

Political Parties and Political Engineering in the Asia Pacific Region

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S U M M A R Y Democracies need both strength and flexibility—enough structure to transform a kaleidoscope of public opinion into coherent debate and effective policy, but enough openness to protect individual rights. Finding this balance is a particular challenge in ethnically diverse emerging democracies. Political parties usually serve a country best when they are limited in number, strong, and broad-based. Their evolution was once left mainly to chance; today, governments often seek to influence the process. Among those attempting reforms are Papua New Guinea, home to hundreds of languages; Indonesia, with its separatist movements; the Philippines, experimenting with ways to balance party interests with other social concerns; and Thailand, whose once fragmented political scene seems headed toward domination by one party. Their strategies for encouraging stable party systems range from minimum-vote thresholds to efforts to stiffen internal party discipline. Much can be learned from these Asia Pacific efforts at political engineering—including the need for a cautious approach that minimizes unforeseen consequences and costs.

Scholars and policymakers alike have long considered political parties to be an essential component of democracy. Parties play a crucial role not just in representing interests, aggregating preferences, and forming governments, but also in managing conflict and promoting stable politics. In addition, because they are the key vehicle for translating diverse public views into coherent public policy, political parties are a vital component of good governance. Indeed, it is hard to imagine an efficient democracy without parties.

However, the role that parties play varies depending on the nature of a country's party *system*. Most countries are best served by having a few strong, broad-based political parties, rather than many small, fragmented, personalized, or ethnically based parties. New democracies are especially threatened by weak party systems. In many developing countries in Asia and the Pacific, for example, new political parties have formed around ethnic or patronage-based networks, making stable government difficult.

Despite their acknowledged importance, parties have traditionally been viewed as social phenomena beyond the scope of deliberate institutional engineering. In recent years, however, political reformers in countries as diverse as Thailand, Indonesia, Fiji, Papua New Guinea, and the Philippines have made ambitious attempts to shape the development of their political systems by strengthening party organizations, countering the rise of separatist movements, promoting cross-regional party structures, combating party system fragmentation, and generally encouraging the development of broad-based parties.

These experiments in the political engineering of party systems in Asia and the Pacific, while not yet the subject of much attention, are likely to have important consequences for the future of democracy and governance across the region.

The Importance of Party Systems

In recent years, a range of Asian and Pacific governments have attempted to construct a new political architecture, one that is stable enough to deal with economic and political challenges, but sufficiently responsive and representative to meet democratic

aspirations.ⁱ This is not an easy task. As well as being nascent democracies, many Asia Pacific states are divided on cultural, religious, linguistic, regional, or other lines. A key challenge is thus to consolidate democracy in the face of enormous social, political, and geographical heterogeneity.

Political scientists have often cited the virtues of broad-based, aggregative political parties for stable government in new democracies, particularly fragile multiethnic states.ⁱⁱ Comparative studies have found that broad-based parties are associated with higher overall levels of development and stability than other constellations, while fragmented party systems are far more likely to experience violence and the breakdown of democracy.ⁱⁱⁱ Ideally, a small number of aggregative, programmatic parties—that is, parties capable of translating diverse public opinion into coherent government policy—probably offer the optimum party system model.

But how can such party systems be encouraged to develop? Recent reforms in Indonesia, Papua New Guinea, the Philippines, and Thailand have aimed at encouraging the development of broad-based parties and party systems. Three strategies of party building can be identified: those that seek to promote the development of a national party system and hamper the growth of regional, local, or secessionist parties; those that attempt to control, influence, or restrict the number of parties; and finally, those that try to strengthen party organizations by building stable party systems from the top down.

Building National Political Parties

Some countries, such as Indonesia, are attempting to guide the development of their party systems by changing the rules under which parties compete for elected office. Under former president Suharto's system of Guided Democracy, only three parties were allowed in Indonesia. But after the transition to democracy in 1998, new parties mushroomed—leading to a widespread perception that the emerging Indonesian party system was too fragmented, with too many parties, for democratic government to work effectively.

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Also a concern, particularly since the breakaway of East Timor in 1999, was the threat of secessionism in provinces such as Aceh and Papua, and the prospect of the country breaking up under separatist pressures. Such cases were initially addressed with offers of autonomy. But, at a time when politics was in flux, there was also a need for a broad and relatively stable system of national parties that could gain the support of voters from across the archipelago and form legitimate and representative governments. Indeed, the development of such a national party system was seen as an essential step both in countering secessionism and in building a viable democracy.

To achieve these twin goals—building national parties while resisting separatist ones—Indonesia’s political reformers introduced a complex collection of incentives and restraints affecting party development. All political parties were required to demonstrate a national support base before they could compete in the 1999 elections. This in itself was not particularly unusual—many countries have constitutional or legislative requirements for nationally focused parties, although these are usually aspirational provisions that are not capable of being enforced effectively in practice.

However, Indonesia’s new laws go much further. The run-up to the 1999 elections saw the emergence of more than 100 new parties, many with extremely limited support bases. Under the new rules, each of these parties, before it could contest the election, had to demonstrate that it had an established branch structure in more than half of Indonesia’s (then) 27 provinces, and within each of these provinces, had branches within more than half of all local government areas (regencies). These rules whittled down the field considerably: Of 141 parties screened, only 48 were approved to contest the elections.^{iv}

The 2003 party laws go even further than the 1999 ones: For the 2004 elections, new parties must prove that they have branches in two-thirds of Indonesia’s provinces and in two-thirds of the regencies within those provinces. Each regency-level party unit must also demonstrate at least 1,000 members (or at least one-thousandth of the population in smaller regencies). Given that there are now 32 provinces and over 400 regencies in Indonesia, these are onerous requirements.

As one commentator noted, if the laws are enforced, “parties may, instead of collecting dues from members, be paying them to sign up in future.”^v

Indonesia will also hold its first direct national election for president and vice president in 2004. Like the new party laws, the new presidential voting system is designed to ensure that only broadly supported candidates are elected. Presidential and vice presidential candidates will run as teams. Two rounds of voting are planned; in order to avoid the second round, first-round winners will have to gain over 50 percent of all votes as well as at least 20 percent in half of all provinces.^{vi} This latter provision—known in the scholarly literature as a “distribution requirement”—was borrowed from Nigeria, another large and ethnically diverse country. Again, the aim is to ensure that the winning candidate not only has majority support, but also is able to attract support across most parts of the country. In this respect, the presidential electoral law shares with the laws on party formation a common centripetal logic, aiming to push competition towards the political center by advantaging parties with a cross-regional support base.

A similar trend has been evident in Thailand’s ambitious 1997 constitutional reforms, designed to restructure its political system and, as in Indonesia, reduce party fragmentation. New parties must establish a branch structure in each of four designated regions, and must show they have at least 5,000 members drawn from each region within six months of being registered. The result of these and other restrictions has been a transformation of the Thai party system, which was traditionally seen as weak and unstable, into what looks increasingly like a one-party-dominant system—solving some old problems but creating new ones in their place. The current government is a coalition of three parties, but increasingly dominated by the Thai Rak Thai (TRT) party under Prime Minister Thaksin Shinawatra.

Another means of encouraging party aggregation is the use of “vote-pooling” electoral systems such as the alternative vote, in which electors rank-order candidates on the ballot, marking “1” for their favored candidate, “2” for their second choice, “3” for their third choice, and so on. If no candidate has an absolute

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*The Philippines
parliament
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groups such as
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poor, and women*

majority of “1” votes, the candidate with the lowest number of “1” votes is eliminated and his or her ballot papers are redistributed to remaining candidates according to the lower-order rankings marked. This process of sequential elimination and transfer of votes continues until a majority winner emerges. Because they make politicians from different parties reciprocally dependent on vote transfers from their rivals, such systems can encourage cross-party cooperation and aggregation by rewarding joint campaigns, pre-election coalitions, and other forms of inter-party collaboration with increased prospects of electoral success. Variations on this system have been adopted in both Fiji and Papua New Guinea in recent years. A similar system was also considered (but ultimately not implemented) in Indonesia. In each case, encouraging the development of a more aggregative party system was one of the primary goals of the electoral reforms.^{vii}

Restricting the Number of Parties

A second approach to political engineering in Asia and the Pacific has been to use reforms to the electoral system to influence the number of parties and hence the shape of the party system. There are several ways of doing this. Both Thailand and the Philippines have introduced mixed electoral systems in which around 80 percent of members of parliament (MPs) are elected by plurality rules from single-member districts, while 20 percent are chosen by proportional representation from a national party list. In both countries, the reforms were intended to transform the conduct of electoral politics by changing the way individual politicians campaign for elected office. For example, the reforms aim to undermine traditional vote-buying by moving away from the old block-vote system (in which members of the same party compete with each other for votes in multi-member electorates) to a new system without intra-party competition in which clear party allegiances predominate.

Thailand’s 1997 constitutional reforms provide for 400 MPs elected from single-member districts, and 100 elected from a national list. This exercise in institutional engineering has created two classes of

politicians with radically divergent career goals: The district MPs must represent local areas and bring development opportunities to them, while the national MPs are explicitly charged with playing a role in issues of national, not local, importance. One of the consequences of this has been that most of the Thai cabinet is now drawn from this small group of national MPs, rather than from district representatives.

In the Philippines, the national seats have a different purpose: They are not open to established parties, but are designed to represent sectoral interests and marginalized groups such as youth, labor, the urban poor, farmers, fishermen, and women. Any group securing 2 percent of the national-list vote gets a seat, up to a maximum of three seats.

However, the list seats have been dogged by problems. In 1998, only 14 of the 52 list seats were filled, as electoral authorities struggled to verify the credentials of elected groups. In 2001, 10 parties and organizations surpassed the 2 percent threshold, although again less than one-third of available seats were filled. Following the 2001 elections, the Supreme Court found that most of the groups elected did not in fact represent the sectoral groups claimed, and that some had links to the major parties. Fewer than half of the elected national-list members have so far taken up their seats.^{viii}

The national-lists seats have, however, resulted in more diversity within parliament than would otherwise be the case. Indeed, some have argued that the only way to get genuine party development and accountability in the Philippines is to allocate a much larger portion of the seats to the national lists, remove the cap on the number of seats available to each party, and allow all parties to participate in the national-list component of elections.^{ix}

Another approach to reducing the number of parties has been to use technical electoral barriers like vote thresholds, which prevent the election of many small parties to parliament. In Thailand, for example, parties competing for party-list seats must attain at least 5 percent of the vote, a provision that discourages splinter parties. Coupled with the electoral system change (described above) and restrictions on “party hopping” (described in the next section), this

has seen a sharp drop in party system fractionalization, with the number of significant parties in Thailand falling by more than half between 1995 and 2001.

Similarly, Indonesia's new party laws attempt to restrict the number of small parties by introducing systemic pressures for party amalgamation.

Following the 1999 election, political parties that failed to gain more than 2 percent of seats in the lower house of parliament, or at least 3 percent of seats in regional assemblies, had to merge with other parties to surmount these thresholds in order to contest future elections. To the surprise of some observers, these merger provisions have been enforced in the lead-up to the 2004 elections, meaning that many small parties have had to amalgamate with others.

These overt attempts to engineer the emerging party system in Thailand and Indonesia are particularly significant in the context of each country's troubled democratic past. Thailand has a long history of fragmented party politics leading to ineffectual coalition governments and, often, military coups. Similarly, many Indonesians blame the fragmented and polarized party system of the 1950s^x for the failure of democracy then, and are determined not to see it happen again. Opinion surveys in Indonesia have found a strong preference for a system of moderate multi-partism, with the oft expressed concern that Indonesia not have "too many parties."^{xi} Building a consolidated party system has thus been seen in both countries as an essential step in building a consolidated democracy.

However, there are costs as well as benefits in this process. Restrictions on party fragmentation can easily become restrictions on democracy itself. A lighter touch may well be more desirable for new democracies. In Indonesia, for example, the 2003 party laws place such high thresholds on party support that they may well represent an undue restriction upon new entrants into the political system. Similarly, the Thai reforms, while reducing fragmentation, have excessively centralized government power and fostered single-party domination. Heavy-handed measures to promote political stability may thus have unintended consequences, including the delegitimizing of the political order and multiple unforeseen or even mutually

contradictory outcomes^{xii}—a subject addressed again in the conclusion.

Strengthening Party Organizations

A third approach to party system reform has been to strengthen party organizations by privileging party interests over those of independent, non-party actors within the structure of government. In both Indonesia and Thailand, for example, all lower house candidates must represent a political party, rather than standing as independents. In Indonesia, the electoral law gives parties specific responsibilities in terms of political education, interest articulation and government function, and party leaders are given significant power in terms of candidate selection and replacement. All of this reinforces the centrality of party organizations to the political system.

Other countries have attempted to build a stable party system from the top down by encouraging the cohesiveness of political parties in parliament. One way to do this is to restrict the capacity of MPs to change parties once elected. This practice, once widespread in many Asian countries, has been curtailed in recent years by the introduction of anti-"hopping" provisions in states like Malaysia, Thailand, and Papua New Guinea. These have made it difficult or impossible for a politician elected under one party label to switch to another party in exchange for a ministerial appointment or similar inducement. In Thailand, for example, the 1997 constitution mandates that candidates must be members of a political party for at least 90 days prior to an election—double the standard interval between the end of a parliamentary term and the election that follows. As a result, politicians who switch parties to help bring down a government usually cannot legally contest the forthcoming election.^{xiii} These provisions aim to strengthen parties' control over their members in order to maintain government stability.

However, such restrictions have little sway over party defections that take place outside the parliamentary arena or between elections. They also do little to combat the related problem of multiple endorsement, where the same candidate may be nominated

The number of significant political parties in Thailand fell by more than half between 1995 and 2001

Every Papua New Guinea government to date has fallen to a no-confidence vote due to post-election changes in party affiliation

by several parties or a party may endorse multiple candidates in the same race. These kinds of problems are common in the Asia Pacific region's more underdeveloped and socially fragmented states, where political parties are largely irrelevant and voters choose candidates based on clan kinship rather than party affiliation. In many Pacific Island countries, for example, independent candidates are the major political force in parliament, leading to problems of political stability as parliamentary majorities shift from issue to issue and vote to vote. In such cases, more ambitious institutional innovation is required.

One such institutional innovation has recently been enacted in Indonesia's eastern neighbour, Papua New Guinea, which has over 800 indigenous languages and enormous societal fragmentation, making stable government extremely difficult to achieve. There, a package of constitutional reforms introduced in 2001 to stabilize executive government and build a coherent party system represents an ambitious attempt to rework the country's political system from the top down.

Under new rules governing the formation, composition, and funding of political parties, all parties must be legal organizations with dues-paying members, have a party constitution, and allow internal competition for party leaders before they can be registered. The provision for party registration is tied to a new system of party funding, under which each registered party will receive 10,000 kina (about US\$3,000) per MP per year. To address the chronic underrepresentation of women in Papua New Guinean politics, parties that put forward female candidates for election will be able to recover most of their election expenses from the state. The intention of these reforms is to move parties away from being purely vehicles for personal advancement and to encourage candidates to stand for election under a party banner rather than as independents.

To stabilize the country's unruly parliament, new restrictions are now placed on the freedom of MPs to change parties once elected. Politicians elected with party endorsement must vote in accordance with their party position on key parliamentary decisions, such as a vote of confidence in the prime minister, or face

a possible by-election. As *every* Papua New Guinea government to date has fallen to a no-confidence vote due to post-election party-hopping, these reforms represent a serious challenge to established political practice, especially for independents (whose allegiances have often shifted in return for a ministerial position or similar inducement).

The final—and possibly most important—reform in Papua New Guinea has been the change to a “limited preferential” electoral system (a form of the alternative vote described earlier), in which voters rank their preference for up to three candidates; the winner must gain an absolute majority of the vote. As well as ensuring that winning candidates gain broad support, the new system will also encourage aligned candidates to cooperate with each other.

Taken together, these new “rules of the game” represent one of the most far-reaching attempts to engineer the political system anywhere in the Asia Pacific region. However, their full effect will not be evident until 2007, when the next Papua New Guinea elections are due.^{xiv}

Conclusion

How will these various experiments in political engineering affect the development of political systems over time? Many of the reforms have not yet been tested in action. However, some clear trends are already emerging.

First, initial attempts to reduce political fragmentation have succeeded, in part at least. In Indonesia, for example, there has been a dramatic reduction in party fragmentation over the past four years. While hundreds of new parties appeared on the scene prior to the 1999 elections, only 21 parties won seats and only six achieved any significant representation (three of which—GOLKAR, Partai Persatuan Pembangunan, and Partai Demokrasi Indonesia—had been the only legal parties during Suharto's reign). While voting patterns for the major parties followed broad regional lines, the new provisions also played an important role in fostering more nationally focused parties than would otherwise have been the case. This trend is likely to be accentuated at the 2004 elections, which

a total of 24 parties have been ruled eligible to contest: the six major parties from the 1999 elections, and 18 new parties which met the cross-regional membership and support requirements. All of the parties contesting the 2004 elections are thus likely to be broad-based—a significant achievement, given Indonesia's history and the dangers of acute fragmentation that it faces.

Second, retarding political fragmentation has costs as well as benefits. In Indonesia, the new laws benefit incumbent parties by restricting the level of political competition, and place real barriers on new entrants into the political marketplace—as evidenced by the 50 percent reduction in party numbers between 1999 and 2004. In Thailand, the 1997 constitutional reforms, which aimed to combat political instability and fractionalization, contained so many incentives favoring strong parties that they may have worked too well, upsetting the balance of Thai politics. In particular, the new rules appear to have facilitated the rapid emergence of Thaksin Shinawatra's TRT party, which now controls 365 seats in the 500-member lower house of parliament, can legislate virtually unopposed, and looks likely to win the next elections in 2005 outright. While this dominance has improved political efficiency, it has also seen political power become highly concentrated, raising questions about the extent to which good governance is being promoted. In a paradoxical twist, some of the political reforms that helped create the current moderate multiparty system, such as a strong independent electoral commission, are now being rolled back. Some commentators have even begun comparing Thaksin with Malaysia's recently retired prime minister, Mahathir Mohammed, whose extended rule concentrated personal power and undermined democratic governance.^{xv}

Third, many of the new rules have profound impacts on the political expression of ethnicity, and thus on the potential for ethnic politics. In some cases this

has been an unanticipated by-product of the reforms, but in others it was a primary impetus from the beginning. For example, a major goal of the Indonesian party laws was to make mono-ethnic, regionalist, and separatist parties unviable. In this, they appear to have succeeded. It is literally impossible for a party to get its name on the ballot in Indonesia today unless it can demonstrate a level of national support that is likely to be beyond the reach of even the most well organized regional movement. The new presidential electoral laws only strengthen this approach. Similarly, Papua New Guinea's constitutional reforms have, at their heart, the aim of reducing the political instability created by that country's exceptional degree of social diversity. As two of the most ethnically fragmented states in the world, both countries have adopted centripetal reform strategies, seeking to push the focus of political competition towards the center rather than the extremes.^{xvi}

Like the other elements of the party reforms, these restrictions on political fragmentation and ethnic politics appear to be working, but only to a point. If ethnic groups are unable to mobilize and compete for political power by democratic means, they will likely find other ways to achieve their ends. If restrictions on regional parties end up encouraging extra-constitutional action by aggrieved minorities, they will have exacerbated the very problems they are designed to prevent. A balance therefore needs to be struck between encouraging national parties, which is in general a positive thing, and restricting regional ones, which can have clear downsides. So far, countries like Indonesia and Papua New Guinea appear to have managed these tensions fairly well. By providing incentives for cross-ethnic accommodation in the context of electoral competition, they are trying simultaneously to manage ethnic divisions and to consolidate democracy—an audacious and potentially influential experiment in political engineering.

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Notes

- ⁱ See Macintyre, Andrew. 2003. *The Power of Institutions: Political Architecture and Governance*. Ithaca, NY: Cornell University Press.
- ⁱⁱ Scholars of ethnic conflict have advocated multiethnic parties or coalitions as a moderating mechanism in deeply divided societies. See, for example, Horowitz, Donald L. 1985. *Ethnic Groups in Conflict*. Berkeley, CA: University of California Press.
- ⁱⁱⁱ Powell, G. Bingham. 1982. *Contemporary Democracies: Participation, Stability, and Violence*. Cambridge, MA: Harvard University Press, p. 101.
- ^{iv} See Suryadinata, Leo. 2002. *Elections and Politics in Indonesia*. Singapore: Institute of Southeast Asian Studies, pp. 90–92.
- ^v Tan, Paige Johnson. 2002. “Anti-Party Reaction in Indonesia: Causes and Implications.” *Contemporary Southeast Asia* 24(3): 484–508.
- ^{vi} The second round of voting, if required, will be a straight run-off between the two leading candidate teams, with no distribution requirements.
- ^{vii} Reilly, Benjamin. 2002. “Electoral Systems for Divided Societies.” *Journal of Democracy* 13(2):156–170.
- ^{viii} May, R. J. 2002. “Elections in the Philippines, May 2001.” *Electoral Studies* 21(4):673–680.
- ^{ix} Montinola, Gabriella R. 1999. “Parties and Accountability in the Philippines.” *Journal of Democracy* 10(1):126–140.
- ^x See, for example, Feith, Herbert. 1957. *The Indonesian Elections of 1955*. Ithaca, NY: Cornell University Modern Indonesia Project.
- ^{xi} Tan, op. cit., pp. 501–502.
- ^{xii} McCargo, Duncan. 2002. “Democracy Under Stress in Thaksin’s Thailand.” *Journal of Democracy* 13(4):112–126.
- ^{xiii} See Hicken, Allen. 2003. “From Province to Parliament: Party Aggregation in Developing Democracies.” Paper presented to the 2003 Annual Meeting of the American Political Science Association, Philadelphia, 28–31 August.
- ^{xiv} See Reilly, Benjamin. 2002. “Political Engineering and Party Politics in Papua New Guinea.” *Party Politics* 8(6):701–718.
- ^{xv} See Economist Intelligence Unit. “Thailand Politics: Thaksin as Mahathir?” *Business Asia*, June 30, 2003, pp. 4–5.
- ^{xvi} See Reilly, Benjamin. 2001. *Democracy in Divided Societies: Electoral Engineering for Conflict Management*. Cambridge: Cambridge University Press.

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