

asia info

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Director's report - Professor Hugh Whittaker

"The finish line is in sight," declared Minister Groser in a November interview with the *Wall Street Journal*, in reference to the Trans Pacific Partnership (TPP) negotiations after a meeting at the US Embassy in Beijing hosted by US President Obama. Whether the negotiations are actually completed in early 2015, or recede further into the distance, remains to be seen. For the moment, I would like to highlight a number of 'theatres' which were played out concurrently on the Beijing stage, which received little attention by the New Zealand press, but are very important.

(The comments were written prior to the G20 Brisbane summit, and the subsequent visit to New Zealand by China's President Xi Jinping.)

The TPP meeting was held in the US Embassy in Beijing, but Beijing was not a participant. Not only was the host (of the APEC leaders' summit) not invited, but many see an undercurrent in the initiative of China containment, although that is not New Zealand's position. The setting for the meeting was therefore ironic, as was perhaps China's proposal for using the APEC

summit to generate momentum for a Free Trade Area of the Asia-Pacific (FTAAP), which received a cool response from the US.

Then there was the issue of "the handshake" – would it happen, or would it not? This was a handshake between China's President Xi Jinping and Japan's Prime Minister Abe, whose warmth – or lack of it – had to be carefully calibrated for respective domestic audiences on the one hand, and global audiences on the other – not too warm, but not too cold. The handshake itself was enabled by a four-part communiqué which was perhaps even more carefully calibrated to allow a range of interpretations, and with slightly different Japanese and Chinese versions.

Australia's Prime Minister Abbott also faced some awkwardness, not just vis-à-vis President Putin, which the media focused on, but vis-à-vis the host about Australia's decision not to participate in the China-led Asia Infrastructure Investment Bank (AIIB), based on a memorandum signed by 21 countries in the run-up to the summit. He was no doubt responding to pressure from the US and Japan, as the AIIB will compete with both the World Bank and the Asian Development Bank for influence in Asia.

When China hosted the APEC leaders' summit in 2001, it was in the process of joining the World Trade Organization, seeking entry and citizenship, as it were, of the global economic community. Its economy is multiple times bigger now than then, and it is seeking a commensurate role at the top decision making tables, to shape the rules and not just play by them. The theatres on display at this year's summit – subtly in some



cases, less so in others – highlight the upheavals currently underway which all are struggling to come to terms with, but particularly leaders of powerful countries.

The upheavals are not only related to geo-politics, but also the rising economic power of emerging nations on the one hand, and continued fragility in now-developed countries stemming from the global financial crisis on the other. The latter in turn may reflect underlying instabilities caused by imbalances between the real and financial economies. We live in changing and delicate times.

We would do well to take note of the wider strategic issues around international gatherings and trade negotiations. If we think we can simply sign a multilateral agreement and forget about politics, we will be disappointed. Our radars should be sensitive to what else is happening at events like the APEC leaders' summit, and not simply focused on issues of immediate material interest, or indeed not focused at all.

In this connection, mention might be made of the Asia: New Zealand Foundation's 20th anniversary, for which a gala dinner was recently held. This milestone, of course, is a cause for celebration, but the above reminds us that there is still much work to be done. The same applies to NZAI, which celebrates its own 20th anniversary next year. The contents of this issue of Asia Info attest to our ongoing attempt to provide broad and contextualised understandings to both events and the dramatic changes they signify in Asia. It includes historical perspectives, which are particularly significant in the centenary year of the outbreak of the First World War.

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Be successful in the Asian century: Challenges for the millennial generation

Sponsored by the New Zealand Asia Institute, the 2014 Asia Savvy student-led conference series was held at the University of Auckland Business School on August 30. The well-attended forum opened with the keynote address by Fran O'Sullivan, a prominent columnist for the *New Zealand Herald* and the managing director of NZ Inc. that focuses on Kiwis' business engagement with top markets in Asia and other regions. Ms O'Sullivan stated candidly that "Asia is where we are and where our future lies". She particularly noted the importance of China to New Zealand trade and economics and argued against xenophobic fears about Chinese investments. Yet she also reminded the conference participants that "China is not the only story in Asia", and urged them not to overlook other fast growing markets in the vibrant region. Ms O'Sullivan's observations were echoed and extended by the nine other invited speakers at the conference.



Charles Chow, an Asia Adviser at the New Zealand Asia Institute, focused his talk on building knowledge-based perspectives of Asia. Citing gravely incorrect business forecasts of Asian countries by Western media in recent years, he rebuked the prevailing, oversimplified assumption of "universal" values applicable to all regions. He emphasised the historical roots of Asian social institutions and economic practices. When dealing with Asia, he added, one should also remember its size and diversity and avoid "the blind men and the elephant" errors.

Lynn Lai, an Analyst at the New Zealand Treasury, followed Mr Chow with a discussion on how New Zealand might improve the effectiveness of its engagement with Asia so as to expand its trade volume and varieties, and better its trade to GDP ratio. She highlighted three "lessons" for Kiwi businesses to consider when thinking of increasing their offshore presence. The first was that no one approach would fit all markets. The second was to value and leverage the socio-cultural diversity of New Zealand by creating a work environment where different perspectives were encouraged and heard. Finally, while Asia was a "region of opportunities", it was also becoming more crowded. The increasingly intense competition for Asian market shares required the government, businesses, and wider communities to put their heads together and make educated decisions on where in Asia to focus New Zealand's attention and resources. In her opinion, Asian New

Zealanders could join in this effort by participating in the dialogue and making their voices heard.

Furthering the discussion, Chris Henderson, a Consultant at Cognition Education, stressed the importance of Kiwis becoming "culturally competent" in their interactions with Asians. He particularly warned against relying on pre-constructed knowledge of the region and its peoples. Drawing on his 15 years of working and living in Southeast Asia, he insisted that an understanding of Asia should not be built only on "authoritative" Western representations of the region. As a case in point, he cited Joshua Oppenheimer's documentary film, "The Art of Killing", and Elizabeth Pisani's book, *Indonesia, Etc.: Exploring the Improbable Nation*, arguing that works like these, while prominent in the discourse on the archipelago, painted only a partial picture of the largest Southeast Asian country. In other words, while Indonesia had indeed been battling with daunting domestic problems and often ranked among the lowest in OECD's economic surveys, it had consistently received good marks in the same organisation's optimism/happiness indices.

Substantiating Mr Henderson's observation, Simon Young, the CEO of marketing consultancy syENGAGE and a co-author of *Social Media MBA*, shared with the audience his experiences in using Chinese micro-blogging websites Weibo and WeChat to amass fans and followers in China for

his and other interested New Zealand companies since 2007. He noted that the social media engagement not only helped his business, but also enabled him to learn about Chinese culture and society and even the difficult language in a fun and hands-on way. He enjoyed the experiences so much that he recorded them and attendant tips in an evolving e-book, *Mandarin for Lazy Learners: A Taste*, which people could sign up for and interact with. He further noted that the "learning" was never one-dimensional as when networking with Chinese micro-bloggers, he found himself constantly researching New Zealand and looking for ways to present it visually in order to satisfy their curiosity and answer their questions.

Camellia Yang, a Social Media Specialist for Air New Zealand, conveyed a similar message to the audience. She called for special attention to the fact that mobile internet users in China had already exceeded 500 million, that Weibo's monthly active users totalled 158 million, and that Fonterra, Air New Zealand and Rt Hon Helen Clark all had Weibo accounts. To tailor its brand to the Chinese market, Air New Zealand was also on WeChat, Douban and Youku, and adjusted its promotion activities according to Chinese holidays. Ms Yang closed her talk with the commonly quoted projection that the Chinese millennium generation would become the world's largest consumer group in 2020, ie, 300 million. New Zealand businesses should get ready to tap on it!

Jessica Rowe, a TV3 News Producer, worked at China Central Television in Beijing as an international news editor for a year before taking up her current position. Her "OE" in China gave her an opportunity to experience first-hand "business deals at dinner tables", "business cards on hand all the time", "gift giving etiquette", etc. Important as these established social norms and practices might be, however, having some basic proficiency in the Chinese language would perhaps help foreigners more in making friends and building trust with the locals. With regard to Chinese social media platforms, Ms Rowe maintained that WeChat was still new, and that although the micro-blogging site was becoming

ever more popular among Chinese companies, it remained a challenge for foreign firms to use the media to drive their business in China.

Bert Maerten, Oxfam New Zealand's International Programme Director, on the other hand, briefed the audience on the life of those in Southeast Asia who were still living so close to the subsistence line that technological advances and gears were beyond their reach. He applauded the massive economic growth achieved by most countries in the region and their efforts to reduce poverty. Yet he was also sharply critical of their worsening "development exclusion" and widening income disparities. In carrying out Oxfam projects in Southeast Asia, he saw the harsh reality time and again that the higher the degree of social stratification and inequality in a country, the greater its vulnerability to economic crises and natural disasters, and the longer it would take for its people to rebuild their lives. At a more personal level, undertaking Oxfam assignments to open up spaces for social justice in Southeast Asia also changed his way of looking at life and the world.

Craig Pettigrew, who leads the international branch of The Better Drinks Co. (formerly Charlie's), is one of the few "Japan hands" in New Zealand.

Fluent in both spoken and written Japanese, he worked as a bar tender when pursuing his tertiary education in Japan. He later worked for Tourism New Zealand in Osaka and then for New Zealand Trade and Enterprise in Tokyo. Today, his portfolio in The Better Drinks Co. includes 25 countries, many of which are in Asia. When addressing the Asia Savvy audience, he reiterated the message of the conference that the region was a fascinating and exciting mix of customs, traditions, beliefs and practices. To minimise "lost-in-translation" pitfalls in an Asian culture, he advised, one should be patient, pay attention to the context, "join the dots" through making friends and building trust, and then proceed to business negotiations.

The concluding speaker for the conference, Carol Cheng, is an Executive Director of PwC New Zealand China Practice and Transaction Service Team. She has worked with more than 100 foreign companies that are doing or intend to do business in China. She touched upon a question likely lingering in the minds of most conference participants, namely, how to get a job one loves to do in Asia. Her suggestion was that when in school, one should study smartly and strategically. This could include learning an Asian language, and

starting it early. It could also mean building links with companies and trade associations which had established business presence in Asia. Her next advice was that with the labour market getting ever more competitive, university graduates should try to focus on "working for experience" at an entry-level job. That "experience" might prove a crucial platform for one to springboard off from later. Finally, she reminded the audience that not only work environments but also work ethics could vary from culture to culture. A typical example in that regard was that "working hard" in Hong Kong, China and Japan often meant to value work more than personal life.

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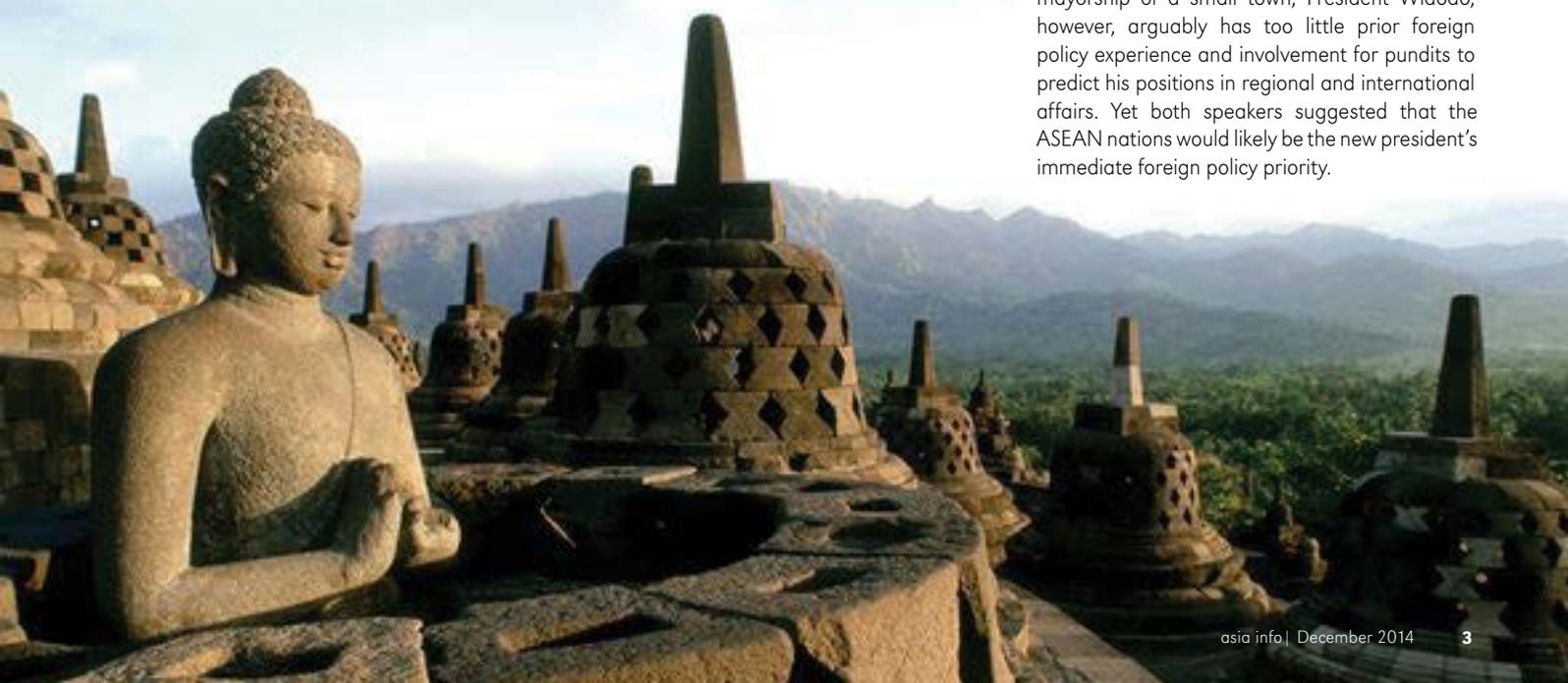
A new president, a new era in Indonesia?

With the July election of a former furniture salesman and small town mayor as president, Indonesia may be about to enter a new phase in its remarkable political journey. To help satisfy widespread public interest in newly elected President Joko Widodo, NZAI hosted two seminars for two Indonesian specialists, Dr Chris Wilson from Auckland's Politics and International Relations on 13 August and Dr David McRae from the University of Melbourne on 24 October.

In charting the rise of President Joko Widodo, widely and affectionately known as Jokowi, both speakers emphasised the fact that he was not a child of the elite, or a former general. This might therefore be the watershed moment that many Indonesians - frustrated with stagnant

democratic reforms and persistent corruption - had been hoping for. A serious challenge for Jokowi and a new generation of leaders would thus be if they could consolidate liberal democracy in the world's largest Muslim-majority nation or would old practices and actors prove too strong.

Furthermore, under President Widodo's predecessor, President Susilo Bambang Yudhoyono, Indonesia maintained a consistently outward-looking stance. As a result, it enjoyed ever greater prominence in international affairs. Ascending to the nation's top office from the mayorship of a small town, President Widodo, however, arguably has too little prior foreign policy experience and involvement for pundits to predict his positions in regional and international affairs. Yet both speakers suggested that the ASEAN nations would likely be the new president's immediate foreign policy priority.



China Goes Global: The Partial Power

Professor David Shambaugh from George Washington University gave a seminar at NZAI on 4 July 2014 as part of a New Zealand tour to promote his new book, *China Goes Global: The Partial Power* (Oxford University Press 2013).



He began by listing the trappings of a global power that China already possessed, including land mass, population size, growth rate, trade volume, FDI in/outflows, manufacturing capability, progress in science and technology, energy consumption, military budget, number of millionaires/billionaires, etc. Besides “rising” measured by the above indicators, he noted, China was also “spreading” globally in commercial and many other realms. Yet he quickly added that “power” was not merely about “capabilities”, but about converting them into “influence”. In other words, “powerful” nations would in general be able to “shape events and actions of others”. Using this definition, Professor Shambaugh maintained that China’s presence and influence across world affairs remained both “uneven”, “limited”, and “a long way behind the United States in virtually every category of power”. By some indicators, China was even no match for other “middle powers”.

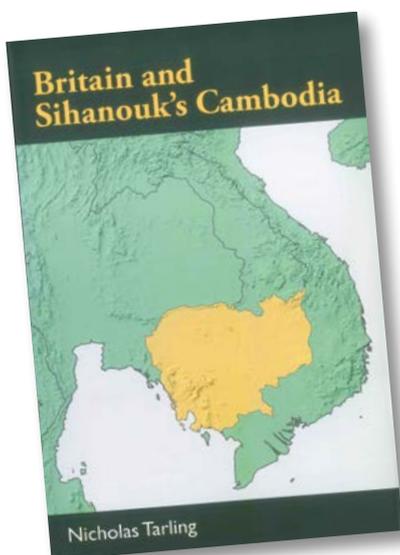
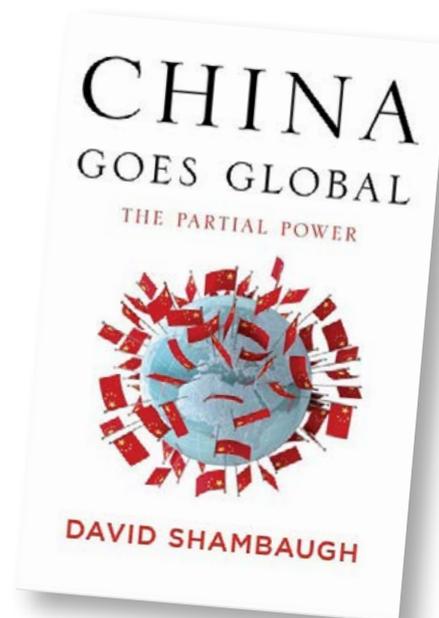
While acknowledging that China’s global posture was beset by multiple weaknesses, including not least domestic challenges, Professor Shambaugh focused his discussion on four broad areas at the seminar as well as in his new book. These were China’s diplomacy and its contributions to global governance; its global economic footprint; its global cultural presence; and its global security roles. He believed that being a global power required “getting in the middle of disputes, bringing parties together, forging coalitions, and – yes – using pressure when necessary”. Yet China remained “allergic to the use of pressure in diplomacy”. For “narrow national interests”, it would usually follow the

“safest and least controversial” approach, and “wait to see the positions of other governments before revealing their own”.

About “global governance”, Professor Shambaugh stressed that it was a realm of diplomacy transcending national sovereign boundaries, involving multilateralism and contributing to international efforts to address transnational issues and challenges afflicting mankind. In this area, however, China’s “lowest-common-denominator” stance meant that it “punches way below its weight”, ie, not contributing “proportionately to its size, wealth, or potential influence”. According to Professor Shambaugh, China’s “constrained” global-governance diplomacy was rooted in its “disagreement with the Global Liberal Order” and deep scepticism about the concept being a “trap laid by the United States” to restrain its rise. China’s suspicion, he continued, came from the fact that, even with its rapid military modernisation, it held “no global military power”, and its military power projection capacities within Asia stayed “limited”.

Similarly, Chinese cultural products, while beginning to gain traction abroad, were “still little known outside of China”, let alone setting global trends. Professor Shambaugh observed that one result of this “weak international image and less-than-strong cultural presence” was that the Chinese Government and academic community became “obsessed” with soft power. Yet the upsurge in China’s efforts and resources poured into “public diplomacy” was yet to yield the desired result, and “its soft power remains very soft”.

Professor Shambaugh insisted that even China’s increasingly broad economic footprint was “more shallow than anticipated”. The examples he used to elaborate his point included China’s “generally low-end manufactured goods”; “poor international brand recognition”; limited overseas direct investment, particularly in comparison to that of the United States; modest foreign aid contribution; and only a “handful” multinational corporations operating “successfully” abroad. Citing also areas like freedom of press, government effectiveness, global competitiveness, corporate accountability, transparency and corruption, Professor Shambaugh concluded that although China’s global position might expand in all the above categories in 10-20 years, and it might be operating even on a global basis similar to the United States, for now it “remains a partial global power”.



Britain and Sihanouk’s Cambodia

by Nicholas Tarling

Britain and Sihanouk’s Cambodia was published by NUS Press in August. Professor Nicholas Tarling’s book covers the diplomatic relations of the two countries at the height of the Cold War. Sihanouk sought to preserve the sovereignty and integrity of his country through a policy of neutrality, even as the conflict in neighbouring Vietnam intensified and became more of a proxy war among the great powers.

Despite its vaunted “special relationship” with the United States, Britain’s objectives in mainland Southeast Asia often aligned with Sihanouk’s. Its policy in respect of Laos, another of Sihanouk’s neighbours, Professor Tarling covered in an earlier book, *Britain and the Neutralisation of Laos*, and his new work is in a sense a companion volume.



Malaysia and the Cold War: Edging towards a Comprehensive View

Professor of History and Director of the Global Planning and Strategy Centre at the University of Malaya in Kuala Lumpur, Danny Wong Tze Ken manages to sustain a research and teaching role alongside his administrative tasks. His research has ranged widely within Southeast Asia, covering the history of his native Sabah and also that of the Cham minority in Vietnam.

For his lecture under the Institute's auspices on 5 June 2014, he chose the title *Malaysia and the Cold War: Edging towards a comprehensive view*. It was a good topic for a New Zealand audience, since the country had a direct involvement in Malaya/Malaysia from the 'Emergency' onwards.

It is, as Professor Wong pointed out, 40 years since Malaysia established diplomatic relations with the People's Republic of China, and 25 years since the end of the Cold War; but, he argued, our picture of Malaya/Malaysia in that period is still very incomplete.

In his lecture he surveyed writings on the period. Initially the government was extremely cautious, even rejecting Anthony Short's history of the

Emergency. Now, however, the mood has shifted towards a greater liberalisation in the handling of what is deemed sensitive information. Professor Wong drew attention, not only to the publication of Chin Peng's memoirs in 2003, but also to the appearance of memoirs of Communist Party members "repatriated" to China, though mostly born in Malaysia. He also mentioned publications by Special Branch officers, such as Yuen Yet Leng's *Nation before Self* in 1998, though regretting that no sources were given.

Such works provided hitherto unknown information on the MCP's tactical operations, its withdrawal to the Thai border, its reaction to Government initiatives, the personnel killed, the biodata of recruits before and after 1954. More

is thus now known about the Emergency. The Government will not be accepting the post-1957 leaders as heroes, but a wider understanding of what happened becomes more feasible.

It is still not possible, Professor Wong concluded, to reconstruct what actually happened. The Arkib Negara has copied records from the National Archives in Britain, but its own archives are not fully open. Regional and State archives also contain material – on resettlement schemes, on the curfew, for example – that would have to be utilised in a fuller history. And nothing is available on the role of the Navy and the Air Force. It will be, as he put it, "a long and arduous journey before a comprehensive view of Malaysia and the Cold War could be achieved".

China's economy in the context of globalisation and regional integration

Three scholars from the Chinese Academy of Social Sciences (CASS), Drs NI Yueju, MA Tao and GAO Lingyun, visited NZAI on 27-28 August. During their stay in Auckland, they held meetings with Professor Jane Kelsey from the Law Faculty and Associate Professor Robert Scollay from the NZ APEC Studies Centre.

Their discussions focused on issues related to the ongoing negotiations for the Trans-Pacific Partnership Agreement (TPP), the Transatlantic Trade and Investment Partnership (TTIP) and the Regional Comprehensive Economic Partnership (RCEP). They exchanged their research findings on politics of these negotiations; major procedural issues; new chapters on state-owned enterprises and regulatory coherence; prospects for the China-Japan-Korea FTA and/or China-Korea FTA; China's approach to trade with India; its application of the trade in value added (TIVA) measurement; and its approach to the Trade in Services Agreement (TiSA) negotiation.

During their visit to Auckland, the CASS scholars also gave a seminar on impacts of the above-mentioned "giant" free trade agreements (FTA) on the international trading system and

China's choice. They frankly acknowledged that while most, if not all, regional and global FTA negotiations featured a "cross-border" and "multilateral" focus, their progress and results were, to a great extent, defined by domestic discussions, calculations, and even contentions "within the boundary" of "individual" participating states. China's support for RCEP, for example, was based very much on its considerations of having an "open" regional market with good development potential for its economy, in particular for its economic sectors with excess productive capacity, and offsetting possible external shocks to its trade when TPP was launched.

Another important issue in China's domestic deliberations on globalisation, according to the visiting Chinese scholars, was the relationship

between trade and employment. On the one hand, globalisation and economic integration resulted in low-end production and attendant job opportunities outsourced from many industrialised countries to China. On the other hand, however, it complicated the regulation, supervision and management of China's domestic labour market, which in turn increased employment risks and stability and aggravated public anxiety and social distress. Furthermore, while the intermediate product-oriented trade allowed China the access to global production networks, economic integration as such also posed challenges to its efforts for industrial and workforce upgrading in global value chains. The CASS speakers concluded that China's positions in bilateral/regional/global FTA negotiations were informed not only by strategic calculus, but also economic expediency and pragmatism.

Global value chains: Theory, policy and measurement

There is a rapidly growing body of research examining the processes of geographic fragmentation, dispersion, and long distance co-ordination in both goods and services industries. Clearly, the rise of what are often referred to as global value chains (GVCs) is an important driver of structural change on many levels. For nations that are very deeply integrated and economically interdependent with others, the basic structure of industries, employment, and innovation can be affected.

While one might expect cultural or political integration to be difficult to measure with precision, global economic integration has also proven resistant to detailed quantification and empirical characterisation. We have a strong sense of profound changes in the world economy, and see signs everywhere, but cannot fully describe the new patterns and structures that are taking shape, not least because the official statistics at our easy disposal were created for other purposes and in simpler times.

To help interested members of the New Zealand public explore issues related to GVCs, NZAI sponsored a seminar on 19 May for Dr Timothy Sturgeon, an internationally renowned expert in this field from the Massachusetts Institute of Technology's Industrial Performance Center, who briefed the audience on global value chain governance, industrial upgrading, intermediate goods trade, and international sourcing. According to Dr Sturgeon, global value chains have expanded and become more complex with the evolution of global industries.

The process can be roughly divided into seven phases: vertically integrated national firms and industries (1960s), global dispersion through offshoring by multinational corporations (1970s), geographic and organisational fragmentation intensified by outsourcing and offshoring (1980s), consolidation of global suppliers and China's rise (1990s), emerging global knowledge and innovation networks and India's rise (2000s), radical consolidation and supplier deaths (2008-10), and the maturing of value chain modularity amidst resource constraints and fiscal crisis of the state (since 2010).

The global value chains framework provides an overarching rubric for understanding this historical process, helping to tie together many of the cross-cutting trends arising through the processes of global economic integration and increases in cross-border interdependence of national, regional and local economies across the world. Examples of such trends include increased outsourcing, computerisation of product design and process technology,

formalisation and segmentation of work tasks, greater market volatility and industry clock-speed, wider geographic scope and dispersion of production systems, rising services trade, increasing affiliated trade, and others.

Studies of GVC governance have drawn on an interdisciplinary set of theoretical and empirical insights from institutional economics, economic sociology, economic geography, evolutionary economics, strategic management, operations management and technology management. From these, a theory of GVC "governance" identifies three key variables that can shape the dynamics of GVC governance: the complexity of information required for a transaction, the extent to which this information can be codified, and supplier capabilities in relation to a transaction's requirements.

How prevalent are GVCs? Case studies of US firms seem to suggest that while domestic outsourcing is concentrated in transport, IT services and facilities maintenance functions, international outsourcing is spread across all functions, including R&D. International sourcing is mainly carried out by large firms through foreign affiliates while small businesses are less likely to be globally engaged. Surprisingly, perhaps, most offshoring from the US is to high-cost locations such as Canada and Western Europe, reflecting sunk investments and long-term business networks of US companies in those markets. Yet while the work offshored to very low-cost locations is relatively modest in comparison, its impact on the American job market, especially low wage employment has become a politically-charged issue attracting immense public attention.

Dr Sturgeon concluded his talk by pointing out some important questions that researchers on GVCs are trying to find answers to: If GVCs are mainly a game for large firms and large countries, what about SMEs and small countries? What does an effective GVC industrial policy look like? What is the role of the state? Conceptually and statistically, how should events in advanced economies be linked with those in developing countries? If industry and country differences are so great, what is the research strategy? How do we connect local and industry ecosystems to global networks and then to development outcomes: human, industrial and environmental?



The Great War as World War: European conflict and its Asian impact

In a public lecture he gave for NZAI on 7 August, Professor Nicholas Tarling suggested that, amid our commemoration of the First World War, we should not forget – least of all in our “Asian century” – the impact the war had on Asia and its peoples and the contributions they made, voluntarily or involuntarily.

The war was not, of course, over quickly, as some anticipated. Given Europe’s economic and political connections with other parts of the world, the “Great War” was thus bound to become a “World War”. European powers had to draw upon the wealth and manpower of their overseas dependencies, and they had to secure the support of overseas powers. For both a price had to be paid. Those men who were brought to Europe learned about Europe, its strength but also its weakness. And some overseas powers realised that there might be advantage in taking part, if only so that they might also take part in the peace-making that would have ultimately to ensue and perhaps undo some of the injustice of the age of imperialism. President Wilson spoke after all of self-determination and nationality.

Empires provided a source of troops. Short of manpower, the French had recruited some 545,000 colonial troops by Armistice Day, 11 November 1918. The majority came from their dependencies in North and West Africa. But 17 Indochinese battalions fought in the Balkans and on the Western front, and Indo-China sent labourers as well as riflemen. Colonialists expected, and colons feared, that “victory would bring with it at least the partial emancipation of the native peoples who had rallied to the defence of the fatherland”. The French, however, made few political concessions post war, nor did they grant many who served the French citizenship they might have expected. In vain Ho Chi Minh delivered the Claims of the Annamite People to the French President and walked the corridors of the Quai d’Orsay to deliver the relatively moderate document to the delegations of the great powers.

The British took a different line. Some 1.5 million men from India served as soldiers, 850,000 overseas, and 72,000 were killed, 7,000 of them on the Western Front, mostly in the first year, remembered in various cemeteries and on the Menin Gate. Indian troops depended greatly on a patriarchal relationship with their British officers. Many of those were killed early on, and the troops reassigned to units where no one understood them. They also found new technologies hard to grasp. Their greatest losses were at Neuve Chapelle in March 1915, where the Indian Memorial is located. Most of the infantry were redeployed to Mesopotamia in October 1915.

At the outset of the war, the India Congress was led by Moderates or Loyalists. A meeting at the end of December 1914 adopted a message to the troops, expressing its “deep sense of

gratification and pride” at their heroic conduct and the “deeds of valour and chivalry” that were “winning the respect of civilised mankind for the Mother-country”. A different line was followed when “extremists” rejoined Congress, and Congress and Muslim League demanded self-government in 1916. The Montagu Declaration followed, offering advance towards responsible government. The troops themselves were hardly affected by such issues. Recruited more or less voluntarily from the so-called “martial races” – especially in the Punjab – they spoke in their letters of loyalty to the Sirkar – the Government – whose salt they had eaten.

China did not join in the war until 1917. But well before doing so, it had adopted Liang Shiyi’s proposal to link its fate with the Allies by sending labourers to Europe, avoiding German charges of breach of neutrality by hiring them through “private” companies. Short of manpower, the French were relatively quick to adopt the proposal, and the British adopted it after the murderous battle of the Somme. The French recruited 44-45,000 Chinese workers, and the British nearly 100,000. Perhaps some 5,000 in total lost their lives. There are 2,000 Chinese labourers buried in Northern France and Belgian Flanders. In addition some 863 Chinese seamen serving on British ships died in the war.

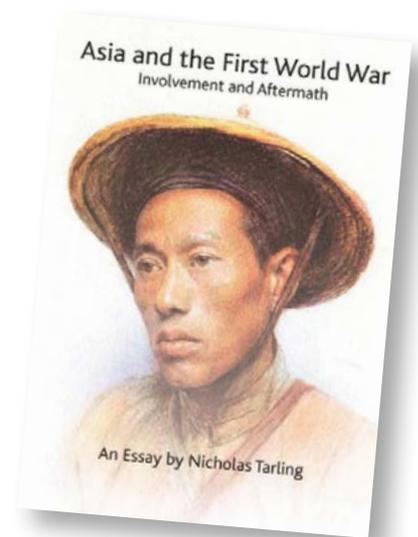
From the start of the war, some Chinese intellectuals had seen the war as an opportunity. If the new Republic joined in, it would not only fend off Japan from the German concession in Shandong; it would, as Liang Qichao argued, enhance its international status. In August 1917 the Republic finally declared war on Germany and Austria-Hungary. “Let the people of this entire nation do their utmost in this hour of trial and hardship to safeguard the national existence of the Republic of China”, the president declared, “so that we may establish ourselves amidst the family of nations and share with all mankind the prosperity and blessings drawn from our common association.” But the expectation that it would be rewarded by the regaining of Shandong and the wholesale undoing of the unequal treaties was not realised, and China rejected the treaty of Versailles.

Japan, Britain’s ally since 1902, assisted with the conveying of troops to Europe. But it took advantage of the involvement of the Europeans in the war to advance its own expansion in China. “Japan must take this chance of a millennium,” Okuma Shigenobu’s cabinet declared, to

“establish its rights and interests in Asia”. In 1915 it presented China with the 21 Demands, for Chiang Kai-shek “the grand culmination of all the unequal treaties”. “Japan is our country’s strong enemy,” a young Mao concluded.

In the subsequent decades Japan was build on its empire in Korea and Taiwan and expand into Southeast Asia. But, destroying three empires in Europe, the first world war had made empires difficult to sustain. It weakened the empires of the Europeans overseas, by inducing the rulers to offer political concessions, by familiarising their subjects with non-colonial life, and by propagating notions of self-determination and nationality. The last was to be fatal to the Japanese endeavour, too.

On 22 October 2014 – a few weeks after the centenary of the landing of Indian troops at Marseille – NZAI launched the publication of Nicholas Tarling’s *Asia and the First World War: Involvement and Aftermath*, a short book on a big subject, as he put it. In a short talk he drew attention to the image used on the jacket, that of Lé Tiep, a “Tonkinese” rifleman. It was one of a series of pastel portraits drawn from the life by the Swiss painter Eugène Burnand, who was fascinated by the wide range of people from all over the world drawn into the conflict on the side of the Allies. They were published in a de luxe edition by his nephew, Robert Burnand, in 1922, who thought Tiep had “a foxy-faced expression”, but also sensed ‘a noble sensitivity’ about him. A previous generation had fought against France. Now, Robert Burnand rejoiced, the Tonkinese demonstrated their loyalty by shedding their blood.



Leaders and Leadership: Some comments from an historian of Southeast Asia

In a lecture given for the Institute on 21 May, Professor Nicholas Tarling placed the topic of leadership in the context of Southeast Asian history and politics. He also pointed out that the concept changed over time and in varying circumstances. What is common to styles of leadership was, he suggested, the task of securing of confidence in human relationships. "Leadership and followership is a reciprocal relationship," as Brian Holden Reid put it.

Professor Tarling's focus was on leadership in the politics of Southeast Asia, pre-colonial, colonial, anti-colonial and post-colonial, more than on other areas. But, as he pointed out, studies of leading businessmen have, of course, often been undertaken on a biographical basis, and the distinctive methods of Chinese business, its successes and limitations, have been analysed by scholars such as Yong Ching Fatt and William Tai Yuen. Historians and political scientists have also recognised that business and politics have rarely been kept apart: rather they have met in differing ways, from Anthony Reid's arbitrary rulers and rent-seekers to Frank Swettenham's development subsidies and Ruth McVey's association of the Thai military and Thai businessmen, from the operations of tax farmers like Tan Kim Cheng to the deployment of what is now called "sovereign wealth" by Singapore's leaders. Wealth was always important, patronage often even more so, and the one facilitated the other, though it was not its only source.

Was political leadership ever taught? Was it – is it – merely acquired? Colonial powers used to argue for delaying independence until their subjects were "ready", but it is not possible to understand responsibility until you have it. Dyarchy in Burma, for example, was hardly a preparation for a fully responsible government, as Robert Taylor pointed out. Could self-government be "delayed to give local leaders and local civil servants a little more time to gain experience before assuming responsibility"? Sir Robert Scott asked in respect of Singapore in 1959. The real weakness in Southeast Asia was "precisely in the political leadership", wrote Henry Hohler, the British ambassador in Saigon in the aftermath of Ngo Dinh Diem's assassination in 1963.

How did leaders secure and retain followers? Force is insufficient to win or sustain loyalty.

Ideology has been another means, of course,

and so, too, not merely in our own day, has religion. Then there are the mysteries of Weberian charisma. How does it work? Who has it? Who is excited by it? Why? Prominent in pre-modern societies, it has by no means vanished. Some people seem to have "presence", though it may be derived from beauty, talent, position or power. Others feel it, perhaps affected by custom, tradition, whatever the object of their fascination or his or her talents. It can be dressed up by ceremony and occasion, pomp and circumstance. Crowd hysteria has a part to play.

And, of course, technology changes. Crowds are brought on the scene and can be addressed through loud speakers. Ho Chi Minh's declaration of independence could be clearly heard by the crowd in Hanoi. A traditional Javanese leader might maintain awe. Sukarno could rouse a crowd as Hitler had. Aung San Suu Kyi's attempts to speak were perhaps more effective, more anxiously listened to, when her contacts were inhibited. Now you can win a crowd without seeing them, but leaders do not have it all their own way on the internet. Even the Chinese Wall is not totally effective.

Professor Tarling considered ways in which accounts of leadership have been given. Historians themselves acknowledge leaders in their own field, the best of them perhaps leading by example. It is, of course, a conflicted discipline, in the sense that no one will ever be "right", and complete objectivity is unobtainable. But perhaps it will do better than autobiography, which is likely to contain a strong element of self-justification. Will biography get us nearer? One risk, of course, is that it becomes hagiography, a justificatory piece, like an autobiography. Another, particularly in more recent times, is that it becomes the reverse, an exercise in debunking of the kind that Lytton Strachey practised so effectively, and others have less elegantly followed. Modern readers, perhaps because of the concerns of current society, are

curious about the relationship of the public and the private, and reverse the preoccupations of the Victorian 'life and times' biography. The author may thus downplay the engagement of the subject in the issues of the day, and focus on the supposed relationship with the issues of our day.

The concept of leadership may be associated with success, with winning rather than losing. Historians may consolidate the position of the "winners", or, perhaps more riskily in modern Southeast Asia, undermine their reputation. They may point to the way in which a reputation was engineered or in which a great man stole an idea from a lesser. They may point to peccadillos, more frequently perhaps in European histories than Asian, things that the Victorians would not have gone into, but modern prurience invites. Perhaps one concludes that it is safer to die young or to be martyred, like Aung San. Most leaders are, after all, not wholly admirable, and are successful only in parts of their career as circumstances and challenges change. They may even so indeed find it difficult to leave their position. Can the powerful risk abandoning power?

Professor Tarling concluded by extending a hand to the "losers", those who were tragic, not in the Aristotelian sense of fundamental flaws in character - though they may have had them - but who had answers to problems that were not applied or not welcomed. They have a role in history, too, though they failed as leaders. Indeed history does not make sense without them, even if they are unlikely to be the subject of national histories or school texts or best-selling biographies. His own subjects have recently included Souvanna Phouma of Laos and Sihanouk of Cambodia. Their analyses were so often right, but their leadership failed, more, surely, as a result not of personal inadequacies, but because there were no solutions that would avert the impact of the Vietnam War on Laos and Cambodia.

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