

# East Asia in Transition

## LESSON 2: Politics in East Asia

East Asia's political systems are as varied as the region's history and cultures, ranging from Japan's unique democracy to Myanmar's harsh authoritarian regime. Despite this variety, some analysts have argued that there is a unique East Asian political culture centered around such values as consensus, order, and stability. This update explores this issue. It then turns to three important cases—Japan, Indonesia, and Malaysia—and concludes with a look at the unique characteristics of East Asia's divided states: Korea, China, and Vietnam.

### EAST ASIA'S POLITICAL CULTURE: IS IT DIFFERENT?

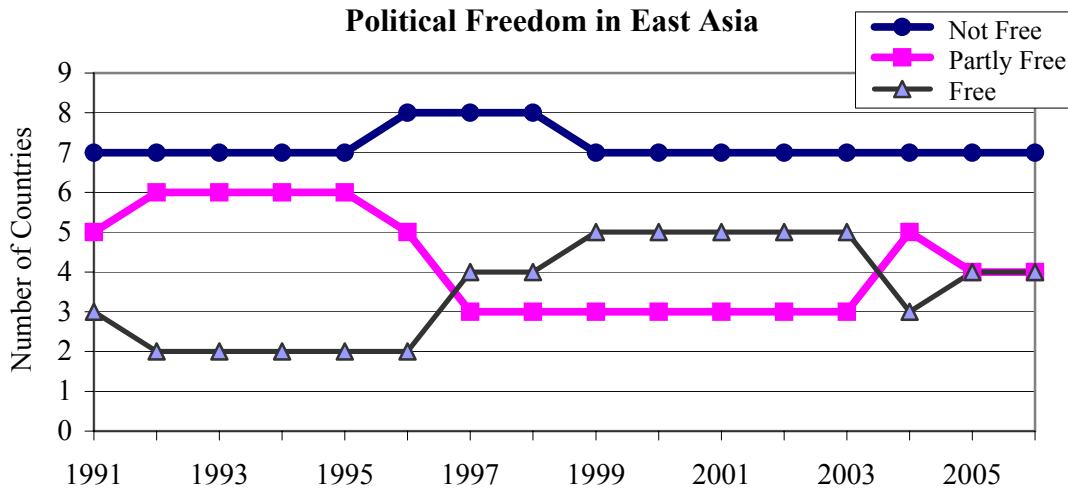
Proponents of the view that East Asia has a unique political culture argue that the region's societies often emphasize similar values. These values include respect for authority, strong families, hard work, prudence, respect for learning, teamwork, and consensus. Advocates of the "Asian values" view argue that East Asians generally desire consensus, order, and stability in society and politics.

The Asian values perspective holds that East Asia's unique political culture explains the prevalence of strong governments in the region. Proponents also believe that it explains the region's strong economic growth over the last several decades. They maintain that the desire for consensus, order, and stability has led to powerful governments that promote economic efficiency. Even when East Asian states adopt democracy, proponents argue, it is different from the democracy found in North America or Europe. In fact, some East Asians see an "inherent gridlock" in Western-style democracy. They also see a decay of core values and institutions in Western societies. Singapore's former prime minister, Lee Kuan Yew, has argued that democracy in its Western forms "leads to undisciplined and disorderly conditions which are inimical to development."<sup>1</sup>

Critics, on the other hand, see supporters of the Asian values perspective as self-serving defenders of authoritarian regimes. They question whether Asian values have sparked the economic growth of recent decades, pointing out that East Asia's cultural traditions existed long before the economic upturn. Finally, they argue that East Asian societies are not as similar as proponents of the Asian values view believe.

This debate raises many important questions. As the world becomes ever more interconnected, can East Asian national leaders protect traditional values and existing political structures? Will East Asian states inevitably move toward more Western styles of democracy? Importantly, as this debate has taken place, some East Asian countries have strengthened democracy and the rule of law, while others have maintained strong authoritarian governments (see Chart 1).

Chart 1



Source: "Freedom in the World Country Ratings," Freedom House, 2006.

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## CASE STUDIES OF POLITICAL CHANGE IN EAST ASIA: MOVING TOWARD WESTERN-STYLE DEMOCRACIES?

Many analysts have used a “flying geese” analogy to describe East Asian politics. Geese fly in an orderly “V” formation behind a single leader, with each goose taking advantage of and learning from the experiences of those that precede it. In East Asia’s political “V” formation, Japan has generally been considered the leader. However, democratic governments have also taken strong root in other countries. Here, we focus on Japan, as well as Indonesia and Malaysia, two important countries that fly in the middle of East Asia’s “flying geese” formation.

### Japan

Japan is the oldest democracy in East Asia. After World War II, the United States installed the country’s democratic constitution. This constitution remained in place even after Japan regained its sovereignty in 1952. Still, despite the U.S.’s influence, Japan’s democracy is considerably different from democracy in the United States. For example, from the mid-1950s until 1993, one party, the Liberal Democratic Party (LDP), ruled the country. Often LDP leaders worked closely with banking and industrial leaders. Together, these elites set the political and economic directions for the country. Japan saw significant economic growth from the 1950s through the 1980s. Critics of Japan’s political system, however, argue that Japan was a democracy only on paper. In reality, its politics were driven by elite consensus, money, and a voting system that kept power in elite hands.

In the early 1990s, the LDP faced a number of scandals and lost power. In 1993, the country swore in its first non-LDP prime minister in thirty-eight years. However, by 1996, the Liberal Democrats were back in power, leading a coalition government. Since then, a number of LDP-led governments have held power. Importantly, throughout much of the 1990s and into the 2000s, Japan faced a significant economic slowdown.

In 2001, the LDP chose Junichiro Koizumi as prime minister. Koizumi followed a reform-minded path, working to break up the country's elite-driven economics and politics. However, he also took a number of controversial steps, such as visiting the Yasukuni Shrine, a war memorial that enshrines convicted war criminals from World War II. In September 2006, the LDP's Shinzo Abe was elected to succeed Koizumi as prime minister.

## **Indonesia**

In Indonesia, the repressive and corrupt Suharto regime lasted thirty-two years, from 1966 to 1998. However, in 1997, a severe economic crisis in East Asia hit Indonesia especially hard. Investors pulled large sums of money out of the country. This withdrawal helped lead to a nearly 85 percent drop in value of the Indonesian currency.<sup>2</sup> The government initiated belt-tightening measures in an effort to stabilize the situation. These measures led to sharply higher prices in key areas such as food and fuel. Higher prices led Indonesians, who had long-standing frustrations with the Suharto regime, to burst into open rebellion.

By early 1998, demonstrations and riots shook Jakarta and other cities. As the situation degenerated, there was significant violence. Much of the violence was aimed at Indonesians of Chinese descent because they often held prominent economic positions. Military personnel sometimes condoned the violence. Finally, on May 21, 1998, Suharto stepped down. His longtime protégé, B. J. Habibie, took power. Indonesia started a transition toward democracy.

In April 1999, Habibie agreed to let East Timor, then an Indonesian province, hold a referendum on independence. Later that year, the East Timorese voted overwhelmingly to separate from Indonesia. However, pro-Indonesia militias, angry over the result, initiated a bloody campaign of murder and intimidation. Australia and the UN eventually sent in peacekeeping forces to calm the situation. In 2002, East Timor formally gained its independence.

In October 1999, Indonesia witnessed its first democratic transfer of power in over four decades. Abdurrahman Wahid, a nearly blind Muslim cleric, was elected president by the country's new parliament. However, in 2001, the country's national assembly impeached the often-erratic Wahid on corruption and incompetence charges. The assembly then appointed Megawati Sukarnoputri, the daughter of Indonesia's founding father, as the country's first female president.

The Megawati government initiated some political reforms. For example, during Suharto's time in office, a significant number of seats were reserved for the military in the country's legislature. Megawati's government was able to eliminate these reserved seats. Another reform provided for the direct election of the president. Despite these reforms, the Megawati government faced sharp criticism for its inability to solve some of Indonesia's most complex problems. These problems include widespread poverty, violent religious and ethnic conflicts, intense corruption, and a weak judiciary.

In 2004, Susilo Bambang Yudhoyono was elected in Indonesia's first direct presidential election. Yudhoyono has delivered some political and economic reforms. He has taken steps to tackle corruption, bring peace to the troubled province of Aceh, liberalize the economy, and alleviate

poverty. The Yudhoyono government has also had to deal with the devastating impact of several natural disasters, including a 2004 tsunami that killed over 130,000 Indonesians.<sup>3</sup>

## **Malaysia**

In Malaysia, Prime Minister Mohamed Mahathir was in power between 1981 and 2003. He was a leading advocate of the “Asian values” view and managed to weather the political turbulence that developed after the 1997 East Asian economic crisis.

In 1998, a reform movement led by Deputy Prime Minister Anwar Ibrahim emerged. This movement called for an end to the “corruption and nepotism” of Mahathir’s government. In response, Mahathir fired Anwar over a policy dispute and arrested him on trumped-up charges of sodomy and corruption. This led to louder calls for reform, sporadic protests, and trials that mesmerized the country. In response, some voters turned toward the opposition parties, including the All-Malaysia Islamic Party (PAS).

In the 1999 elections, Malaysians voted to keep Mahathir’s government in power. However, the gains made by the PAS and other parties showed that Mahathir’s grip was loosening. The PAS likened Mahathir to a repressive “pharaoh.” It proposed to clean up the government with “Islamic democracy.” Though many Malaysians supported this message of “clean government,” they also rejected PAS’ insistence on a strict Islamic state. In response, Mahathir and his party started to use their own rhetoric about clean government.

In June 2002, the 76-year-old Mahathir shocked the country by announcing his intention to step down in late 2003. However, there was little doubt that his influence would remain for some time to come. Mahathir handpicked his successor, Deputy Prime Minister Abdullah Ahmad Badawi. He also determined the makeup of the new Cabinet.

In 2004, Abdullah showed his own strength when his ruling United Malays National Organization party (UMNO) won a sweeping electoral victory. The PAS lost several of the state-level and parliamentary posts it had previously held. However, these losses were mainly due to redistricting by the government. The PAS won roughly the same percentage of the popular vote as it had in 1999. Also in 2004, the Malaysian high court overturned Anwar Ibrahim’s conviction and released him from prison. Since his election, Abdullah has shown some interest in political reform. However, corruption remains a significant problem in the country.

## **EAST ASIA’S DIVIDED STATES**

In the decade after World War II, three East Asian states—Korea, China, and Vietnam—were divided by a combination of domestic conflict and international politics. All three had one part of their country ruled by a communist government and another part of their country ruled by a pro-U.S. government. Today, two of these states remain divided.

### **The Korean Question**

Korea was the first state to be divided. During World War II, Japan occupied Korea. Following the war, Japanese forces in the north surrendered to the Soviet Union. In the south, Japanese

forces surrendered to the United States. Because U.S. and Soviet leaders could not agree on how to reunify the country, it was divided into North Korea and South Korea at the 38th parallel.

**The Korean War.** In 1950, communist North Korea attempted to reunify the country by force. With the backing of the United Nations, the United States and other countries came to the defense of South Korea. These forces pushed North Korea back. When they approached Korea's border with China, China entered the war. Chinese forces helped push U.S. and allied forces back toward the 38th parallel. The war raged on for three years. When an armistice was finally signed in 1953, the border between North and South Korea was in virtually the same place as when the war began.

Since the Korean War, serious political, economic, social, and cultural issues have complicated efforts to ease tensions and reunify the Korean Peninsula. The two Koreas have taken very different paths. North Korea has pursued a rigid and secretive communist path. Its repressive regime has pursued a nuclear program that has caused significant concern around the world. Many North Koreans suffer from extreme hunger and poverty. South Korea, on the other hand, has evolved from a poverty-stricken military dictatorship into a prosperous, capitalist state with a freely elected government. Culturally, the Korean people have been divided into different worlds for over a half-century.

**A Korean Reconciliation?** On June 13, 2000, Kim Jong Il of North Korea and Kim Dae Jung of South Korea held the first summit between North and South Korean leaders. At the meeting, the leaders agreed to work together to end a half-century of hostilities, unite separated families, and meet again in the future. When he returned to the South, Kim Dae Jung boldly stated that "the danger of war on the Korean Peninsula has disappeared."<sup>4</sup> Kim Dae Jung called his policy of engagement the "sunshine policy."

After the summit, the countries did engage in some goodwill steps: some families were allowed reunion visits; a greater number of South Korean tourists and aid organizations started to visit North Korea; some transportation networks were reconnected; and some southern companies began to build facilities in the north.

In 2000, Roh Moo Hyun was elected president of South Korea. He has continued with the sunshine policy of his predecessor. However, many South Koreans have become skeptical that the North can be trusted in negotiations. The North has failed to live up to several previous agreements. Of particular concern are broken agreements with the international community concerning North Korea's nuclear program. Indeed, in October 2006, North Korea joined the nuclear weapons club after it successfully conducted a nuclear test, which it described as a "historic event" and "a great leap forward."<sup>5</sup> In addition to this issue, the extreme poverty in North Korea presents a serious challenge to reconciliation efforts.

In January 2002, U.S. President George W. Bush designated North Korea as part of an "axis of evil" with Iraq and Iran. Later that year, the Bush administration stopped all bilateral engagement with North Korea. Subsequent multilateral efforts to negotiate a lasting agreement on North Korea's nuclear program have made little headway.

In June 2004, the United States shocked South Koreans and many international observers when it announced that it would withdraw 12,500 of its 37,500 troops from South Korea by 2008. The United States argues that the move is logical given current U.S. technological capabilities. Many South Koreans are concerned about the timing of the cuts and the message they may send to North Korea.

### **The Two Governments of China**

Technically, China has been divided since the nineteenth century, when Great Britain and other European powers acquired “treaty ports” and other territories from the Manchu dynasty. Hong Kong and Macau were the last territories to be returned to China. Hong Kong was returned in 1997, and Macau in 1999.

However, China remains divided. After World War II, a civil war pitted Mao Zedong’s communist forces against Chiang Kai-shek’s nationalist forces. In 1949, the communists pushed the nationalists off the mainland. Chiang and his supporters fled to the island of Taiwan and reestablished their government. China was divided into the People’s Republic of China (PRC) on the mainland, and the Republic of China (ROC) on Taiwan. Today, the PRC continues to claim that it is the rightful government of mainland China and the island of Taiwan. Since 1991, the ROC has recognized that the communist government rules the mainland. However, the ROC does not recognize the PRC as the rightful government of all of China.

**Hong Kong and Macau.** At midnight on June 30, 1997, the British returned Hong Kong to Chinese sovereignty. The territory is now a “Special Administrative Region” in China. Hong Kongers have tried to keep the area’s democratic, capitalist character under a “one country, two systems” arrangement. Indeed, the Chinese government promised Hong Kong relative autonomy. However, the people of Hong Kong have grown increasingly restless over the slow pace with which the Chinese are allowing political reform. They have often showed their displeasure through huge street demonstrations.

On December 20, 1999, the tiny island enclave of Macau reverted back to Chinese control, after being ruled by the Portuguese for 442 years. Like Hong Kong, Macau has been left with a good deal of autonomy under a “Basic Law.” Democracy activists on Macau, however, are less forceful than those in Hong Kong. Organized crime is the biggest problem in the territory. Since the handover, Macau has experienced rapid economic growth. This growth is attributed to the gambling and tourist industries.

**Taiwan.** The United Nations and most countries of the world, including the United States, recognize the PRC as the rightful government of China. Taiwan, on the other hand, has a unique status in international affairs. It has become a territory that has all the attributes of a state, but remains formally a province of China. In recent decades, Taiwan has developed a strong economy and a lively democracy.

In March 2000, Taiwan’s Kuomintang party lost the presidency after decades in power. The newly elected president, Chen Shui-bian, was from the traditionally pro-independence Democratic Progressive Party (DPP). He faced immediate criticism from Beijing over his party’s

pro-independence stance. China's rapid military expansion and Taiwan's weapons purchases from the United States continued to fuel fears of a military confrontation.

In many ways, the 2004 presidential election became a debate about Taiwanese national identity. More islanders had begun to question their sympathy for eventual reunification with China. A 2004 survey revealed that 42 percent of Taiwanese felt "exclusively Taiwanese" and only 10 percent felt "exclusively Chinese."<sup>6</sup> As a result, President Chen and the DPP squeaked out a narrow victory. Still, many Taiwanese remain of different minds about their international position. Some Taiwanese support independence; a smaller minority support reunification with China; but many prefer the status quo. They neither flaunt their current autonomy, nor support a closer union with China. China remains firmly against Taiwanese independence.

In recent years, China and Taiwan have typically shown an interest in separating politics from economics. For example, soon after taking office, Chen's government formally allowed for direct trade, travel, and postal links between Taiwan and China. In 2002, China set aside its precondition that Taiwan first recognize the "one China" principle before economic ties could improve. As a result of such moves, interaction across the Taiwanese strait has boomed. The U.S. State Department estimates that by 2006, the Taiwanese had invested over \$100 billion on the mainland. China is now Taiwan's largest trading partner, and Taiwan is China's fifth-largest trading partner.<sup>7</sup> Many hope that strengthened economic ties will reduce the risk of military confrontation and lead to a peaceful settlement of the dispute.

### **Vietnam Reunited**

The one divided East Asian state that has been reunified is Vietnam. Following World War II, France attempted to reestablish its colonial control over Vietnam. However, Ho Chi Minh and his communist and nationalist forces fought against France. In 1954, after nearly ten years of war, the French agreed to divide Vietnam into two "regroupment zones," one in the north and one in the south. Caught in the middle of the Cold War competition, North Vietnam aligned with the Soviet Union and China, while South Vietnam sided with the United States.

The United States gradually escalated its involvement in Vietnam. It eventually sent over half a million troops to fight North Vietnam's efforts to reunify the country. By 1973, over three million Vietnamese and nearly 58,000 Americans had been killed.<sup>8</sup> The United States eventually concluded that a military victory was not possible and withdrew, just as the French had done nineteen years earlier. Two years later, North Vietnam reunited the country by force. Since then, Vietnam has been run by an authoritarian regime. This regime has enjoyed popular support because it defeated the French, won the Vietnam War, and reunified the country.

In the early 1990s, Vietnam started to reform its economy, allowing for more free-market activity. Foreign investment started to flow into the country. However, while poverty levels have been cut in half, almost 20 percent of Vietnamese continue to live in poverty.<sup>9</sup> Corruption remains a significant problem.

In contrast to Vietnam's relations with other countries, its relations with the United States improved at a slower pace. This slowness resulted primarily from the unresolved issue of accounting for the roughly 2,000 Americans still listed as "missing in action" (MIA) from the

Vietnam War.<sup>10</sup> However, in 1994, the Clinton administration lifted the U.S. economic embargo. The administration's action was influenced by progress on the MIA issue and pressure from U.S. businesses that were barred from operating in Vietnam. In 1995, the United States reestablished formal diplomatic relations with Vietnam. And in 2000, Clinton became the first U.S. president to visit Vietnam since the end of the war. Today, there is significant trade and investment between the United States and Vietnam. In addition, almost one million people born in Vietnam live in the United States.<sup>11</sup>

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<sup>1</sup> William Branigin, "As He Leaves For Asia, Troubled Clinton Echoes Bush," *Washington Post*, November 12, 1994.

<sup>2</sup> International Monetary Fund, "Exchange Rate Archives by Month," July 1997-June 1998, [http://www.imf.org/external/np/fin/rates/param\\_rms\\_mth.cfm](http://www.imf.org/external/np/fin/rates/param_rms_mth.cfm) (accessed October 31, 2006).

<sup>3</sup> UN Office of the Special Envoy for Tsunami Recovery, "The Human Toll," <http://www.tsunamispecialenvoy.org/country/humantoll.asp> (accessed January 11, 2007).

<sup>4</sup> Calvin Sims, "A Cease-Fire Takes Hold in Korean Propaganda War," *New York Times*, June 17, 2000.

<sup>5</sup> "Text of North Korea's Announcement," *BBC News*, October 9, 2006.

<sup>6</sup> Andrew Perrin, "What Taiwan Wants," *Time Asia*, March 8, 2004.

<sup>7</sup> Bureau of East Asian and Pacific Affairs, "Background Note: Taiwan," (U.S. Department of State: October 2006), <http://www.state.gov/r/pa/ei/bgn/35855.htm> (accessed January 12, 2007).

<sup>8</sup> Microsoft Encarta Encyclopedia, 2004 ed, CD-ROM, s.v. "Vietnam War."

<sup>9</sup> World Bank, "Vietnam Development Report 2004: Poverty," (December 2003), <http://www.worldbank.org.vn/news/VDR04%20Poverty.pdf> (accessed January 12, 2007), p. i; and World Bank: East Asia and the Pacific, "Vietnam: Country Brief," March 2006, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/VIETNAMEXTN/0,,contentMDK:20212080~pagePK:141137~piPK:141127~theSitePK:387565,00.html> (accessed January 12, 2007).

<sup>10</sup> Charles A. Henning, "POWs and MIAs: Status and Accounting Issues," Congressional Issue Brief (Library of Congress, February 16, 2006), [http://digital.library.unt.edu/govdocs/crs//data/2006/upl-meta-crs-8456/IB92101\\_2006Feb16.pdf](http://digital.library.unt.edu/govdocs/crs//data/2006/upl-meta-crs-8456/IB92101_2006Feb16.pdf) (accessed January 12, 2007).

<sup>11</sup> U.S. Census Bureau, "Place of Birth for the Foreign-Born Population," Table PCT19, 2000, [http://factfinder.census.gov/servlet/DatasetTableListServlet?\\_ds\\_name=DEC\\_2000\\_SF3\\_U&\\_type=table&\\_program=DEC&\\_lang=en&\\_ts=186683731033](http://factfinder.census.gov/servlet/DatasetTableListServlet?_ds_name=DEC_2000_SF3_U&_type=table&_program=DEC&_lang=en&_ts=186683731033) (accessed January 12, 2007).