

also cultivated by smallholders. Smallholdings are family businesses that cultivate cash crops but on a smaller scale.

A Common Past — Colonisation and Its Legacy

A similarity shared by Southeast Asian countries is their colonial past. Documentation on Western colonisation of the region dates back to as early as the 16th century. The rationales for colonisation were mainly economic. The Industrial Revolution in Europe had given rise to the need for raw materials. Given its richness in natural resources, Southeast Asia was a good target for colonisation. The colonies also provided ready markets for manufactured goods of the colonising powers. The desire to protect and secure the strategic trade route between India and China through the Straits of Malacca was another reason.

Colonisation brought about significant changes to Southeast Asia. Whether these changes were beneficial to the countries involved remains controversial. The most conspicuous impact was the introduction of a money economy by the colonial rulers. Farmers in the region began to sell their produce for money; either from a surplus production of subsistence crops such as rice or from the cultivation of cash crops such as rubber. Furthermore, the “new economic environment” also encouraged farmers to increase their production by clearing more land for cultivation.

To facilitate the movement of goods and resources, the colonial powers built ports, railways, and roads. The construction of the inland infrastructure, however, also benefited the locals. People from remote villages can now easily communicate with those in the cities, thus allowing greater social and economic activities to develop and expand. But, as the purpose of the network of roads and railways was to link up the various areas of export commodity production and distribution, a characteristic pattern was formed. This pattern of selective transport development in the region meant that some areas were incorporated into the modern capitalist economy while large areas elsewhere not affected by the production for exports remained relatively undeveloped. Hospitals and schools were also established by the colonial powers but investment in human capital was very low compared with post-Independence achievements. All over the world, including Southeast Asia, the colonising

powers followed the divide-and-rule policy. A great deal of colonial legacy has yet to be satisfactorily resolved in the post-Independence states.

Colonisation also changed the social fabric and racial composition of the colonised countries. This was especially striking in some parts of Southeast Asia. The new mines and plantations required large numbers of skilled and unskilled labourers. Troubled by labour shortages, the colonial powers had no alternative but to import labour from neighbouring overpopulated countries, India and China, to work in the tin mines and rubber plantations. However, in the process of development, Thailand not under colonial rule, also had an influx of immigrants from neighbouring China, which pushed them out because of extreme poverty and political turmoil.

A not-too-surprising development of colonisation was the rise of nationalism. The paradox, however, was that the nationalist movements were led mainly by local intellectuals that were trained in the West or in schools established by the colonial powers and were inculcated with Western values. Furthermore, the nationalist movement, in most cases, was not due to oppressive rule but was because of an exposure to the more open and liberalised political system in the West. The Japanese interregnum accelerated the nationalist movement in Southeast Asia by shattering the myth of Western supremacy. Except for Thailand, each Southeast Asian nation had to cope with the attempts of the colonial powers to regain their lost colonies. The struggle for Independence from the colonial powers ranged from peaceful negotiation to bloody warfare. For example, Indonesia and Myanmar were fighting for Independence immediately after the Second World War. Indonesia proclaimed Independence in 1945, but it was only in 1949, after four long years of fighting the Dutch, that the country became a sovereign nation. The struggle for Independence was even longer for Myanmar and Vietnam. The French only withdrew their troops from Vietnam in 1954. In contrast, except for the armed revolt of the Malayan Communist Party, Malaysia and Singapore did not engage in a war for Independence. The two countries negotiated with the British for Independence over a period of more than a decade.

There were some hangovers after Independence. For example, in Indonesia, the Dutch did not put in place an effective group of Indonesian

officials to run the public sector. On the other hand, Malaysia, Singapore and Brunei had a respectable civil service structure handed over by the British.

The Formation and Evolution of ASEAN

One of the most significant events in the history of Southeast Asia was the formation of ASEAN in 1967. The objective of the formation was twofold. First, it was a means to promote peace and stability in the region. At that time, Southeast Asia was divided by ideological conflict and war. Coupled with territorial disputes and racial tensions between neighbours, there was a possibility that the differences could degenerate into a full-blown armed conflict, leading to a prolonged fragmentation of Southeast Asia. Another motivation for the formation was to contain the spread of communism to Southeast Asian countries. China then openly adopted a policy to export revolutions to Southeast Asia and had supported a number of local insurgency movements led by the communist parties in Indonesia, Malaysia, the Philippines, Singapore and Thailand.

ASEAN was not the first regional grouping created to act as a forum for dialogues between leaders of the various countries. The Association of Southeast Asia (ASA), comprising the Federation of Malaya, the Philippines and Thailand, was formed in 1961. However, the organisation became defunct one year later, after the Sabah dispute between the Federation of Malaya and the Philippines. Diplomatic ties between Kuala Lumpur and Manila were severed during 1962–66. The confrontation launched by Indonesia's late President Sukarno also led to the demise of Malphilindo, which included Indonesia, the Federation of Malaya and the Philippines. The concept of Malphilindo was mooted by former Philippine President Macapagal.

The political stability of Malaya (then a collective name for Singapore and the Federation of Malaya) was threatened by the militancy of the Communists. In the Federation of Malaya, the Communists carried out insurgent activities purportedly to free the country from British rule. Singapore was also in danger of being taken over by a Communist-backed faction of the ruling party. A series of leftist-inspired strikes and a wave of student demonstrations rocked the Singapore economy in the