Introduction: Wealth and Poverty in Contemporary Southeast Asia

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The six papers printed below were originally presented at a meeting of ASEASUK (Association of Southeast Asian Studies in the U.K.) in a symposium concerned with concepts of, and attitudes toward, wealth and poverty in Southeast Asia. Four of the six papers are focused on Southeast Asia “now”, that is, the region since 30 April 1975, the benchmark date established by the fall of Saigon, an event symbolic of the victory of the poor over the rich. Two further papers are addressed to antecedent conditions, i.e., the 1950s and 1960s in the main, conditions that can now, in the 1980s, be seen as a framework for the respective nation-states (Indonesia and Kampuchea).

Two issues stand out: the definition of poverty, and the alleviation of poverty. If the wealth-issue is not given the same prominence in the papers, it is perhaps because the “wealthy” tend to be more blind to their own predicament than are the poor; they must be concerned with the future rather than with everyday existence. Hence the papers in this collection concerned with wealthy classes in Southeast Asia — the papers by Summers on Kampuchea and Palmier on Indonesia — are not about the present situations but about the conditions which, in hindsight, gave rise to them. Both these papers are novel in the sense that they ingeniously succeed in penetrating some of the normally inaccessible files on the élites to show two very different outcomes of occupational and income differentiation in the space of twenty or so years of national development.

John Walton’s paper, which appears first in this collection, is primarily addressed to the official Southeast Asian concepts of poverty. He notes that, for technical reasons, Malaysia’s current programme of poverty targeting is a convenient one for demonstration, and he considers, with that example, some major attempts to clarify the notion of “poverty”. “Absolute” poverty is one variety. If there are, for instance, twenty-six minimum decencies of life such as (to take a British definition) a bed for everyone in the household, two pairs of all weather shoes, three meals a day for the children, a washing machine and a one-week annual holiday, then someone who has no access to at least three can be defined as “absolutely poor” (see J. Mack & S. Lansley, Poor Britain, Allen & Unwin, 1984). It is not difficult to formulate a programme for the alleviation of absolute poverty, even if it is rarely possible to execute it to satisfaction.

“Relative” poverty, on the other hand, is so defined — as “the selected bottom
percentile" of estimated incomes — as to be ineradicable. Programmes using this
definition can only aim at a reduction of the impoverished sector.

Walton gives us a wealth of survey data that is essential to the study of wealth
and poverty and cannot be too much stressed in discussions of development/social
reconstruction. He deals with rural and urban poverty (Table 3) making the point
that rural poverty can be overestimated at the expense of the arguably greater hardship
of urban poor; at the same time, as is well known, a dangerous degree of rural im-
poverishment is more readily concealed if only because it is so much harder to measure
due to traditional villagers' non-reliance on money and to what anthropologists call
"embedding" of institutions (as opposed to specialization and isolation of functions
inherent in urban activities).

Both Walton's and Palmier's papers show how closely educational attainment
is linked to wealth attainment/escape from poverty. These two papers further suggest
that, on the whole, females tend to lag behind males in education and consequently
in their levels of prosperity. (It could be, though, that the prosperity gap is comparably
less in Southeast Asian peasant and urban societies than elsewhere: I refer here to
a feature — sex equality — long suspected by observers of Southeast Asian societies
Ch. 2] but not yet fully investigated or demonstrated.) Thus, of all government
initiatives that might be proposed to achieve a fair distribution of the goods of develop-
ment, access to education would be a — if not the — leading one.

Laura Summers' paper graphically demonstrates the fragility and elusiveness
of wealth structures, a condition of life already well-known to the poor but often per-
ceived more dimly by the better-off. In Norodom Sihanouk's kingdom of Cambodia
in the period 1953-69, there was, embodied by the traditional courtly state, what
Sihanouk thought to be a natural economy of status. In the 1950s the nation enjoyed
a measure of prosperity as well as stability. But in the 1960s the surfacing of inequalities
and discrepancies in the economy and the state's financial incapacity to counter the
trend led to a bizarre get-rich-quick Casino scheme which, arguably, led to the collapse
of Sihanouk's whole house of cards.

I am myself inclined to attribute the ineffectiveness and rapid collapse of
Sihanouk's economic planning and ultimately the regime itself as much to the small
size and self-imposed isolation of the country's elites as to Cambodia's non-viable
status as a buffer between Vietnam and the rest of Southeast Asia. The Casino scheme
seems an excellent instance of non-institutional and uncommitted wealth, and of an
élite unaware of the essential processes of nation building.

Thomas Mann said (in *The Magic Mountain*, 1924 and without irony as I under-
stand it) that "the soul of democracy [the secular State] is the power of money"
(Penguin ed. 1966, 402a, cf. 409a). Summers' and Drummond's papers both seem
to underscore very well this encomium of modern political economy in that everywhere
in Southeast Asia (with the exception of the Indochinese territories) the rulers' estimate
of their nation's health tends to lie in the ostentatiousness of the government's control
of money. As a case in point, Drummond provides some useful figures on the com-
parative ratio of change in ASEAN member states' spending priorities. His paper
observes that finance priorities in the ASEAN membership assume that the security
of the state is linked to economic development but it also suggests (contrary to ordinary