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## Market talk provokes lively debate

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ASEAN for much of its 30 years has been the quiet achiever. The adhesive that has cemented the cohesiveness of Southeast Asian solidarity, Asean's accomplishments in the main were remote from popular imagination.

Perhaps the very success of Asean was the cause and effect of its own low profile.

The expansion of the Asean nucleus in 1993 into the Asean Regional Forum extended the regional grouping's influence to a scale of global significance. Yet interest in much of its deliberations stayed within the esoteric confines of regional security and diplomacy, and the trade negotiations, customs standardisation and cultural exchanges of the moment.

Much of that changed with the 30th ministerial conference in Kuala Lumpur. Issues that surfaced at the meeting brought Asean and its concerns into the public realm. The extension of membership to Myanmar was always going to be contentious. The internal conflict in Cambodia was a poorly timed stun grenade lobbed in from out of the blue.

But what extended participation to popular discussion were issues raised by the host Prime Minister Datuk Seri Dr Mahathir Mohamad.

In Australia, human rights invariably provoke lively discussion. Dr Mahathir's references to the American-based funds speculator George Soros brought to the turmoil besetting Southeast Asian currencies a personality accorded folk-hero status in advanced capitalist markets.

"Dr Mahathir's folly," the editorial in one newspaper headlined its critique of the suggestion that it was time to review the United Nations Declaration on Human Rights. "Asia's anti-US loud speaker," another newspaper mocked in an editorial that took the view that it was ludicrous to suggest the problems of Southeast Asia's currencies was the consequence of Western financial imperialism.

Other commentators in other forums aired similar views. A university lecturer, in a letter to the editor, put her case on "Why Dr Mahathir is wrong on rights".

The commentaries do not surprise Mark Beeson, a research fellow at the Asia Research Centre at Murdoch University, in Western Australia.

"It may be tempting to dismiss (Dr Mahathir's attack) on the international money markets as the self-serving bluster of a notorious recalcitrant," Beeson wrote in his commentary, published in *The Age* in Melbourne. Yet, he argues, as power shifts from states to markets, some nations are right to be wary.

Beeson is not alone in airing such sentiment. Two letters to the editor took to task the critical editorials. "An insult to Dr Mahathir," one declared, chronicling his perception that Soros considered currency speculation "a necessary evil".

Said the other: "Until now, I have never been a great fan of (Dr Mahathir). But he deserves loud applause (on the currency speculators). It is high time that someone in authority - RBA (Australia's central bank) take note - put a stop to the ruinous games currency speculators play for their own gain and greed..."

The merits or otherwise of opposing positions on these issues are debatable. That's for another time and place to explore. The point here is that issues be open to discussion.

That might appear to be self-evident. Not quite, if a breakfast meeting

with Christopher Lingle is any guide. Lingle, readers will remember, is the American free-market economist who fell foul of the Singapore Government three years ago for his reflections on political repression in East Asia while he was senior fellow at the National University of Singapore.

He was visiting Melbourne in conjunction with the publication of his book *The Rise and Decline of the Asian Century*.

At the breakfast meeting, Lingle acknowledged that East Asia was undergoing mutation through the interaction of cultures - an evolutionary process of cultural change. The suggestion was put to him that impatience with the pace of change was raising barriers to this transformation.

Yes, he agreed, but "the market" is impatient. It will not wait.

The assumption is that a definitive and immutable "market" is at hand, set in concrete. The reflexive acceptance of that view accords to market capitalism the grail that the American political analyst Francis Fukuyama extended to liberal democracy. In his 1992 polemic, Fukuyama concluded from the collapse of the Soviet Union that liberal democracy represented the "end of history".

Such persuasions owe their philosophical debt to what yet another American intellectual, the philosopher Richard Rorty, has criticised as the essentialist Heideggerian account of the West as "a finished-off object". Such a conclusion undermines one persuasive argument in Lingle's *Asian Century*.

Lingle is critical of the "institutional bias against individualism" in Asian economies. "Asian cultures that inculcate conformity at the expense of initiative restrain the enterprising spirit that underpins the innovative process necessary for sustained economic growth," he argues.

The same might be said of the inhibition to creativity and innovation that comes with the satisfaction of having "arrived", that a definitive model is at hand, one that defies improvement. As with the Heideggerian, Fukuyama and Lingle accounts.

In the case of the market economy, the acceptance of a "finished-off object" seems to me antithetical to our understanding of the very nature of the market, which one presumes is characterised by its responsiveness to change.

Beeson, in his analysis of Dr Mahathir's assertions, makes two points. "First, there is no necessary association between economic development and the adoption of Western values," he says. "On the contrary, Asian nations are increasingly willing to invent and champion their own political norms and practice.

"Second, there is more than one way of organising capitalism. In a region where rapid recent economic development has been associated with State 'intervention', and where there is often no clear distinction between the political and economic spheres, there is little reason to expect a rapid change to an exclusively market-determined economic order.

"Indeed, one of the most important contests within the region - if not the world - in the coming century, will be a struggle between different forms of capitalism and the varied political structures that underpin them."

In Australia, over the past week, business is practically euphoric over the fundamental shift signalled by Prime Minister John Howard from a hands-off economic rationalist approach to economic organisation to a "strategically interventionist" role for Government in industry policy.

Lingle in his book confesses to his own shift from one compulsion of his youth. "In my youth, I found it important to stake out a position and defend it," he writes. "Part of this compulsion was based upon a belief that I was privy to some 'truth' that ought to be pointed out to others.

"It is now clear to me that the important thing is not whether there is some right or wrong view, but that there needs to be open debate over important issues."

For Beeson, that point comes through in Dr Mahathir's assertions more than his specific arguments on human rights and international funds speculators.

It is consistent with the commitment enshrined in the Pacific Charter worked out last November by the likes of US Secretary of Defence William Cohen and Malaysian Deputy Prime Minister Datuk Seri Anwar Ibrahim.

The commitment is to "leave our bigotries at the door, to examine our prejudices, to check our arrogance, to enhance our humility and to declare a ceasefire on the hectoring that generates heat but little light, and the intimidation that extracts not concession but fierce retort".

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