The Dialectic of “Good Governance” and Democracy in Southeast Asia: Globalized Discourses and Local Responses

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Abstract: Southeast Asia displays a problematic relationship between elitist calls for “good governance” and democracy. While opposing dictatorships accused of mismanagement and cronyism, regional upper and middle class activists invoked the discourse of “good governance.” Yet elitist-led “civil society” later redirected this discourse against democratically elected populist politicians accused of corruption. This dialectic has destabilized democracy in the Philippines and, to a lesser extent, Indonesia, and was a major cause of the recent democratic breakdown in Thailand. Renewed reformism has failed in the Philippines and is in trouble in Thailand, reviving critiques of governance by elites while antagonizing the poor who supported toppled populist leaders. Plagued by patrimonialism, Indonesian democracy remains under less direct threat as its civil society is weaker and a populist challenge has yet to emerge. A brief comparison with Venezuela suggests that the dialectic between “good governance” discourse and populist democratic rule affects other regions as well.

Keywords: democracy, elite, good governance, Indonesia, Philippines, populism, Southeast Asia, Thailand

(1) When it became clear that Southeast Asian developmentalist dictatorships were no longer developing economically during the Asian financial crisis of 1997-98, the global discourse of good governance suddenly threatened their hold on power. Long praised by the doyens of international finance for their developmental successes despite massive human rights violations, the authoritarian regimes of the region found themselves accused of cronyism and corruption by the World Bank-IMF and its close allies who were trying to explain away why former “miracle economies” had so suddenly collapsed.

(2) This global discourse was localized during the Indonesian reformasi movement that toppled Indonesian President Suharto in May 1998. [1] The once friendly IMF had forced the Suharto regime to its knees with tough conditionality demands in exchange for desperately needed loans. The photograph of IMF director Michel Camdessus, arms crossed, looking down on Suharto like a Dutch governor-general might have done during the colonial era symbolized for many Indonesians the reversal of this
international institution’s policy toward the country. [2] Yet national humiliation did not strengthen the dictatorship. Rather, it stimulated anti-government activism led primarily by students, but increasingly supported by middle class politicians and professionals. The movement’s slogan denouncing “kolusi, korupsi dan nepotisme” (collusion, corruption and nepotism) could not have summarized the World Bank’s position any better. A revolutionary situation also arose in pseudo-democratic Malaysia after the resignation and arrest of the former Deputy Prime Minister Anwar Ibrahim led to major societal protests. In the face of a mounting economic crisis, Malaysian Prime Minister Mahathir Mohamad imposed capital controls, lurching into international financial isolation.

(3) Yet just over nine years since the advent of a localized “good governance” discourse in Pacific Asia, authoritarian regimes in the region are flourishing while the new democracies flounder. China and Vietnam escaped the worst effects of the financial meltdown and remain stable Market-Leninist dictatorships. International finance has again become effusive. The World Bank has held up China as a model, both for its rapid growth and poverty elimination efforts. [3] A 1999 World Bank survey which pointed to a sharp decrease in poverty in Vietnam in the mid-1990s made the country the international financial community’s latest “poster country,” which other developing countries should imitate. [4] Singapore is still the richest non-oil producing country in the world which is not a democracy. Foreign investors crave it as a safe haven, free from terrorist attacks and democratic “excesses” (particularly organized labor). In Malaysia, the post-Mahathir era has been made safe for continued pseudo-democratic rule. Political succession from Mahathir to the new prime minister Abdullah Badawi occurred smoothly while capital controls have been lifted and foreign investors are returning, contributing to rapid economic recovery there.

(4) By contrast, the new democracies in the sub-region Southeast Asia — Indonesia, the Philippines, and Thailand — have been politically unstable and slower to recover economically. They face continued protest by civil societies demanding good governance and rapid development after the end of developmental dictatorships. Viewed in isolation, the recent military coup in Thailand — the 18th in 74 years — seems part of an endless cycle, much like what the ancient Greek’s termed “eternal recurrence” in history. [5] Seen from a regional, comparative perspective, however, the Thai experience fits a pattern also characteristic of political developments in the Philippines and, to a lesser extent, Indonesia. In this article, I argue that the new democracies in Southeast Asia are following a similar political trajectory that results from a dialectic of good governance and democracy. Initially invoked during anti-dictatorship struggles, the good governance discourse has been directed against democratic institutions in reaction to the rise of money politics and populist challenges.

(5) The upper and middle classes are what is called in German the Träger, the “bearer” of this discourse. Urban-based, politically ascendant and culturally hegemonic, this elite has demonstrated its insurrectionary prowess through a number of popular uprisings in the region. Electorally, however, the upper and middle classes have found themselves out-numbered by the poor, particularly in the “backward” rural areas. In such situations, the middle class in the new Southeast Asian democracies has proved itself politically disloyal to democratically elected leaders, as the recent Thai coup demonstrates.

(6) The first part of this article suggests that the Pacific Asia began as an “imagined community” of developmental dictatorships. This made authoritarian development into the “original position,” particularly for the middle class that grew up under a developmental political economy against
which democracy is critically judged. The second section argues that in Southeast Asia, the upper and middle classes turned on self-proclaimed developmentalist regimes less out of democratic conviction than due to the fact that after financial crisis weakened neo-patrimonial rule authoritarians were no longer seen as “fathers of development” (one of Suharto’s official titles) but as the gravediggers of good governance. The third section focuses on the weakness of the new, middle-class based reformist governments, the prevalence of corruption, and the rise of populist politics. The fourth part concerns the reformist reaction from the middle class that led to the toppling of democratically-elected governments as well as with the failures of a renewed round of reformism. The final section makes some brief comparisons between Southeast Asia, on the one hand, and South Korea, Argentina, and Venezuela, on the other.

(7) Two notes on method are helpful at this point. The first is that the middle class is more subjective social construct than objective structural category. Like E.P. Thompson’s working class, one can speak of the “making” of the middle class. [6] This is done less in terms of organization (particularly unions) and socialist movement-based activities than to common educational experiences, consumerist lifestyles, similar moral horizons, etc. But there is a structural component involved in understanding this class as well. The “middle class” discussed in this paper is what is often known in the literature as the “new middle class” and not the “old” one of small shop keepers and petty clerks. Among “new” elements, the emphasis here is on higher paid professionals and administrators, as well as on students, intellectuals, and NGO activists whose status is defined largely via education and may not necessarily be wealthy. The middle class does not “act” politically, strategic groups do. I understand strategic groups — loosely following the concept of Hans-Dieter Evers and Tilman Schiel — to be social networks connected by a common interest in the expropriation of key resources (not only material) capable of collective action. [7] Within the “middle class,” key strategic groups are technocrats, independent professionals, students and intellectuals, and NGO activists. But if we bear this reservation in mind, it will be more convenient throughout this paper to speak simply of the middle class.

(8) Secondly, as already mentioned above, this paper postulates a trajectory of democratic revolution, populist challenge and reformist reaction that has destabilized Southeast Asia’s new democracies. It is driven by the dialectic of the “good governance” discourse which has underpinned opposition to dictatorships but also has been instrumentalized by middle class movements opposed to democratically elected governments. The Philippines has “finished” this political process with the original “people power” uprising against Marcos, “people power II” against the elected president Estrada, and middle class discontent directed against the current Arroyo government. The recent coup in Thailand that followed a restoration of democracy in 1992 and middle class protest against the Thaksin government suggests that the country is close to concluding this trajectory. In Indonesia, by contrast, this phenomenon is still at its beginning following the “reformasi” uprising against Suharto in 1998 and the rise of money politics under the new democratic system, but without a substantial populist challenge (though one may be emerging among Islamist activists). In Indonesia, the party system has proved more stable than in the Philippines and Thailand, which has helped reduce populist potential. In addition, civil societal activism has been more limited in Indonesia, which has also helped stabilize democracy there. As is typical of social science analysis, this trajectory of reformism-populism-renewed reformism is a Weberian ideal typical concept. No country experience conforms exactly to each and every phase. This will cause some squeamishness among country specialists. But only a general model allows this process to be illuminated comparatively. Although
political development in South Korea shows some similarities to Southeast Asia, it will be argued that its experience is fundamentally different. Brief comparison with the populist challenge and reformist reaction in Venezuela under Chavez suggests a certain trans-regional relevance for this study which would merit a globality studies approach as outlined in an earlier article in this journal. [8]

**Pacific Asia as a Community of Developmental Dictatorships**

(9) Pacific Asia as a region is neither geographically nor culturally convincing. Covering East (China, Japan, Korea, and Taiwan) and Southeast Asia (the ten Association of Southeast Asian Nations or ASEAN states), it is difficult to distinguish it in any meaningful way geographically from the borders of South Asia, the South Pacific, Australia, Russia, or Central Asia. Culturally, all the major religions of the world are represented in the region: Confucianism (in its various forms, usually mixed up with Daoism and Buddhism), Buddhism (both Theravada and Mahayana), Islam (Indonesia is the world’s most populous predominantly Muslim country), Catholicism (primarily the Philippines, but there are large minorities in China and South Korea), Hinduism (Bali), not to mention Shintoism as well as many local animist religions. There is no single “Asian” culture, only “orientalists” and “reverse Orientalists” (particularly Asian leaders who like to turn old stereotypes into useful claims of cultural distinctiveness). [9]

(10) One common historical tradition that holds this region together is the legacy of the Chinese empire, to which many smaller monarchies on its borders paid tribute. [10] Another, less politically correct tradition, is the “Greater East Asian Co-Prosperity Sphere” of militarist Japan during the Second World War. [11] But although this left a largely invisible network of elites in place that served many a dictator well after the war through close ties to Japan (particularly in South Korea under Park and Burma under the Generals), it was hardly the basis for a public affirmation of a regional identity. Japanese imperial rule was too brutal, and the memories too painful for it to be invoked as a basis of “Pacific Asia” (though both geographic and ideological parallels are striking).

(11) ASEAN is the formal political association of Southeast Asia. Political conflict has hindered the founding of a similar organization in East Asia (initially between communists and anti-communists, more recently between China and Taiwan). The “Asia-Pacific Economic Cooperation” (APEC) has not effectively embodied a regional identity. The inclusion of North and some of Latin America as well as Australia makes it too broad, and too Western. More to the regional point was Malaysia’s prime minister Mahathir’s attempt to form the “East Asian Economic Caucus” which would have been centered on Japan, but exclude the Americans (North and South) and the Australians. Only the veto by a Japan that could not say yes in the face of U.S. disapproval kept the idea from gaining ground.

(12) What is Pacific Asia, when its geographical arbitrariness, cultural diversity, limited historical precedents, and weak regional organizations make the drawing of regional borders a seemingly arbitrary undertaking? The region has been defined economically. It was the fastest growing region in the world between 1965 and 1997. It was termed a “flying geese formation”: Japan as the economic superpower (despite over a decade of stagnation, economic growth has resumed and its economy remains by far the largest in the region)
is in the lead, followed by the “four dragon” (alternatively “tiger”) economies (Hong Kong, Singapore, South Korea, and Taiwan), then the “little dragons/tigers” of Southeast Asia (primarily Indonesia, Malaysia, and Thailand), and finally by the communist converts to capitalism, China and Vietnam (and to a lesser extent state socialist though officially anti-communist Burma, but not Stalinist North Korea). Through so-called production cycles, older, more labor-intensive technologies, were transferred down from leader countries to follower ones. Foreign (particularly Japanese but later also Taiwanese) investment played a major role in this process. [12] Only later did extra-regional international financial flows become significant (which speeded but ultimately doomed the financial boom, as discussed below). Networked with major corporations, developing country affiliates of more modernized states shared in a region-wide, export-oriented industrialization strategy, which stretched from raw materials to high tech. [13]

(13) Bruce Cumings speaks of a “fallacy of disaggregation” if one attempts to observe economic success of a particular country in the region in isolation. Without noting the networking among firms, the exchange of technology, or “developmental assistance,” one cannot understand how economic growth has taken place. [14] Interestingly, at the height of the recent Asian economic boom, some Japanese historians tried to trace these economic networks into the distant past. They “found” a regional economic system that goes back to imperial China of the fifteenth century. Despite China’s decline and the rise of Western imperialism, they claimed this system had somehow survived to the present. [15]

(14) In fact, Pacific Asia is a creation of the post-World World II period with some overtones of the Greater Prosperity Sphere but best understood within the context of the anti-communist crusade of the Cold War. U.S. American new-style imperialism (above all in Japan, Indochina, South Korea, and Taiwan) replaced old-style European colonialism. [16] The Korean and Vietnam wars were the military side of this equation, developmentalism the economic. Capitalist growth meant to fend off the communist danger was successfully spread from Japan to other countries through an expanding regional financial network. Protected by U.S. military power, one country after another turned to mercantilist policies of export promotion integrated through production cycles. Despite the war and its heavy dependence on US foreign aid, even South Vietnam may have been on its way to developmental success before the North Vietnamese so unkindly overran it. [17] But Capital was to have its revenge: Vietnam followed China a half decade later (in the mid-1980s with the “doi moi” economic reforms) in converting from state socialism to venture capitalism, with economic growth being particularly fast in the south, which was well versed in capitalist ways.

(15) Region-wide boom was followed by a regional economic crisis. Nothing shows the working of capitalist networks better than their failure. A currency crisis in insignificant Bangkok had no business causing economic havoc from Jakarta to Seoul. [18] But the ties that bind in good times can rebound back during the bad patches. Having lost its Cold War significance, the Pacific Asian financial situation was not saved by a Washington-led financial posse like in Mexico in the mid-1990s. Instead, one country after another — regardless of whether it ran budget deficits or had a “bubble economy” — succumbed to the regional snowball effect. Because they perceived their investments to be regional, foreign investors withdraw their money regionally, even if the crisis had originally been localized.

(16) Development is not apolitical (regardless of what is claimed in economic textbooks). In Pacific Asia it was profoundly politicized: developmentalism justified authoritarian rule in the region. Once discredited modernization
theory that claimed that economic development leads to social and then political mobilization that ultimately results in democratization was revived in the region. [19] Autocrats instrumentalized such arguments, declaring democracy an unaffordable luxury until sufficient economic prosperity had been achieved. [20] This provided a snug fit into the Cold War ideological context. Capitalism was still better than communism even if the former was also dictatorial because free markets would (one fine day) lead to democratization, while the latter was permanently totalitarian. [21] One after another, developmental dictatorships were established in the region, replacing either weak democracies or economically lagging authoritarian regimes. They were sometimes military (in South Korea, Thailand, and in Indonesia) or civilian regimes (in Malaysia, the Philippines, and Taiwan). Later, they were even officially communist regimes (China and Vietnam) or state socialist (Burma). The “flying geese” of the Pacific Asia were developmental dictatorships.

(17) These developmentalist regimes set a kind of “original position” (in John Rawl’s sense of a common starting point for conceptions of justice) for political discourse in the region. Such authoritarian regimes declared rapid economic development to be their country’s top priority. All societal resources were to be directed by the state toward this goal. Instead of helping the worst off first, as Rawls had suggested, developmentalist regimes took a more utilitarian stance, claiming that development would contribute to the greatest good of the greatest number in their societies. Breakneck economic growth seemed to justify their repressive and exploitative measures (particularly against labor) in order to insure the success of export-oriented industrialization.

(18) Developmental authoritarian regimes effectively demobilized civil society. A history of the Left in Pacific Asia is demanding political archaeology, as few traces of it remain (brutally erased after a genocidal massacre of communists in Indonesia in 1965; more subtly removed in Singapore and Malaysia). [22] In particular, developmental dictatorships targeted labor unions. Throughout the region, organized labor was repressed, its leaders jailed, and state-corporatist unions put in their place. [23]

(19) While workers were demobilized, capitalists were made economically dependent on the developmental state. The mechanisms varied from intimidation of a Chinese capitalist minority in Southeast Asia to the complicated incentives and punishments of the centralized South Korean system. [24] Dependent on the good will of the state for capitalist accumulation, the industrial bourgeoisie could pose no threat to the political system.

(20) The least potential danger seemed to come from the emergent middle classes. Like Athena emerging fully armed from Zeus’ head, the Pacific Asian middle classes were the products of successful developmentalist authoritarian rule and were immediately socialized in the arguments supporting efficient economic development. As long as developmental regimes delivered what they promised, authoritarian rulers enjoyed their strongest support from this section of the populace. China today is illustrative of this phenomenon, with the regime plagued by peasant revolts and worker unrest but enjoying enthusiastic backing from the middle class. [25] But if developmental regimes were seen as hypocritical, no longer fulfilling their own ideology of development, the middle class could turn into a Frankenstein-style monster, destroying its developmentalist master in the name of good governance.

Democratic Revolutions Against Failed Developmentalist
Regimes

(21) Upper class activists and groups make proprietary claim to Southeast Asia’s new democracies. The narratives of student and NGO activists — as well as in sundry professional and “cause oriented” groups — assert that the region’s democratic revolutions were led by elites. Whether “people power” in the Philippines in 1986, the “black May” events of 1992 in Thailand, or “reformasi” in Indonesia in 1998, it was claimed that it was the “middle forces” that had brought about democratic change via non-violent, urban-based uprisings against hardline dictatorships. While journalists, writers, and social scientists have valorized the revolutionary role of the middle class through the mass media, coffee table books, and academic analyses, they have also recognized the cross class character of these uprisings. But only the middle class could have have persuaded cautious industrialists to join forces in the anti-dictatorship struggle with “popular sectors” of industrial workers, the urban poor, and militant peasants.

(22) Recent research has suggested that these uprisings were largely cross-class in nature with upper class claims to proprietorship of these uprisings unjustified. [26] Why then did the elite claim that they were their own doing? On the one hand, the upper and middle classes were a necessary if not sufficient condition for their success. Without the support of middle class students, links to “popular sectors” (particularly workers and the urban poor) would not have been possible. The sympathy of many professionals was a crucial link to big business, which turned against increasingly neo-patrimonial rule, particularly in Indonesia and the Phillipines. There the Suharto and Marcos regimes had become notorious for their corruption and cronyism.

(23) On the other hand, elites claimed ownership of the “democratic revolutions” in the Philippines, Thailand, and Indonesia to emphasize their distinct motivations in overthrowing authoritarianism. [27] They had not striven for a democratic transition in order to increase political participation. Their goal was to restore the allegiance to “good governance” that they had been socialized into during the heyday of developmentalism. As shown above, the middle class were themselves the result of of rapid economic development. They favored the technocratic efficiency (a technocrat being one of their own) that brought about rapid development. The rude awakening that a Marcos or a Suharto were only using technocrats to secure foreign loans and investments or to help them out of economic difficulties, and that their actual goals were neo-patrimonial, was deeply disillusioning for many in the middle class. At the same time they were concerned to preserve their high status and material advantages in any new political order. Thus, they took to the streets not as defenders of democracy but as guardians of “good governance.”

The Weakness of Reformism and the Rise of Populism

(24) In Thailand in the spring of 2006, and in the Philippines in early 2001, elitist “civil society” groups launched massive urban protests against elected national populist leaders — Thailand’s Thaksin and the Phillipines’ Estrada, respectively — which threatened democratic stability. Why did upper class movements turn against the political system which modernization theory tells us must be their doing and which elite activists themselves claim as their own creation? The insurrectionary talents of the upper and middle classes are no
longer directed against dictatorial rule but against an electoral system they cannot control. The overwhelming vote for the populist leaders Thaksin Shinawattra and Joseph Estrada profoundly alienated these countries’ elite constituencies. In the name of good governance, they demanded the resignation of leaders condemned as corrupt. The rise of reformist movements after reformasi-style democratic revolutions shows that while middle class activists have long supported the struggle for democratization rhetorically, they are less interested in expanding political participation than in increasing their own political influence. The result has been a destabilizing political standoff in which upper class groups have proved themselves capable of mobilizing a “parliament of the streets” but have been unable to defeat the provincial and populist politicians at the ballot box.

(25) The dialectical character of the good governance discourse of the upper and middle classes — moving from an anti-dictatorial to anti-democratic stance — can be explained by the strategic position but small size of these elite groups in the new Southeast Asian democracies. Although there are important variations between the middle classes of Indonesia, the Philippines and Thailand, in terms of size and the timing of their development, there are also key similarities. [28] In all three countries the middle class constitutes only 10-15% of the population if a narrow definition of the “middle class” is used counting professionals and managers as well as students and small business-people. But the middle class is concentrated in the major urban areas and, in particularly, the capital city where it can make up as much as 50% of the population (Bangkok) or nearly 25% (Jakarta). It can thus be seen that while middle class voters do not constitute a majority in elections they have strong revolutionary potential, given their resource base and urban concentration.

(26) The governments of Corazon C. Aquino in the Philippines (1986-92), of Chuan Leekpai in Thailand (1992-95) and Wahid Abdurrahman in Indonesia (1999-2001) were all reformist in intention but weak in implementation. There are many reasons for the failure of all three governments, including coup attempts (nine during the Aquino administration in the Philippines), less direct military resistance to reform (in Indonesia and Thailand) or impeachment proceedings (Wahid was removed from office in 2001). But what is of most significance for my argument is the inability of the “angel” parties (as middle class reform parties self-righteously called themselves in Thailand) to overcome “devil” parties. Urban-based middle class reformists soon found themselves overwhelmed by the money politics (also known as Jao Pho or “Godfather” politics in Thailand). Lacking the votes to win elections through reformist appeals to the middle class alone, “traditional politicians” (known in the Philippines by their shortened name “trapos” in the Philippines which means “dirty rag” in Tagalog) came to dominate the political arena. Using clientelism and machine politics, but also direct vote buying and even coercion (death counts were particularly high in post-Marcos elections in the Philippines), reformists soon found themselves marginalized by the mafiosi-style politicians with their provincial vote banks.

(27) In all three countries, the victory of a military ruler in presidential elections (Ramos in the Philippines in 1992, Yodhoyono in Indonesia in 2004), or in parliamentary polls (Chavalit in Thailand in 1997) seemed to represent a return to a reformist agenda, in part because the loyalty of the military to the new democratic regime seemed finally assured. But in the case of the Philippines and in Thailand this renewed reformism also proved shortlived. Directly after Ramos’ presidency and Chavalit’s stint as prime minister a new populist challenge emerged that would change the politics of these two countries dramatically.

(28) Whether Yodhoyono manages to head off a populist challenge in
Indonesia through successful reformism remains to be seen. Cross-cutting cultural-religious cleavages (known as aliran, “streams” in Indonesian) limit the potential of class-based populist appeals and have helped stabilize Indonesian parties thus far. Embedded in particular milieus (particularly within the predominant Muslim community with divisions between nominal and religious Muslims and among the latter between “traditionalists” and “modernists”), several key parties have survived from the early independence period to the present. But the stability of the party system is being eroded by the weakening of aliran identities, the lack of clear party platforms, personalized leadership, and the rise of money politics. [29] At the moment, Indonesia may be said to have a stable “patrimonial democracy.” [30] Elitist “civil society” remains weak and a strong populist challenge has yet to emerge. But Yodhoyohon’s success in combating corruption and accelerating economic growth is likely to be crucial to heading off an Islamist-based populist challenge in the future. In the 2004 national and the 2005 local elections the Islamist New Justice Party, PKS, performed much better than expected. Its new found electoral strength derived from promises to combat corruption through the implementation of elements of Islamic law. [31] It currently represents the most significant potential populist challenge.

(29) The rise of populism in the Philippines and Thailand is well documented and a detailed analysis is beyond the scope of this article. [32] Here three points require brief elaboration, however. The first is that the failure of middle class-based reformist governments and the rise of money politics left a political vacuum that favored a new political program that was both anti-elitist and directed toward the common good rather than particular interests. In its programmatic form, Southeast Asian populism is neither elitist nor clientelist. It promises help for the “common man” (in Thailand, for example, in the form of debt relief and cheaper health care). Second, the structural inequalities of rapid economic development become relevant at this point. While Bangkok and Jakarta (but only to a lesser extent Manila) had become rapidly developing cities, the countryside was neglected. Populist politicians confronted self-confident, progressive cities with the seething resentment of the backward countryside. The reasons for the lack of agrarian reform in the Philippines and the neglect of rural areas in Thailand would lengthen this article unduly. The point though is that the result of this rural neglect was some of the highest urban-rural income inequality in the region. It is thus no surprise that populists drew their support largely from the rural areas. A “strategic group” available for policy initiatives in this regard were rural-oriented NGOs which had become quite active in the late, liberalizing period of dictatorship and the early years of democratic transition in the Philippines and in Thailand. It is telling that populist movements in both countries drew heavily on such expert advice.

(30) Charismatic popular leaders emerged in the context of a conflict within among their countries’ major capitalist elites. While Joseph Estrada of the Philippines and Thaksin Shinawatra are very different at one level (the former a famous tough guy style actor, the latter his country’s leading telecommunications tycoon), at another they are quite similar. Both represented capitalist interests closely intertwined with state regulation policies: in Thaksin’s case his own business, telecommunications flourished through state licensing but faced potential disadvantageous regulation; in the case of Estrada the interests of his richest backer, Eduardo Cojuangco, Marcos’ leading business crony, had faced expropriation and other forms of “discrimination” during the Aquino and Ramos administrations. Thus, both populist leaders were determined to combat reformist efforts to disentangle business and politics. Under the guise of aiding the rural (and in the case of Estrada also the urban) poor, the interests of state-dependent capitalists could be defended.
(31) Both Estrada and Thaksin were overwhelming electoral successes. Estrada won an unprecedented plurality in the Philippine presidential elections of 1998 and Thaksin a crushing majority in the parliamentary elections of 2001. The short period of middle class reformism was over and a new populist age had dawned.

**Middle Class Reaction and Renewed Failures of Reformism**

(32) Three factors led to the renewal of middle class insurrectionism. The first was simply activists’ dislike of the new populist powerholders. Given its socialization under developmentalism, the middle class was innately suspicious of politics that did not prize technocratic efficiency. Populist leaders promised programs aimed at the poor that served redistributive aims, not the maximization of national development. The middle class became anxious that the country’s economic progress might be at stake, even if macro-economic progress under populist rule was quite impressive (economic growth was strong under Estrada in the Philippines, Thailand’s economic recovery under Thaksin was nothing short of remarkable). Economic growth, however, was not decisive but rather the change in discourse. No longer were middle class developmentalist values at the center of the political discussion, but rather the welfare of the have-nots. Middle class complaints that they had to pay for programs that did not benefit them (in the Philippines and Thailand only the relatively wealthy pay income tax) represented a revision of the old slogan “no taxation without representation.” Middle class opinion expected that their welfare (which they unreflectively equated with the national welfare) be the focus of political programs, not the non-taxpaying poor.

(33) Secondly, there was a genuine concern about the standing of independent, supposedly “neutral” institutions. Both the Philippines and Thailand were governed by constitutions that were the product of elitist reformism. In the Philippines, the constitution was strongly civil rights-based, in reaction against the arbitrary personalist-authoritarian rule of Marcos. Estrada was accused by the press of trying to limit press freedom (although the media still enjoyed enough liberty to criticize Estrada on this point). In Thailand, the criticisms went deeper as the reformist constitution of 1997 had created a series of independent institutions meant to limit money politics. In particular, Thaksin was accused of undermining the anti-corruption commission that was meant to guard against the excesses of money politics. He was also accused of manipulating the electoral commission and the Supreme Court (despite these complaints the Thai judiciary sent several Thaksin loyalists to jail during mid-2006 for electoral violations). The biggest complaint in both countries though was that these independent institutions failed to remove these populist leaders. In the Philippines, Estrada’s ability to withstand U.S.-style impeachment proceedings was widely attributed to his supposed ability to buy enough legislators to keep him in office. In Thailand, Thaksin was accused of pressuring the Supreme Court, which narrowly decided not to remove him as prime minister shortly after his election in 2001 as the anti-corruption court had recommended. [33] Where institutions failed, middle class activists felt they had to again take to the streets.

(34) The third and arguably decisive point that led to renewed middle class mobilization was moral outrage at corruption scandals. Just as the cronynism of the “sultanistic” Marcos and Suharto regimes had led to mass protests against
dictatorships, so corruption scandals in Southeast Asia’s new democracies led to “people power redux.” [34] Both Estrada and Thaksin were charged with personally profiting from power. They were both “betrayed” by former allies (Chavit Singson and Songhi Limthongkul, respectively) who “spilled the beans” in major corruption affairs and provided inside information into the corrupt workings of the political system. Whether it was the Estrada-administration scandal around the illegal lottery system (known as jueteng) in the Philippines, or Thaksin’s tax-free sale of his family-based Shin corporation in Thailand, such affairs seemed to prove that though popularly elected, these governments were hopelessly venal. Moreover, they had brought provincial-style scandal to the cities.

(35) While lottery scandals had long been common in the Philippine provinces and disreputable politicians had used political office to further their business interests in the Thai countryside over several decades, it was considered unacceptable that such practices should be “imported” into the cities where the urban-based middle class claimed stricter rules of governance. Populist leaders’ attempts to tighten the business-politics nexus was unacceptable to a middle class convinced that such practices were corrupt and brought disgrace on their countries.

(36) It is revealing that as in the original round of “people power,” middle class activists drew on religious traditions to emphasize their moral outrage. In the Philippines, the Catholic Church was again at the forefront of protests that tellingly took place in front of the original “people power” site now graced with a statue of the Virgin Mary who was seen as standing guard over the original insurrection. Cory Aquino, the “Filipina Maria” was active in the protests. [35] In Thailand, Chamlong Srimuang, the former Bangkok mayor and military dissident who had joined a moralist Buddhist sect, again emerged at the forefront of opposition. [36]

(37) Renewed insurrection followed a familiar plan. Crowds emerged at “traditional” protest sites (the place of the original people power in the Philippines and the democracy monument in Thailand). Lacking cross-class support enjoyed during the anti-dictatorship uprising, Philippine activists turned to students as their mass base. Coverage from the sympathetic, capital-city based media was extensive. Dissenting voices, particularly in the countryside and among the urban poor, were assiduously ignored. Knowing that they could not defeat their populist opponents electorally, the Thai opposition boycotted the elections in April 2006. In the Philippines, the middle class opposition rejected Estrada’s offer of “snap” elections. Rather, they hoped to paralyze national political affairs through their protests.

(38) In the end, it was military intervention that proved decisive in both cases. In the Philippines it was more subtle, with the military “withdrawing support” from Estrada, forcing him to abandon office. In Thailand, the military in obvious cooperation with the King and his circle (whose inner circle had grown increasingly alienated from Thaksin) launched a full-scale coup. In both cases, we can speak of a middle class-initiated coup with military support, or a “people power putsch.” Both coups were in clear violation of democratic procedures. A localized good governance discourse was now directly opposed to democracy.

The Failure of Renewed Reform

(39) Gloria Macapagal Arroyo (known unaffectionately in the Philippines as GMA), did not come to office as a female leader possessing tremendous
“moral capital” like Cory Aquino and other female leaders in Asia. [37] She was not the first choice of middle class protesters. Rather, she was a compromise figure as her status as vice-president provided a fig-leaf of constitutional legitimacy for what otherwise was a civilian-military coup. GMA spoke the technocratic language of good governance and had seemingly impressive credentials as a U.S.-trained economist (Estrada, by contrast, spoke broken English and was a high school dropout). Yet it soon became evident that she was very unpopular with the masa (masses) that had so strongly supported Estrada. In fact, she was almost toppled from power in a violent counter-coup attempt in May 2001 led by Estrada's supporters and urban poor demonstrators. In the May 2004 presidential elections she again faced a populist opponent (this time an even more popular actor, Fernando Poe, Jr., who was a kind of Filipino John Wayne).

(40) Yet she soon proved to be a master of what can be called neo-traditional politics, combining the black arts of extreme government patronage, support of warlordism at the local level as well as old fashioned vote manipulation. [38] Two attempts to impeach GMA have been blocked by loyal legislators, with accusations of the administration buying its congressional support, much as Estrada had earlier been accused of paying for salons' votes. A coup attempt in spring 2006 that was supported by nationalist elements in the military and leftwing NGO activists failed to mobilize much middle class support and was easily repressed by the Arroyo administration. This suggests that a certain insurrectional weariness has set in among Manila's elites. The results of the 2007 legislative election showed strong opposition support at the national level with a pro-Estrada senatorial slate sweeping the vote. But pro-administration Congressmen continue to dominate the lower house, proactively protecting the president from a further impeachment attempt. But it is unclear whether this trend toward ballot-based conflict resolution will continue. Any hint of renewed electoral fraud could again spark street protests that would likely provoke military unrest as well. Renewed people power has not led to political stability in the Philippines, suggesting a pessimistic scenario for future developments in Thailand.

Comparisons with South Korea, Argentina, and Venezuela

(41) Comparison with the South Korean case reveals important differences between the East and Southeast Asian experiences. The starting point was similar, however: the anti-dictatorial minjung movement in South Korea paralleled the cross-class popular uprisings in Southeast Asia. [39] In addition, it has been argued that South Korea professionals were also strongly imbued with a developmentalist ideology, which helps explain their hesitation to support further protests after the Kwangju uprising/massacre and the consolidation of the Chun dictatorship in the early 1980s. [40] Much like the emergent middle class in Southeast Asia, Han and Park write that the “middle class' had grown during the Park regime and acquired a vested interest in socioeconomic stability and continuity...[They hesitated] to opt decisively for political freedom and democracy at the risk of sacrificing the country's continued economic growth and its own newly secured socioeconomic status.” [41] In other words, middle class commitment to developmentalism long kept it from opposing authoritarianism.

(42) Although corrupt Korean politics has been portrayed as being due to a money/politics nexus between chaebol tycoons and military rulers, it should
not be equated with the neo-patrimonial, even “sultanistic” politics of the Philippines under Marcos, or of Indonesia under Suharto. [42] It would thus be misleading to assume that the anti-dictatorship struggle in South Korea was undertaken in order to safeguard good governance as had been the case in parts of Southeast Asia. Rather, following the interesting argument of Werner Vennaewald about Singapore, it can be suggested that at higher levels of economic development authoritarianism becomes counterproductive, no longer promoting, but hindering economic growth. [43] This recalls the classic argument of Hans Kelsen that societies with a complex division of labor require a flexible and open decision-making process that only democracy can provide. [44] If this argument is valid, then the middle class may use the political space provided by activist groups (in the case of South Korea by the minjung movement) to turn against dictatorship (in Singapore such political openings have been notably lacking). In a sense, the middle class became a “free rider,” benefiting from the earlier economic gains that the developmentalist regime had provided but then turning against it after high levels of development had been achieved and a suitable opportunity arose. [45]

(43) Democratic transition in South Korea followed a different logic than in Southeast Asia. Most significantly, weak reformist governments plagued by corruption scandals (the two Kim governments and the present Roh administration) have not led to a populist challenge and reformist reaction. Money politics persists in South Korea, but there are signs that it is being gradually constrained. [46] More importantly, independent institutions tasked with prosecuting corruption cases appear to be working effectively, with the number of indictments and jailings of high government officials (including two ex-presidents) in every administration since the transition to democracy providing the strongest evidence for such progress. This is virtually inconceivable in the Philippines and Indonesia where very few officials (and no top officials) have gone to jail, regardless of the graveness of the corruption accusations against them (in Thailand, however, there has been more success in punishing the powerful politicians and bureaucrats caught in corruption scandals). Revealingly, South Korea’s “governance ratings” (particularly “control of corruption”) by the World Bank are substantially better than those of the new Southeast Asian democracies, particularly Indonesia’s. [47]

(44) The explanation for this difference between East and Southeast Asia is complex and can only be hinted at here. One factor is the sheer size of the middle class in South Korea, with one estimate suggesting that 65% of the total population belonged to this class two decades ago at the time of democratization. [48] This made the middle class more than 5 to 6 times as large as the percentage of the population in the Southeast Asian democrats. More importantly for democratic politics, the middle class could dominate elections with its numbers, not fearing democracy because of its minority status as in Indonesia, the Philippines and Thailand. Second, the agrarian reform in South Korea, which many development experts have claimed was so crucial for the country’s rapid economic progress, also had the helpful side effect of modernizing a potentially “backward” rural sector that could be mobilized by would-be populists against an urban-based middle class. The deleterious consequences of the lack of land reform in the Philippines are well known, while Thailand’s agrarian sector, particularly in the Northeast, is strongly disadvantaged economically. The rural areas have provided a ready base for populism. Following Barrington Moore, it can be argued that the modernization of the agrarian sector is a necessary condition for stable “bourgeois” democracy. [49]

(45) Turning to Latin America, the class-based populism of Peron in Argentina differed from its current Southeast Asian counterpart both in terms
of the role of labor and business, with the two closely related. It is striking how Thaksin eschewed mobilizing labor in his populist electoral drive, while assiduously courting the countryside. But as a “pluto” populist, Thaksin had little interest in rocking the boat in tight labor relations that were so beneficial to his business interests. [50] Peron, by contrast, was well known for the close alliance he forged with organized labor.

(46) Current Latin American populism, most famously represented by the Chavez government in Venezuela, also differs from the Southeast Asian version in the lack of a tight link between business and rural interests. Another difference is the great importance anti-U.S. nationalism plays in Chavez’s ideological pronouncements. Thaksin and Estrada also drew on nationalist resentments (against international financial organizations in Thailand after the Asian financial crisis and U.S. bases in the Philippines). But this never became the centerpoint of their appeal. However, a key similarity is the middle class reaction against populism. A middle class supported coup nearly toppled Chavez in 2002, while an effort to remove Chavez from power failed in a referendum in 2004. As in Southeast Asia, middle class activists charged Chavez with corruption. But their self-proclaimed fight for good governance contradicted democratic principles in their support for a military effort to topple him. They were shown to be electorally weak in their defeat in the referendum. As in Southeast Asia, Chavez enjoys strong support among the poor while facing the moral wrath of the middle class.

Conclusion

(47) The global discourse of “good governance” became a localized basis for political mobilization against failed developmentalist regimes in Southeast Asia. Though creations of developmentalist rule, the middle class turned on neo-patrimonial authoritarians who they accused of betraying their own ideology of technocratic efficiency. But once these dictators had been toppled, the dialectic between governance and democracy turned upper class activists against democratic rule. When money politics and populist challengers came to dominate national politics after the failure of weak reformist governments, elitist activists in the Philippines and Thailand returned to the streets. This insurrectionary prowess weakened — when it did not fully undermine — democracy. (In Indonesia, democracy has remained more stable despite widespread patronimialism because “civil society” has been less easily mobilizable and populism has not yet arisen.) Once used against dictators, the discourse of good governance came to be directed against democratically elected leaders. Too small to dominate the electoral arena, the upper and middle classes used their revolutionary potential to create hegemony over national politics through renewed insurrection supported by the military.

(48) Elitist “civil society” in the Philippines and Thailand developed an Aristotelian-style critique of democracy. [51] Mob rule cannot be equated with good governance. Those who do not have property and pay no taxes cannot be expected to act “responsibly” like members of the middle class. These urban elites were contemptuous of a largely rural electorate that had “irresponsibly” elected bad leaders. Thailand’s recent coup shows that the upper and middle classes are so convinced of their moral legitimacy that they claim that democratic rules must be broken to maintain good governance. The recent experience of the Philippines shows these hopes may prove illusory, however, as reformism has failed there once again.
Notes


[3] The World Bank’s Chief Representative, Huang Yuchuan, called China the organization’s most successful partner, which has set a good example from other countries to learn from: “World Bank Praises China’s Poverty Alleviation Efforts,” CRI Online News, see http://english.cri.cn/144/2003-2-24/7@2024.htm (accessed 3 August 2007).


[21] J. J. Kirpatrick, Dictatorships and Doubled Standards: Rationalism and Reason in Politics, New York: American Enterprise Institute and Simon and Schuster, 1982, employed this modernization theory style argument to justify U.S. support for Central American dictators against communist insurgencies. Her views so impressed Ronald Reagan that he appointed her as U.S. representative in the U.N. Later, Kirkpatrick was surprised to find out that political change under communism was possible after all, as the “evil empire” of the Soviet Union liberalized under Gorbachev. Her theoretically
unimpressive answer to this falsification of her theory is to be found in Kirkpatrick, *The Withering Away of the Totalitarian State...and Other Surprises*, Washington, DC: AEI Press, 1990.


[28] The Thai middle class is undoubtedly the largest, the Indonesian the smallest, although exact numbers are difficult to ascertain given the different definitions of the “middle class.” In terms of timing, the Thai and Indonesian middle classes largely emerged in the midst of economic booms of these two countries which began in the late 1970s, early 1980s. In the Philippines, the “new” professional middle class is older (going back to the 1950s) but has also grown more slowly given economic stagnation in the Philippines from the late 1970s through the late 1980s. For a good overview, see the essays on the Southeast Asian middle classes in a special issue of *The Developing Economies*, XLI-2 (June 2003).


[36] For background on Chamlong, see the study by D. McCargo, Chamlong Srimuang and the new Thai Politics (London: Hurst, 1997).


[38] Thompson, “Presidentas and People Power.”

[39] Of the numerous writings on the Minjung Movement see, for example, K. Wells, ed., South Korea’s Minjung Movement: The Culture and Politics of Dissent (Honolulu: University of Hawaii, 1995).

[40] Han S.-J. Han and Park Y. C., “South Korea: Democratization at Last,” in Morley, Driven by Growth, pp.163-192.

[41] Ibid., p. 174.


(accessed 31 July 2007).


[50] Pasuk and Baker, Thaksin. In fact, labor emerged as one of Thaksin’s major opponents through a series of strikes, with Thaksin warning that the Thai economy would suffer and the stock market would crash if union wage demands were met.