

Southeast Asia: Why Socialism?¹

Randolf S. David

THE QUESTION *WHY SOCIALISM FOR SOUTHEAST Asia today?* can be interpreted in a variety of ways. Let us consider some of these possible interpretations:

1.) Why socialism, when socialist states seem to be collapsing almost everywhere, and socialism itself appears to have lost much of its early appeal?

2.) Why socialism for Southeast Asia, when the economies of this region, apart from a few exceptions, have yet to be touched by the modernizing wand of capitalism, i.e., they are still largely underdeveloped and their working classes still very small?

3.) Why socialism for Southeast Asia *today*? What developments in the region encourage us to think that socialism might offer workable and enduring solutions to the present problems of Southeast Asian societies?

1. This paper was prepared for the workshop, "The Socialist, Nationalist, and Green Alternatives for Southeast Asia," held in Kuala Lumpur, Malaysia, Feb. 16-17, 1991, and sponsored by the Starnberg Institute.

This paper attempts to provide very brief answers to the first two questions, and proceeds to address the third question more extensively.

Why Socialism?

Have our views on socialism not been affected by the recent dramatic collapse of socialist regimes in Eastern Europe? The answer is that what has collapsed, and what will probably come to an end also in both the Soviet Union and China, is one type of socialism — statist authoritarian socialism which had as little respect for workers' capacity for self-management as capitalism. What has failed in Eastern Europe is not the socialist idea itself, but rather the pairing between socialist economics and repressive authoritarian politics. What has also clearly failed is excessive central planning in production and distribution, which has left precious little room for local control and initiative.

But socialism in a sense of *social* control of the instruments of production as well as of their fruits, this basic principle remains valid. The collapse of the "command economy" — state or bureaucratic control of the instruments of production — does not falsify the concept of social ownership.

State control can be one form of social ownership, but there is a variety of other forms by which the community of producers can exercise effective control of production and the disposition of resources. Many of these, such as those pertaining to the management of forest resources, are indigenous to the peoples of Southeast Asia.² The cultural base for cooperative forms of action remains strong even if the incursions of the capitalist market are rapidly dissolving rural communities.

Moreover, the reconstitution of local communities around principles of self-reliance and popular participation, with the assistance of the non-governmental organizations such as those that have appeared in many Third World countries in the last decade, provides many valuable lessons for all socialists.

Why Socialism for Southeast Asia?

Will not the underdeveloped character of the productive forces in this region precisely drive any socialist project into the authoritarian mould of the flawed socialist experiments of the Eastern bloc? Will not the insignificant size of the working class in the Southeast Asian countries precisely pave the way for the formation of the command economies in which the workers have no meaningful power?

2. See Mark Poffenberger, ed., *Keepers of the Forest: Land Management in Southeast Asia* (Ateneo de Manila University Press, 1990).

These are complex questions. If the goal of the socialist state is the attainment of the most rapid economic growth within the shortest span of time, then authoritarianism and dictatorship are indeed inevitable. However, if the objectives are to end poverty, attain food sufficiency, institutionalize popular participation, and preserve ecological balance as much as to ensure the continuous development of the productive forces then the scope for deriving socialist forms could be much wider. We believe that the existing socialisms have failed or are bound to fail because the party's or the state bureaucracy's consuming obsession with economic growth has pre-empted the more multidimensional decision-making process of the community of producers at various levels.

What about the size of the working class? The working class certainly remains a crucial element in the struggle for socialism and will continue to be its most stable core. But since the impact of global capitalism today in Southeast Asia has been injurious not only to the working classes but to a variety of economic and social groups, including those from the middle levels, the quest for radical alternatives now draws a much broader spectrum of groups and classes.

The tremendous growth of the service sector, compared to the agricultural and industrial sectors, has thrown up a variety of groups, loosely referred to in the Philippines for example as the "middle forces," that are today becoming the steady base of militant people's organizations and social movements. Starting out as single-issue movements, these groups subsequently discover the need to formulate more comprehensive solutions to interconnected problems. These new political participants constitute an important democratizing influence both in traditional elite party politics as well as in left-wing circles.

Why Socialism for Southeast Asia Today?

The stress on the word "today" invites us to consider what, in general terms, is happening in these societies at present. This section provides a sketch of these trends, and the continued suitability of a socialist alternative.

What has capitalism done to Southeast Asia? Has it produced sustainable growth in the economy? Has it improved the lot of the vast majority? Has it allowed the people to live in freedom and dignity? Has it improved the life prospects and opportunities of the generations yet to be born in these societies?

Our purpose is not to marshal the familiar facts and data that might tell us the present condition of the peoples in Southeast Asia, notably those in the Association of Southeast Asian Nations (ASEAN) bloc. Our purpose is simply to point to certain conditions that have been properly documented elsewhere by other scholars.

"The emphasis on rapid growth is such that many countries expressed readiness to absorb the attendant risks of industrial pollution, marginalization, dislocation, and foreign indebtedness."

As far as economic growth is concerned, we have seen that the record of capitalism in Southeast Asia has not been uniform. The strategy of export-oriented industrialization based on cheap labor, export-processing zones, foreign investments, import-dependent manufacturing, intermediate processing, agri-business conglomerates, etc., has resulted in high growth rates for most of these countries (Singapore, Malaysia, Thailand, and Indonesia to some extent) and stagnation for others (the Philippines in particular). Incidentally, this strategy was also readily adopted by some countries elsewhere claiming to be socialist, e.g., China.

Rapid economic growth is supposed to be the principal virtue of this strategy, which is premised on close integration with the world capitalist system. The emphasis on growth is such that many countries, in fact, expressed readiness to absorb the attendant risks of industrial pollution, marginalization, dislocation, and foreign indebtedness in exchange for the promise of rapid growth.³

While a strong case can be made for the dependent capitalist strategy insofar as generating short-term economic growth is concerned, one must however pose questions concerning the sustainability of this growth, and indeed, also on the manner in which the benefits of this growth have been distributed.

Sustainability

It is now well known that this export strategy is heavily import-dependent. It induces governments to borrow massively from abroad to finance the infrastructure requirements of the export producers: modern telecommunications systems, highways, bridges, ports, power-generating systems, etc. In addition, one must mention that the massive dependence upon imported raw materials,

3. See Walden Bello and Stephanie Rosenfield, *Dragons in Distress: Asia's Miracle Economies in Crisis* (The Institute for Food Development Policies, San Francisco, 1990).

machines, and spare parts of these export-oriented industries results in perennial balance of trade problems.

Yet the market for these products in the developed countries is unsteady. Protectionism in the advanced countries aggravates this problem.⁴ Meanwhile, the huge debt service must be paid without fail, and floating interest rates in the international financial market could multiply the original loan several fold.

As if things were not bad enough, Third World governments relying on the miracles of the export-oriented strategy also frequently find themselves abandoned in midstream by the same foreign investors they had spent billions of dollars to attract. Most of these foreign investors rely heavily on the availability of a well-trained but inexpensive and docile workforce. Their companies have been called "footloose" industries because they do not hesitate to move their operations overnight when labor becomes a little more vocal than usual.

On the other hand, local exporters, to remain competitive abroad, must resort to all known tricks of the trade to cut costs. Burdened by high interest rates, they do not pay the legislated minimum wage, do not provide sickness benefits, and do not observe legal working hours. Their workplaces are horrendous workshops, with minimal ventilation, lighting, and inadequate protection against harmful chemical and industrial accidents. When their underpaid workers try to form unions, the owners resort to subcontracting and piece-work schemes involving dispersed households that would put the English "putting-out" system to shame.

Equity

Whether one is talking of large-scale agri-business plantations such as bananas or palm oil, or of export-processing zones for garments and semi-conductor manufacturers, the initial process of accommodating these enterprises has often entailed displacing local communities. The first contradiction is usually the struggle between the existing communities and the advocates of industrial development for scarce resources like land and municipal waters. Fertile agricultural lands are converted overnight into industrial sites. Rivers and streams, traditionally used as irrigation sources and as fishing waters, become the convenient dumping places for industrial and agro-industrial sewage.

Yet, outside the jobs they are expected to generate, the export-oriented enterprises contribute very little in public revenue. This is not surprising; they are, after all, the recipients of all kinds of tax exemptions. Worse, in some instances, their entry into a locality might even entail

4. See William Cline, "Can the East Asian Model of Development be Generalized?" in Charles K. Wilber ed., *The Political Economy of Development and Underdevelopment*, 4th edition (Random House, 1988).

installing new power generators whose amortization costs are then passed on to all consumers.

Environmental Costs

This new industrial strategy under the direction of global capitalism often means the setting aside of existing environmental restrictions in a bid to make it attractive for the investors to relocate their operations to the host country. As favored enterprises, treasured for the jobs and the foreign exchange they are supposed to generate, they discharge poisonous fumes into the atmosphere and untreated effluents into local streams and waterways with impunity. In effect, their pioneering status becomes a license to use the environment as if it were just one gigantic garbage dump.

The local communities are often helpless before them, that is, assuming that the community is able at all to marshal unified opposition. For the intruding enterprises often find local support from those who benefit from their presence — locally hired workers and their families, and local politicians who often act as their intermediaries.

Other Costs

A necessary corollary of the strategy of dependent industrialization has been the export of rapidly dwindling natural resources and of contract workers, primarily as a way of raising the foreign exchange necessary to pay the debt service and growing size of imports.

The Philippines, for example, has long depleted its forest resources. And the overseas contract worker program which started out in the mid-seventies as a temporary mechanism for easing the foreign exchange crisis, has become a permanent feature of its economic policy, critically depleting its own pool of skilled workers, technicians, and professionals. Even a Philippines under a woman president has not been able to resist the temptation of sending female hostesses to Japan, where they must often perform humiliating work.

But why Blame all this on Capitalism?

Because the stress on the individual or the corporate entrepreneur as the principal engine of growth promotes the kind of irresponsibility and unaccountability which results in gross economic inequity, the marginalization of the poor, the dislocation of communities, and the destruction of the environment.

Because in a situation in which all natural resources, including land and water resources, are placed under the disposition of the capitalist state, instead of retaining control over these in the hands of the local communities, the market valorization of these resources effectively places

them in the hands of those who, while they can pay more for their use, do not have any real concern for their long-term usefulness.

Because in the absence of strict and enforceable state limitations on the use of property, private ownership — liberated from community sanctions — becomes an instrument of destruction.

Because capitalism emphasizes what is profitable for the individual owner only from a market point of view and not what is beneficial to the entire community. When the state, rather than the local community, "owns" the natural wealth, then under the capitalist system, access to such will be determined by market rules: the one who can pay more obtains access.

Is Socialism the Answer?

To the extent that socialism aims to place control of the instruments of production in the hands of the community (of residents or of direct producers), rather than just the state, and to the extent that socialism is understood to mean participatory and comprehensive planning in the use of resources, instead of leaving their disposition solely to the vagaries of market rules, socialism could hold some of the answers to the present problems of Southeast Asian peoples.

Let us examine some possibilities.

The major problems facing Southeast Asian societies today are the following:

- 1.) Insecurity in the satisfaction of the basic need for food.
- 2.) Massive displacement of communities as a result of government infrastructure programs and the alienation of "public" lands, and the attendant psycho-social dislocation at the level of the individual and the family.
- 3.) Gross inequity in the distribution of the benefits of economic growth.

"To the extent that socialism is understood to mean participatory and comprehensive planning in the use of resources, instead of leaving their disposition solely to the vagaries of market rules, socialism could hold some of the answers to the present problems of Southeast Asian peoples."

4.) The fragile character of current economic performance, subject as it is to the twists and turns of the global capitalist market.

5.) The deterioration of public services like education, transportation, health services, sewage and garbage disposal, water, etc.

6.) The destruction of the eco-system.

7.) The extended separation of families of overseas contract workers which creates crises and trauma for family members.

8.) Alienating and degrading work both locally and abroad.

9.) National demoralization and growing distrust in the efficacy of democratic and pluralistic ways (the authoritarianization of politics), as people become more enamored with autocrats who are seen to be more able to produce results.

10.) Loss of identity and autonomy, as nations become homogenized under the impact of transnational lifestyles and consumerist cultures.

11.) Growing political violence and oppression, both by the state and by private individuals and groups, in response to the restiveness in the ranks of the superexploited and the underprivileged.

But Why Socialism?

Of the problems mentioned here, the three most important are poverty with its accompanying syndrome of human degradation, political violence and oppression, and ecological destruction.

Capitalism cannot provide the solutions to these problems. It cannot, because what we seek is not a simple system of welfare and charity, or of patronage and dole-outs for the poor, but rather vital access to those resources and instruments of production by which all human beings can develop their human capacities in freedom, and thus adequately provide for their own needs. It is not welfarism that we desire, but rather meaningful and productive work on which ordinary people can build a life of dignity and of solidarity with others.

With respect to violence and oppression, what we seek is not just an effective system of state protection as embodied in the concept of the military and the police (which, as we have seen in countless instances, can easily be turned against the people), but rather communities made strong by their own unity and collective resolve; able, by themselves, to resist the tyranny of individuals or of agents of the state.

Finally, it is not simply environmental conservation, enforced by state authorities, that we seek, but rather a whole new way of life and sensibility that is intrinsically respectful of the ecological system, whose natural guardians are not the state forest agencies nor forest rangers hired by the

*"The
reconstitution
of local communities
at various levels,
preferably
following
the logic
of natural
ecological zones,
would pave the way
towards
transforming
the nation-state
into a popular
mechanism of participatory
planning
and coordination."*

state, but rather local community ring and wisely that support life.

the members of the themselves, nurtu- using the resources

The key to this quest lies in the re-constitution of the civil community from the debris of the excessive commodification of almost all human relations and the pernicious dependence fostered by a political system based on patronage.

Ironically, even the nation-state has remained largely unlegitimated, and therefore unable to command support and respect from the population. Its power has largely been based on its monopolistic control of natural resources, especially land and forest resources. The nation-state and the successive regimes that have run it mostly bought their constituencies or coerced them into silence or submission to state-sponsored mobilizations, instead of winning them through the painstaking process of popular empowerment and genuine mass participation.

The reconstitution of local communities at various levels, preferably following the logic of natural ecological zones, would pave the way towards transforming the nation-state into a popular mechanism of participatory planning and coordination.

How this is to be done and whether the damage is not yet irreversible, are questions for which there are no complete answers at the moment. What is clear is that local experiments in alternative social forms are already actively being pursued by local communities in various parts of the region. The results of these experiments could well be the building blocks for a people's socialism: respectful of cultures and of the people's indigenous knowledge, democratic and participatory, emancipatory, and truly sensitive to the possibilities and limits of the natural environment.

Within the various strands of the Philippine left, there is a growing feeling that the progressive movement has been lagging behind in a most important sphere — theoretical work. The richness and variety of the experience of the movement through the years have not been sufficiently reflected in theoretical works. Official theoretical papers of parties and organizations of the left come out only occasionally, and few individuals care or dare to write their own analytical pieces or have them published...

Debate, as a journal of the Philippine left, will provide a venue for progressives in the Philippines and abroad to address questions on national liberation, socialism and democracy, and on strategy and tactics. We hope to contribute to the development of a healthier atmosphere of analysis, discussion and debate among proponents of progressive social change, and in the process, help advance the progressive social movement in the Philippines...

We do not assume that it is possible or even necessary to unite all left groups, though some among us may have such hopes. We believe, however, that recent developments in the Philippines and abroad require changes in the theoretical orientation of all groups. These changes can be facilitated by providing a venue for open debate among these groups.

We also believe that such debate will facilitate coalition work among these groups. With **Debate** as a forum, we hope to facilitate clarification of the theoretical positions of various groups and through debate, hopefully identify points of unity...

— Foreword; **Debate; Philippine Left Review**,
pilot issue (March 1991)

We welcome the journal, *Debate; Philippine Left Review*, one of the more refreshing and exciting projects from the Philippine left lately. The quarterly aims to impel the different groups of the left to qualitatively reassess themselves in order to respond to a greatly changed and fast changing local and international conditions.

Already on its second issue, it, however, is still having problems in expanding both its contribution network and editorial board to reflect a broader section of the progressive movement. *Debate's* editorial board, still provisional, is composed of Rene Ciria-Cruz, Rene E. Ofreneo, Nathan F. Quimpo, Joel Rocamora, Eduardo C. Tadem, and Edicio de la Torre.

Annual subscription rates are: US\$24 for individuals and US\$40 for institutions. Articles by individuals and documents of groups are encouraged. Send order and contributions to: *Debate; Philippine Left Review*, Kalinaw Foundation, P.O. Box 2779, 1000 CT Amsterdam, The Netherlands.

Here is a reprint of Joel Rocamora's paper, "Third World Revolutionary Projects and the End of the Cold War," which appeared in the pilot issue of the journal.