

Indochina

The West has tended to draw a fairly neat chronological boundary between the First Indochina War, which lasted from 1946 until 1954 and centered around opposition to French colonial rule, and the Second Indochina War, which lasted from 1954 until 1975 and involved Communist-led opposition to American-supported and non-Communist governments. This perspective is shared by non-Communist nationalists from Indochinese countries, who see their countries as having gained independence from France in 1953–54 and subsequently having done battle with Communist insurgencies. Conversely, the narrative constructed by Communist parties in the three countries prefers to see the period 1945–75 as a single revolution against, first, the French, and then their successors, the Americans; in fact, this narrative often dates the beginning of the ‘revolution’ to the founding of the Indochinese Communist Party (ICP) in 1930. Both views have their strengths and weaknesses. The second allows us to understand better the continuities between the two conflicts, while the first recognizes the fact that the French vision for Indochina differed significantly from that of the United States, even if both Western powers were fighting the same enemies to achieve their objectives.

As discussed in the preceding chapter, the final months of World War II produced three very different scenarios in the different parts of Indochina. The Japanese coup of March 1945 provided opportunities for local political forces to gain power, but it was not the same forces. In Vietnam the government of Emperor Bao Dai and his Prime Minister Tran Trong Kim only lasted a few months and was overthrown by the Viet Minh movement established as a united front by the ICP. This August Revolution, which led to the establishment of the Democratic Republic of Vietnam (DRV) under Ho Chi Minh’s leadership in September 1945, temporarily placed the Party in a position of political dominance but did not give it a monopoly of political and military power, as rival forces still existed in different parts of Vietnam. In Laos, March 1945 weakened the authority of the monarchy and strengthened the influence of Prince Phetsarath and the group of nationalists known as the *Lao Issara*, who now took center stage in the new government. In Cambodia, Sihanouk (at that time still holding the title of king) remained the pre-eminent political figure, although initially, at least, he had to share the stage with his nationalist rival Son Ngoc Thanh.

Independence for part or all of Indochina was unacceptable to a French government trying to re-establish its power and prestige after the humiliations of the war. Even before the Japanese surrender, French forces were planning for the re-conquest of the colony. At the Yalta Conference in February 1945 the Allies agreed that Indochina would be occupied by Nationalist Chinese and British troops – north and south, respectively, of the 16th parallel – to handle the surrender and disarmament of the Japanese. The British, of course, had no reason to obstruct the French return to Indochina when they were busy re-occupying their own colonies and were entangled in Indonesia, while the Chinese were pragmatic enough to negotiate with either Indochinese nationalists or the French, depending on where their interests lay.

The British effectively gave the French a free hand to reoccupy the areas of Indochina under their control. In Cambodia there was no significant resistance from Norodom Sihanouk and the elite, and the French helpfully strengthened his position by arresting Son Ngoc Thanh after their return; Thanh subsequently left for exile in France. For the time being, Sihanouk was willing to subordinate Cambodia’s political interests to the French; in early 1946 a *modus vivendi* was signed which made Cambodia a kingdom within the French Union, an amorphous structure essentially intended to maintain the colonial empire in a somewhat different form. Cambodia was given a constitution and the fundamental institutions of a democratic multi-party system; the first elections were held in September.

Vietnam was a different story, as the Viet Minh and the DRV government had established an administrative presence in all three regions. In Cochinchina their authority was weaker, however, as their main power base had long been in Tonkin and northern Annam. Moreover, not only were there divisions within the southern ICP leadership, but they also faced serious competition for power there, particularly from the Cao Dai and Hoa Hao. The French were able to re-establish their rule in the towns and cities below the 16th parallel, although the countryside was another matter. The DRV government was in an extremely difficult situation, for it maintained that France’s future relationship with Vietnam had to be negotiated before any kind of official French presence could be sanctioned, whereas France was determined to return first, and then negotiate. Although the Chinese Nationalists were less favorably disposed toward colonialism than the British, they had little sympathy for the Communist-dominated DRV. With civil war looming back home, the Chinese had little to gain from a prolonged occupation, and in February 1946 they allowed the French to return in exchange for France relinquishing economic rights in China.

Ho and his government were not ready to fight at this juncture, so they negotiated an agreement recognizing the DRV as a ‘free state’ within the French Union. The rest of 1946 was spent on negotiations over Vietnam’s status, but generally speaking the two sides’ positions were simply too far apart. France’s top representative in Indochina, High Commissioner Thierry d’Argenlieu, did his best to undermine the negotiations going on in France by creating an autonomous Republic of Cochinchina and otherwise sabotaging Ho’s attempts to weaken or eliminate French authority. Even a *modus vivendi* signed by Ho in Paris in September did no more than delay the inevitable conflict, which broke out in December 1946. The DRV government evacuated Hanoi and relocated to the Viet Bac region to the north, which had been the main Viet Minh base area.

The Chinese presence in Laos also facilitated the return of the French beginning in March 1946. Phetsarath’s regime did not have the strength to resist, and in May the *Issara* leaders fled across the Mekong to Thailand. King Sisavangvong, whose cooperation with the *Issara* had been reluctant at best, welcomed back the French. In August a *modus vivendi* similar to that signed in Cambodia formalized the kingdom’s status. The following year Laos received a constitution and a National Assembly was established with a cabinet government and political parties.

Cambodia and Laos were now functioning constitutional monarchies, but without full sovereignty over their foreign relations or even their armies, which remained under French command. Their political systems were dominated by the elite. Cambodia's parties were led mainly by royal family members, though they did have genuine ideological differences. The Lao elite included both princes and members of powerful families; the divisions among them were based much more on regional and kin ties than on policies or political views. There were two important differences between the two kingdoms. First, Sihanouk as king dominated politics more thoroughly than Sisavangvong. While sharing the stage with other princes and with Son Ngoc Thanh following the latter's return from exile in 1951, Sihanouk became quite adept at manipulating the system to his advantage and at suppressing opposition, particularly from the Left. Sisavangvong never played such a strong role, and political power was more fragmented. Second, the main challenge to the Lao government came from outside the country, namely the *Issara* exiles in Thailand. They would remain there under Phetsarath's leadership until 1949, when many of them – but not Phetsarath himself – decided to return and join the royal government.

In Cambodia and Laos, the French had ready-made governments who were in no great hurry to see them leave, but in Vietnam an alternative had to be found to compete with the DRV for the population's loyalty. The French eventually turned to ex-Emperor Bao Dai, who had briefly served the DRV as an advisor but then left the country in 1947. After several years of protracted negotiations, in 1950 France created a 'State of Vietnam' under Bao Dai's leadership as head of state, but not emperor. This regime was meant to rally anti-Communists of various political stripes, but the 'Bao Dai solution' did little to strengthen either non-Communist nationalism or the French position in Vietnam. Bao Dai himself was not exactly charismatic, and his political capital had been severely depleted by his years of collaboration with the French. His regime was a hodge-podge of politicians of mixed quality and often dubious reputation, held together primarily by their anti-Communism.

To varying degrees, legitimacy was an issue for all three governments. The Cambodian and Lao regimes were at least buttressed by their monarchies, whose prestige had been less damaged by colonial 'protection' than Bao Dai. All three governments, however, were hampered by the fact that sovereignty over internal and external affairs was only transferred by the French in dribs and drabs, making them vulnerable to accusations of being mere tools of colonialism. By 1950 the French had gathered the three governments together as the Associated States of Indochina. The United States and United Kingdom, who were becoming more involved in Indochina, both pressured France to grant more autonomy to these governments in order to heighten their legitimacy, but ultimately French policy was conceived more in terms of preservation than of evolution. As a result, each of the three governments had to contest its power and legitimacy with a Communist-led rival, and by 1950 there were three revolutionary governments. The DRV, of course, existed before Bao Dai's State of Vietnam and enjoyed widespread support. The resistance government continued to expand the area under its control, leaving mainly the cities and towns for

the French and Bao Dai. Sihanouk's regime faced opposition from two groups of insurgents, one operating with Thai support and one linked to the ICP. Over time the first group weakened in strength and influence, but the Communist-dominated resistance continued to strengthen under the leadership of Tou Samouth and Son Ngoc Minh, two of the earliest Khmer ICP members. In Laos, as was mentioned above, many of the *Issara* exiles chose to return in 1949–50. Phetsarath, despite remaining in Thailand, did not actively oppose the regime, but a group of more radical nationalists led by Prince Souphanouvong (Phetsarath's half-brother) linked up with the ICP. Souphanouvong had studied in Vietnam and married a Vietnamese wife; he was the first prominent Lao to cast in his lot with the ICP, and even during his participation in the *Issara* government in 1945–46 his pro-Viet Minh orientation was already evident.

From the ICP's perspective, Indochina was effectively a single revolution on a single battlefield, but the leadership realized the need for national parties for Cambodia and Laos. By the early 1950s there were enough non-Vietnamese members to establish Cambodian and Lao parties, and the ICP was formally dissolved in 1951. The Vietnamese component was renamed the Workers (*Lao Dong*) Party, and a Khmer People's Revolutionary Party was established the same year after the founding of a united front structure in 1950. For reasons which are unclear, a full-fledged Lao party was not established until 1955, but a resistance government existed from 1950 onward. Commonly known as the *Pathet Lao* ('Lao country'), it was led by Souphanouvong and a group of men who would be its leaders for the next four decades: Kaysone Phomvihane, Nouhak Phoumsavan, and Phoumi Vongvichit.

The main military challenge to the French and their allied governments always came from the Vietnamese; the DRV's forces, the People's Army of Vietnam (PAVN), put up a tough fight. The early years of the war were the most difficult for the DRV side, with several important defeats, but a French victory was far from assured. A key turning point came in 1949 with the establishment of the People's Republic of China. The DRV now had a friendly regime in its backyard, and substantial Chinese aid was forthcoming – both *matériel* and personnel. Moreover, as would be the case in the South after 1954, the perception that Bao Dai's State of Vietnam was propped up by a foreign power only served to strengthen the base of support for the DRV cause.

In Cambodia and Laos the situation was more complex. As suggested above, the royal governments themselves had a certain degree of inherent legitimacy, but even so they were still linked to the French. The insurgencies, too, had to 'prove themselves' and to demonstrate that they were not merely tools of the Vietnamese – an accusation which carried a lot of weight given the evolution of Cambodian and Lao nationalism. Neither revolutionary government could claim the base of support achieved by the DRV, nor did their insurgencies really threaten the royal governments – with the exception of Laos in 1953, to be discussed below. Collectively, however, the three components of the Indochinese revolution did achieve a critical mass of support which dramatically affected the evolution of nationalism.

By 1953, the prospects of France remaining in Indochina were increasingly dim. French public opinion was tiring of the conflict, and even with large

amounts of American aid, the French-led forces were unable to get the upper hand militarily in Vietnam, which was the most crucial area to be won. In Cambodia, Sihanouk had launched a self-proclaimed 'crusade for independence' to pressure France into speeding up the timetable for full independence. In October France agreed to grant Cambodia and Laos almost total independence, although still within the French Union. These commitments did not satisfy the revolutionary movements, which continued to fight for the expulsion of the French and for new regimes under their own leadership. The final act of the First Indochina War was precipitated by a combined thrust of PAVN and *Pathet Lao* forces into Laos in early 1953 which nearly led to the capture of Luang Phabang. The attack was repulsed, but demonstrated the strategic vulnerability of Laos and its significance for Vietnam. In late 1953 the French began to fortify their outpost at Dien Bien Phu in northwestern Vietnam, which became a quagmire sucking in men and supplies. The outpost fell to the PAVN in May 1954, signaling the final French defeat.

Indochina's future was negotiated at the Geneva Conference which opened in July 1954. In addition to the great powers – France, the UK, USA, USSR and PRC – the conference was attended by Communist and non-Communist delegations from each country. The Khmer People's Revolutionary Party and *Pathet Lao*, however, were not given any official status. The Cambodian resistance gained virtually nothing from the negotiations, as Sihanouk's stature ensured that his government was recognized as the legitimate regime. The *Pathet Lao*, although not recognized as a government, were allowed to occupy two provinces as a resettlement zone but were eventually to be integrated under the Royal Lao Government. The most bitterly contested outcome of Geneva was the partition of Vietnam into two halves, separated at the 17th parallel. The DRV, of course, saw itself as the legitimate government for the entire country, but the British and Americans pushed for partition, and neither the Soviets nor the Chinese exerted the pressure which would have been necessary to block this decision. The DRV was now in power in the northern half of the country, and Bao Dai's State of Vietnam in the southern half. French rule was over, although France maintained close ties with its former colonies. Henceforth, the United States would assume the main role as protector, backer, and ally of the non-Communist governments.

The two Vietnamese governments (North and South Vietnam, with their capitals in Hanoi and Saigon respectively) were in very different positions in terms of strength and legitimacy. During the long years of the war, the DRV had consolidated its control in the rural areas and had been able to gradually implement certain key socialist policies, particularly in agriculture. Initially the Viet Minh, functioning as a united front meant to draw in as many 'patriotic' elements as possible, had tended to downplay the class struggle which was the ultimate goal of a Marxist revolution in favor of solidarity against the common enemy. By the early 1950s, however, the Party was in a stronger position and began gradually to shift its emphasis to attacking the 'feudal' system of land tenure through the confiscation and redistribution of land. At the same time, it attempted to impose more stringent 'socialist' criteria on the artistic and literary works being produced in the resistance zones, alienating a number of

intellectuals who were anti-French but not Marxist in their ideology. From the beginning, the revolution had incorporated both nationalism and Marxism, and the tensions between the two began to appear when the Party line shifted in favor of the latter. Even so, the years of resistance considerably strengthened the DRV as a regime, and it faced relatively little internal opposition after partition.

Bao Dai's regime was not significantly bolstered by the departure of the French, given that independence had been gained by the efforts of the revolutionary forces now in power in the North. Even though most of the South had never been directly governed by the DRV, the Viet Minh presence in the rural areas was strong, and many Southerners had served the Revolution, not the State of Vietnam. Moreover, movements like the Cao Dai and Hoa Hao had large numbers of followers loyal only to their own leadership. Although the Saigon government was bolstered by the arrival of roughly one million refugees from the North – many of them Catholics – and by the departure of several hundred thousand Party sympathizers, it nevertheless faced major challenges in imposing its authority.

This observation was true of Bao Dai personally as well. He had spent the final months of the war in France, and in fact never again returned to Vietnam. After a series of unsuccessful prime ministers, just before Geneva he had appointed Ngo Dinh Diem, a Catholic with solid anti-Communist credentials and a fairly strong reputation as a nationalist. Equally important were Diem's good relations with the Americans, whose opinions carried increasing weight as the war went on. Diem had little respect for Bao Dai, however, and did not wish to share power; in October 1955, with American support, he engineered a referendum driving Bao Dai from power and establishing the Republic of Vietnam. The United States also backed Diem in a second crucial decision, namely, to prolong indefinitely the partition of Vietnam. The Geneva Accords had called for elections to reunify the country to be held by mid-1956. Neither the State of Vietnam nor the United States, however, had formally signed up to that part of the agreement, and thus did not feel themselves bound to carry it out. The stage was now set for two decades of civil war.

It was widely accepted that were elections in fact held, Ho Chi Minh (Figure 22) would be victorious. The DRV held back as long as possible before supporting armed resistance to the Diem government. During the first few years after partition the Party concentrated on 'building socialism' in the North while pressuring Saigon to agree to elections. Diem, however, was engaged in his own consolidation, attacking opponents of various kinds. The Cao Dai and Hoa Hao were major targets, along with the Binh Xuyen, a sort of Mafia with powerful financial interests and its own armed forces. The United States, fully committed to supporting Diem's government, was providing large amounts of economic, military, and developmental aid, as well as training for the army and police. Diem was successful in suppressing these particular enemies, but much less so in earning trust and loyalty.

Viet Minh followers in the South – only some of whom had gone North at the time of partition – were fiercely anti-colonialist, and in their eyes Diem (Figure 23) with his American backers was little more than another Bao Dai with a different foreign master. Instead of trying to convince them otherwise

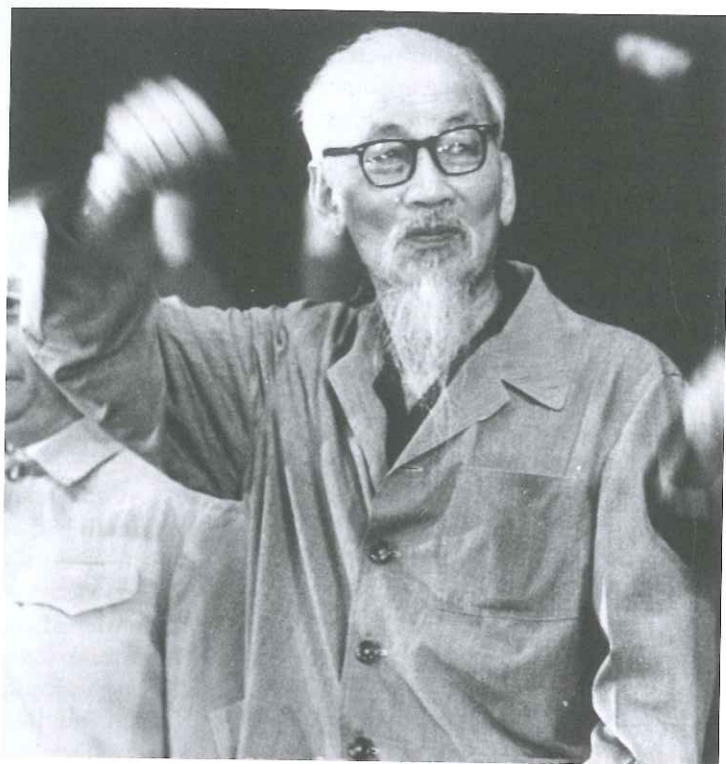


Figure 22 Ho Chi Minh, 1969

Three Lions/Hulton Archive/Getty Images

by working toward the creation of a viable Southern-oriented nationalism, Diem tracked them down and arrested them as subversive elements. He also alienated many farmers by reversing land reform policies implemented by the Viet Minh during the war. By the late 1950s, the countryside was becoming a dangerous place for Party sympathizers and government officials alike. Those accused of Communism were being arrested and, increasingly, executed, while local Party elements in villages around the country were assassinating officials, teachers, and others associated with the regime. Until 1959 these actions did not have Hanoi's sanction; by that year, however, pressure from southern Party members could no longer be resisted, and the DRV leadership formally announced its support for the anti-Diem insurgency. Fighters and weapons from the North began to move over the network known as the Ho Chi Minh Trail (eventually extending through both Vietnams, Laos, and Cambodia). In 1960 the Party also took the important step of establishing the National Liberation Front (NLF), a united front to coordinate opposition to Diem.

By that time Diem faced opponents on all sides, as his intolerance for dissent and favoritism for fellow Catholics – particularly his large and powerful family – had eroded his base of support. In 1963 the 'Buddhist Crisis' erupted when his government openly discriminated against the Buddhists over the issue of



Figure 23 Ngo Dinh Diem, 1963

Horst Fass/AP/Press Association Images

flying their own flags on a religious holiday. Demonstrations by monks, nuns, and lay followers met with brutal repression, including raids on temples. A series of public self-immolations by monks drew instant world attention to the crisis and did much to convince the United States that Diem was no longer an effective ally. When a group of military officers began to plot a coup, they received a green light from Americans in Saigon and Washington. In early November 1963, Diem and his widely hated brother Ngo Dinh Nhu were arrested and shot, and a military junta seized power.

The overthrow of Diem's regime represented an important watershed in at least three respects. First, it marked the end of civilian government in South Vietnam; with the exception of an eight-month period in 1964–65, the country would remain under military rule until its fall in 1975. Second, whereas Diem and Nhu had to some extent kept the United States at arm's length and resisted American pressure for political change, their successors were generally more closely allied with the United States. Finally and most importantly, Diem's fall led to an acceleration of the insurgency and to the large-scale involvement of American combat troops.

Between 1963 and 1967 South Vietnam had a series of primarily military governments which corresponded to the rise and fall of various cliques of officers. Some degree of stability was achieved in 1967 with the election of

Generals Nguyen Van Thieu and Nguyen Cao Ky as President and Vice-President respectively. Thieu and Ky promulgated a new constitution and were able to hold onto power until the final days of the Republic. Their regime was deeply flawed in many ways and had little popular support beyond those who feared the Communist alternative, but it was at least able to forestall further coups. Elections were held under American pressure in 1971 which provided a façade of democracy and maintained Thieu and Ky in power.

Diem's successors had even weaker nationalist credentials than his, and his removal from the scene encouraged the Party to accelerate the pace of the NLF-led insurgency. This in turn provoked a dramatic increase in the scale of American involvement. The United States saw South Vietnam as a legitimate nation-state under attack from external aggression, and American policy was predicated on this assumption. The objective was to shore up the foundations of the Saigon regime through massive doses of economic and developmental aid while training – and, increasingly, fighting alongside – the Army of the Republic of Vietnam (ARVN).

Under Diem, the United States had provided large numbers of advisors, some of whom saw combat after the launch of the insurgency. Now the United States began a two-pronged policy of using American combat troops in the South and mounting bombing campaigns against the North, with the hope of persuading Hanoi to stop its support for the insurgency or at least to cripple its ability to provide that support. From the landing of the first Marines in early 1965, the size of the American troop presence quickly expanded, reaching 500,000 by the end of 1967. This presence was larger, more disruptive, and more violent than anything under the French, even during the First Indochina War. In addition to the casualties of actual combat, the war destroyed villages and killed their residents through the use of napalm and triggered a widespread flight of refugees into the towns and cities. The impact of hundreds of thousands of foreign soldiers severely destabilized the South Vietnamese economy and society.

The revolution in South Vietnam was a complex mixture of forces under the leadership of the *Lao Dong* Party. The NLF was the core of the united front; in 1969 it was supplemented by a Provisional Revolutionary Government which would henceforth represent the revolutionary side overseas. The military forces included the People's Liberation Armed Forces (Southern units linked to the NLF) and PAVN troops infiltrated from the North. There were some tensions between the Northern Party cadres and local revolutionaries in the South, but even so the Party built up a solid infrastructure which gradually extended its control over large areas of the country. In early 1968 the Party launched the famous Tet (Lunar New Year) offensive which attacked American and South Vietnamese facilities throughout the country. This campaign did not produce the hoped-for urban uprisings which might have catapulted the revolution into power, and the months of suppression which followed severely depleted the ranks of the insurgency, in particular the Southern forces. Nevertheless, these setbacks did not destroy the revolution itself, and the televised footage of the fighting at the American Embassy and elsewhere contributed significantly to the erosion of American public support for the war.

While the United States and the South Vietnamese government recognized the need for pacification through development and what became known as 'winning hearts and minds', most of their policies to this end had very mixed results. Although many villagers were lukewarm toward the NLF and resented its demands for young men to fight and taxes and rice to supply the insurgency, successive Saigon regimes failed to provide the honest and competent local governance which would have built loyalty at the grassroots. While both sides committed acts of brutality on civilians, the record of ARVN and the American and allied forces was generally worse. Nor were troops from the North ever as 'foreign' in South Vietnamese eyes as the Americans, despite propaganda efforts to portray them as such. The Party generally depicted the 'anti-American resistance' as a continuation of the 'anti-French resistance', and this argument made sense to the many Vietnamese who had fought first one enemy and then the other with only a few years' respite in between.

By the late 1960s, victory remained elusive for the South Vietnamese regime and its American allies, and the United States slowly began to look for an exit door. Richard Nixon's 'Vietnamization' strategy brought the first troop withdrawals in 1969, the idea being that the burden of fighting would be gradually but steadily shifted to ARVN. Meanwhile, the first concrete initiatives were made for negotiations in Paris between the United States and the DRV, along with the Provisional Revolutionary Government. The main segment of the peace talks began in 1970 and dragged on for more than two years, finally culminating in the Paris Peace Agreements of early 1973.

Like the Geneva Agreements in 1954, the 1973 accords served to give a beleaguered foreign power a way out of Indochina without resolving the conflicts which had provoked its intervention. The military status quo was maintained, with the Communist side's armed forces left in place throughout South Vietnam – a situation which the Thieu government in Saigon had only very grudgingly accepted after considerable arm-twisting and promises of continued support from Washington. Without the presence of American combat troops, however, South Vietnam was even more vulnerable, and the next two years saw a steady degradation of the Thieu regime's position. In early 1975 the revolutionary forces began a final push which turned into a rout for ARVN and culminated in the fall of the South Vietnamese government in April. The Provisional Revolutionary Government took power, but a year later North and South were reunified into the Socialist Republic of Vietnam.

Politically speaking, Cambodian history during this period is divided into two distinct periods: the governments of Sihanouk (1955–70) and Lon Nol (1970–75). It can also be split into a period of relative peace, when the internal conflicts were mainly political, and one of civil war, when the country was increasingly fragmented and torn by insurgency and government attempts to suppress it. No other figure dominates the Cambodian stage to the extent that Sihanouk does and until 1970, at least, he remained the most important leader in the country's politics.

In 1955, after the French departure, Sihanouk abdicated the throne and took the position of Head of State (as a prince), while his father Suramarit (r. 1955–60) replaced him as king. Sihanouk continued his practice of maintaining

the structures of parliamentary democracy while dominating and controlling them and, when it suited him to do so, ignoring them. He articulated a national ideology called 'Buddhist socialism' which was in many respects more 'Sihanoukism' than anything else, and he created the *Sangkum Reastr Niyum* (People's Socialist Community) which effectively became his personal political party.

Sihanouk faced opponents on both the Left and the Right. Although much of the Khmer People's Revolutionary Party leadership had left for Hanoi after Geneva, some remained in Cambodia, their ranks enlarged by a group of radicals who had recently returned from study in France. These leftists, who included Saloth Sar (the future Pol Pot), operated through a legal party known as *Pracheachon* (The People); there were other more moderate leftists as well. Much of Sihanouk's rightist opposition was based in either Thailand or South Vietnam; the most significant group was the *Khmer Serei* (Free Khmer) under the leadership of his old nemesis Son Ngoc Thanh. Sihanouk worked to keep the leftists in check but generally left them to operate; particularly important were the numerous radicals who became teachers in secondary schools and universities. He felt more directly threatened by the *Khmer Serei*, particularly because they had foreign support, including – at times – that of the CIA.

The most frequent description of Sihanouk is 'mercurial', and this term accurately characterizes his domestic and foreign policies. Politically, he tacked left and right according to the circumstances and to his threat perception at a given point in time. Diplomatically, he attempted to preserve Cambodia's neutrality by accepting aid from the Americans, French, Soviets, Chinese, and anyone else who would give it. In theory this was a wise policy, but Sihanouk sabotaged his own neutrality to some extent by rhetorical excesses and diplomatic gaffes. He also made the dramatic gesture of refusing American military aid in 1963 and subsequently cutting diplomatic ties with the United States as well.

Sihanouk (Figure 24) invested a considerable amount of money in development projects of various kinds, including schools and hospitals. All was not well in the countryside, however, and the corruption and excesses of the Phnom Penh elite did not earn popular support at the grassroots level, despite the prince's personal popularity. In 1967 a change in the government's rice policy provoked a major episode of unrest at Samlaut in the northwest, leading to brutal repression of the revolt. Meanwhile, most prominent leftists had gradually abandoned the capital for the countryside, preparing to launch an insurgency against Sihanouk, who dubbed them the '*Khmers Rouges*' (Red Khmer).

Although Sihanouk made valiant attempts to keep Cambodia from becoming embroiled in the ongoing conflict in Vietnam, this proved impossible, and his strategy for doing so actually dragged the country into the fray. Banking on an eventual revolutionary victory, in 1966 he cut a secret deal with the DRV which allowed Vietnamese forces to take refuge on Cambodian territory and to receive shipments of arms via the port of Sihanoukville. This agreement benefited Cambodia by preventing it from being a target for hostile Vietnamese forces and by ensuring that Hanoi put pressure on the *Khmer Rouge* to refrain from trying to undermine Sihanouk's regime.

Sihanouk's strategy ultimately backfired, however, in two important respects.



Figure 24 Norodom Sihanouk, 1995

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The Cambodian Communists were increasingly disinclined to follow the advice of their Vietnamese comrades, whom they correctly viewed as willing to sacrifice the interests of the Cambodian revolution in favor of the struggle in South Vietnam. Moreover, the United States and South Vietnamese were not prepared to ignore the presence of the enemy on Cambodian territory, and they began to cross the border in hot pursuit. By early 1970, the *Khmer Rouge* controlled a sizable chunk of the countryside, while another part was occupied by Vietnamese revolutionary troops. Sihanouk's tolerance of this presence caused considerable resentment among the elite, including the military, as did the cut-off of American aid. Although in his final years in power he restored relations with the United States in an attempt to shore up his government, the situation had deteriorated too greatly. In March 1970, while he was overseas, Sihanouk was overthrown by a coup. His Prime Minister Lon Nol became the head of a new Khmer Republic.

Lon Nol, with American support, was determined to take a much tougher line against Vietnamese and Cambodian Communists alike. He began a series of military campaigns against the two enemies but was generally unsuccessful in reversing the insurgency's gains. The United States began massive bombing campaigns in the countryside which caused heavy casualties and generated widespread anger against the government without significantly weakening the *Khmer Rouge*. After his overthrow, Sihanouk headed a government of resistance which was largely a disguise for the Communist Party, his long-time adversaries. It is unclear to what degree Sihanouk's fronting for the *Khmer Rouge* enabled them to win power, but the five years of the Khmer Republic's existence were tragically similar to the final years of the Republic of Vietnam in terms of their human cost, and in April 1975 the revolutionary forces entered Phnom Penh and seized power.

The Party which took power in 1975 was very different from the one

founded in 1951. The two key developments had been the rise to power of the returnees from France and the partial vacuum left by the departure of Son Ngoc Minh and many other former leaders in 1954. The top leader remaining in Cambodia, Tou Samouth, was murdered by Sihanouk's police, leaving Saloth Sar (Pol Pot) and his close associates a free hand to run the Party. In 1960 they renamed it the Khmer Workers' Party, and later it became the Communist Party of Kampuchea. Pol Pot, Ieng Sary, and the other core leaders took the Party in an increasingly radicalized direction while gradually 'emancipating' themselves from what they saw as the oppressive grip of their Vietnamese comrades. These tendencies would come to full fruition in 1975.

Laos differed from Cambodia and South Vietnam in at least two important respects. First, there was a much greater balance between political and military conflicts, as the battle between Communist and non-Communist forces was played out in the halls of government as much as it was in the contested rural areas. Second, Laos possessed a critical mass of genuine neutralists, led by Prince Souvanna Phouma (a brother of Phetsarath and half-brother of Souphanouvong), who sought to reconcile the various factions into some kind of national unity. In South Vietnam a viable neutralist movement was never allowed to develop. Sihanouk adopted 'neutralism' as his foreign policy, but the structure of national politics was very different from that of Laos; and his 'neutral' stance was less ideological, more pragmatic, and frequently violated.

Lao political history during the civil war is structured around three formal agreements and the coalition governments they created: those of 1957, 1962, and 1973–74. Each of these governments was the result of negotiations among the *Pathet Lao*, rightists of various stripes, and neutralists in the middle, usually represented by Souvanna Phouma. The first of them was intended to realize the political and military integration prescribed at Geneva, but it collapsed within a few months. The second coalition was meant to put an end to months of renewed conflict provoked by successive rightist and neutralist military coups but it, too, was sabotaged, largely by the rightists. The failure of the 1962 agreement also led to the split of the neutralist faction into two groups, one effectively allied with the *Pathet Lao*, and the other closer to the rightists. The final coalition came at a time when the *Pathet Lao* controlled much of the countryside and represented a final attempt to find a solution which would prevent a total Communist victory. Souvanna Phouma remained the dominant figure in the government throughout this period, but even his personal prestige and tireless efforts to hold the coalition together proved ineffective. In 1975 the revolutionary forces began to take power in the towns through demonstrations and local uprisings, and by December they controlled Vientiane and established the Lao Democratic People's Republic.

Laos had greater political pluralism than its neighbors, and its various parties – including the *Pathet Lao*, which participated in elections and held cabinet posts in the coalition governments – represented a genuine diversity of regional interests and ideological positions. It is not inconceivable that, if left to their own devices, the Lao could have found a more workable solution to their conflict. But they were never masters of their own house, and much of their own agency – not to mention their sovereignty – was eroded by foreign interference. The

United States exercised as much influence as it did in South Vietnam, although it did so largely through aid and support for the Lao government and army rather than through American troops. American policy was far from consistent, especially where Souvanna Phouma was concerned; while from 1962 onwards the Americans supported him, prior to that time they backed the rightists – of whom the most prominent was the military officer Phoumi Nosavan – in efforts to overthrow him. Genuine neutrality in any part of Indochina was never attractive to Washington, and a preference for leaders who took a strong anti-Communist stance usually prevailed. As Souvanna Phouma became less firmly neutralist, he became more acceptable to the Americans.

Although Laos is sometimes portrayed as being of rather marginal importance compared to the main 'set piece' of Vietnam, its proximity to that country and the close ties between the two revolutions ensured that it would never be peripheral to the Vietnamese conflict. The Ho Chi Minh Trail ran through eastern Laos, and the area was heavily bombed over the course of the war in an unsuccessful attempt to interdict traffic moving from North to South Vietnam. The Plain of Jars region in northeastern Laos was also strategically important, as had been demonstrated in 1953. The provinces of Xieng Khouang and Sam Neua (Houaphan) were key battlegrounds for the *Pathet Lao* and North Vietnamese forces; the training of ethnic Hmong fighters in these provinces was one of the most significant aspects of American activity in Laos. The Hmong elite was split between a faction loyal, first, to the French and then to the Americans and the Lao government, and a faction loyal to the revolution.

The counterweight to the United States in the Lao conflict was the DRV. As we have seen, the Lao revolution was effectively launched by the Vietnamese-dominated ICP. After the establishment of a separate Lao party, North Vietnamese support remained a crucial factor in the success of the *Pathet Lao*, and DRV advisors and troops remained on Lao territory for decades. The Vietnamese presence was not always well received and provided fodder for opposition to the *Pathet Lao*, just as the interference by 'American imperialism' was a constant theme of Communist propaganda. Generally speaking, however, the *Pathet Lao* were more successful than the government in building and expanding their own base of support, their links to the Vietnamese notwithstanding.

The ultimate victory of the *Pathet Lao* (or, more properly, of the Lao People's Revolutionary Party) was due as much to the weaknesses of the royal government as to the strength of the revolutionary movement. There were few other figures among the non-Communist elite who could match Souvanna Phouma's prestige. Even the *Pathet Lao* could boast their own royal leader, Souphanouvong. The Royal Lao Government arguably enjoyed a greater degree of legitimacy than its counterpart in Saigon, but even so it was plagued by corruption and by a general failure to bring about genuine development in the rural areas contested between the two sides. By 1975 disillusionment with the government and general fatigue after decades of civil war meant that *Pathet Lao* promises of a democratic, neutral, and prosperous Laos were increasingly attractive, and the Communist victory was political as much as military.

Dissent was rarely tolerated by any of the regimes discussed here. Those

under the control of Communist parties were generally subject to severe limitations on freedom of expression. In North Vietnam the most famous episode of dissent was the *Nhan Van Giai Pham* affair of 1956–57 – coinciding with Mao's 'Hundred Flowers' campaign in China – named for two prominent publications ('Humanities' and 'Distinguished Literary Work') which were briefly allowed to disseminate criticism of the government before being shut down. South Vietnam had several prominent dissidents, notably the Buddhist monk Thich Nhat Hanh; many of these figures were neither pro- nor anti-Communist but simply called for an end to the war. Ironically, their independent stance generally earned them the suspicion of the new government after 1975, and several were either imprisoned or went into exile. Laos during the period of civil war had arguably the most space for articulating political views. Cambodia was somewhere in between. Sihanouk was never able to enjoy a monopoly on public political discourse, although his regime grew increasingly repressive over his years in power. After his fall, the Lon Nol regime had little or no taste for opposition. Yet dissenting voices continued to be heard both on the political stage and in the press, despite periodic crackdowns on both.

The conflict in Indochina spanned three countries (while drawing in several more) and three decades. It began as an anti-colonial struggle yet continued through the decolonization period as the fulcrum of the Cold War in Southeast Asia. While the core of the conflict, particularly in its earlier stages, was located in Vietnam, the protracted civil wars in Cambodia and Laos were by no means peripheral, and at times they were equally destructive, especially when American bombing was involved. Although in each of the three countries the fundamental conflict was between Communist-led and anti-Communist forces – each with the backing of particular foreign powers – the relationships between the foreign and local allies were different in each case. While from the perspective of the Communist forces there was a single Indochinese revolution and in the eyes of their opponents a single 'war against Communist aggression', each country's conflict had its own local dynamics and particularities.

Thailand

The Japanese surrender and the end of World War II found Thailand in difficult diplomatic circumstances. Although Phibun, the author of the alliance with Japan, was no longer in power, the fact remained that Thailand had declared war on the Allies and reclaimed territory from British Malaya and Burma and from French Indochina. Siam under the absolute monarchy had tended to be fairly pro-British, both because so many of the Thai elite had studied in the United Kingdom and because France was generally seen as the more aggressive of the two colonial powers in 'stealing' Thai territory. The relationship had soured under Phibun, however, and by 1945 the British showed little sympathy for the government in Bangkok. Conversely, the United States, which had not had a strong presence in pre-war Thailand, now emerged as the country's new 'best friend' and advocate *vis-à-vis* the other Allied powers. The shift to an alliance with the United States would be the single largest factor in Thailand's political and economic development over the next few decades.

Anxious to get into the Allies' good graces and re-establish itself diplomatically, Thailand was forced to make a number of concessions. It returned the portions of the Malay and Shan states which had come under its control during the war and promised to sell large quantities of rice to the British at low prices. The territories taken from Cambodia and Laos in the earlier conflict with Indochina were returned to the French. The government even agreed to nullify an anti-Communist law from the 1930s in order to gain USSR acceptance of Thailand's entrance into the UN. Although these agreements were painful, particularly the territorial retrocession, they did allow the country to enter the post-war period on a somewhat firmer footing, at least in terms of its relations with the great powers.

Politically and economically, however, the outlook was less promising. Between 1944 and 1947 Pridi dominated the political scene, although he actually held the post of Prime Minister only for a few months in 1946. That year saw the promulgation of a new constitution – more democratic in certain respects than the 1932 charter – and the appearance of a multi-party system. Several new parties were established with discernible ideological differences, which gave some promise of a more functional democratic system. King Ananda, now aged 21, returned home in 1945 and quickly made himself popular among his subjects. For a brief period, there was hope that Thailand had left behind the era of single-party or dictatorial rule.

This hope was shattered in June 1946, when Ananda was found shot dead in his bedroom just days before he was to return to Switzerland to complete his university studies. His death, which remains the greatest mystery in modern Thai history, precipitated a political crisis and undid everything which Pridi and his allies had accomplished over the past two years. Although there was little motive for Pridi – or anyone else, for that matter – to want the king dead, he was held responsible by many conservatives, both because he was Prime Minister at the time and because, as the People's Party's main ideologue, he was believed to be anti-royalist and probably a closet republican. A prolonged series of inquests, trials, and appeals eventually led to the execution of three individuals accused of regicide, even though neither their alleged motive nor their connection to Pridi was ever demonstrated convincingly.

The months after the war were also a difficult time for the Thai economy. The sales of cheap rice to the British and related restrictions, although an improvement over the original plans for forced deliveries of rice at no cost, nevertheless caused significant economic disruption. At the same time, opportunities abounded for corruption and profiteering, despite the government's attempts to control the situation. As is so often the case, the economic crisis weakened the regime's legitimacy precisely at the time when it was facing mounting political opposition for its handling of the king's death. Ananda was of course immediately succeeded by his brother Bhumibol (r. 1946–), so there was no real threat to the monarchy as such, but the uncertainties surrounding Ananda's demise and the question of Pridi's responsibility for it made the political climate very tense.

The prolonged crisis of 1946–47 directly benefited two groups of people. First were the conservative politicians opposed to Pridi, of whom there were

By 1990, the restructuring of the economy had resulted in a substantial fall in foreign wealth ownership from 63.4 percent in 1970 to 25.1 percent in 1990. The share of 'other Malaysians' exceeded its target – from 34.6 percent to 54.6 percent respectively. Malay ownership saw a substantial jump from 2 percent in 1970 to 20.3 percent in 1990, but this fell short of the 30 percent target. More significantly, the percentage of Malays employed in both the secondary and tertiary sectors rose markedly – from 30.8 to 48 percent, and 37.9 to 51 percent respectively, showing that the NEP was having an effect in shifting Malay employment patterns. Overall, by 1990 Malaysia had successfully made the transition from an economy dependent on the export of primary products to one in which manufacturing – relying largely on foreign enterprise and technology – was the major growth sector. The export value of Malaysian rubber and tin meanwhile tumbled from 54.3 percent of exports in 1970 to only 4.9 percent in 1990.

In North Borneo (Sabah) and Sarawak, direct British rule after World War II facilitated more intensive economic exploitation. From 1959 timber became North Borneo's major export. After 1963, both economies were tied more closely to West Malaysia's, and the discovery of oil off the Sabah coast from the mid-1970s boosted growth. The primary sector, however, remained the most important, absorbing some 80 percent of the workforce, against only 4 percent in manufacturing. Progress was steady, if not spectacular, and well behind peninsular Malaysia's.

Singapore

Independence for Singapore in 1965 was as sudden and sobering as it was cathartic. Separation from Malaysia freed Singapore to pursue its own ideals as an independent state, but it also exposed the infant state to the new politics of survival. Singapore had no natural resources. Other than two infantry battalions, manned in fact largely by Malaysians, its armed forces in 1965 were almost non-existent and grossly inadequate to safeguard its political independence. Adding to its security predicament was the shock announcement in 1967 of Britain's military withdrawal from positions east of Suez (to be implemented in 1971), which Lee Kuan Yew estimated would lead to a loss of some 20 percent of Singapore's GDP and 30,000 jobs at British military bases. Faced with daunting prospects of survival, the PAP government led by Lee, and backed by an able and virtually corruption-free civil service, galvanized Singaporeans to support its pragmatic programs. Compulsory national service for males was introduced in 1967, and a credible citizens' defense force was created from scratch with initial Israeli assistance.

Separation from Malaysia in 1965 destroyed the premises upon which Singapore had based its economic strategy after the war. It had intended to switch its emphasis from the declining entrepôt trade to import-substituting manufacturing, relying upon access to a Malaysia-wide common market. Without that access, Singapore's domestic market was too small to sustain such a strategy. The Singapore government shifted its emphasis to export-oriented industrialization and became one of the first countries in Southeast Asia to

make major use of multinational corporations as agents of economic development. It also adopted a more interventionist role in the economy through government-related corporations and statutory boards.

By the early 1980s, increasing competition from lower-wage countries and a tight labor market at home drove Singapore to make yet another radical shift from its low-wage, labor-intensive industries to high-wage, capital-intensive industries. By the 1990s, after having reached the limits of its manufacturing capacity, Singapore embarked on developing a 'second wing' by investing abroad. By combining private enterprise with state participation and attracting foreign and local capital, Singapore defied the odds to create an economy that achieved one of the highest GDP per capita figures in the world, but with a relatively uneven distribution of wealth across its society, as measured by its Gini coefficient – a widely used but hardly perfect measure of wealth distribution – of around 47 in 1990, exceeding that of the United States at approximately 43 and of more egalitarian societies like Sweden, Denmark, or Japan at around 25.

With its popular support at the time of independence further bolstered by its strong economic record and extensive public housing program, the PAP romped home to six more electoral victories before Lee Kuan Yew (by then the longest-serving Prime Minister in the world) stepped down in November 1990 in favor of Goh Chok Tong, a long-simmering process of leadership renewal that Lee had initiated to prepare a group of second-generation leaders to take over. Despite the loss of its parliamentary monopoly from 1981 – an indication of some dissent against the PAP's 'soft authoritarianism' – no serious political alternative to the PAP emerged. Instead, the political longevity of the pro-business PAP remained a stabilizing force in Singapore's political and economic systems. By its third decade of independence, Singapore had been spectacularly transformed into one of the most stable, safe, cosmopolitan, and prosperous countries in Asia, a First World 'oasis' in a Third World region. It had proved wrong those skeptics who believed that a small city-state could not survive in the modern world.

Indochina

The successive Communist victories in Cambodia, South Vietnam, and Laos in 1975 brought an end to the civil wars that had torn these countries apart, but delivered neither the hoped-for prosperity nor, in many respects, the unity necessary to build a socialist future. The brutality of *Khmer Rouge* policies and Pol Pot's decision to attack Vietnam quickly destroyed any remaining revolutionary solidarity with Cambodia's Lao and Vietnamese comrades, and in late 1978 Hanoi mounted an invasion which drove his regime from power and plunged the country into another civil war. The Vietnamese and Lao parties were able to begin the transition to a socialist economy in the areas now under their control, but this proved to be a more difficult and less economically beneficial task than they had anticipated. Vietnam in particular became bogged down with its occupation of Cambodia and suffered from the effects of an international embargo – a consequence of the American position of opposing Vietnam, which now led it bizarrely to defend the idea that the *Khmer Rouge*

were still the legitimate rulers of Cambodia. By the mid-1980s, both the Vietnamese and Lao regimes began to abandon the more hardcore aspects of socialist policy and to move towards a market economy.

The short-lived Democratic Kampuchea regime, which was in power from April 1975 until December 1978, oversaw the most tragic and violent period in Cambodia's history. Phnom Penh was evacuated, and the inhabitants forced to join a mass exodus to the countryside. The vision of Pol Pot and his fellow leaders was to turn the entire country into one large worksite, with collective agriculture and construction projects on a scale that rivaled Mao's policies under the Great Leap Forward in the 1950s. Large numbers of people died either of hunger or as victims of the regime's paranoia, which saw enemies everywhere and particularly targeted ethnic minorities such as the Vietnamese and Cham. The Party was also weakened by internal purges and disagreements over the wisdom of pursuing an aggressive policy against Vietnam. These problems caused numerous defections across the border by *Khmer Rouge* cadres, thus providing Hanoi with a critical mass of loyal Cambodians when it invaded the country in December 1978. In January 1979 the People's Republic of Kampuchea was established, marking a return to a Cambodian Communist movement closely linked to Vietnam. Although many Cambodians initially welcomed the Vietnamese as liberators, over time old animosities re-appeared, and there was growing support for the rural insurgency organized by the *Khmer Rouge* and forces loyal to Sihanouk or a former Prime Minister named Son Sann. This conflict would drag on until the early 1990s, when United Nations intervention brought first a transitional government and then the re-establishment of the Kingdom of Cambodia with Sihanouk on the throne.

In Vietnam, the Lao Dong Party (renamed the Communist Party of Vietnam in 1976) faced the challenge of reuniting a country which had not been ruled under a single government since 1859. The Party's main objectives were to consolidate their power in the South and convert its economy to the socialist model which had been followed in the DRV for more than two decades. This was easier said than done. Culturally, politically, and economically South Vietnam had evolved in a very different direction from the North since the time of partition, particularly in the urban areas. There had also been more widespread physical damage in the South, the destructive bombings in the North notwithstanding. The Party cracked down on what it viewed as the contaminating effects of two decades of Western culture, while also attacking the economic system built on a combination of foreign aid, imported consumer goods, corruption, and a powerful role for the ethnic Chinese minority. The victors also relocated large numbers of urban residents to 'New Economic Zones' in the countryside where they were meant to take up farming.

The fundamental problem – which the leadership only came to realize gradually – was that many South Vietnamese had supported the revolution for various reasons, but few of them were ideologically committed to socialism, at least in terms of collectivized agriculture and a planned economy. Land reform under both the NLF and the Saigon government had put more land into the

hands of poor farmers, and they were understandably reluctant to give it up for collectivization. Moreover, imports of agricultural equipment, motorbikes, and other consumer goods had created a certain standard of living in parts of the country which was higher than what the socialist system had to offer. The new government's attack on the 'capitalist' infrastructure in the South, particularly the Chinese, destroyed much of the potential for economic development, as did the flight of many business people in April 1975 and after.

All in all, the first decade of the Socialist Republic of Vietnam was difficult and often painful. The invasion of Cambodia together with the regime's treatment of the ethnic Chinese provoked a destructive, but brief punitive incursion by China in early 1979. Vietnam's costly occupation of Cambodia and the resulting international embargo also severely hampered its growth by restricting aid largely to the socialist bloc allied with the USSR. Internally the various gaps between North and South were proving difficult to bridge. It is difficult to assess just how many of the Southern supporters of the Communist side had really believed that South Vietnam would remain a separate entity for any significant length of time after the Communist takeover. What is clear, however, is that the combination of an influx of Northerners into positions of authority in the South and the sidelining of many non-Party members in the new unified government caused considerable resentment, as did the incarceration in 'reform camps' of many thousands of people linked in one way or the other to the former regime.

By the mid-1980s the economic situation in the country was quite desperate. The transition to socialism in the South was largely halted, and even in the North the end of the war had reduced many people's willingness to make sacrifices and submit to the demands of a collectivized economy. A series of bad harvests only made the situation worse and brought widespread hunger. Prominent voices in the Party began to speak out for change, and in 1986 the policy of *doi moi* – usually translated as 'renovation' – was launched at the Sixth Congress of the Communist Party. This policy began the shift to a more market-oriented economy.

The Lao People's Revolutionary Party faced challenges in integrating its 'liberated zones' with the areas under the control of the Royal Lao Government. It was largely a matter of incorporating the cities into a predominantly rural zone of control, rather than an entire region as in the case of South Vietnam, but the Lao Party confronted many of the same problems as their Vietnamese comrades. The cities and towns were more Westernized and constituted culturally and ethnically alien islands within the new Communist-ruled Lao People's Democratic Republic. Many of the Chinese and Vietnamese residents fled to Thailand, along with many Lao – roughly 10 percent of the population in the early years after the takeover. Laos had few resources to begin with, and it now lost much of its economic dynamic.

Despite the relatively smooth takeover in 1975, the Party remained concerned about possible dissent and opposition, and a number of civil servants and military officers were packed off to 'seminar' camps in the remote northeast. They were later joined by the royal family, who had initially been allowed their freedom after the abdication of King Savang Vatthana (r.

1959–75) but came under suspicion for alleged plots to regain power. The king, queen, and crown prince died in the camps sometime in the late 1970s. The new government also faced sporadic resistance from remnants of the Hmong forces trained by the United States; many Hmong had fled the country, but a number remained in the mountains and continued to resist the Communist regime.

While the Pathet Lao had generally been successful in governing their liberated zones, the transition to governing an entire country was not easy. They worked to shift the Lao economy to a more socialist footing, with very mixed results. Attempts to collectivize agriculture were fairly quickly recognized as failures and were abandoned within a few years of the foundation of the regime. While a Marxist ideology usually required socialist agriculture, it did not seem particularly necessary in Laos, where there had always been plenty of land and a relatively small population. By the mid-1980s, the Party was pursuing 'new thinking', their equivalent of Vietnam's *doi moi*, which involved opening up the country to more foreign trade and investment and gradually cutting back on central planning and government subsidies.

The 1980s represented a major time of transition and change for all three countries in Indochina. Cambodia spent the decade trying to recover from the *Khmer Rouge*, yet the ongoing civil war, the political and economic requirements of the Vietnamese occupation, and the continued international embargo against the Vietnamese-sponsored regime left little room for substantive recovery. The country would not begin to experience any real stability or growth until the 1990s, when the resolution of the conflict and the establishment of a non-Communist regime would pave the way for Cambodia to open its doors to trade and investment.

As has been noted, Vietnam and Laos began this process roughly in step with each other. Laos had the double advantage of not being subject to the international embargo and of having well-established economic links with Thailand which had never been completely severed, and could now be revived. Having only partially socialized its economy, Laos was less far down the path than Vietnam and thus was able to shift directions somewhat more easily. Conversely, when it did so, it had considerably less to work with than its neighbor in terms of both natural resources and human capital. *Doi moi* in Vietnam got underway more haltingly, partly because there was less consensus within the leadership on the desirability of such reforms. Once the government began to take down the barriers on private trade and agriculture and on the movement of goods between different areas, however, the die was cast, and the transition to 'socialism with a market orientation' was irreversible.

The social dimension: managing ethnicity and religion

For the new nations of Southeast Asia, achieving social integration was often as great a challenge as devising a stable and viable political and economic framework. Two major social forces made this task particularly challenging: ethnicity and religion. These were the source of much diversity in Southeast Asia – indeed, often the cause of a divisive and threatening form of diversity.

Indonesia

Ethnic issues were at the very heart of Indonesian identities as they evolved during the colonial period. It was generally agreed that the indigenous ethnicities of the archipelago – Acehnese, Minangkabau, Sundanese, Javanese, Dayak, Madurese, Balinese, Timorese, Ambonese, Papuans, and many more – were without exception 'Indonesians'. Dutchmen were not: the colonialists must go home, regardless of whether they had been born in Indonesia. But what about other minority groups, particularly Indo-Europeans, Arabs, and Chinese?

Indo-Europeans had long lived in the interstices between Dutch colonial masters and their Indonesian subjects. They were mostly Christian in religion and in colonial times had tended to seek equality of status with the higher-up Dutch rather than the lower-down Indonesians. But circumstances were different in independent Indonesia. Indo-Europeans who could claim Dutch citizenship sometimes chose to relocate to the Netherlands. But many others chose to identify with Indonesia and stay in the archipelago, a decision generally accepted by Indonesians. Arabs were Muslims and even though they had a reputation as exploiters of Indonesians in trade and money-lending, they also received much respect, especially the *sayyids* who were descendants of the Prophet. Most Indonesian Arabs were of Hadhrami descent (from modern-day Yemen) and some thought of themselves more as Hadhramis than as Indonesians, but many chose to identify themselves with the new Republic. Several indeed played major roles in the new nation.

The major ethnic issue concerned the Chinese. In 1930, Chinese were a mere 1.9 percent of the archipelago's population. By the early twenty-first century, this group had grown to 8 million, about 3 percent of Indonesia's total population. This small minority was particularly visible because of its concentration in urban areas and its prominence in business affairs. In colonial times they often operated as economic middle-men for Dutch interests and were frequently accused of being contemptuous of 'indigenous' (*pribumi*) Indonesians. They consequently attracted considerable animosity. In independent Indonesia, the position of the Chinese was complicated by PRC policy that claimed all Overseas Chinese as its citizens. This left Indonesian Chinese with a poorly defined dual citizenship status. In 1955 Indonesia and the PRC signed a dual-nationality treaty which obliged Indonesian Chinese to choose either Indonesian or PRC citizenship, but under conditions making it more difficult to choose the former. Because of governmental suspicion and popular hostility to Chinese entrepreneurs, many chose to set up businesses with Indonesian front-men. These were the so-called 'Ali-Baba' firms, with the Indonesian 'Ali' as front-man for a company in fact run by the Chinese 'Baba'.

In the Sukarno period down to 1965, the military remained suspicious of the Chinese, regarding them as being mostly supporters of PKI which, indeed, was overtly supported by Beijing. In 1959 the army decreed that from 1960 onwards non-citizens would be banned from rural trade. This was done mainly to weaken Sukarno's growing friendship with the PRC and to undermine PKI, while also pandering to anti-Chinese sentiments in the general populace. In the end the army forcibly repatriated some 119,000 to the PRC. But since rural

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