

## What the 20th Century Has Meant to Southeast Asia: Culture as an Interpretation of Destiny

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Long before the Americans and Europeans shipped their values and institutions beyond their borders, Southeast Asia was one of the world's most diverse cultural regions that thrived within a system of limited trade. The entry of Western culture ended the era of self-definition and actualization. Despite the reclamation of nationhood after colonization, Southeast Asian countries remain bound to a mutated Western culture. The Malaysians, Indonesians and Filipinos within and across countries have 'bogey'-fied each other, resulting in prejudice, mistrust and fear. Also, the desire to match the advancements of the United States and Europe only propels the once proud peoples farther towards and away from the confidence in shaping their own destiny. This confidence was last seen during the struggle for independence. What began as a story of triumph over foreign domination has ended as a caricature of nations as limping dragons, slaughtered tigers, tamed cats and menacing flies now dependent on European-Western investment in technology and capital. Southeast Asian culture can only find itself once again if it reestablishes its unique character of upholding autonomy by entrusting people to know, think and criticize and act upon fundamental issues of societal transformation and development.

### The First Few Decades: A Discourse on Confidence

Southeast Asia in the 20<sup>th</sup> century is an icon of global social history. The first few decades described a political culture of confidence in self-definition. Rising nationalism, popular heroism and peasant uprisings described the relentless pursuit of autonomy and self-rule against European domination. Proud populations wrestled against titanic powers — Malaysians against the British, Indonesians against the Dutch, Filipinos against the Spaniards, Vietnamese against the French — Southeast Asians acting independently, gaining inspiration from one another and commonly responding to indigenous sentiments of self-determination, liberty and freedom, not brought about by formal lessons on American constitutional history or the French Revolution or the Magna Carta but the need to be free from foreign political, economic and social domination.

There was a time, a very long time when liberty and freedom were institutions reserved for Europeans and Americans to seek justice at home. That these institutions were not practiced in their possessions in

Asia and the Pacific was not surprising, since it was believed that colonialism was mutually beneficial to the possessor and the possessed by advancements of local cultures through industry, technology, education and civility — the European justification of colonialism as a release from the age of darkness and innocence. Southeast Asia as one of the world's most socially diverse regions had its cultures emptied out, except for vital farm-based food production, based on familial and communal networks which had sustained Southeast Asian agrarian and foraging populations for thousands of years before. Inter-island and regional trade, however could no longer be sustained within Asia and the South utilizing existing inland and coastal Indian and Chinese trade routes. The Indians and the Chinese were Southeast Asia's dominant trading partners for thousands of years. With colonialism, European goods entered the Southeast Asian markets, reinforcing the region as a consumer of all those things that allowed Southeast Asian elites to further distinguish and differentiate their lifestyles from the peasantry. Most of this materialized in doses of Victorian gentility — piano lessons, ballet and tap dancing for children; ballroom dancing and chocolate cake-icing for women; cricket, billiards and cigars for the men, topped with membership in the Free Masons and country clubs. For farm-based families which could not afford to do the same but desired the same symbols of mobility and prestige, conspicuous consumption was expressed in the purchase of European goods (crockery, silverware, oil lamps, wall plates) which could be displayed at strategic corners of the house.<sup>1</sup> In the early 1930s and 1940s, English and Dutch crockery were purchased by rural and urban households, followed by glass lamps and brass beds with enamel floral engravings. Local systems of rotating credit, called *kud* or *kutu* in Malaysia, *arisan* in Indonesia and *chare* in Thailand, were usually used as means of drawing credit for extraordinary expenses to purchase prestigious items which were beyond the ordinary means of farm households. Although colonialism created a European leisure class, which Veblen<sup>2</sup> described as wasteful since it expressed itself mainly in the ostentatious display of material goods, symbolic or ritualistic emulation of social value or behavior of social affordability trickled down to other classes, including the rural countryside of Southeast Asia.

Earlier I had argued<sup>3</sup> that participants in a class system work in two opposing directions — to reduce socioeconomic differences by emulating patterns of consumption of other classes and to increase socio-economic differences by behaving like another, class within one's own. When this

occurs systematically rather than randomly across households of similar socioeconomic status, it questions conspicuous consumption theory in neoclassical economics which assumes that the psychological motives of consumers are everywhere similar and predictable and that they act as independent units in their endeavor to compete. Moreover, it greatly misrepresents the psychological motives of people to level out social differences and the needs of the poorer classes to emulate middle and upper classes to deny their own poverty.

Southeast Asian nation-states were born through a social history of active dialogue with Europe and the West but one which was more actively expressed through European-Western systems of social stratification. This entails maintaining a class of food producers and encouraging their dependency on the purchasing power of populations of urban centers; maintaining a class of obedient, low paying civil servants and professionals, which will continue to express their dependence on the produce of local farmers while simultaneously indulging in credit to enjoy the finer features of the lifestyles of the upper classes; and finally, maintaining a class of ruling elites and entrepreneurs, identified closely with the colonial legacy of capital, land ownership and material consumption.

The birth of Southeast Asian nation states did not preempt an earlier social history of globalization but reinforced it more powerfully with the consistency of dependency on European-Western investment in technology and capital. Even as local elites gradually took over most enterprises founded by European capitalists, the pattern of development of national economies remained the same. This is characterized by the maintenance of low wages in plantations and industries, poor emphasis on social security benefits and welfare for estate and industrial workers, preference of employment for those trained in Europe or the US, preferably with skills in communication in English, good prospects and mobility for those familiar and comfortable with the lifestyles of the modern European or American. This was not only a product of history — maintaining a system which has been proven to work well based on the explicit understanding of dependency; that farm-based households were dependent on middlemen and entrepreneurs to buy their produce and that industrial and plantation workers were dependent on factory and plantation owners to provide them with decent wages. The system was also radically maintained by the kinds of partnership which local elites secured with

parent or allied companies overseas — access to credit, application of technology, professional and organizational efficiency. Wertheim, writing on Southeast Asia's colonial history<sup>4</sup> (1993) provides some reasons for the defective growth of a civil society in Southeast Asian nation states — economic emancipation trailing behind the social and political; unbalanced development between rural regions and urban centers; half-hearted land reform programs and landlordism; rural to urban migration choking the capacity of cities to provide sustainable infrastructure and growth; corruption and nepotism of local governments and allegiance to ethnic sentiments rather than nationalism. He argues:<sup>5</sup>

“...it is unthinkable that in these countries, where an indigenous tradition of private ownership is all but absent, and in the largely monopolistic arena of the world economy, economic development could be achieved under a system in which private enterprise would hold pride of place. The governments have each to develop a bureaucratic structure and a dynamic spirit capable of fulfilling the immense task of getting modern development under way in an economy kept backward and one sided through the colonial period...”

Significantly, in Singapore, Malaysia, Thailand, Indonesia and the Philippines, traditional patterns of successful, sustaining entrepreneurship is based in Nanyang Chinese or Indian businesses, either operating through family-based institutions or in partnerships with indigenous enterprises. This, directly or indirectly where the Chinese and Indians remain a visible minority, has created strong ethnic tensions expressed mainly in class-income, expenditure patterns, work culture and lifestyle. The next section of the paper addresses some issues of ethnicity in Southeast Asia and discusses the “classing” of Southeast Asian nations through uneven development and large-scale population movements across the region and Asia.

### **The ‘Classing’ of Southeast Asia through Cultural Stereotypes**

Over the last few decades, the growth of Southeast Asian economies has led to radical changes in images of national culture, depending on the ability of a nation to provide employment to neighboring populations and to resolve what Angell has described as “an oversupply of humanity.”<sup>6</sup> Despite the Association of Southeast Asian Nations (ASEAN), large-scale population movements within Southeast Asia and economic

competitiveness have sharpened peoples' self-perceptions about cultural differences within and across national boundaries. The reality is that socio-cultural and ethnic diversities will continue to be important self-identifying strategies in a region where significant economic and political transformation seems to suggest trends toward cultural immersion and integration.

A Filipino woman living in Kuala Lumpur and now married to a Muslim narrated:

Before I married a Muslim, the Muslim was a *bogey man*. As a child, I would be frightened into doing something under the threat of a terrifying Muslim who would come and decapitate me or carry me away in a sack. Of course I never saw this Muslim *bogey man*. Now I'm married to a Muslim and every time I try to explain to my friends here that they have been subject to a lot of Christian prejudices, they say, 'You can now afford to say that Thina, you married one!' They are worried about the granting of autonomy to Muslim provinces in Mindanao because they say the Muslims bring nothing but trouble; but I think with Nur Misuari now at peace with the central government, a lot of good things will happen there. I will put on my little veil to do business there. As a Filipino Muslim with a Catholic background, I couldn't do better!"<sup>7</sup>

Although such stereotypes make Muslims minorities the *bogey* in a Christian-dominated region, socio-cultural and class differences surface as sharply as when Muslims constitute the dominant group of migrant workers in a predominantly Muslim country.<sup>8</sup> In this context, commonalities of religion do not bind and bond as usually expected. Malaysia in particular receives the largest numbers of predominantly Muslim Indonesian and Bangladeshi workers in Southeast Asia which in 1996 constituted 55.5% and 35.8% of registered foreign workers in the country. Filipinos placed third constituting 5.6% of registered foreign workers.<sup>9</sup> Stereotypes and prejudices against them run high, surfacing occasionally in communal fighting in the streets and factory sites.

Prejudices of Malaysians towards Indonesian migrant workers are not clearly formed in the context of socio-cultural situations as with Bangladeshis. Although commonalities of lingua franca and culture may exist between Malay Malaysians and Sumateran or Javanese migrants, prejudices are still powerfully locked in nationalistic sentiments of

differences rather than similarity. A Malay Malaysian deals with a Malay Javanese, Bugis or Madurese Indonesian as an "Indonesian." In contrast, a Chinese Malaysian breeds more familiarity than an Indonesian does. However, class becomes a contributory factor in the emergence of prejudice since the aggressive inflow of landless or destitute Indonesians, Bangladeshis, Pakistanis and mainland Chinese in search of a new lease on life in Malaysia and entering illegally are associated with the insurmountable social ills plaguing the nation. Pimping, prostitution, illegal marriages and child abandonment continue to be on the rise among different Indonesian ethnic communities while rape and molestation have been associated with Bangladeshis in estates and remote rural areas. Professional and middle-class Malaysians blame these problems on the over-liberalized economic policy adopted by Malaysia to maintain economic growth rates of 8-9% per annum. Many had popularly expressed the fear that this growth rate would not only lead to an overheated economy but will also introduce social problems which may be difficult to check as "illegals" pour in from the poorer regions of Southeast and South Asia. While pampering to the demands of cheap labor from the business community to cater to the massive rise in manufacturing and construction, the rights of local workers have not been protected. During recent periods of retrenchment, Malaysian workers have been sometimes dismissed since they earn relatively higher salaries. It is also argued that local and foreign employers are bounded by contracts to retain foreign workers, but Malaysian workers are not. The resentment and prejudice against migrant workers has spread to the working classes since they are in immediate competition for jobs. Class becomes a contributory factor but not a fundamental ingredient in the construction of the *bogey man*.

### ***A Bogey Man Psychology of Mistrust and Fear***

The *bogey man* has a distinct psychological profile that is not shared by a normal legal migrant seeking jobs or business opportunities in another country. The *bogey* is usually gendered and refers to a male rather than female. The *bogey woman* complex may surface under special circumstances, as a social irritant rather than an evil. The *bogey man* comes alone without wife and family. An anomalous male without a stable social identity, he can only attempt to restabilize himself by feeding on the stability of others. And in the case of the Southeast or West Asian male migrant, causing major disruptions in the lives of women and

children of the residing community. He is also physically and ideologically dangerous because he does not move around in stable social units identified with the residing community — family or kinship units, sibblingships, friendships, elderships or neighborhood networks. He is often spotted alone or in large socially and culturally homogenous bands, without social variance of age, status or gender. This becomes both physically and ideologically dangerous because it takes on the physical attributes of a mob or gang, a kind of pre-industrial Mad Max character, without high powered motorbikes or lethal weapons. The ultimate threat is when they manage to win the attention of local women, befriend or marry them. This becomes the most hated form of social intrusion, moral depravity and decadence. What is construed as a physical intrusion moves into the social and cultural and the ultimate consequence is a threat on morality and national integrity.

Significantly, the local woman who participates in this misadventure is blameless and becomes the victim of the *bogey man's* desire and lust. Although there is no concrete study to compare the stability of such unions or marriages with those contracted by locals, all these unions are categorically described as unstable or dangerous since the male is a foreigner and seeks the union for the economic advantage of staying on in the country, rather than love or commitment to local women. He is prone to breaching social norms since he knows of none, abandoning his wife and children since he has another one where he came from, and being indifferent to civility since he is uncivil. The exploitation of cheap migrant labor by local employers, flaunting of security rules at factories and construction sites, and late or non-payment of wages are not popularly discussed as much as how miserable life has become since these new migrants came into the country.

Part of the problem of migrant labor in Southeast Asia is that there exists an uneven distribution of outmigration of different categories of workers creating different responses and reactions to their presence in a different country. In the case of the Philippines, professionals migrate to the United States, Australia and Europe, while unskilled and semi-skilled workers flood Singapore and Malaysia. Hence outmigration to the West and Southeast Asia indicates differences of qualitative and quantitative patterns of migration, thus reinforcing class prejudices. Within Malaysia, the presence of Filipino women appears to outweigh those of men although more men enter Malaysia illegally than women,

who came in mostly as maids and are monitored strictly by employment agencies in the Philippines. In a country where 59% of women in the country are rural and poor, the contributions of Filipino women to the international labor market have been significant. Many have gone to Singapore and Malaysia where higher cash earnings can be obtained while others have gone to Japan and Taiwan to enjoy even higher earnings. Unfortunately the export of female labor has not successfully elevated the social status of Filipino women outside the Philippines.

Although cheap migrant labor has benefited the business community tremendously by enabling them to conduct profitable businesses at cheaper costs, people in Malaysia and Singapore regularly complain of 'migrant worker fatigue.' Significantly the influx of Southeast and West Asian tourists does not seem to cause a similar problem to Malaysians and Singaporeans. Malaysian hospitality directed towards tourists has never flagged amidst these rising prejudices against migrant workers. Tourists leave the country, workers stay on; tourists interact with Malaysians in a controlled environment (hotels, banks, recreational centers), workers spill over into the streets and cities at random leisure; tourists indulge in commercial public transactions, workers in private social settings.

The problem is also engendered with prejudices directed towards men. Although migrant female workers are also on the rise, they pose less social threats to culture. Malaysian men do prostitute them and some even marry them but the situation is discussed in simple 'class-classroom theory,' of the proliferation of Malaysian middle class society with ex-prostitutes and maids. The class factor surfaces more strongly in sexual stereotyping of encounters between Malaysian men and foreign women. The foreign woman is the fly which spreads disease; the tarantula which consumes local men; the wasp which poisons a good marriage. In this context, Filipino women appear to dominate the Southeast Asian migrant listing of sexual proliferation. The unpredictable backlash of prejudices against migrants in Malaysia, in particular those from Indonesia, Philippines and increasingly Bangladesh and Pakistan, is also interesting when it involves intersexual behavior. Popular stereotypes show the Malaysian male to succumb under the experience of the servile insect which releases its sting only after the male dematerializes under their care. On the other hand, a somewhat deliberate policy to encourage the inflow of Muslim migrant workers has backfired for it has brought out the raw



essence of socio-biological (gender), socio-cultural and class prejudices, reconsolidating a pan-ethnic Malaysian ethnogenesis of being socially and economically superior to others in Southeast Asia. Religions continue to be an insignificant factor and has not removed or diminished socio-cultural and class differences among Muslim Malaysians.

What is happening in Malaysia and Singapore is also occurring elsewhere, in more advanced East Asian nations although few social scientists have looked more closely at the *bogey syndrome* creeping in sharply with the phenomenal economic growth rates in East and Southeast Asia in the 1990s. The high economic growth rates in the leaping tiger economies of Southeast Asia before the crash in July 1997, appears to have benefited the business community rather than the middle or working classes who are increasingly burdened by inflation and deteriorating living conditions brought about by rampant development, including environmental degradation, declining public health in towns and cities, overcrowded roads, traffic jams and other social woes relating to family stability and security. Increasingly Malaysia and more advanced Southeast Asian governments are attempting to develop a greater sense of participation in consumerism, welfarism and environmental responsibility among the business community but the contributions of local and foreign business in creating some form of collective responsibility and commitment to the development of civil society seems to be minimal, in contrast to the efforts of public authorities and non-government organizations working with less resources and capital. Hence the resentment of local populations for migrant communities may in reality be misdirected, since it is ultimately the business community, employers and public authorities who are responsible for the conduct and safety of migrants and citizens, respectively. It is more effective however to discredit the production worker rather than the entrepreneur for reasons known to the social scientist writing on post-industrial societies. Trends towards incorporating migrant labor in the global market in Southeast Asia may experience a backlash with the increasing concern and competition to develop local and foreign indigenous intellectual capital and property. Many years after profiteering on cheap Southeast and South Asian labor, Malaysia's prophet of visions, Noordin Sophie<sup>10</sup> said that these workers were of the wrong type. What is needed are investments in 'knowledge workers,' not 'production workers.'<sup>11</sup> He said that Malaysians should not worry about 5,000 skilled workers for these people are very educated, cultured, confident and they are not going to bring in disease or steal.<sup>12</sup>

### **A Southeast Asian Nation as a *Bogey***

The question is, if the Muslim in Catholic Filipino rural society is the *bogey man* of the East, associated with the same set of problems attributed to Muslim and non-Muslim migrant workers in Malaysia, by this mode of religious differentiation outside Malaysia, would the category "Muslim" include Muslim Malaysians among them? The complexities of these prejudices appear to be elucidated when religious and socio-cultural prejudices are transformed to the arena of international politics and national character. In September 1996, the Prime Minister of Singapore, Dr. Goh Chok Tong made a statement that Singaporeans should be forewarned. If they ceased to be productive and lose their competitive edge in Asia, they may be forced to rejoin Malaysia. Against a background where the dominant population in Singapore is Chinese and the dominant population in Malaysia is Malay, such a statement is tantamount to a criticism on national integrity and character.

The Malaysian Prime Minister, Dr. Mahathir Mohamed said in retaliation that UMNO (the Malay Branch of the Malaysian Government party, the National Front or Barisan Nasional) was disappointed that Singapore was using Malaysia as a *bogey* to threaten Singaporeans that they would be punished with a merger with Malaysia if the republic loses its economic competitiveness. He added that Singapore was not in a position to claim that it practiced meritocracy because Malays in the island republic have been discriminated against for far too long.<sup>13</sup> In retaliation, Singapore Malays, represented by official government bodies like the Mendaki Foundation claimed that Singapore Malays were doing well in Singapore and did not need Malaysian Malays to champion them.<sup>14</sup> A Parliamentarian for Kg. Ubi in Singapore, Mohd. Maidin Packer Mohd. said that 93% of Singapore Malays owned their own houses, mainly three bedroom apartments.<sup>15</sup> He added that although Singapore Malays did not receive special privileges, everything was being done to help them. Yet, educationally and professionally, the Malays lag behind the Chinese in Singapore and very few hold top positions in the civil service, armed forces or the corporate sector. Major social problems in Singapore, like drug addiction are overrepresented by Malays. Fifty one percent of drug addicts in Singapore are Malays who constitute only 14.2% of the population. This according to political leaders is caused by poverty, family problems and stress, yet political leaders claim that the Malays are doing well.

Malay Malaysians in private social circles state that Malay Singaporeans are not doing well at all compared to Malaysian Chinese who continue to dominate the Malaysian economy in many sectors of private enterprise. These statements articulated inter-communal, ethnic, religious and class tensions and express the internationalization of 'bogeyism' in Southeast Asia. The so-called commonalities of religion transcending socio-cultural and ethnic differences as for example, between Malay Malaysians and Singapore Malays or Muslim and Malaysian Indonesians have been demystified. Across Southeast Asia, the fundamentals of culture and lifestyles remain strong indicators of social variance while gender remains a significant variable in heightening prejudice and discrimination. Internationally, however, a nation may metaphorically assume the characteristics of a *bogey* if it is typecast as practicing public policies that ideologically discriminate against its own citizens by ethnicity. Yet, internationalism may be undermined by nationalism even when ethnicity and religion are significantly linked to class in national statistics. Hence *bogeyism* and *pan-ethnic nationalism* are interdependent correlates that reflect on the volatile character of inter-ethnic and international relations in Southeast Asia.

### **Knowledge Production and the Corporatization of Culture**

The Southeast Asian economic miracle of the 1990s which recently terminated its victorious history of sweeping into the new millenium with the same gusto of confidence of freedom from European dominance, generated new ideologies of knowledge in academic and popular society. This new knowledge of proactive competitiveness in a borderless world was in reality more Western than Southeast Asian. That this new found freedom was illusory and relational did not really bother Southeast Asian governments that were anxious to be the first experts to impart ideological innovation in a world of technological efficiency. From the *Total Quality Management* concept to ISO 9000 standards, from Covey's *Seven Habits of Highly Effective People* (1990), to the corporatization of Islam and Confucius, Malaysia spearheaded this Renaissance in thinking which in broader terms was developed into the idea of the Asian Renaissance.<sup>26</sup> Under this new economic scenario, the academician, educator, politician and entrepreneur was to transform into intellectual capital — a producer of ideas which may be manufactured, packaged and sold for profit. In Malaysia, there is now *Vision 2020* (*Wawasan 2020*) and a new *Civil Society* (*Masyarakat Madani*). In Indonesia, there is the New Order

Government, emerging from the *Pancasila*. The language of discourse of the Social Sciences was also corporatism by think tanks, sponsored by national politicians who had the luxury to indulge in positivist visions and prophecies on the success of populations and nations. From 'pedagogy' to 'androgogy' to "synergogy," from the lecture halls of yesteryears to the super multimedia corridors and highways of the Information Age, the global buzzword was *think and do like the others or die in the alleys of darkness and obsoletion*. Everywhere the message was society and culture have to be corporatized to meet the challenges of global competitiveness. This global vision of a stronger and more relevant culture for Southeast Asia and the ASEAN may be summarized in three optimistic ideas.<sup>17</sup>

**Visionary idealism** — the emergence of an environmentally friendly world, *borderless* and *paperless*, and possibly also *nation-less*, which has successfully absorbed multi-cultural and ethnic diversities, where entrepreneurs empower workers in the lower echelons to move to higher pursuits of productivity and excellence - the happy assimilation of Coca-Cola and Nabisco with the drums of Asia beating to the toned rhythms of Asian city traffic and the virtual encounters of Asian entrepreneurs with one another on the multimedia super highways of decision-making.

**Asiatic cultural distinctiveness** — the unique blend of patriarchy with family stability and spiritualism firing the imagination of citizens to internalize national visions of change and development amidst young democracies or authoritarian regimes to put aside individualism and materialism for the common good of all. The nation state molding itself after a *world class corporation* and symbolically adopting the family into its model of growth and transformation as politicians preach on the common good and the common will. The association of political opposition and social movements with civic disobedience and Westernization as concerned with manipulating the Asian minor is constantly expressed. Yet the macro corporate culture within which Asian distinctiveness is expressed remains Western to the extreme, expressing some of the internal contradictions of mind and behavior of Asian elites.

**Economic essentialism** — makes a parody of Marxian analysis of social alienation from the forces of production, and instead optimizes so-called synergistic structures of relations between workers and producers, who together bring forth such high levels of productivity that the nation is

totally transformed by phenomenal economic growth rates which are used as indicators of human and social development.

### Faltering Dragons and Slaughtered Tigers in the Last Years of the Century

Although idealistic visions were adopted by other Southeast Asian countries to a greater or lesser degree they also became a tragedy of errors when on July 2, 1997 Thailand was forced to devalue the baht. An immediate panic and loss of confidence in Thailand's neighbors immediately followed. The tigers were slaughtered and the dragons faltered in confusion. Even the purring cat in the Philippines lost all but one of its nine lives. Massive infrastructural expansion, non-productive construction in real estate based on demand speculation, dependency on foreign loans with government secured guarantees, privileged manipulation of stocks in public-listed companies, monopolistic controls of enterprises by key entrepreneurs supported by national governments led to massive capital flights out of Southeast and East Asian markets, affecting even the Dow Jones Index which plummeted by 247 points on August 15, 1997. In the weeks that followed, trading was roller coaster in Wall Street, Frankfurt, Paris, Hong Kong and Tokyo, reflecting various "speculative instruments" in the equity and foreign exchange markets "with a view to manipulate price movements".<sup>18</sup> Asia was to receive its first bitter taste of global capitalism and the destructive impact of *monetary imperialism* on national wealth and integrity. It soon became apparent that the real tigers were the global investment corporations, insurance companies and the merchant banks while the dragons that asked for sacrifices in the form of downsizing, retrenchment and increasing taxation were the International Monetary Fund and the World Bank. Southeast Asia emerged as sitting ducks with birds of the same feather. Proactive ideas were now counterproductive, and nation-states, statusless and stateless, bowing to the dictates of global corporations which had more combined reserves than some Southeast Asian nation-states put together. For agrarian populations of Southeast Asia that had been encouraged to leave food production to become waged production and construction workers, the effects have been traumatic. Since the IMF bail out in Indonesia, 2.4 million Indonesians have been dismissed from jobs that were mostly from the property, construction and real estate sectors. With the closure of 11 of 16 banks on November 11, 1997, 8,869 employees were dismissed.<sup>19</sup>

Factories in the footwear, garment and electronic sectors laid off about 16,961 workers and are processing the dismissal of another 4,536 workers from 60 companies. In the meantime, the Indonesian government has called upon the military to assist them in their hour of need when local uprisings may worsen under these circumstances. Recent dismissals of thousands of textiles and footwear workers in Bangkok have again affected poor migrants from the North. Malaysia which has so far refused to accept an IMF bail-out has resorted to other strategies like salary cuts, freeze on increments and getting citizens to grow their own vegetables. Generally the mood of pessimism, gloom and doom has prevailed marked by a decline of confidence in the nation-state and the ability of governments to cope with the culture of global capitalism or what has been referred to by Drucker<sup>20</sup> as post-capitalism and the increasing powerlessness of citizens of small nations in the Information Age.

If this is the trend of the future, Asia especially South East Asia will always be a step behind the West and will be defensive of its own inventiveness. The *Asian Renaissance* might actually be the *Renaissance of post-industrial societies* located in the intellectual property rights of the advanced West and East Asia. With its continued dependence on manufacturing products based on the intellectual capital of advanced nations, including those from Japan and Taiwan, a major part of Asia, including South East Asia will materialize as production work sites of advanced economies of the post-industrial age. With research and development centers in these corporations deriving and expanding their level of technical efficiency on the profits gained from these Asian production work sites, East Asia in particular, Japan and China will achieve global competitiveness and move into the post-industrial phase as fast as the West. East Asia may break the monopoly of Euro-American technological efficiency and experience a boom in innovation as the new owners of intellectual capital. But East Asia is only a part of Asia. There is still Southeast Asia to be reckoned with.

In 1994, Krugman, Professor of Economics at Stanford University, demystified 'Asia's Miracle' that had been linked to limited individual liberties in the interest of the common good and sacrifice of short-term consumer interests for the sake of long-term growth. He argued that it is technological innovation in advanced countries in the West which has led to a continual increase of 'factor productivity' — a continual rise in

national income for each unit of input. Advanced nations have been able to achieve sustained growth in per capita income over the last 150 years and today the latest advancements in information technology in the post-industrial age continues to come from the West, in particular the US. In an age where technological brilliance and entrepreneurial innovation overrides the usefulness of mechanical production, all those who are unable to live up to this kind of global competitiveness will be put into financial ruins. For example, in 1996, Seagate's bid to produce the thin-film magneto resistive heads (Wafer-Fab) for disk-drivers had made other manufacturers lose their global competitiveness resulting in massive downsizing and retrenchment.

In contrast, Asian economies are driven by labor and capital rather than technical efficiency. Singapore became the economic miracle of Asia because its productive labor force increased from 27% to 51% between 1966 and 1990. Backed by human resource development and large-scale physical capital investment, the country has become one of the most prosperous economies in the world. Krugman, however, contrasts the new tiger economies of Singapore, Thailand and Malaysia with Japan that has maintained a high level of technological innovation and efficiency over the last few decades and with a per capita income which will outstrip the US in 2002. Furthermore, unlike the growing economies of Southeast Asia, Japan's technological efficiency is backed by a highly literate, well-paid labor force which may be 'working class' (production workers) but is able to maintain standards of living not very different from the professional and business community.

The conventional wisdom that an Asian-centered world economy will materialize in the 21<sup>st</sup> century was made on assumptions of increasing ownership of capital and higher living standards based on services and resources associated with education, health, housing and security. If this was to materialize, the military and political dominance of advanced Western nations may be countered by a prevailing Asian economic dominance regionally and globally. Although the myth of the *Asian Renaissance* and its association with common Asian values of economic growth may be disproved through evidence of diverse cultural and political institutions in Asia, rising social inequities, transmigration and population movements in search of wealth and security, the articulation of the Asian dream is compelling to Asian entrepreneurs and the business community globally. The liberation of the economies has allowed powerful

corporations to penetrate the elusive hostile borders of Myanmar, Vietnam, Laos and China, and whether Asian or European, the first phase of growth in the initial burst of investment is always labor and capital intensive driven by the exploitation of cheap labor and natural resources. This injects more income that is soon followed by a new consumer culture among production workers for imported goods. Local populations begin to consume as much as they earn but expenditure is driven by the desire to achieve status through participation in material culture. This creates the phenomenon of conspicuous consumption that drives up imports of non-productive goods from Europe and the West.

The second phase based on technical efficiency distinguishes corporations on the basis of inputs of intellectual capital and entrepreneurial ingenuity and this is as likely to be Asian as it is to be European or American. An Asian corporation may buy up a European corporation with advanced intellectual resources but these resources may not be Asian in origin. Southeast Asians in particular are dependent on the technical efficiency of others outside and as a culture of dependence prevails, affordability may become a crucial issue in global competitiveness. The third phase is the recapitulation of technological efficiency and entrepreneurial mastery in the realization of the importance of inputs of human and social development which may become more selective and proactive as the objectives of human and social development become linked to profit, as for example, in the association of private education with economic profit and the marketing of advanced Western education as good for Asians in the upgrading of technical and professional proficiency. Even in the context of human resource, training and education, global competitiveness implies borrowing and buying intellectual resources and capital from the advanced West.

### **An "Oversupply of Humanity" and the Increasing Concern for Intellectual Capital in Post-industrial Society**

In this Information Age, or the First Post-Industrial Revolution, the real generators of wealth will be the first class of "knowledge workers"<sup>21</sup>, of those with the means to buy and produce the latest technological innovations and who will determine the fate of millions of 'production workers' in terms of employment, retrenchment, downsizing, rightsizing and numerous other strategies which attempt to conserve capital resources at the expense of the welfare and security of workers. The



income of these owners of intellectual and financial capital will increase substantially, at the same time when 95% of the world's population increases in developing countries, and mass migration and downsizing or rightsizing results. Countries that have traditionally attracted the owners of intellectual capital like the US will continue to attract them. Already 600 millionaires immigrated to the US in 1993 and this will continue to grow as more Asian millionaires are created. Currently, 60% of the world's private banking is held in trust in offshore unsupervised tax havens as the disposable income of production and service workers get more thoroughly examined, checked and taxed. Angell<sup>22</sup> predicts a backlash in massive civil unrest and disorder.

The Asian dream, unlike the American, is still in a stage of infancy. As scientific and technological expertise is expanded, it draws to a close mass production or what Angell<sup>23</sup> refers to as "an oversupply of humanity." The nation-state will best serve the interests of the poor and infamous since the latter are part of the Machine-Age and need the protection of labor laws and social advocacy to survive. "The Marxian myth" that labor generates wealth will be buried as global entrepreneurs, both Asian and Euro-American, outgrow machines and consolidate wealth generated from intellectual capital. As the state attempts to protect the interests of dependent service workers, immobile professionals and mobile immigrant workers, those with intellectual capital will determine trends of mutation of national cultures and identity.

### Conclusion

Limping dragons, slaughtered tigers, tamed cats and menacing flies. It seems that a discussion of Southeast Asian culture in the 20<sup>th</sup> century is a requiem of a century's struggle against domination by big powers and players unconcerned with its original quest for autonomy and equality. Even in the last decade of the 20<sup>th</sup> century, Southeast Asia remains ill-defined, lacking new leads on how it can regain its confidence in shaping its own history. Loss of faith in governments and the Asian culture that discipline, hard work and enterprise are the cornerstones of success, seem to have surfaced more sharply. The rapid advancement of the North through global capitalism and monetary imperialism reveals the unfortified weakness of newly industrialized Southeast Asian societies against American and European post-industrial strategies of reasserting controls over the region.<sup>24</sup> The continued trend in Southeast Asia in the technical,

operational and managerial emulation of standards, ratings, operations and procedures from the US and Europe, describes how Southeast Asia mutates a culture derived from the West, making it as vulnerable a region as Latin America in movements to design its own destiny. The burst of self-confidence in the early decades of struggle against colonialism led to a surge of competitiveness to be as indomitable and powerful as those nations which had belted them down. But nets have been cast over Southeast Asia, choking its own self-definition and actualization of culture. The consumer instinct, fed by an insatiable appetite to gain recognition from the more advantaged, locally and globally; the sacrifice of the food bowls of the region to assist multi-nationals and plantations that profit from cheap and subservient labor; the disregard for models of indigenization in formal organizations, education and economic and social development has allowed it to be taxonomized through animal characteristics of behavior and performance or alternatively, electronic discourses of investment ratings, swinging from 'positive' to 'junk' depending on the mood of global capital for the day. These labels and ratings shape its immediate and long-term destiny. Southeast Asian culture can only find itself once again if it reestablishes its unique character of upholding autonomy by entrusting people to know, think, criticize and act upon fundamental issues of societal transformation and development. If the global culture of the new millenium will convert Southeast Asia into a play station of the latest adventure on profiteering by invading galloping tribes of the new age in which God is money and sovereignty, a poor excuse for citizenship, then it is left to the Southeast Asian people themselves to develop their own indigenous strategies of survival which may inspire more self-confidence than what modern democracies may have to offer to Southeast Asia's future. ♦

### Notes

- 1 Research on conspicuous consumption and status production were conducted by the writer between 1989-1992 in rural Malaysia. In 1995-1996, a similar study was undertaken in Arakawa-ku, one of the earliest settlements in greater Tokyo. Refer to the articles (1989) and (1996a) for a more detailed description of conspicuous consumption patterns of Malays in rural Malaysia, as a result of the injection of more credit through direct sales by multinational corporations.
- 2 Veblen, 1899.
- 3 Karim, W.J., 1996a.
- 4 Wertheim, 1993.
- 5 Wertheim, 1993, p. 42.
- 6 Angeli, 1995, p. 11.
- 7 Kathina Abduliah, September, 1996, Kuala Lumpur.
- 8 A more detailed analysis of bogeyism in Southeast Asia can be found in Karim, W.J. (1997) "Hunting Down the Bogeyman: National identities and Culture in Southeast

- Asia," a chapter in a forthcoming book, *Human Flow and the Creation of New Cultures in a Changing Society*, ed. K. Miyazaki (1998) Institute for the Study of Languages and Cultures of Asia and Africa, Tokyo University of Foreign Studies.
- 9 Malaysian Parliamentary Statistics; Deputy Home Minister, Ong Ka Ting, October 1996.
  - 10 Noordin Sophie, 1996.
  - 11 Drucker, 1994.
  - 12 See Karim, 1996b, p.24.
  - 13 New Straits Times, National, September 11, 1996 p.9.
  - 14 New Straits Times, September 12, 1996, p.5.
  - 15 Housing Development Board (HDB).
  - 16 See Anwar Ibrahim, 1997. The familiarity of the language of the *Asian Renaissance* with best-sellers in the United States and Europe need to be elaborated, for popular intellectualism in the West has sought to globalize this Renaissance and set the tradition of a new age corporate intellectualism in Asia. The Management Times interviewed Dr. Stephen Covey on the success of his book, *The Seven Habits of Highly Effective People* (1990) and he proposed a formula for Asia, which was to transcend cultural distinctiveness to develop a common set of values that is principle-oriented in a constantly changing world of different choices. He said, "Diversity is synergistic only if there is a common set of values that are principle-oriented. Otherwise, diversity will be counter-productive...and people...deep inside themselves...will be wanting to clone themselves and they won't come to appreciate value and celebrate differences. But if there is a common vision, a common purpose, a common set of principles, that are agreed upon, then diversity becomes enormously unleashing of human talent, human potential, human creativity..." (August 13, 1996, p. 16). Part of the global trust of human capital is homogenizing it according to Western habits of effectiveness, implying that Asian values have to be re-adapted to this common cause. In its re-adaptation, its versatility is then deemed effective. Hence there is no niche for Asian distinctiveness in corporate culture.
  - 17 These three ideas were first put forward (1996b) in more detail by the writer in an article on "Intellectual Tradition and Asian Revivalism," concerning the destitution of academic intellectualism in Malaysia. See *Pengajian Tinggi - Higher Education*, Vol. 3, pp. 18-27.
  - 18 Chossudovsky, 1997a, p. 9.
  - 19 New Straits Times, January 3, 1998, p.26.
  - 20 Drucker, 1994.
  - 21 Drucker, 1994.
  - 22 Angell, 1995, p.11.
  - 23 Angell, 1995.
  - 24 An article by Janet Bush, published by *The Times*, London, 1997, and republished by the *New Straits Times* on January 10, 1997, highlighted the speech made by Mickey Kantor, former US Commerce Secretary, to the Confederation of "British industry recently. He stated that the troubles of the tiger economies should be seized as a golden opportunity for the West to reassert its commercial interests in Asia and that America and Europe should use the IMF as a battering ram to gain advantage. IMF loans in Asia have been described as "Faustian" since billions of US dollars are given overnight but these countries lose control of their destinies. In Bush's words, the tigers will emerge from the current crisis "decayed and owned by the West," American takeover of Asia's financial and banking sectors, aided and abetted by IMF (Goldman Sachs has invested RM4 billion to buy up asset - back loans from stricken Japanese banks and is preparing to do the same in Korea), reflects the future trend of *monetary imperialism* in Asia in a post-industrial age when global corporations outweigh nation-states in power and influence.

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