While the Y2K glitch was successfully kept at bay, nations and peoples entering the new millenium find themselves having to contend with the hydra of globalization. The product of an integrative process between national economies and developments in technology, the capitalist world economy as it has progressed sets the standard by which success or failure will be measured. Of urgent necessity is the adoption of the new language of the market and finance capital.

With political will still short in dealing with speculative greed, countries and economies find themselves subject to the sensitivities of finance and capital market traders and speculators - in particular, to the inbuilt bias which informs their business. In this scenario, networking and cooperation between the European nations appear as the best cushion for peoples and nations to reap the opportunities presented by globalization and secure much venerated gross national income statistics.

But countries in Southeast Asia have yet to make headway in economic integration as the Asian financial crisis had so cruelly demonstrated. To understand the possibility of cooperation and greater integration - in what is Southeast Asia this article begins with a macro perspective on globalization and the imperative it imposes. This section forms the theoretical backdrop, as it were, of the paper.

This is then followed by a discussion on how Southeast Asia may be conceptualized. Yet, in so far as it advances a particular idea of the region, it must be acknowledged that as a concept, "Southeast Asia" lends itself to a plurality of possible conceptions or ideas.

The thesis remains that a conception of the region is needed lest the roots of greater integration and cooperation may be developed either as geographical or historical space. The conclusion summarizes the main points of the paper.

Globalization And The Setting Of The Stage

The Asian economic miracle of the eighties and nineties and the attendant meltdown in September 1997 has put the region in the spotlight for various reasons. In the boom years of the eighties and much of the nineties, analyses tended to be positive, attributing the region's dynamism to hard work and
frugality - elements that constituted the now dead Asian values theme. Following the bust of September 1997 the region came to be viewed negatively, that is, as reeking with corruption, nepotism, cronyism and lacking in transparency.

In short, democracy or the lack of it came to be seen as the factor that led to the region's economic tryst. The interconnection between democracy and capitalist economic vibrancy draws its ideological shoestrings from what financial guru and advocate of Popperian Open Society described as economic fundamentalism. Soros writes:

"According to market fundamentalism, all social activities and human interactions should be looked at as transactional, contract-based relationships and valued in terms of a single common denominator, money. Activities should be regulated, as far as possible, by nothing more intrusive than the invisible hand of profit-maximizing competition ... Even if we put aside the bigger moral and ethical question and concentrate solely on the economic arena, the ideology of market fundamentalism is profoundly and irremediably flawed ... market forces, if they are given complete authority even in the purely economic and financial arenas, produce chaos and could ultimately lead to the downfall of the global capitalist system". (Soros 1998, pg xxvi)

It is to this end that capitalism needs democracy as a counterweight - to keep it in check. For left to its own devices "market fundamentalism seeks to abolish collective decision making and to impose the supremacy of market values over all political and social values". (pg. xxviii) Thus, the argument follows that if countries such as Indonesia, Thailand, and Malaysia had vibrant democracies and civil societies they would not have gone bust as they did in September 1997.

But coming in the wake of the end of the Cold War, it is not surprising that developing nations have seen pressures for democracy as machinations from outside. Technically, the end of the Cold War had contributed to the victory of the Western alliance led by the United States. Whether this too, heralded the supremacy of liberal democracy and signaled the end of history as Francis Fukuyama suggests is arguable.

To be sure, the collapse of the Soviet Union left the United States as the sole major power in the - unipolar - world. But US commitment to liberal democracy is debatable what with its support of a spectrum of governments in the world. Thus for example, it has been known to support dictatorial governments such as the Marcos led government in the Philippines, Lon Nol in the former South Vietnam, among others in Africa and Latin America. Rather, the present pressure for democracy and the role of the US in it should be seen as advancing the agenda of market capitalism and finance capital. It is not surprising that developing nations want to see the present pressure for democracy, accountability and transparency as the agenda of the United States. The underlying dynamics of the world economy has been overlooked - consciously or otherwise. Witness for example Mahatir Mohammad's criticism
of money market speculators as the reason for the collapse of the Malaysian economy in September 1997.

The Asian Financial Crisis also helped drive home the point that the capitalist world economy has become more closely integrated, that is, it has become global. This is not to suggest that globalization as a phenomenon is something new. The early phase of globalization was founded on free trade of goods with its apogee in the unequal relationship forged by imperialism where the colonies played the role of raw material producers and the colonial the exporters of manufactures. The late twentieth century globalization is signified by the free movement of finance capital and attendant integration of financial markets. For the countries affected by the Asian Financial Crisis, this brings into question as to whether globalization in its present day form is an objective of finance capitalist or the result of a process eliciting particular responses.

Arguments which see globalization as an objective view it as a phenomenon intended to impose the hegemony of particular countries and their economies in the capitalist world economy. In contrast, arguments which view the phenomenon as the result of a process point to the collapse of the Bretton Woods agreement and fixed exchange rates and the Thatcher and Reagan years of financial liberalization as the origins. (Shroff 1999) Accordingly, the response of governments in dealing with the effect of the crisis has differed from adopting strategies to cope with the needs of finance capital or outright confrontation as in the case of Malaysia.

Be that as it may, the realities of globalization has brought to the fore the role of bias and money and financial market speculators in the present day capitalist world economy, in particular, it is how money market traders and speculators expect markets to move which in turn influences the latter. With market fluctuations increasingly dependant on the perceptions of money market traders and the absence of a supervisory mechanism to control their activities, governments find themselves having to cope with the needs of new global economy which has also made the colonial nexus a thing of the past. As Manu Shroff writes:

"Gone are the days when industrial countries imported raw materials from the developing nations and returned manufactured goods to them, present-day multinationals choose to locate their plants nearer the sources of cheap materials or labour or markets, not nationally but globally ...(And) technology has been a prime mover in this development, but the freedom of market has been even more important." (Shroff 1999, pg.2846)

Seen as a process contributing to greater economic integration, globalization nevertheless can be expected to have repercussions on countries depending on their respective state of modernization. For developing countries this imposes challenges to their strategies to protect domestic industry and encourages the
need to open their markets to foreign capital flows.

Faced with the onslaught of globalization, nations have had to adopt strategies such as improving skills and knowledge of citizens, investing in infrastructure for the information superhighway as nations compete to attract finance capital to their shores.

"The result is a gigantic circulatory system, sucking up capital into the financial markets and institutions at the center and then pumping it out to the periphery either directly in the form of credits and portfolio investments or indirectly through multinational corporations ...(But) the relationship between center and periphery is also profoundly unequal." (Soros 1998 pg. 102)

The finance capital which fuelled economic boom has caused countries vying to attract and retain capital to ensure conditions attractive to capital takes precedence over other social objectives with implications for politics and society. This is reflected in debates on Asian values advanced by state political elites; the need to promote the growth of civil society; and the surge of ethnicity, religion, gender, and nationality issues in politics. The attempts by the state to construct the individual citizen in a particular image while attending to the needs of finance capital has seen religious revivalism in politics in Malaysia (Balasubramaniam 1990) and Indonesia in particular. There have been debates on Confucian ethics in Singapore where increasing number of young people want to be born as "whites" and the opposition demonstration in Thailand during the recent World Trade Organization talks in Bangkok embarrassing the Thai government are clear examples.

The political and economic challenges this imposes on developing nations are further compounded by the fact that in the absence of regulatory bodies it makes their economies susceptible to the machinations of money market traders and speculators. This stems from the overriding concern for the modernization process in these countries to be informed by the nationalist project.

This made correcting the uneven socio-economic structures inherited at the time of independence which became the main concern of post-colonial governments. As expected, this project of creating the "imagined community" was also the source tensions and contradictions.

The challenges this engenders are not only epistemological but also practical. Thus, while theoretically it is possible to engage in discourse on how nationalism and national liberation can lead to the formation of a state-nation rather than a nation-state, it is nevertheless crucial to focus on the contradictions the modernization process fuelled by the imagination of creating a strong nation-state engenders in society. That is, the newly independent states not only had to contend with the pressures exerted from within by minorities, for example, but also from without arising from their locus in the capitalist world economy.
But in the wake of the Cold War that followed in the heels of the Second World War, these challenges were muted by the exigencies of big power politics. Thus, depending on the big power they allied with, they were also the recipients of financial and military aid to help them deal with internal opposition and challenges.

This situation contrasts with that of the developed nations in Europe which have had a longer history at nation-statism and arguably, have built stable nations founded on the hegemony of particular culture and language. In addition, the European nations have gone a step further by integrating their economies and enhancing cooperation - a process which to a large measure protected themselves against such vagaries and to this end, are well poised to take advantage of the opportunities of globalization.

In the case of developing nation, taking the decolonization process which began following the end of World War II as a point of reference, most of the former colonies have an average of forty years experience in nation-building. Yet, countries such as Malaysia cannot continue to insulate themselves by beggar thy neighbor policy as fixing the exchange rate has done. Sooner rather than later, they need to take cognizance of the forces of globalization which has begun knocking on the door of politics. In this respect, previous policies aimed at nation-statism come under increasing pressure. Hitherto policies aimed at constructing a particular identity has to give way as they come under pressure to open doors and break down economic barriers. In this respect, the economic and monetary integration of the countries in the European Union is particularly germane. Easing of controls on labor mobility, education, monetary union, among others all has helped in facilitating free movement of capital and resources. Arguably, they are better prepared to cope with the demands of the capitalist world economy. Thus, while individually countries can adopt policies to ease capital mobility the countries in the Southeast Asian region too can take a step in this direction by following the approach adopted by the European Union. The imperative of cooperation brings us to a discussion on the region which is Southeast Asia.

Conceptualizing The Region: Romancing The Rivers

While it is technically possible to orient the economy towards globalization, the task is more daunting when it concerns society. The subsuming of existing notions of citizenship by one that is increasingly regional (in this case, Southeast Asian) claims a new form of belonging requiring the remaking of the self. The public sphere in which this citizen operates and carries rights and responsibilities and the community which defines citizenship must be the region. To realize this, the national/regional divide which nationalism has long helped to perpetuate and
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considered essential must be breached. (But this does not mean, the nation-state ceases to exist. Rather it will continue to be the principal domain in decision-making.)

This "remaking" of the self and citizen requires a sense of being Southeast Asian, and from the multiplicity and diversity of religion, political forms, language, cuisine, symbolism, fashion, a common identity has to inhere. In the absence of Southeast Asia as a natural phenomenon or thing in itself, the transgression which globalization engenders among citizens of national states in the region must be the basis of this new identity. Thereby engendering an idea of Southeast Asia that is more than an empty space but less than an all-encompassing imperative - "A land of possibility".

To be sure, any attempt to conceptualize a geographical space in terms of particular defining features or characteristics stands being labeled as orientalist. The idea of Southeast Asia as a separate continent of either experience or knowledge is itself a historical invention although it may have traceable conditions of existence. Southeast Asia is a region of culturally specific, often unstable linkage of related but separable states; each with their own desires, practices, concepts and beliefs, institutional forms and identities. The "would be" Southeast Asia despite obvious traceable precursors in a complex past, is a new presence because of ever accelerating transformations of everyday life, and the social and political ramifications which flow from this.

The region referred to as Southeast Asia appears to have made its debut as a term of reference to a particular geographical space during the Second World War. Its roots was purely geopolitical and defined a military theatre of operations of the Allied forces. That name has stuck on following the end of the war to assume a new significance in the Cold War when the major Western powers came to be involved in the Vietnamese struggle for unification and national liberation. Southeast Asia once again featured as the theatre of operations between the ideological struggle of capitalism and socialism, and a region promising advancement in academic careers as academics began developing area studies.

These studies took on board the WW2 concept of Southeast Asia and lacking in historical sense they became country "reports" intended for governments and interest groups. Absent in these studies was the role the region played in the longue duree which linked the great civilizations of China, India and the Middle East. Andre Gunder Frank (1993) argues that prior to the arrival of the Europeans in the region encompassing the Malay peninsula, present day Indonesia, Thailand, Vietnam, Southeast Asia was in fact the center of the world economy. Imperialism changed all that as the colonies were linked in an economic and political nexus with the colonial and Western Europe became the center of the world economy.
Drawing strongly on history and economics, Shaharil Tatib (1999) on the other hand argues a case for the seas as defining the region which is Southeast Asia. This approach developed points to the role of trade and markets in human history shows the importance of the seas and maritime trade routes. Accordingly, Shaharil argues the seas constituted the theatre of conflict as trade to the great civilizations of the East and West had to pass through the seas and waterways of the South China Seas, the Sulu Seas, and the Malacca Straits.

Struggle to control over the seas and ultimately the wealth from trade led the port-polities which evolved in the region to forge alliances through marriage and military expeditions. It engendered, overtime, a region linked through ties of kinship and diplomatic alliances. The arrival of the Europeans caused the breakup of the region which was further concretized with the development of nation-states following independence from colonial rule. According to this thesis the region has to reflect on its not too distant past in order to reclaim its links.

While sharing the Braudelian approach, so brilliantly developed by Chaudhuri of this thesis, I would suggest that the seas continue to define the region and reversion to history may not be necessary. The geographical and historical space which is in fact Southeast Asia is an existing reality and remains unaffected by colonialism or nation-statism. This reality is defined by the major rivers. All the major rivers in countries of the region flow out into the China, Sulu Seas and the Straits of Malacca. These rivers play and have continued to play an important role in the livelihood of the peoples in the region; that is, as source of food, transport, water, boundary markers, folklore and myth.

Arguably, the peoples of the region are all bound to these rivers - their livelihoods continue to depend on it. Southeast Asia is that region defined by the lands washed by the three main seas and waterways into which the major rivers flow. It is that geographical space defined by the confluence of the major rivers, the boundaries of which have not remain fixed as territories passed under the control of rival kingdoms and political elites. And the boundaries even today remain contested. (Conflicting territorial claims over the Spratlys islands in the South China Sea are clear examples.)

This notwithstanding, the geographical space also constitutes the region in which peoples have associated their history to constitute historical space - the land, now countries of which they are citizens, as the space in which hopes and ambitions are associated.

This idea of Southeast Asia does not require a reversion or return to the past to claim or reclaim a shared destiny. It is on which is organic and barring any significant movement of sub-terranean tectonic plates will continue to prevail.
Concluding Remarks

Southeast Asia's may be defined as the region bathed by the seas and waterways of South China Sea and Sulu Seas. It comprises the islands of the Malay world and countries whose rivers flow into the South China and Sulu Seas. It is through these seas that historically economic, political and cultural relations were established. Historically these rivers served as conduits in the *longue duree* as well as sources of food, and water. The seas into which these rivers flowed in turn constituted as the main theatre of rivalry. The "organic unity" forged over time through marriage, kinship ties and diplomatic relations helped to engender a region which was related. European imperialism and subsequent independence led to the emergence of states in the region.

But this division is purely political as governments focus on modernizing and transforming their citizens into nations. But the "organic unity" which constitutes the geographical space that is Southeast Asia remains secure and concretized as the states in the region too becomes historical space.

With the ambitions and aspirations of the peoples in Southeast Asia now being increasingly being challenged by globalization inter State competition is expected to heighten. As governments make their economies more attractive to the desires of finance capital they also subject themselves and the peoples to the vagaries of money market traders and speculators. With international political will being lackadaisical to monitor money market traders. There is an urgent imperative for nations to enhance economic cooperation and integration as in the case of the European Community.

An essential ingredient for successful integration is a sense of being a people. In the case of Europe, shared political legal institutions and common religious roots all help in fostering an European identity or being European. Colonialization and nationalism has led nations and states in the region to focus on the individual countries and this is reflected in school text books and public examinations. If it is conceded that cooperation and integration will help protect the historical spaces of the peoples of states in the region than there is an urgent necessity to follow in the path of the European Community. (The routing of aspirations, hopes and ambitions in a particular geographical space endows it that space with history whence it too becomes historical space. In the era of globalization where nations are susceptible to speculative attacks by finance capitalist, greater economic integration - monetary as well as trade - will help provide security against such attacks.) The ingredients of such cooperation lie in asserting the organic unity of the region and peoples. Such an assertion is founded on the realization that the particular states and their governments continue to be the main locus of decision making.
*NB: This is based on a paper delivered at a meeting on Representations of Southeast Asia at Thammasat University, Bangkok, May 8 2000.

Select Bibliography


