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Working with Countries in Transition: Fostering Democracy

by

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Southeast Asia has witnessed an electoral and political transition year in 2004-05. Elections were held in Malaysia (legislative) on 21 March, Indonesia (legislative) on 5 April, Philippines (presidential, half senatorial and half congressional) on 10 May, again in Indonesia (presidential) in two rounds on 5 July and 29 September, and in Thailand (legislative) on 6 February 2005. A political transition from PM Goh Chok Tong in Singapore to his successor, Lee Hsien Loong, took place on 20 August 2005 to give Lee the premiership about two years before leading the ruling party, PAP, into polls, which must be held by early 2007.

Southeast Asia has therefore undergone a monumental electoral year, with **democracy being at the fore of politics, changes in store and stability well tested.**

It could thus be deemed that Southeast Asia has ultimately succeeded its “baptism of fire”, with peaceful **changes and stability and *acquis* in this new globalized era of democracy and good governance, amidst globalization and liberalization.** 2004-05 was therefore not marked by tumultuous politics, with political transition and changes smoothly implemented, amidst increasing political and social stability in Southeast Asia. This trend augurs well for democracy in the region, although tough challenges to democratic *acquis* still lie ahead.

The Affirmation of Democracy in post-Asian Crisis Southeast Asia

The Asian Crisis of 1997-98 first began as a monetary crisis, and then it became a social one, as it unleashed a reform process that caused unemployment to increase dramatically. Indeed, ‘democracy’ and ‘reforms’ became buzzwords in the affected countries by 1998. The nexus of the Asian political economy began shifting from the previous duopoly of big government-big business to a new triangular nexus of government-private sector-civil society (note that the new tripolar nexus has ‘government’ minus the ‘big’, and ‘private sector’ replaces ‘big business’). Conservative Asian societies were changing fast, as civil society strengthened in Thailand, the Philippines, Indonesia and South Korea. In this way, the Asian Crisis gave civil society a forceful push in the right direction, as democracy and reform took root in Asia. As unemployment and the lack of social safety nets threatened social harmony, civil society groups became increasingly assertive after years of centralized decisions by powerful governments. Civil society, comprising lobby groups (including labor unions, student groups and rights groups), Non-Governmental Organizations (NGOs), and environmental lobbies, then began taking governments to

task openly on an array of issues. It appeared that there was a real need to **redefine the ‘*contrat social a la Jean-Jacques Rousseau*’ between the governed and the governing in these societies**. The social order in Southeast Asia had nevertheless begun to change.

It then became a **crisis of governance**. Democratic aspirations grew as strong as the calls for drastic economic and social reform. Decentralization gained favor as grass-roots democracy took root bottom-up. Governmental accountability came under the spotlight and governments are progressively checked, not only by a mushrooming of political parties and the development of a bolder opposition, but also by the rising demands of civil society and people’s groups. Asian democracies became more complex political entities with multiple power-centers. The crisis therefore contributed to a reform of the political foundations of the affected countries. The successive Indonesian governments of Presidents Suharto, B.J. Habibie and Abdurrahman Wahid fell one after the other. Under Megawati Sukarnoputri, Indonesia still did not find true political stability, although the election was held very peacefully. In Thailand, Prime Minister Chavalit Yongchaiyudh fell from power in 1977 after the collapse of the baht and was replaced by a more somber Chuan Leekpai. He was in turn replaced by Thaksin Shinawatra, who swept into power in January 2001, after campaigning against Chuan’s slow economic reforms and indecisiveness. In these countries, incumbents were swept from power as a more genuine form of democracy was installed, but political and economic stability remain at times elusive. For many countries, political and social institutions need to be built or re-built. Even relatively stable Malaysia went through a political whirlwind during the controversial Anwar Ibrahim saga in 1998, which resulted in a resurgence of the Islamic opposition party PAS at the 1999 general elections; it was only at the latest elections that the UMNO-led *Barisan Nasional* coalition returned to dominant power.

It is undeniable that the Asian Crisis had contributed greatly to the impetus for change and transition in Southeast Asia. These changes and transition could generally, and in most cases should, be considered irreversible as the region develops.

(a) Four Political Trends Emanating from the Asian Crisis

In the **political field, four new trends** have also emerged in Asia, with also implications for the re-negotiation of the *contrat social* as well.

The first of these trends is **the cry for democracy and reforms** that has resonated across Asia since the Crisis. Prime Minister Mahathir Mohamad of Malaysia faced serious challenges during and after the Anwar Ibrahim saga from the latter’s supporters and other disenchanting Malays. Elsewhere in the region, calls for more democracy could be perceived on their web-sites. It is clear that Southeast Asia has embarked on a new phase of democratic aspirations after years of intellectual and social ‘containment’ of its people; today the people of the region are beginning to challenge years of thinking and policies characterized by an authoritarian ‘government-knows-best’ mindset.

Second, **increased popular and local-level assertiveness** have also resulted in moves towards decentralization and devolvement of power to local levels. Indonesia enacted decentralization laws in January 2001, although preparations for

the move were lacklustre and left much to be desired. Unfortunately, this has resulted in a rather messy transfer of power downwards and in conflicts of interest between the different levels of authority and competence. A similar experience is taking place in Thailand, with ‘chief executive officer governors’ nominated in the provinces. Malaysia, meanwhile, experienced a power struggle between federal and state authorities, especially when the latter were under opposition Islamic PAS conservatives in Kelantan and Trengganu (the latter till March 2004). In some cases, there have also been genuine concerns that decentralization and devolvement of power had led to increased corruption, like in the case of Indonesia, where multiple power centers exist and “compete” for power and money. The *contrat social* re-negotiation would now also have to involve both the central and decentralized levels with the rising civil society.

Third, it is nonetheless clear that **public accountability** has become more important in Asia, especially with the increasing power of the media, or the “fifth estate”. Political and corporate scandals have erupted across the region, as the media exposes them, with disastrous consequences for politicians, high-level bureaucrats and corporate chiefs. The media has acted hand-in-hand with civil-society groups and NGOs to expose errant individuals and organizations, although not all media and journalists are impartial, neutral or non-politicized. The new-found powers of journalists in the Philippines and Indonesia have at times helped destabilize societies, especially when they touch on religious or ethnic issues. However, there is no doubt that public accountability has increased from Indonesia to Thailand, thanks to the free (but at times, ‘not too responsible’) media, which has spawned in these countries. Journalists and the media would now be an integral part of the *contrat social* re-negotiation process too, but they should hopefully show social responsibility as well.

Lastly, Southeast Asian countries and societies are **re-defining the concept of power and politics**. The days of the Javanese kings and Thai absolute monarchs have faded away, as new democratic aspirations (from the ‘common people’) increase and test the old traditional concepts of power in Asia. “Pseudo monarchs” of the authoritarian bent should also fade away. This would require a new mindset in both the people and those elected to lead. The desire for short-term financial gains could decline in importance, as Asian leaders look towards political visions and the ideal of public service to hold public office, though this shift would be slow and hazardous. A new concept of power and politics is thus inevitable in the region, as politicians sever their close links to corrupt business and big vested interests. They would also understand progressively that they, as leaders, cannot cling to power indefinitely, especially as the concept of hereditary power in Asia recedes. Power shifts and political successions should then become ‘normalized’ and political transitions ‘smoothened’ in Asia; thanks to the rise of civil society, Asian power would therefore become more diffused and the re-negotiation of *contrat social* more broad-based.

But the practice of democracy remains somewhat weak in at least two Southeast Asian countries, even though they are undoubtedly and irreversibly evolving towards full-fledged democracies in Southeast Asia. Indonesia has had its first free and democratic legislative elections in 1999 (successfully), followed by three elections (two rounds of presidential and the legislatures earlier). But the Philippines resorted to “people’s power”, each time when the democratic process failed to resolve political tension and feuds in both 1986 and 2001. As nascent democracies, the

electoral process remains weak and perilous, thus contributing to potential instability in these two countries. But more importantly, **institution-building is still weak** and developing in both Indonesia and the Philippines, which should stabilize democracy further in the coming years.

(b) The Economic Changes in post-Crisis Southeast Asia

The Southeast Asian countries affected by the Asian crisis have notably seen dramatic changes in the social/civil society arena and politics, just as **economically**, the Asian Crisis helped boost the importance of domestic consumption (as versus exports) in their economies, shifted the emphasis back to a better balance between the public and private sectors, focussed on social re-distribution and safety nets, and emphasized the development of SMEs in their macro-economic policies.

As the **nexus of the Asian political economies shifts** further from a duopole (big government-big business) to a tripolar structure (authorities-private sector-civil society), governments in Asia have been forced to give the private sector (via SMEs) a greater role in setting the direction of the economy. This should also ensure the “decoupling” of big business from the authorities, and its accompanying cronyism, collusion and nepotism, as highlighted by the experience under President Suharto in Indonesia. Furthermore, with the rise of democracy and people’s participation in the economic strategies and direction of the country, labor has increased its bargaining power in the corporate world, thus becoming one of its most important stakeholders. A *Business Week* article had highlighted the fact that one of the major shifts in capitalism in the next ten to twenty years could be a shift from ‘market and managerial capitalism’ to a more ‘managed capitalism’, where other stakeholders, other than the management, play a greater role. Asia will be no exception in this novel business trend.

(c) Negotiating the New *Contrat Social* in Southeast Asia

In the social and civic arena, Asian governments are seeing important shifts in four areas, which should have implications on the re-negotiation of the *contrat social*. In fact, the social agenda in post-Crisis Southeast Asia is putting more emphasis on the re-negotiation of the *contrat social* between the governed and the governing, as though the Asian Crisis has unleashed a huge social debate in Southeast Asia, something akin to the monumental political and social transformations in Jean-Jacques Rousseau’s 19th century post-French Revolution Europe.

First, the **rise of civil society in Asia now appears irreversible**. From Indonesia to the Philippines, Thailand to Malaysia, peoples’ movements have emerged to claim a voice and role in society. In some cases, as in Indonesia and Thailand, the Asian Crisis helped unleash the power of civil society groups, whereas in others, increasing wealth and economic development have contributed to its rise as a powerful social force, as in Singapore or Malaysia. It has amounted to the people’s willingness to express themselves more after years of control and government-led economic expansion and growth. In many cases, Asian civil societies are still “tame” by Western standards; but those in the Philippines, Indonesia and Thailand can get boisterous and rowdy at times. Unlike many of their Western counterparts, most Asian civil society groups and NGOs are very issue or interest-based (such as

opposing specific infrastructure projects for environmental reasons or lobbying against human rights abuses or even trade union claims) and have not transformed themselves into formidable politico-social forces. However, labour movements have become formidable forces in Indonesia, just as NGOs are now more listened to in Philippines and Thailand.

Second, **the rising civil society has also come to realize that it has a greater role to play in the new “tripolar nexus”**, together with the authorities and the corporate sector. This civil society will in time wield a greater and more far-reaching role, not only as voters and consumers of social goods (for the authorities and the political establishment), but also as consumers and individual shareholders (in the corporate world and private sector). It is this “dual role” between the public authorities and corporate world that the emerging civil society and citizenry is learning to play in Asia; this is in turn forcing the government and private sector to ‘reconnect’ themselves to the people. When well organized, civil society groups could thus wield enormous power and influence in the “tripolar nexus” of the Asian political economy, especially when domestic consumption is now clearly emphasized in Asia by both governments and the corporate world.

Third, as education rises and is emphasized more forcefully in the development of societies, **the role of intellectuals will inexorably increase**, as compared to the role of businessmen, in the future direction of the country. Asia has in the past granted substantial authority to business conglomerates and top businessmen, but it can now be envisaged that intellectuals, the *intelligentsia* and academia in general will rise in importance as Asia looks for ideas and creative thoughts to develop further. This trend may also gain impetus as the society questions the “quality” of economic development (especially the social and societal aspects), especially as moral questions concerning ‘unbridled capitalism’ were raised in the wake of the Enron and Arthur Andersen scandals in America. This could in turn help steer Asian governments towards a shift in mindset giving more priority and according more value to intellectual exchanges and debates. The intellectual space in Asia should thus open up further, as Asian societies themselves open up.

Fourth, the Asian crisis brought about **a period of introspection in the region**. There is firstly a feeling of Asian vulnerability, and hence a debate of ‘returning to Asian roots’ has begun. This has then sparked a regional debate on Asia’s future identity and culture, as a region and as a civilization. As Asians search for ‘inner strength’ from their past, old civilizations and long histories, many are looking for answers in ‘things Asian’ and the Asian ‘art de vivre’, as opposed to the Western fads that had influenced Asia for more than a century. Asian societies have, in a way, turned inwards to look closely at themselves, probably also as a negative reaction to globalization and cultural uniformity. However, this ‘return to Asian roots’ is also accompanied by a certain ‘loosening up’ of Asian societies, as they grow ‘in less conformity’ and embrace some individualism and creativity as well. The trend of ‘Asian-ness’ (minus strict conformity) should be healthy, if it is not tainted by undue Asian arrogance or pride, as epitomized by the previously raging debate on ‘Asian values’, which was fortunately eclipsed by the Asian Crisis.

But **two pairs of indigenous elements** have also come to the fore in Southeast Asia, when reflecting on democracy, change and stability, viz **religion (political**

Islam) and development, as well as the intrinsic link between economic growth and re-distribution on one hand and political change and stability on the other.

Political Islam, Democracy and Development

The **Islamic developmental agenda** was obvious during the electoral campaign in Malaysia and Indonesia; in fact, Southeast Asia or ASEAN has a total Muslim population of some 230 million, or 45% of ASEAN's population. Four aspects were clearly borne out by the democratic process and the recent elections.

First, **the place and role of Islam in politics and society in Southeast Asia was re-defined**, in Malaysia, Indonesia or even in South Thailand or Southern Philippines. Moderate Muslim Southeast Asians had to ward off the more conservative brand of Islam and its concept of the Islamic state, amidst an "radical Islamic revival" in the Middle East and in Israeli-Palestinian politics. Two brands of Islam vied for Muslim hearts and minds in the elections, and in Indonesia and Malaysia, the importance of the "Islamic factor", like "putting Islam as the highest authority" in the Constitution, introducing *hudud* laws and the *shariah*, invoking Allah and the Muslims' "priority of ascending to heaven" were politically in the fore. But Abdullah in Malaysia used his moderate Muslim reputation to push for his own brand of "progressive (or *Hadhari* Islam", which balances development and religion.

Secondly, Muslim countries in Southeast Asia, in seeking to re-define the role and place of Islam in politics, economics and society, have to come to terms with **the fundamental debate linking the Islamic faith with economic development**, showcasing what a Muslim country could do in terms of modernity and social development. This also brings to the fore the issue of an "inclusive model of development, compatible with Islam". Furthermore, in Malaysia, Abdullah has appealed for Islam to be "inclusive" and for Muslims to be tolerant and outward-looking, so as to maintain Malaysia's racial and religious harmony. The "Abdullah" model thus shows that Islam can indeed be compatible with development, modernity and social tolerance.

Thirdly, the electoral debate also highlighted **the brand of Islam, which should be upheld and taught in Muslim education system**, which invariably highlighted the societal aspects of Islam and the potential lifestyle changes desired in Muslim. The question of Islamic teaching in the public *Sekolah Agama Rakyat* (SAR) versus the Islamic *madrasahs* (coranic schools) run by the opposition by PAS came to the fore. Indonesia has also highlighted the difficulties of controlling the syllabi of its numerous pesentrans, which are under the financial influence of charity organizations, many of which are sponsored from without. Education (and religious education in particular) is thus a critical factor in this Islamic debate, as Southeast Asian Muslim countries seek to "separate" the mosque from the State.

Lastly, behind this religious debate is **the crucial debate on terrorism and the fight against international terror**. It was feared that Malaysia's domestic terrorist network, the *Kempulan Militan Malaysia* or KMM (with possible intrinsic links to international terror networks, like the Jema'ah Islamiya and Al-Qaeda) could "ride" on radical Islam and its radical *madrasahs* to further its own political ends of toppling the elected government and thus creating an "Islamic caliphate" across

Southeast Asia, together with other radical Muslim (terrorist) groups in the Philippines, Indonesia, Thailand Singapore and Brunei. Splinter radical groups in Indonesia, like the disbanded Laskar Jihad or the PFI have come under stronger scrutiny, especially with the Ba'ashir court case pursuing, after the Bali and JW Marriot bombings. Developmental Islam could thus be a strong antidote against not only radical Islam, but more importantly, Islamic terrorism and terror.

Healthy Economic Growth and Sustainable Socio-Economic Re-distribution : Key to Social and Political Stability & The “Democratic Development”

Economic growth was a major issue in electoral campaigning in Malaysia, Indonesia, Philippines and Thailand, as Southeast Asian economies have recovered well from the last economic dip of 2001-2002; 2003-2004 were indeed good economic boom years for Southeast Asia in general. But beyond the debate of good economic growth and figures lurks the crucial issue of social re-distribution and the “democratic development” in the region.

The economy inevitably “predominates” politics and political stability in many parts of Asia today, as the “quality of economic growth” appears to supersede the “quantity of growth” (or a continuous rise of the country’s GDP) as the main factor of social stability. Social problems could in fact emanate from robust economic growth as well and cannot, as in the Chinese example amply shows, be “wished away” with good GDP growth alone. Electoral surprises could also result from an unequal re-distribution of growth, as the Indian electoral example proved last year. Growth sustenance in the longer term must therefore hinge on sound social stabilization programs, otherwise vertiginous GDP growth without adequate social re-distribution may also inevitably lead to social and political instability.

One of the most important **pillars in sustaining economic growth is thus the re-distribution of wealth, rural uplift and the utmost importance of creating a budding middle class**, which would in turn “anchor” sustainable socio-economic development and growth, as the Chinese and Indian examples show and Southeast Asian countries now endeavour to follow suit. The development of the private sector is key, and China is showing the way, especially to its Southeast Asian neighbours on its southern flank, that nurturing and “growing” this private sector could help stabilize society, especially by “broadening” its middle class. China’s “Go West” and “Northeast rejuvenation” policies, as well as enshrining the protection of private property in its Constitution are definitely on the right path towards creating a more sustainable socio-economic development in the country. Likewise, it can be envisageable that India’s “shining economy” will now need to integrate development and “reforms with a human face” more adequately (into the economy) to ensure a longer-term sustainable economic development; liberalism alone is no longer the sole panacea for success in developing Asia.

Social and political stability can only be achieved if and when societies “anchor” their future in a budding and developing middle class and a more equitable social re-distribution. **The cries of democracy and “free liberalism” alone would not guarantee social and political stability; stability should instead be built on sound social re-distribution and social justice, especially the fight against**

corruption and power politics. Malaysia's Premier Abdullah Badawi is leading a valiant fight against corruption and social injustice, just as Thai Premier Thaksin Shinawatra seeks to develop domestic consumption and demand in the Thai economy, thus consolidating a budding middle class. Southeast Asia's economic sustainability and social stability are hence not fully assured as yet today, despite the seeming "economic boom" of 2003-2004.

In fact, the **socio-economic gap** within individual ASEAN countries is becoming stark, critical and worrisome. Thanks to the Asian Crisis and the "unequal" development of provinces and regions, many of the poorer regions in the "original" ASEAN-5 countries, like South Thailand, Southern Philippines, Northeastern Malaysia as well as the out-lying regions and provinces of Indonesia (especially in Eastern Indonesia and outside the more prosperous Jawa, Bali and parts of Sumatra), are still festering hotbeds of socio-economic and politico-religious struggles, which undoubtedly raise the geo-political risks in Southeast Asia. Undoubtedly, socio-economic "imbalances" and inequity (within the ASEAN region as a whole and within ASEAN countries themselves) constitute a premier factor of instability in Southeast Asia and probably, its most fundamental geo-political risk and challenge.

Sustainable socio-economic redistribution, development and growth are thus crucial for Southeast Asia's social and political stability. In the past year of electoral campaigning and polls in Southeast Asia, economic and unemployment issues dominated the political debates. In this context, stability could best be assured by sustainable socio-economic growth and development, equitable social redistribution, as well as the consolidation of a private-sector-attuned middle class in these countries and the United States and Western countries should actively promote this aspect, instead of just focussing their attention and advice on promoting democracy and human rights alone. An admittance of this socio-political linkage is indispensable by the West and for Southeast Asian countries.

Potential for an Anti-Democracy Trend & Pressure Against "Rogue States" in Asia

Therein lies **the fundamental challenge and danger to democracy in Southeast Asia.** An uneven or unfair social redistribution, plagued by corruption and nepotism would surely be the greatest impediment to the sustainability of democracy in Southeast Asia. The United States and the West were right to challenge the "Asian miracle" after the Asian Crisis, based on the argument that Asia's miracle could not be built on "Asian values" alone; democracy and the Washington Consensus should also be part and parcel of this "new and reformed Asia".

But perhaps, **Washington and Europe should also focus on stressing the importance of voluntarist efforts by Southeast Asian governments to redistribute wealth within their countries as a means of social and political stabilization.** Liberalism and social works based on philanthropy and volunteerism may not necessarily work in developing countries, unlike the United States; and depending solely on market forces to help re-distribute wealth would not be realistic in most Southeast Asian countries. A more *volontarist* approach in forcing through a genuine *contrat social*, like in many parts of the EU, would be more appropriate, but

obviously, without going to the other extreme of creating a supra-welfare state. Undoubtedly, good public governance must accompany this initiative strictly.

If this is not done, then **an anti-democracy trend** could emerge within Southeast Asia, arguing that democracy had not benefited the majority of the people. The recent example in India, where by the Hindu BJP lost the election on its theme of “Shining India” to Sonia Gandhi’s Congress Party that called for a fairer distribution of wealth and gains from India’s recent economic growth and growing prosperity. The present Indian Government under PM Manmohan Singh has stressed the need to build India’s social infrastructure (to re-distribute the wealth gained) as well as to support liberal policies (to “grow” the economic pie). The same political phenomenon could indeed also happen in Southeast Asia.

In ASEAN, Thailand’s PM Thaksin has based his present socio-economic policy on uplifting the rural sector to increase domestic consumption and people’s welfare, and not focus on the export sector alone. Indonesia’s current SBY Administration has based its socio-economic policy on the three pillars of “pro-growth, pro-development and pro-poor”, whereas Malaysia stressed the efficiency of its administrative delivery system in order to cater to its increasingly demanding population and electorate.

Social policies have therefore come to the fore to balance pure liberalism, as Southeast Asian governments now understand that liberalism and free markets alone would not effectively re-distribute wealth within their countries and regions. It is obvious that good public and corporate governance, as well as a strict enforcement of social justice and equity, must go hand-in-hand with these social *volontarist* policies, in order to reduce potential anti-democracy trends and tendencies, which would always “ride on” social injustice and inequity to further their course. Woven into the danger would be use by religious and ethnic groups of the socio-economic gaps and imbalance to further their zealous cause and spark ethno-religious conflicts, as what Southeast Asian countries are now experiencing in many regions.

Potential anti-democracy trends are therefore always present in ASEAN countries, especially when the development agenda appears unfair, unbalanced and lop-sided. All must be done to “cut” the injustice argument away from such potential anti-democracy groups and followers and not allow them to jeopardize the democratic momentum by basing their arguments purely on unfair and unequal social redistribution grounds.

As for growing **pressure against “rogue states”**, ASEAN civil society is slowing waking up to this exigency, although most of the ASEAN NGOs would concentrate their criticisms on social or environmental issues as a priority. It is probably because ASEAN NGOs and civil society groups still have a fundamental focus on alleviating poverty, encouraging greater social justice and protecting the environment in ASEAN than dealing with political issues like rouge states.

However, the question of Myanmar is beginning to agitate public and moral consciousness in the Philippines, Malaysia, Indonesia and Thailand, especially when Yangon is due to take over the ASEAN chairmanship in a year’s time. In fact,

Myanmar may just be the necessary spark for ASEAN NGOs and civic organizations to awaken to the political agenda within ASEAN.

How the United States Could Support the “Democratic Development” in Asia

Given this state of play within ASEAN, **the United States would have a capital role in playing to support “democratic development” within Asia and in particular, ASEAN** in the following ways:

- Washington must stay engaged in ASEAN, not only through its support for the democratic movement and developments, but equally importantly, via the channeling of economic assistance and technological transfer.
- As poverty alleviation constitutes a major challenge for ASEAN, American aid and financial support for the lesser-developed ASEAN countries will be essential; there is a need for Washington to develop a greater “all-around” policy of engagement even with countries like Vietnam and Laos, which are not necessarily democratic, in American eyes. Continuous overtures to Hanoi are essential for Washington. (An Asia Foundation report had highlighted late last year the prime weakness of US foreign policy in the region, as it sees Southeast Asia only and narrowly through the “lens of terrorism”.)
- Poverty alleviation and greater social justice within many ASEAN countries, like Indonesia and the Philippines, would also help lessen the radicalization of substantial chunks of their population, thus contributing to lessening terrorist and religious activities, or at least to undermine the fertile ground, which spawns terrorism and religious extremism.
- The socio-economic aspect of terrorism and religious extremism, or the reduction of the frustration in certain disenchanted segments of ASEAN society must be underscored, with the assistance of American and Western assistance.
- In such cases, the big stick approach would not be necessarily useful and effective, whereas the “soft approach” could work better. American soft power has permeated well since the 1950s in a large cross-section of ASEAN society up until the “Iraqi adventure”, and Washington must now double its PR efforts to regain the majority of the “hearts and minds” of ASEAN citizens.
- Soft economic and cultural power are indeed America’s best trump-card and should therefore not be neglected or abandoned at a time when the esteem for the US in the region has undoubtedly dropped.
- For maturing democracies in the region, Washington must help spread the message that democratic institution-building is of utmost importance, as well as the governments’ fight against corruption and nepotism, which has

been commonly used by religious zealots and anti-democratic forces against democracy and freedom.

- Good governance (and greater social justice) must hence be enshrined in the ASEAN region as the most sustainable means of democratic development in ASEAN, and Washington must be seen to be at the cutting edge of leading this promotion in the region.
- Lastly, the United States should, as a world superpower, project its might in terms of defending the rights of the peoples of ASEAN, but these rights should embrace not only human rights and democracy, but also the economic and social rights, which the poorest segments of ASEAN society seek and cherish. Only then, could the United States be widely perceived as a true defender of democracy, and not the defender of “the democracy of the rich, privileged and powerful”.

Conclusion

In conclusion, it can be summarized that **democracy has irreversibly arrived or is arriving in Southeast Asia, but not necessarily good governance**. Political and social changes are definitely in store, but power shifts still remain unclear and consolidation “dicey” in the major ASEAN countries, given the weak political institutions, although the recent electoral processes in Southeast Asia have been smooth in 2004-2005. Political and social stability, though developing steadily, may still be vulnerable, thereby maintaining high geo-political risks in Southeast Asia today.

On the other hand, **sustainable economic development and growth and economic re-distribution**, in addition to democracy, are **key to Asia’s long-term social and political stability**. Good governance and a rising middle class would then in turn “guarantee” democracy and stability in Southeast Asia.

Hence, **Washington must try to “enhance democracy, good governance and greater social redistribution and justice in a package”**, and not in a peace-meal fashion, which serves the interests of neither the United States nor ASEAN countries in any helpful manner.