Paul Chambers and Napisa Waitoolkiat (eds.)

Khaki Capital: The Political Economy of the Military in Southeast Asia. Copenhagen: NIAS Press, 51 pp., 2017, ISBN 9788776942243, price: USD 90.00 (hardcover), 9788776942250, USD 27.00 (paperback).

In the modern history of Southeast Asia, the military has played an important role in state-building. The military is not only linked with national security, but with civilian-led governments, and the defense budget is a key issue. Militaries across Southeast Asia receive funding from two sources: from state expenditures and from off-budget finances, known as *khaki capital*. While defense budgets received from civilian governments vary greatly according to domestic and international financing, khaki capital is more profitable and is largely unmonitored by civilian government. Often when legislative bodies have attempted to govern the military and curtail defense budget, the military has responded with open hostility and has driven the armed forces to exert greater control over their economic independence in a formal and informal ways.

There are many studies on the political economy of the militaries and the emergence of military enterprises in Asia, Africa, and Latin America. Chambers and Waitoolkiat attempt to address the same issues but with particular focus upon the developing Southeast Asian countries. *Khaki Capital: The Political Economy of the Military in Southeast Asia* grew out of the Eighth Asian Political and International Studies Association (APISA) conference in 2014. The volume consists of nine articles which encompass most developing nations in Southeast Asia. As many regimes in this region are now descending into authoritarianism and some are trapped in military dictatorship, *Khaki Capital* helps to understand why Southeast Asian armed forces possess excessive power and free access to capital and resources. Indeed, the degree of this power differs greatly from country to country in terms of value and the characters of *khaki capital* and these are the matters that this book addresses.

Khaki Capital emphasizes the concept of historical institutionalism which, its authors argue, does not frame civilian-military relations as static but elastic over time. Experiences from the seven countries presented in the book unearth the ramifications of the military's wealth accumulation. In the case of Thailand, the military was strengthened and became the strongest institution in Thailand as a response to supposed communist threats during the Cold War. Chambers and Waitoolkiat have aptly described the Thai military as 'monarchized', meaning that the monarchy has actively supported the military with modernization schemes, and has depended on the military to maintain power, often relying on aggressive counter-insurgency measures. The Thai military also utilized their political influence to engage in illicit businesses.

In a similar vein, the Myanmar army, known as the *Tatmadaw*, has had a very tight control over the country's wealth since 1988. However, since the first waves of democratization began in Myanmar in the early 2010s, the *Tatmadaw* handed over their power to the civilian government led by Daw Aung San Suu Kyi's National League for Democracy (NLD). This by no means ended the deeply-entrenched role of the *Tatmadaw* in the political-economy of Myanmar. Rather, as Marco Bunte argues, the military has established 'a guardianship over the political system, shielding and protecting its political power' (p. 94). In other words, despite its formal withdrawal, the influence of the military is still intact. Retired generals and active-duty military officers are long known to have close ties with companies and conglomerates which, in this rubric of patron-client relationship, allows wealthy businessmen to have a share in military resources and establish strong business partnerships with ethnic elites and the NLD's quasi-civilian government.

In Cambodia, the military and other security forces including the police, the gendarmerie, and other paramilitary units are a proactive political-economic 'client' of Prime Minister Hun Sen and his party. The security forces heavily rely on the authoritarian regime of Hun Sen and his Cambodian People's Party in allocating the defense budget, promotions, and pensions. In return, Hun Sen inflicts heavy punishment upon those he sees as disloyal and ensures that regular military units are under control. Chambers has applied Max Weber's concept of neopatrimonialism to analyze the regime of a hybrid authoritarian-personal control, a democratic entity but with autocratic features. Senior military commanders in Cambodia are actively involved in national politics as all of them are members of the Cambodian People's Party. Although the Cambodian military does not get directly involved in economic activities, Hun Sen and his party have allowed them to prosper from illicit businesses; the generals now own more properties than any other institution.

The shape and structure of khaki capital in the two communist countries, Laos and Vietnam, differ from the rest of Southeast Asia in that the Communist Party exercises a monopoly of political power. In the case of the Lao military forces, or Lao People's Army—known as the poorest army in Southeast Asia—they are allowed to earn extra money through economic development projects especially in the countryside. Since the 1980s, corporate interests of the Lao People's Army have increased with greater economic partnerships with corporations and militaries from neighboring countries like China and Vietnam. A number of military companies and khaki capital ventures were formed by, as Hans Lipp and Paul Chambers put it, an 'iron triangle' between the military, businessmen, and politicians. Taken independently, khaki capital ventures earn more profit than the national government of Laos. Carlyle A. Thayer

emphasizes that civilian and military roles are inseparable in Vietnam because it is one of the four main pillars of the communist political system. Since its formation in 1944, the Vietnam People's Army (VPA) has been actively involved both in national defense and economic production to meet Vietnam's material needs, building infrastructure, breeding cattle, and establishing new economic zones. Because of the central role of the military in state-building and economic development, VPA is highly revered and this allows them to take control of most economically profitable enterprises in Vietnam, like Viettel. The restructuring of Vietnamese khaki capital and the economic reform under the *Đổi Mới* policy in the late 1980s allowed more joint ventures with foreign partners to grow in Vietnam. It thus created considerably more profit for the VPA.

With so many organizations and characters in play across different countries, perhaps it is forgivable for the authors to get some things wrong. But Chambers and Waitoolkiat make a glaring error worth mentioning; they argue on page 81 that a top Thai police officer named Pol. Gen. *Somyot Prueksakasemsuk* was involved in the dubious gold-mining business in Loei Province. Unfortunately, they confuse Pol. Gen. Somyot Poompanmoung, formerly the Commissioner-General of the Royal Thai Police, with Somyot Prueksakasemsuk, currently a political prisoner under *lèse-majesté*! Readers may also object to the book's organization. The articles are put together in geographical manner—starting from mainland Southeast Asia and then moving on to the maritime region—although a comparative and conceptual framework could have elaborated more effectively on the different characters of khaki capital in Southeast Asia. Nevertheless, *Khaki Capital* is an essential read for those who are interested in the contemporary politics of Southeast Asia.

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