local universities → attracted many foreign students → By 1999, 17% of R&D focused scientists and engineers were foreign, and many received permanent residency which helped boost Singapore's industrial capacity

GLCS are also a fundamental part of government intervention in the economy

- GLCs have arguably been primary to Singapore's economic growth, above that of domestic firms

GLCs accounted for >60% of GDP and were often infrastructure industries → Like Neptune Orient Lines (NOL) and Keppel and SIA.

- To reduce the inefficiencies related to

public state-owned companies, Temasek Holdings was created so as to 'privatize' them whilst retaining government ownership and ensuring that they focused on productivity and profit maximization, maintaining their competitiveness

- Simultaneously, government connections/influence over these GLCs make it easier for the government to play a stronger role in the economy

Example of GLC

- SIA. Majority owned by government, but was run as a private company and competition was deemed paramount, even above prestige as LKY felt that he would close down SIA and replace it if it was not competitive
- Such an arrangement helped SIA thrive → Made profits of nearly \$16 million in its first year of operation and by 1999 had expanded to more than 40 countries

Another example

- Keppel corp
- With strong financial backing from the **state** to venture into shipbuilding and repair, Keppel established itself as the world's largest offshore rig builder in 1981 and transformed Singapore into one of the top 3 global centers for oil and gas
- SIMULTANEOUSLY (this is crucial) unlike Indonesia, Thailand and Malaysia → These state supported SOEs could not become complacent and were forced to become competitive because the government did not create artificial barriers to entry and they were forced to be competitive

- 3.3. Role of private businesses

Country	<p>General role of ethnic minorities</p> <p>Alien communities (Chinese and Indians) were present throughout the plural societies of Southeast Asia, and were active economic agents with important stakes in the economic development of the Southeast Asian nations. Many had established businesses and profitable establishments since the colonial period, brought in by the need for foreign labour to power development projects or the opening of Southeast Asian countries to international trade owing to colonial trading policies and activities. They continued to exert extensive economic influence following independence, providing skill, capital, resources and employment to the native population.</p>
Thailand	<p>Private sector was a key source of funding to develop manufacturing base</p> <p>Sarit developed close relationships with Chinese entrepreneurs</p> <ul style="list-style-type: none"> - Chinese property and earnings were guaranteed protection if they collaborated with the military. Thai-Chinese businesses formed the backbone of the Thai economy as a result - They also embarked on joint ventures to foster technological changes and develop new areas of comparative advantage - Siam Cement partnered with Japanese Mitsui & Co, helping Thailand modernize cement processes and expand its product range <p>Further elaboration on ethnic minority role The Chinese-owned Bangkok bank was the</p>

	<p>largest business concern in Thailand (>150 million baht in assets. 72 different companies +26 affiliates)</p> <ul style="list-style-type: none"> - It was crucial in shifting resources from agriculture to industry as Thailand industrialized - Some of its constituent companies were Bangkok Insurance and Asia Credit → largest companies in insurance and finance respectively in Thailand - It had immense influence as it was a key source of finance for rice exporters, manufacturers and textiles <p>Bamboo network was important for Thailand's economic development</p> <ul style="list-style-type: none"> - C.P group expanded business in China, Japan and USA and moved between different industries → Earning more profits, much of which was repatriated back to Thailand and re-invested in different sectors of the Thai economy
Indonesia	<p>Under Suharto, <i>Cukong</i> (Chinese) capitalists supplied capital and business acumen to Indonesian society, along with a bamboo network. In return, they were provided protection and insider information.</p> <p>By the 1990s, Chinese businessmen controlled nearly 70% of the Indonesian economy. In 1989, more than 160 out of the top 200 Indonesian largest businesses were controlled by the Chinese</p> <p>Salim group - most famous example. Salim group grew to be the largest private-owned conglomerate in Indo and</p>

	<p>SEA, controlling more than \$20 billion USD in assets, more than 500 subsidiaries in business activities ranging from cement to financial services, and employing more than 200,000 Indonesians.</p> <ul style="list-style-type: none"> - This was thanks in part to the monopoly he held over the clove industry in the late 1960s and other exclusive contracts which was part of the cukong-patron client relationships with Suharto
Malaysia	<p>Chinese people dominated the private sector</p> <p>In the 1960s, Malaysia's local banks were synonymous with Chinese businesses</p> <ul style="list-style-type: none"> - Hong Leong Bank provided loans, deposits and trade financing to Chinese business community - Maybank also provided credit to Chinese businesses - Kuok Brothers owned rubber and palm oil estates, later expanded to hotels like Shangri-La <p>This is an interception of Malaysian government role, external conditions and private biz</p> <p><u>Free Trade Zone</u> act was passed in 1971, leading to creation of <u>Export Processing Zones</u> to support government's EOI efforts</p> <ul style="list-style-type: none"> - EPZ were zones where firms were required to export 80% of their products and would be exempt from customs duties - Malaysia invited Japanese investors to participate in joint ventures, like aforementioned Mitsubishi <p>EPZs also attracted foreign firms</p> <ul style="list-style-type: none"> - Intel and National Semiconductor relocated some operations to Malaysia - AMD, HP, Hitachi also set up operations in Penang <p>U cannot understate importance of FDI/external conditions → In 1991 Malaysia</p>

	<p>was the third largest recipient of FDI in the less developed world, accounting for nearly 10% of total FDI in these regions</p>
Singapore	<p>1985 recession changed government attitudes towards private companies → Technocrats believed that smaller, nimble local enterprises could provide a buffer to Singapore's exposure to risks that came with dependence on foreign MNCs</p> <p>Also sought to privatise some GLCs/SOEs to ensure competitiveness and attract more investment</p> <p>EDB: SME Master Plan 1989 → Creative Technology was under this program and became a leading consumer electronics company by the 2000s</p> <p>Government also privatised strategic areas</p> <p>Singtel: Singtel gradually privatized over the years, and eventually in a bid to ensure more competitiveness, removed Singtel's monopoly in 1997 and encouraged more competition in the industry</p> <p>NONETHELESS, state-involvement is still pervasive in the business sector as even the major private telecom companies are majority owned by Temasek Holdings through its holding companies. Even for other areas, like SMRT and SBS, and SPH and mediacorp are still owned by Temasek hence the role of the government cannot be understated</p> <p>Between 1980 to 1990, Singapore received the biggest absolute level of FDI and despite its small population and size, received almost 13% of all investment in the developing world Between 1985-1995, SG drew in more FDI per capita than any other country → Hosted more than 5000 MNCs by the 1990s</p> <p>Companies like Bosch, Unilever, Proctor &</p>

	<p>Gamble established regional hubs in Singapore throughout 1980s → Giving SG employment opportunities and tech exchange</p>
Vietnam	<p>Whilst Vietnam quickly nationalized French owned mines and factories → It gradually nationalized private enterprises that were primarily owned by Hoa Chinese</p> <ol style="list-style-type: none"> 1) First they did this through joint public-private ownership, whereby party officials decided on prices, wages and output but management and operation was undertaken by private biz 2) By 1960 however, they fully nationalised most major industries and they came under direct state control <p>Nonetheless, by the 3rd/4th fyp, state encouraged SMEs</p> <ul style="list-style-type: none"> - From 1985 to 1988, light industrial production increased by 31.2%. Production of bicycle tires, paper, tea and fish increased BUT cigarettes and sugar fell. Shortages in consumer goods persisted <p><u>Corporate Law and Private Enterprise Law</u> was introduced in 1990 → More than 17,000 firms set up by 1994</p> <p>By the mid 2000s, the private sector contributed 20% of industrial output.</p> <p>Foreign investment policies</p> <p><u>Law on Foreign Investment</u> passed in Dec 1987 was regarded as the most liberal in the region due to high degree of favourable conditions and guarantees</p> <ul style="list-style-type: none"> - Joint ventures between Vietnamese firms and foreign partners were encouraged, and were subject to lower tax rates sometimes even full exemptions in niche high technology

	<p>areas</p> <p>FDI increased to 10% of GDP in 1994. Vietnam became one of the largest FDI recipient amongst developing countries with respect to the size of its economy</p> <p>Nonetheless still limited because of high competition for FDI posed by regional neighbours</p> <p>Foreign firms also utilised old technology and exploited Vietnam's cheap labour for higher profits, and even then FDI only brought up about 90,000 jobs for Vietnamese</p>
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- 3.4. External conditions:

- 3.4.1. Cold War developments

Country	
Thailand	<p>Korean war helped increase Thai rice exports and helped Thailand establish itself as a major exporter of key commodities</p> <p>NONETHELESS: This was short-lived and arguably harmful. End of the Korean war led to fall in DD and hence price for rice fell causing export revenues to fall. (Can also argue how important KW was then)</p> <ul style="list-style-type: none"> - Thailand was also a founding member of SEATO in 1954 and the corresponding military spending and infrastructure investment benefited Thailand <p>Using US aid,</p> <ul style="list-style-type: none"> - <u>Friendship Highway</u> (first modern highway in Thailand) connected Bangkok to rural areas crucial for economic integration

	<ul style="list-style-type: none"> - Bangkok Port was expanded with US support → increasing capacity and efficiency <p>Thailand received more than \$1 billion in economic and military aid annually in response to communist threats throughout the 50s, 60s and 70s.</p> <p>USA was also crucial in helping the Thai government carry out Green Revolution</p> <ul style="list-style-type: none"> - USAID funded agricultural development plans - Rockefeller foundation helped nurture scientists and technicians in Thailand → Who helped propel the use of HYVs <p>Vietnam war context</p> <ul style="list-style-type: none"> - American spending in Thailand was massive during the Vietnam war. 40,000 military personnel were stationed in Thailand and this helped spawn a thriving service industry as hotels, brothels and nightclubs flourished <p>Even after the Vietnam war, economic assistance continued to pour in from the USA to ensure Thailand remained prosperous to protect it from communism</p> <ul style="list-style-type: none"> - Japan + World Bank were also major donors <p>Tourism grew spectacularly as well. Thailand had only 100,000 tourist arrivals annually in 1960, and this swelled to more than 2 million by the 1980s. Revenue skyrocketed from 250 million baht to 750 million baht.</p>
Indonesia	<p>Korean war</p> <ul style="list-style-type: none"> - Korean war led to sudden boom in commodity prices, especially in Indonesian exports like rubber and oil → Led to BOP surplus in early years of independence

	<ul style="list-style-type: none"> - NONETHELESS, by 1952 BOP was in deficit again and there would be no more boom years till 1974, where oil prices rose again - Producers also used their forex earnings to import consumer goods rather than investment
Singapore	<p>Singapore was not a key regional ally against communism to the US like Indo and Thai were BUT threat of communism → Justified LKY's authoritarian approach → Brought about stability and labour discipline necessary to woo foreign investors</p> <ul style="list-style-type: none"> - Continued single-party rule under PAP also ensured government leaders did not pursue myopic policies and prioritised long-term economic growth - Pro-west pro-capitalist stance also helped bring investment from USA, WE and Japan <p>SG especially benefited from investment of</p> <ol style="list-style-type: none"> 1) National Semiconductor 2) Texas Instruments <p>By the 1980s, almost every electronics producer from capitalist countries had some presence in SG → SG was a major exporter of disk drives by the late 80s</p>
Vietnam	<p>Second Indochina war severely impacted Vietnam's ability to attain economic growth</p> <ul style="list-style-type: none"> - US bombardment of factories and use of napalm to kill crops hurt Vietnam <p>Third Indochina war + war with China in 1979</p> <ul style="list-style-type: none"> - Made Vietnam's economic isolation even worse. American hostility to Vietnam was so high after 1975 that a trade embargo was imposed on Vietnam which most western countries complied with hence their economic isolation <ul style="list-style-type: none"> - This is in spite of the fact that Vietnam sought aid from Western countries and aid from World Bank, IMF in

	<p>addition to socialist aid</p> <ul style="list-style-type: none"> - Vietnam-China war made China withdraw all economic aid to Vietnam in July 1978 <p>Vietnam's invasion of Cambodia however made it more isolated, as western countries suspended their aid program by 1979. World bank had stopped disbursement of \$60 million loan due to opposition from the USA</p> <p>Soviet assistance hence became crucial from there on forth</p>
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- 3.4.2. External economic developments

Country	
Thailand	<p>The fall in DD for key commodities Thai exports (following end of KW) was exacerbated by rise of Thailand's neighbors in export business</p> <ul style="list-style-type: none"> - Burma's rice export quantity exceeded Thailand in 1954 and Burma carved up significant share of rice market for itself - Thailand remained highly exposed and vulnerable to fluctuations of world demand due to lack of diversification in early years. Although the industrial sector charted growth throughout the 1950s, share of GDP remained at only 11.7% in 1960 → Industries were mainly low-value added manufactures, hence not lucrative <p>Asian NICs shifted towards less labor-intensive products. Thailand picked up a comparative advantage in labor-intensive products as a result. Japanese, Taiwanese and Singaporean manufacturers shifted their production to Thailand through outsourcing →</p> <p><u>Crisis decades and economic slump</u></p> <ul style="list-style-type: none"> - Oil prices increased by 150% in 1973-1974 → causing inflation to rise

	<p>and an economic slowdown to result</p> <ul style="list-style-type: none"> - Culminated in the end of Thanom's regime with the democracy protests
Indonesia	<p>The surge in oil revenues in the 1970s due to the 2 oil crises led to rapid economic growth in Indonesia, BUT was ephemeral as it (+8% real GDP growth) obscured the need for economic reform</p> <ul style="list-style-type: none"> - Indonesians devoted a disproportionate amount of resources towards the oil industry → And the need to develop alternative avenues for economic growth was ignored <p>During this period, Indonesia's manufactured exports never exceeded 3% of total exports and when the oil boom broke in the 1980s, Indonesia faced severe BOP difficulties</p> <hr/> <p>Inflow of Japanese FDI</p> <ul style="list-style-type: none"> - Due to western protectionism against Japan, Japan focused on Asia for alternative markets - Japanese firms invested in Indonesian oil extraction and rubber industries - Indonesia was the largest recipient of ODA assistance from Japan during the 1970s
Malaysia	<p>Post-war global economic recovery and the 'age of the automobile' led to high demand for commodities like Tin and Rubber</p> <ul style="list-style-type: none"> - Malaysia was the largest producer of rubber in the 1950s and 1960s → Was a significant source of export revenue and growth for Malaysia <p>The Golden Age of Capitalism also led to increased FDI inflows → Foreigners owned</p>

	<p>nearly 63% of Malaysian capital by late 1960s</p> <p>1970s oil crisis triggered government into action to leverage the potential of Malaysia's oil and gas industry</p> <p>The <u>Petroleum Development Act</u> was promulgated and Petronas was formed in August 1974</p> <ul style="list-style-type: none"> - Exxon and Shell initially refused to surrender their concessions and negotiate with Petronas →but they eventually surrendered their concessions to Petronas and entered sharing contracts with the Malaysian government - Malaysia became net exporter since the 1970s, exploiting over 80% of its crude oil production to countries like Singapore, Japan and USA <p>The rise of Japan and Mahathir's 'look east policy' also helped propel Malaysian economic development</p> <ul style="list-style-type: none"> - He formed Proton, which was the result of a joint venture with Mitsubishi - The government raised import tariffs on foreign cars and made Proton the official supplier for all government passenger vehicles - Proton later dominated the domestic market, though failed to penetrate foreign markets <p>This is partly because it never acquired the technology it needed to survive independently and compete effectively from Japan</p> <p>Moreover, its social agenda with regard to supporting bumiputera suppliers also impeded its development as these bumiputeras were often more expensive and offered lower quality</p> <p>In 1988, 94% of its employees were Malays but most were inexperienced</p>
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	<p>Japanese investment alone increased from less than RM500 million in 1980 to RM4.2 billion in 1990 and Japan accounted for nearly a third of all FDI in Malaysia.</p>
Singapore	<p>Golden Age of capitalism</p> <p>SG's pursuit of industrialization coincided with when MNCs were seeking to lower their production costs and new markets → which SG had comparative advantage in that time, particularly in intermediate products like disk drives</p> <p>FDI was also driven by factors like SG's low wages, political stability + friendly biz environment, tax incentives and ALSO SG's high education</p> <p>Crisis decades 1970s-1980s</p> <ul style="list-style-type: none"> - By 1970s Singapore's neighbours had caught up in terms of labour-intensive industries and were more competitive as they had larger populations who demanded lower wages - Oil crisis also led to slowdown in global trade → 2% of jobs were lost due to dependence on external sector - There was a recession in 1985 → -1.4% growth in 1985 → The neighbouring countries + dependence on external sector → Government switch from labour-intensive to capital-intensive like data storage, petrochemicals and electronics manufacturing <p>By 2000, Singapore began to market itself as a convenient center of business with fast emerging economies like China and India. Singapore's geographic location at the heart of south east asia, coupled with its port, airport and strong infrastructure also helped Singapore become a management hub. → Many firms who operated in neighboring</p>

	<p>ASEAN countries managed their operations and gave directives from Singapore, partly because SG got highly talented workforce etc</p> <p>Economic challenges Singapore faced in the 1960s</p> <ul style="list-style-type: none"> - During the colonial era, SG was a entreport port → But by the 1960s MY and Indo had already developed their own ports hence they were not dependent on SG anymore - SG also had a rapidly growing population and unemployment doubled from 1957 to 1966 (due to high birth rates and migration) - The British withdrawal 'East Of Suez' in 1968 also hurt SG economy → As British spending accounted for 25% of GNP and provided jobs for 21,000 citizens <p>Henceforth, Singapore needed to diversify its economy to reduce its dependence on a few trading partners</p> <p>Konfrontasi and regional rivalry also meant that SG's economic policies had to look towards the West despite fears of neo-colonialism → SG built good relations with the west to encourage FDI and to leverage upon western technology</p>
Vietnam	<p>USSR under Gorbachev convinced Vietnam of the need to wean itself from dependence on USSR, as Gorbachev sought to reduce USSR's commitments with client states and repair relations with USA and China</p> <p>Military campaign in Cambodia was bleeding the Vietnamese economy dry</p> <p>IMF also threatened to terminate Vietnamese loans in mid-1982 to pressure the government to implement widespread structural reform. And by 1990, Vietnam abandoned its socialist dogma in favour of</p>

	market reform
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4. **Outcomes of Economic Change**

- 4.1. Economic growth:

Country	
Thailand	From 1985 to 1995, Thailand was the world's fastest growing economy. Expansion of manufacturing +structural reform was successful, and Thailand experienced double digit rates of growth in the late 1980s.
Malaysia	<p>Malaysian industrialisation was a success and its average GDP growth from 1960 to 1970 of 7% is second only to Singapore in the region</p> <p>By the end of 1990s, electronics accounted for over half of Malaysia's exports, which had become world's largest exporter of Aircons and cassette recorders</p> <p>Nonetheless, continued dependence on foreign tech remained a problem</p> <p>Proton sent more than 300 personnel to Japan in the 1980s to attain some degree of self-sufficiency but this failed to generate success and leadership roles continued to be held by Japanese people Pensonic (NOT panasonic) another Malaysian electronics firm succeeded in expanding in the domestic Malaysian market but had limited reach beyond and only barely penetrated ASEAN and middle eastern market</p> <p>Even Petronas relied on Shell and ExxonMobil for exploration and extraction technologies</p>
Singapore	In the two decades after 1965, Singapore experienced continuous high growth, even

	<p>amidst the oil crisis and the economic malaise following third world debt crisis</p> <p>5% of real GDP growth in a 'bad year' and 15% in a boom year</p> <p>Unemployment problem was mitigated as Singapore rapidly approached full employment in the 1960s and even when SG experienced recession in 1985 → Manovre to emphasize education to incentivise FDI → Helped FDI increase eleven times form 1986 to 1995</p> <p>Singapore's GDP per capita had risen to US\$13,000 in 1990 and had moved past US\$30,000 in 1997, making it one of the richest countries in the world</p>
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- 4.1.1. National income and output

Country	
Thailand	<p>BUT: Thai real wages increased by 70% from 1982 to 1994</p> <p>Good because: Higher consumerism Bad because:</p> <ul style="list-style-type: none"> - Thailand's competitiveness worsened, especially with the rise of regional competitors - Higher inflation +worsening BOT deficits

- 4.1.2. Sustainability of economic growth

Country	
Thailand	<p>High level of foreign capital inflows and the unregulated financial liberalization in the 1990s → led to credit expansion and asset bubbles.</p> <p>Economic growth also became more dependent on external demand and capital → Hence unsustainable</p>

	<p>In 1996, exports accounted for over 40% of Thailand's GDP → Making Thailand susceptible to external shocks</p> <p>Moreover, the lack of transparency in the financial sector, government protectionism and patron-client relationships would haunt the Thai economy</p> <p>Due to the importance of Thai commercial banks, and the patron-client relationship the government essentially ensured that they would not fall.</p> <ul style="list-style-type: none"> - When 3 of these Thai banks almost collapsed between 1983 to 1986, the government bailed them out with over 10 billion baht in soft loans - This was problematic because Thai bankers and finance companies became complacent as they believed the government would bail them out anyway <p>All of these factors led to AFC</p> <p>The bursting of the Thai asset bubble made speculators see an opportunity to strike during AFC</p> <ul style="list-style-type: none"> - Speculators borrowed huge amounts in baht and converted them to foreign currencies in February 1997 - This would raise supply and cause depreciation of THB, hence making their loans cheaper - Central bank had to maintain existing currency rate of 1USD=25 THB, yet faced lowered reserves and as a result of evidence of central bank's inability to support exchange rate → Capital flight
Indonesia	<p>By the late 1980s, Indonesia had transformed into a middle-income country. Nonetheless, this masked severe structural weaknesses</p>

	<p>The reliance on government protectionism and resistance to technological upgrading generated inefficiencies → and Indonesian economy continued to be dependent on export of agricultural commodities and simple manufactures, which were subject to stiff competition from regional competitors</p> <p>Similar to Thailand, the higher interest rates charged domestically caused many investors to look overseas for funding, leading to high rates of foreign debt</p> <p>In 1990, total external debt was \$70 billion and rose to \$140 billion in mid-1997</p>
Malaysia	<p>Malaysia's economy underwent structural changes as agriculture played a smaller role in the economy from the 1970s, whereas the service sector moved in the opposite direction</p> <p>In 1997, manufacturing sector accounted for 36% and manufactures accounted to 81% of total exports. Electronic exports amounted to \$20.7 billion in 1997</p>

- 4.2. Economic equity:
- 4.2.1. Poverty levels

Country	
Indonesia	<p>Suharto's government managed to reduce absolute poverty in both rural and urban areas</p> <p>Suharto's green revolution and infrastructure initiatives in the outer islands led to rapid expansion in agricultural production and generated rural employment opportunities.</p> <p>Absolute poverty declined from 40% in 1976 to 11% in 1996, and the World bank regarded that between 1970-1987, Indonesia was the most successful in reducing absolute poverty</p>
Malaysia	NEP helped achieve a more equitable

	<p>participation of all Malaysians in the development process</p> <p>Poverty incidence in peninsular Malaysia fell from nearly 50% in 1970 to less than 1% in 2014</p> <p>Household income inequality narrowed from 0.513 in gini coef in 1970 to 0.446 in 1989</p>
Singapore	<p>Nonetheless, Singapore's emphasis on FDI, and pursuit of high-value added export growth did cause high degree of income inequality. 0.47 gini coef in 1990 → far exceeding that of more egalitarian societies like Sweden, Japan and Denmark who hovered at 0.25</p> <p>Moreover, in 1990, the income share of the lowest 20% was only 2.4% of all earned household income whereas the top 20% earned 51% of total household income</p>
Vietnam	<p>Doi Moi reforms and end of collectivisation led to explosive growth but came at expense of social equality</p> <ul style="list-style-type: none"> - Many poor peasants lost assurances of credit, healthcare and education that came with the co-operatives - New land system of 1993 which allowed land to be traded, inherited and leased meant that land was once again concentrated in the hands of wealthy landowners - Despite increasing prosperity evident in the rising per capita income, highest FDI per proportion of GDP etc → Vietnam's safety net deteriorated rapidly - Education and health now became fee-based services, marginalising rural and urban poor - Whilst Doi Moi reforms lifted nearly 30 million people above poverty line,

	<p>income inequality worsened as gini coefficient increased</p> <p>Regional disparities also worsened</p> <ul style="list-style-type: none"> - With the northern mountain and southeast having an endemic poverty problem but most of the coastal areas are wealthy and prosperous <p>Ethnic disparities also worsened</p> <ul style="list-style-type: none"> - Chinese controlled 80% of retail trade and 75% of Vietnam's commerce. Also controlled 28 of 32 banks <p>Chinese were used as scapegoat following reunification → Chinese were prosecuted and charged with treason → 200,000 ethnic Chinese left Vietnam for China</p> <p>BUT doi moi reforms have helped Chinese be re-integrated and they regained their influence in areas they traditionally dominated</p> <p>In 1996, Chinese dominated Vietnam's private industry and made up 1/5th of Vietnam's total domestic output AND they have considerably higher living standards than ethnic minorities, like the Cham Muslim people who remain poor.</p> <p>Indigenous ethnic minorities account for less than 15% of population but more than 70% of poor</p>
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- 4.2.2. Income distribution

Country	
Indonesia	<p>Indonesia's income inequality worsened under Suharto, as its gini coefficient rose from 0.34 in 1976 to 0.37 in 1996.</p> <p>Moreover, regional disparities worsened this.</p>

	<p>Java, Bali and Sumatra benefited the most from expansion of agriculture whereas outer islands did not as much of their resources was exploited for benefit of ruling elite → Led to resentment and conflict in Aceh and West Irian</p>
Malaysia	<p>Inequality remains however despite these efforts</p> <p>Through bumiputera promotion efforts, bumiputera ownership of the corporate sector quadrupled from 1971 to 1985. Nonetheless, NEP targets sought to have 30% of ownership of share capital in companies being controlled by bumiputeras, but in 1990, this was 20%, and hence it fell short of intended. Moreover, Chinese and Indians continued to dominate the highest of income earners</p> <p>The bottom 20% saw the bumiputeras overrepresented</p>

- 4.3. Economic nationalism:

Country	
Indonesia	<p>From 1950 to 1957, the <i>Benteng</i> program was implemented with the aim of hastening the development of an indigenous business class</p> <p>From 1957 to 1958, Dutch enterprises were expropriated with the aim of eliminating Dutch influence in Indonesia</p> <p>In 1959, Sukarno repealed the Foreign Investment Law. PKI seized Western assets and this effectively extinguished FDI in Indonesia by 1965.</p> <p>Berdikari was introduced to help create self-sufficiency, but this severely hindered industrial development</p> <ul style="list-style-type: none"> - Nationalization led to departure of Dutch technical and managerial

	<p>personnel → drastic drop in output</p> <ul style="list-style-type: none"> - Soviet economic aid was also meager compared to Western aid - Under Sukarno's power tripod, Military officers managed the newly nationalized firms → Led to greater inefficiencies and conflicts of interest <p>Under Dutch rule, the Chinese dominated the economy with near monopoly of capital and money-lending.</p> <ul style="list-style-type: none"> - A decree was passed in November 1959 that banned Chinese Indons from trading in rural areas <p>This persisted under Suharto to a smaller extent. In 1974, presidential laws were designed to cultivate pribumi entrepreneurs following much discontent of rich Cukongs.</p> <ul style="list-style-type: none"> - FDI now had to become joint ventures -
Malaysia	<p>Under the British, the British exploited Malaysia's rubber and tin exports → prompted Malaysian government to diversify her exports</p> <p>The British divide and rule policy and consequent independent Malaysian governments' response to promote the bumiputeras actually hurt the economy in the long term</p> <p>Many bumiputeras who took over British-owned SOEs were inexperienced → SOEs ran into problems.</p> <ul style="list-style-type: none"> - Public sector deficit stood at RM400 million by 1970, and only rose from there - National Electricity Board (NEB) was inefficient, and faced frequent power outages and high maintenance costs → Thus hampering industrialization efforts <p>1969 racial riots and NEP sought to do 2 main things</p> <ol style="list-style-type: none"> 1) Eradicate poverty, irrespective of race

	<p>2) Restructure society to eliminate identification of race with economic function and geography</p> <p>Government implemented policies to hasten development of bumiputera middle class</p> <ul style="list-style-type: none"> - Government offered advantages to bumiputera such as reserving 30% of all shares to bumiputera investors, who enjoyed below-market prices for such shares - Government assets were sold at below-market prices, and bumiputera-owned firms were preferred for government contracts -
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- 4.3.1. Self-sufficiency

- 4.3.2. Domestic control of the economy
