The recently signed Australia-US free trade agreement (AUSFTA) is one sign of the shift from multilateral trade negotiations — such as those through WTO or even region wide forums such as APEC — towards what has been called the ‘noodle bowl’ of bilateral free trade agreements (FTAs). On the cards for Australia are potentially contentious trade agreements with China and Japan. Australian FTAs are only morsels in the developing noodle bowl of preferential trade agreements realised or contemplated within the region. For supporters of multilateral trading agreements — until very recently the cornerstone of Australian trade policy from the 1980s — this noodle bowl is not just unpalatable but undercuts the appetite for main multilateral trade liberalisation.

No doubt there is an important debate to be had over the relative merits of bilateralism and multilateralism as instruments of trade policy. Here the debate is whether FTAs lead to trade diversion rather than trade creation — that is, when consumption shifts from a lower cost producer outside the FTA or the trading bloc to a higher cost FTA partner. But bilateralism, viewed through the lens of trade liberalisation — in terms of the potential for trade diversion — reveals very little about the politics and economics of the shift towards bilateralism. What are the political dynamics of the emerging world of bilateralism? Why has this become so prevalent at this point in time? What drives bilateralism is not that trade negotiators and politicians forgot the lessons of International Economics 100, but that the structural changes in the global economy make trade liberalisation much less important than issues of regulation and governance. Bilateralism provides the political mechanisms to accommodate the complex preferences of domestic and transnational capital towards economic openness and the regulatory playing field on which they compete.

The salience of these new regulatory or governance issues over traditional trade liberalisation objectives is due to the structural forces driving the global political economy. In contrast to an internationalised economy where trade plays a prominent role in economic integration, what is distinctive about the global economy is that its major driving forces are production and finance. This is a fundamentally qualitative change in the nature of the global political economy. These structural changes in finance and production have led to significant transformations in the organisation of regional governance towards an increased emphasis on internal governance and regulation within the domestic policy making structure. In the area of finance, we see this with proposals such as the Chiang Mai initiative for currency stabilisation, and even moves towards greater exchange rate coordination. This putative ‘regulatory regionalism’ pushes trade issues down the political agenda.

But how does the noodle bowl get on the menu? Crucial here is the globalisation of production: how firms organise their production and alliances, the cross border dispersion of production, and the emergence of complex supply chains. All this renders the notion of trade between ‘national economic units’ problematic. As production fragments within and between national jurisdictions, it moves the dynamics of foreign economic policy towards regulatory governance of investment rather than simply enhancing commercial relations between nations.

Let me give an example to illustrate what I mean by ‘globalisation of production’. China has emerged as an export powerhouse, but without understanding how Chinese exports fit into larger production networks it is impossible to generalise – not that this stops the alarmist commentary in the US about the so called ‘China threat’ – about say, US versus China. A great deal of FDI in China is sub-contracted or a joint venture with an East Asian Partner for a final destination to a major brand manufacturer such as Nike or Reebok. This restructuring of production has profoundly important consequences not just for global economic relations but also for the organisation of domestic policy making structures.

One consequence of this organisation of production is that the governance and regulation of inward investment becomes a key area of concern in bilateral agreements, particularly those agreements with the US. These agreements include: liberalised investment regimes; national treatment, that is, no discrimination towards foreign firms; and most importantly investor dispute regulation. Investor dispute regulation allows firms to initiate action for arbitration of investor disputes. This in itself is a departure from WTO rules that confine disputes to national governments.

However, the more important point here is that these arbitration mechanisms are not about liberalising the inward investment regime but about shaping and influencing the public regulatory regime. In effect, it introduces a hybrid governance and legal regime continued next page...
Exploring links between Japan and Australia

Asia Research Centre Director, Professor Garry Rodan, spent two weeks in Japan as a guest of the Japanese Ministry of Foreign Affairs in February-March. The visit involved a wide range of meetings with government, business and academic organisations on issues concerning political and economic changes in Asia and the implications for Japan’s external relations, particularly bilateral relations with Australia. The visit was the opportunities and challenges for Japan represented by the dramatic economic development of China and India and the broader geopolitical significance of the rise of these countries for the region.

...continued from page 1

within the public policy making process. It indicates that the public policy process is at once “national” and “transnational”. For example, both the US-Singapore FTA and the Australian-Thailand FTA involve investment arbitration mechanisms. Intrinsically the AUSFTA, while liberalising the investment regime, made no commitment to dispute arbitration although this is an issue that is likely to be revisited in any future review of the agreement. The conclusion is that such agreements now include issues such as competition policy and issues of corporate governance. This is not to say that there is no political resistance to these measures, but the fact is that these measures are now on the political agenda and this is the litmus test of how far we have moved from earlier episodes of trade liberalisation.

The point is simply this: these new regulatory initiatives take us beyond the narrow confines of trade-related liberalisation measures that are still at the heart of the debate over the trade diversification of bilateral agreements. And these governance issues take on a particularly important role in disciplining and shaping the policy making process of liberalised trade agreements.

Equally important in bilateral agreements is their potential to use regional agreements to harmonise intellectual property rights. The US has been especially keen to pursue harmonisation of intellectual property rights through bilateral mechanisms. Again, these issues are more to do with regulatory frameworks than with trade liberalisation.

An important aspect of Professor Rodan’s visit was the exploration of new forms of research collaboration and exchange with academics in Japan. As an initial follow-up to the visit in Japan, the Asia Research Centre is embarking on two initiatives this year as part of the 2006 Australia-Japan Year of Exchange commemorating the 30th anniversary of the signing of the Basic Treaty of Friendship and Cooperation between Australia and Japan. The first is a roundtable on the Australia-Japan Free Trade Agreement that brought experts from Japan and Australia to Perth in August. The other is a lecture series entitled ‘Japan’s Role in Asia: New Dynamics, New Directions’ which will bring three experts to Murdoch University this year. Meanwhile, talks will continue with various institutions in Japan about possible longer-term research collaboration.

For example, Chapter 17 of the AUSTA consists in IPR and includes measures to reduce differences in laws and practice and participate in international harmonisation efforts with respect to trademarks (article 17.2.11), an increase in the duration of copyright protection for individuals to the life of the author plus 70 years (currently 50 years), with similar increases for corporations (17.4.4); and, to ensure effective protection and enforcement, the circumscription of technological measures used by authors and others to restrict access to their work (17.4.7).

Many of these measures have little to do with trade enhancement, but are really about providing regulatory frameworks for intellectual property. These IPR issues reinforce the fact that the pressing issue in the global political-economic environment is not so much trade between ‘national economic entities’ but the development of new forms of policy coordination and harmonisation within the state. However it is not just the playing field that is changing but the players themselves. Trade liberalisation, it is now clear that this trade liberalisation agenda has run out of steam. Bilateral arrangements are much more a set of agreements about trade; they involve very little about the regulatory governance within the state. In turn, this changing agenda is in part a result of political and economic forces that arise from the ongoing restructuring of production. There are a lot more ingredients in this particular noodle bowl than meets the eye. n

MoUs

The Asia Research Centre has recently renewed a Memorandum of Understanding (MoU) on research collaboration with the Center for Asia-Pacific Area Studies, Research Centre for Humanities at the Academy Sinica in Taiwan, the Director of which is Professor Michael Hsiao. A new MoU on research collaboration has also been signed with the Research Center for Cultural Policy Studies, and The International Public Relations Research Center (IPRRC) at Fudan University, Shanghai – both of which are directed by Professor Meng Jian.

In turn, this changing agenda is in part a result of political and economic forces that arise from the ongoing restructuring of production. There are a lot more ingredients in this particular noodle bowl than meets the eye. n

Australia-Japan Free Trade Agreements: How likely and who benefits?

Just over a year ago, Australia and Japan agreed to undertake a feasibility study on a bilateral free trade agreement. From the outset, both governments emphasised that the main purpose of the research was to determine whether the domestic political sensitivity of Japan’s agricultural sector would make it necessary to abandon efforts to secure free trade between the two countries.

Japan’s highly protected agriculture sector has been the principal constraint on its ability to negotiate significant FTAs. Indeed, when Australia first canvassed Japan’s interest in an FTA in 2002, it was met by fierce opposition from within Japan’s Ministry of Agriculture, Forestry and Fisheries and the ruling Liberal Democratic Party. Given Australia’s insistence on comprehensive FTAs that include agriculture, the proposal could go no further at the time. Since then, Japan’s choice of FTA partners has been limited to those countries in the region that have very limited agricultural exports to Japan.

For example, the Japan-Singapore Economic Partnership Agreement was possible because Singapore has virtually no agricultural production and because farm products account for less than 3% of two-way trade between them. Still, the JEPAA faced significant opposition in Japan and Singapore’s goldfish exports were excluded from the agreement. The Japan-Mexico agreement of 2005 was similarly weak on agriculture. Mexican products accounts for less than one percent of Japan’s total imports of agricultural products, but less than half of this trade will be exempt from tariffs. Likewise, the Japan-Philippines agreement lowers Japanese tariffs on imports of Philippine bananas, but only because bananas are not grown in Japan. Sensitive agriculture products such as rice, wheat, barley, starches, beef, pork and many fishery items have been excluded from this agreement, and from the Japan-Malaysia agreement.

These recent precedents should be strong indicators of what Australia would be up against should an FTA be signed with Japan. Indeed, Australia’s insistence that any bilateral trade agreement with Japan must be comprehensive, covering all sectors and including significant liberalisation in agriculture, might suggest that an agreement to negotiate will never reach the starting block. But the terrain is rapidly shifting and there is growing evidence to suggest that Japan and Australia could negotiate a Direct Investment Agreement (DIA) as a strong supplement to any FTA. A big call to be sure, but for the first time ever, there are powerful drivers in Japan for just such a deal.

Japan has strong economic and strategic motivations for pursuing an FTA with Australia, and the rapid rise of China is at the heart of these considerations. Japan’s economy depends heavily on imports of raw materials and energy, of which Australia has been a key supplier, providing 60 per cent of Japan’s coal and iron ore imports, along with other important items such as liquefied natural gas, petroleum, and alumina. However, China has become an important customer for Australian energy and raw materials, and Japan sees an FTA with Australia as an important mechanism of diversifying its sources of supply not just for the future. Japan confronts similar problems in relation to its food supplies. Australia has been a key source of food imports for Japan, especially in beef, dairy products, grains and oilsides, but the rising demand for food from other countries in the region, including China and India, could see a shift in Japan’s food market. One such concern for Japan given its declining ability to feed itself. Japan is also worried about preserving its market share in the Australian automotive industry sector. Australia is Japan’s second most important customer for automotive exports, but Australia has given preferential access to the United States for cars and car parts, and could do the same for China.

These are powerful economic and strategic considerations but could they trump the political and electoral influence of Japan’s highly protected agricultural sector? Here too there is some evidence of shifting domestic interests in Japan. Within MAFF and the LDP, the traditional bastions of agricultural protectionism, there is a growing acceptance of the need for domestic reform. But we should not lull ourselves into thinking that an Australia-Japan FTA would be an easy negotiation or produce a good outcome. A recent report by the Asia Research Centre on the recent proliferation of bilateral trade agreements in the Asian region and their potential to divert trade, marginalise peripheral countries with small markets, and polarise the region between core countries and potential partners for the future. FTAs can create deeper liberalisation and economic integration, but as we saw with the Australia-US FTA, they can also include carve-outs and exemptions of sensitive sectors. Indeed, FTAs more typically take the form of ‘negotiated protectionism’, rather than deeper integration.

Should the feasibility study produce an agreement to press ahead, an Australia-Japan FTA negotiation will have significant knock-on effects for the region. The importance of the Australia-Japan trade relationship, and the centrality of agricultural liberalisation in this particular negotiation, means that an Australia-Japan agreement will set the benchmark for bilateral and regional trade agreements over the next decade and at least. The difficulties of securing a good outcome on agriculture should not be underestimated. But the benefits of doing so could be enormous. n

...continued from page 3

Ann Capling, University of Melbourne

PAGE 2

PAGE 3

AUSTMAG, August 2006
ASIAVIEW, August 2006

How are conflicts associated with globalisation systematically addressed? Four overarching questions:

1. Inherently political and conflict-ridden, this shaping the path of neoliberal globalisation.
2. Economic, political and security interests became more possible than ever, but how have these economic, political and security interests become.
3. Poverty through strategies of inclusion frames.
4. Social and political conflicts in Asia, exacerbating and complicating existing domestic conflicts and struggles. The agenda can strengthen anti-democratic impulses.

This book addresses the politics of environmental change in one of the richest areas of tropical rainforest in South-East Asia. Based on field studies conducted in three agricultural communities in rural Aceh, this work considers the number of questions: How do customary (adat) village and state institutions work? What roles do they play in managing local resources? How have they evolved over time? Are villagers, state policies, or corrupt local networks responsible for the loss of tropical rainforest? Will better outcomes emerge from restituting customary management, from changing state policies, or from transforming the way the state works? And why do projects described as success fail?

The book describes how, as key actors interact, they create arrangements that effectively manage local resources, eclipsing adat and formal state management strategies. While economic interventions try to work with adat and the state, they fail to solve the main problem—that is, that dualities of power and interest, coaxing around local resources and reaching into the wider society, lead inescapably to environmental decline.

The post-Cold War era has been primarily characterised by an international order dominated by one Superpower, the USA. With the demise of the Soviet Union, the unilateral pursuit of US territorial, political and security interests became more plausible than ever, but how have these developments affected countries in the Asian region?

As political economic systems extend over Southeast Asia, the debate over what role the state should play and what political regime is necessary for economic growth is hotly contested. This revised and updated text examines the political economy of specific countries in the region and follows a thematic and comparative analysis of key issues.

Garry Rodan and Kevin Hewison (eds)

The Political Economy of South-East Asia : Contestation, 3rd edn, OUP

Toukas Takamine

Japan's Development Aid to China: The Long-Term Perspective, Palgrave Macmillan

The book argues that, contrary to the widely held view that Japan's aid is ineffective in persuading Japan to cease its commercial whaling, it is a matter of perspective. Modern whaling is no longer just the product of an outmoded industrial system that can no longer compete in the global whaling market. Rather, modern whaling is a political conflict that has developed among nations that disagree on the value of whale products. The book traces the evolution of the whaling conflict from the mid-1970s, when the IWC was formed to regulate whaling, to the present day, when the whaling conflict has become a major political issue. The book argues that the IWC is a failure because it has failed to regulate whaling, and that the Japanese government is responsible for this failure. The book concludes with a call for a new approach to whaling regulation, one that is based on a more realistic understanding of the whaling conflict.

As the global economy becomes more integrated, the role of the state in managing economic and social relations becomes increasingly important. This book provides a comprehensive analysis of the political economy of Southeast Asia, focusing on the ways in which states have responded to economic liberalisation and globalization. The book is based on case studies of Indonesia, Malaysia, the Philippines, Thailand, and Singapore, and it provides a detailed examination of the ways in which states have responded to economic liberalisation and globalization. The book provides a comprehensive analysis of the political economy of Southeast Asia, focusing on the ways in which states have responded to economic liberalisation and globalization. The book is based on case studies of Indonesia, Malaysia, the Philippines, Thailand, and Singapore, and it provides a detailed examination of the ways in which states have responded to economic liberalisation and globalization. The book provides a comprehensive analysis of the political economy of Southeast Asia, focusing on the ways in which states have responded to economic liberalisation and globalization. The book is based on case studies of Indonesia, Malaysia, the Philippines, Thailand, and Singapore, and it provides a detailed examination of the ways in which states have responded to economic liberalisation and globalization.
The Political Economy of South-East Asia: Markets, Power and Contestation

In May this year, the third edition of the jointly-edited book by Garry Rodan, Kevin Hewison and Richard Robison, *The Political Economy of South-East Asia*, published by Oxford University Press, was launched. First published in 1997 just prior to the Asian economic crisis, the next edition was published in 2001 under the sub-title of *Conflicts, Crisis and Change*. The 2006 edition, subtitled *Markets, Power, South-East Asia and Contestation*, extends the analysis of the relationship between capitalist development and politics in Southeast Asia to consider the significance of post-September 11 developments and the substance of China for the region’s political economy. Because of the rapid changes that have taken place in the region, this third edition is essentially a new book, with most chapters being substantially revised and new chapters and authors added. The *Political Economy of South-East Asia* has been widely adopted in undergraduate and postgraduate courses around the world.

Japan has been our major export market for almost 40 years and it has been estimated that 450,000 Australian jobs rely on our trade relationship with Japan. In looking to the future, however, much attention has been placed on the growth of our trade and investment relationships with China and India, particularly China. This is understandable given the dramatic and welcome emergence into the world economy of these two great nations. It is also the case that Japan experienced a protracted slump during the 1990s. This led to much pessimistic commentary on the future of Japan and of its relations with Australia.

Tonight I do not want to question the importance of our own growing links to China and India. I do, however, want to put them into the context of our long-term and still developing partnership with Japan. In all of our thinking about Asian engagement we cannot ignore the strength of our links to Japan. We share democratic values, face similar demographic and social challenges and have many interests in common in respect of regional and international issues. Let me take you back to the 1990s when Japan was in a protracted slump and many questioned its ability to reform and renew. All through that period Japan remained our most important export market, with exports growing by 44 per cent and we worked together to ensure that the Asia-Pacific Co-operation (APEC) was given a good start.

Deep beneath the surface of the high level political relationships a level of trust and understanding has been built up and new directions for the Australia-Japan partnership explored. This is an invaluable asset and it is not surprising then that in recent years there has been an important deepening and broadening of the trade and investment relationship. As Professor Peter Drysdale from the Australian National University has noted:

The old trading relationship based on the strategic raw materials trade, remains important, but a new relationship built on human capital and people-to-people business will be important in the coming decades.

It is a very mature relationship but one that is re-occurring well beyond the faded pattern of attrade and economic relations that took shape in the initial decades following 1957. No longer does Japan view Australia as simply a source of raw materials. No longer does Australia see Japan as a closed economy and society.

Indeed from my own observations and my regular visits to Japan representing the State of Western Australia I would describe the relationship as very solid in its foundations and energetic in its expression.

I was given an insight into this energy during my official visit last year. A major corporation informed me of an Innovation Fund they had created to explore new opportunities for investment. I briefed them on our own Technology Park in Perth and within a week their local representative was at the Park itself finding out what may be possible. Many Australian companies are now seeing the advantages of working the Japanese market in areas that had previously been seen as closed. Exports of processed food, highly transformed manufacturer and services have doubled their share in Australia’s exports to Japan and now account for almost a third of our total export earnings there. Wine exports alone grew by 34 per cent in 2004 and Australia now ranks fifth behind France, Italy, the USA and Chile.

The pace of change may have been slow but Japan is now opening up and strategies being pursued by Australian Governments such as our own Western Australian Into Kansai Strategy are being heard on both sides. This strategy is designed to help small and medium enterprises into a market which is Japan’s second largest and accounts for 3 per cent of world trade. Japan is now the second largest source of tourists to Australia (700,000 in 2004) and Australia is the third most popular English language destination for Japanese university students.

Note also that Japan is now the fourth largest destination for Australian investment in areas like financial services, infrastructure and tourism. At the end of June 2003 Australian investment in Japan totalled A$19.7 billion. All of these developments will be assisted by the Trade and Economic Framework signed in 2005. It commits the Governments to work towards ‘comprehensive and balanced’ trade and investment liberalisation and the Framework has already been made real in the eleven areas identified for attention.

At the same time as all of this is happening the Japanese still provide enormous support for the Australian resource and agricultural sectors. The Japanese energy utilities are once again signing long-term contracts with Australian suppliers and despite the enormous power of the Japanese agricultural lobby Australia now supplies 30 per cent of the beef consumed in Japan.

Japan’s economy has been on the improve since 2002 and this has been based on the private sector rather than pump-priming by the Government. There is more efficiency, profits are up and growth in China is helping Japan as well as Australia. Not only are the facts and figures better there is a renewed confidence about the future.

At the political level relations are also in good shape and security relations have been consolidated since the September 11 and Bali bombings. It is not all smooth sailing with disagreements over issues like whaling and trade barriers for agricultural products. Continued next page...

---

Geoff Gallop

Director, Public Policy Program, University of Sydney

Premier Western Australia (2001-2006)

Member of Board, Asia Research Centre (1992-1997)

Extract from speech given at Murdoch University when receiving his honorary doctorate, 4th April, 2006.

---

HGMAP employs a case study approach, involving thirteen regions, with the studies varying in focus and species coverage. Each study team assembles time series, tests economic hypotheses, and builds a framework to train specialists in the emerging disciplines of marine environmental history and historical ecology. The Asia Research Centre is also contributing in this way, with postgraduate Henry Chen undertaking one of the case studies of the Southeast Asia Region.

HGMAP is a ten-year project running from 2000-2010. The South East Asia component started in 2006 under the leadership of Associate Professor Malcolm Tull. Currently, there are three case studies: Shark fishing in Indonesia (Malcolm Tull, Asia Research Centre); the Evolution and Development of the Taiwanese Offshore Tuna fishery (Henry Chen, Asia Research Centre); and Historical Whaling in the Philippines (Jo Marie V. Acebes, Oxford University).

The output of these studies will provide historical reference points against which modern marine animal populations can be compared and enable fisheries managers to understand the importance of natural fluctuations in marine populations and how human activities interact with this through harvesting and pollution. The output from all case studies will be made available to the public via the HGMAP database. Currently it includes over 240,000 records covering the period 1611-2000 and includes time series of commercial catches for about 73 species of fish and mammals.

Further details about HGMAP can be found at http://www.hmapcoml.org/
want to exclude Australia on the basis of “Asian values”. Japan is a country that supports Australian participation. In his visionary speech delivered in Singapore in 2002, Prime Minister Koizumi outlined his conception of East Asia. He spoke of an East Asian Community, including Australia and New Zealand that sought harmony despite the diversity of historical, cultural and ethnic traditions and one that would not be exclusive but open to those outside the region, most notably the United States and India.

Australia was initially lukewarm about the idea but eventually came to the party and the first East Asian Summit was held in Kuala Lumpur last December with Australia, New Zealand and India seen as sharing common interests in relation to the Association of South East Asian Nations plus Japan, China and Korea. Although incremental this is a first move towards consolidation within the Asian community. We live in a region of extraordinary dynamism and uncertain power balances. The challenges are many and we cannot afford to adopt a narrowly bilateral approach to Asian engagement and a “wait-and-see” attitude to the East Asia Summit. After all it involves our major trading partners who themselves are already, or becoming, major players in the global economy and political system.

In Japan itself a major new network of think-tanks, intellectuals and business leaders – the Council on East Asia Community – has been set up to explore Japanese strategy in respect of their developments. Australians have seen what Asian engagement can mean with our long-standing and still developing partnership with Japan. It required moving beyond the past, it required a serious effort to learn about the country and its people, it required the development of trust and friendship and it required the continual investigation of new business, political, educational and cultural connections. It required mutual respect, mutual support and creative thinking about the future. The dividends that can come from such intensive cooperation are there for all to see.

Those very principles will be needed in our participation in the East Asia Community of the future. Compared to the situation in post-war Europe the problems are many and the complexities are multiplied. We have already noted the rivalry between Japan and China. We can also note the different economies, trading relationships and levels of development in the countries and what this means for their perspectives on trade liberalisation. Their histories and policies differ as do their relations with Europe and the United States. What is shared, however, is enormous potential.

In Australia's case it means participating in a forum that doesn't involve either Europe or the United States. In the past that may have been a recipe for panic. It shouldn't be. Indeed we should be active and enthusiastic participants partly for reasons of commerce, partly for reasons of risk management in the face of the future. We should also be confident of our ability to make a positive contribution to the political work of our neighbours and partners. After all, the East Asian Community is an enterprise that has the capacity to determine the course of events in the 21st Century.
China's Rise Roundtable

In March the Centre held the first of its public roundtables, forums meant to facilitate engagement between academic and policy communities. China’s Rise: Force for Regional Stability or Regional and policy communities. China's Rise: Force for Regional Stability or Regional and Counter-Terrorism Studies at Murdoch United States and Japan. Professor Samuel Sutter argued that anxiety over the implications of China's growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China's participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University's Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China's growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China's participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.

The roundtable featured three speakers. Dr Ellen Frost, a Visiting Fellow at the Institute for International Economics and an Adjunct Research Fellow at the National Defense University’s Institute of National Strategic Studies in the United States compared the ambitions of the United States and China for leadership and influence in the region. Professor Stuart Harris, from the Australian National University and a former head of the Department of Foreign Affairs and Trade, drew out the implications of China’s growing economic and political power for Australian foreign policy and its close alliances with the US and Japan. Professor Samuel Makinda, Chair for Security, Terrorism and Counter-Terrorism Studies at Murdoch University as well as a Fellow of the Asia Research Centre, critically evaluated China’s participation in regional organisations and the possible impact on international norms and rules.
Political Regimes and Governance in East and Southeast Asia Report

Significant further progress has been made on the Centre’s flagship project Political Regimes and Governance in East and Southeast Asia. This includes the publication of Kanishka Jayarajah’s Statecraft, Welfare and the Politics of Inclusion (Palgrave Macmillan, 2006), Garry Rodan and Kevin Davis’s (editors) The Politics of Development and Conflict in Asia After 9/11 (Routledge, 2006) and Vedi Hadiz’s (editor) Empire and Neoliberalism in Asia (Routledge, 2006). A special report edited by Krishna Sen and Terence Lee, Political Regimes and Media in Asia is contracted to Routledge and scheduled for submission in the second half of 2006.

Research Networks

Opportunities for new forms of research and collaboration have opened up through the Centre’s membership of two networks. The first of these is the International Centre of Excellence in Asia-Pacific Studies (ICEAPS), headquartered at the Australian National University in Canberra. This is a Federal Government initiative intended to raise the profile of Asia-Pacific studies in Australia through new and sustainable forms of collaboration. ICEAPS draws on the expertise of key research and teaching centres throughout Australia (including 10 foundation partners) and other international centres of Asia-Pacific Studies based in Asia, Europe and North America.

Associate-Professor Carol Warren has received funding from ICEAPS for a workshop entitled ‘Articulating Environmental and Social Approaches Towards Effective ‘Collaborative Management of Coastal Ecosystems in Indonesia’. This will draw the Asia Research Centre into collaboration with the ANU’s Research School of Asian and Pacific Studies, the Netherlands Centre for Maritime Research and various Indonesian institutions. The workshop is also expected to stimulate inter-sectoral collaboration between research groups and international environmental agencies and government departments in Indonesia.

The other network, funded by the Australian Research Council, is the Asia-Pacific Futures Network. This is the result of a successful proposal to the Research Networks Seed Money Scheme by the Asian Studies Association of Australia to foster continued links between Australian universities and institutions and groups in Australia and Asia. This network seeks to promote innovative research that involves links crossing disciplinary boundaries and extending beyond academia. The major objective of this network is the promotion of new generations of Asia-Pacific experts nurtured through such links. A number of Asia Research Centre members have joined this network with a view to contributing to its objectives through concrete proposals in 2006 and beyond.

James Warren selected as 2006 Florence Tan Moeson Fellow

Professor James Francis Warren has been awarded a Florence Tan Moeson Fellowship to conduct research on Asia at the Library of Congress, Washington D.C. Established through the generosity of the Moeson Foundation and the support of the Asian Division Friends Society, the Moeson Fellowship at the Library of Congress provides individuals with the opportunity to pursue research in East, Southeast or South Asia (including overseas Asian Communities), using the unparalleled collections of the Library of Congress.

Professor Warren will also conduct research in the National Archives on the Muslim Filipinos and the abolition of slavery under American rule.

Max Lane’s manuscript Asia, The Fall of Sabah and Indonesian History and Ian Wilson’s manuscript Violence, Criminality and the State in Post-Suharto Indonesia are also scheduled for submission later this year. A manuscript jointly-edited by Professors Ian Scott and Ian Thynne on comparative statutory authorities and governance in Hong Kong, Korea and Singapore has been accepted for publication by US Journal, Public Organisation Review.

A slice of Singapore’s ‘hidden history’ came alive on 14 July 2006 in a seminar by Michael Fernandez, who was detained without trial for nine years between 1964 and 1973. A labour activist, Fernandez led a month-long, 10,000-strong strike at the Singapore Naval Base in October-November 1963. Fernandez was then General-Secretary of the Naval Base Labour Union. Under the Internal Security Act, Fernandez was arrested for being a member of the ‘Communist United Front’, a claim he has denied.

In the seminar, Fernandez spoke of how his involvement in labour activism led to his arrest in 1964. Following the strike at the Naval Base, Fernandez became an adviser to the Singapore European Employees’ Union, which was attempting to improve conditions of work for housemaids (or ‘amahs’) employed by Europeans, after the British War Department proposed changes to their employment which would deny them substantial benefits. More than 40 activist fellows and leftists were arrested with Fernandez.

Fernandez, along with another well-known political detainee, Chia Thye Poh, was impressed at Changi. Conditions were dire. ‘bed’ was a concrete slab; there were no pillows or blankets provided. Doctors were sent to examine him, in the hope he could be declared ‘insane’ and institutionalised at Woodbridge Hospital for the mentally ill. Detainees were regularly dispersed as the government sought to disorientate them. Fernandez, like Fernandez, were sent to a newly constructed detention barricade called Moon Crescent Centre. There, food rations as well as reading material were cut. Family visits were reduced and they were no longer able to communicate via a phone. The detainees were also told to engage in manual labour like ordinary prisoners. These measures were attempts by the authorities to break the detainees’ spirits, to which the latter responded as they did in public life – by going on strike in protest.

The detainees committed to a hunger strike and refused to give in, despite being tortured through force feeding. In the seminar, Fernandez demonstrated how a large guard sat on his lap, pried his jaws open with a scissors-like object and shoveled a foot-long hose down his throat to force him to drink milk. He was unable to digest the liquid and constantly purged. The hunger strike lasted for 135 days and the government began to reduce food rations for Fernandez and other detainees. Fernandez described a visit by Devan Nair (former President of Singapore), who asked him ‘to give up’. To this Fernandez replied: ‘Give up what?’ The PAP government had not made formal charges against them and their trade union activities were legal. Fernandez maintains: ‘I was just helping people who required my help’.

Finally released in 1973 – and briefly detained again in 1977 – the shadows of Fernandez’s detention have lingered and altered his life. Trained as a teacher, Fernandez was unable to get a teaching position after he was released despite his work experience. He was advised to sell insurance – which he did, and saved up enough to get married in December 1973. His citizenship was revoked – Fernandez was born in 1944 in Keranji, India – and he was stateless between the years of 1968-1984. This restricted his movements as travel out of the country was not permitted without clearance from the authorities. Fernandez was unable to visit his family in Malaysia – when his brother was killed and then his brother-in-law passed away, he was also turned down.

Being labeled a ‘trouble-maker’ has also constrained his participation in social activities and civil society organisations. In 1990, Fernandez was concerned about the youth he saw hanging about his housing estate. He offered his services as a tuition teacher to the neighborhood community centre. This offer was refused. In 1996, he moved to another housing estate and made the same offer again. Fernandez was refused. This seminar was the second time I heard Fernandez speak. Earlier this year, on 26 February 2006, a local theatre group in Singapore, The Necessary Stage, organised a forum titled Detention. Writing. Healing. At this forum, Fernandez and fellow labour activist and ex-detainee Tan Jing Quee spoke about their experiences of being imprisoned without trial. This was a landmark event in Singapore. I attended this forum and up till the speakers finally began their testimonies, I was half-expecting it to be cancelled. Their testimonies were powerful for various reasons. Firstly, it was the first time we were publicly hearing their stories in Singapore. Secondly, stories were personal delivered, humanising the hitherto detached official accounts of the detentions.

Fernandez was heartened by the interest shown by young Singaporeans who attended the forum. Subject to funding, Fernandez hopes to have his prison notes – written secretly on toilet paper while in detention - transcribed. He also has plans to document the contributions of the University of Singapore Socialist Club to Singapore’s struggle for independence.

At the forum as well as the seminar, both Fernandez and Tan spoke without bitterness. They were in no mood to return to the past to be an objective. What was expressed was a desire for Singaporeans to collectively and honestly confront their history, to ‘get the story straight’.

To hear an audiofile of the seminar ‘Nine years in Changi and after’ please visit the Asia Research Centre website http://www.arc.nus.edu.sg.

Michael Fernandez’s full account of his detention and treatment appeared in an interview in 1983 by the National Archives of Singapore (Accession no. 76). He can be contacted on mtnbnmlah@yahoo.com

continued from page 11.

can have serious consequences. As the recent riots in NoraKern have demonstrated, implementing reforms is not a zero-sum game. While the Australian-led intervention followed the good government script to a tee, ironically it ended up exacerbating conflict in Solomon Islands by propping up institutions that local political figures with little popular legitimacy were able to manipulate.

This brings us to the final issue of Australia’s security, which the paper, via its good governance drive, is attempting to address. We contend that for AusAID to align its good governance approach with the objective of making Australia safer is contradictory. By focusing exclusively on good governance and offering little to reverse substantive wealth disparities within recipient states – many of which exhibit subsistence or chronically underdeveloped economies ‘the aid program has the potential to create new conflicts and/or amplify existing ones. This potential is reinforced by the white paper’s preference for standardisation. The paper echoes the Bush administration’s Millennium Challenge Account seeking to link aid to performance. However, two issues present themselves here. First, as we have seen, scenarios that appear promising can turn sour. The RAMSI intervention in Solomon Islands, for example, transformed in just one week from a resounding success story into a debacle. Further to this, there is the depressing potential for excluding those who most need help, locking in underlying inequalities.

We see Australia’s aid as a potentially useful form of support for some of the world’s most vulnerable populations. However, this would require the redistribution of capital, technology and forms of knowledge, and the promotion of social and health programs. However, the attempt to entrench market-led development will not deliver these outcomes and help those in our region from extreme deprivation. Nor are the white paper’s claims that it will make Australia safer convincing, given that pro-market governance reforms have the potential to generate or compound social and political conflict.

While we welcome AusAID’s plan to promote research on development in Australia, it is essential that such work does not become little more than a validation exercise for the ‘good governance’ framework, which is technically conceived and anti-representative. Rather, a diverse array of research programs, many of which already exist, would be better to understand political dynamics – globally and within recipient countries – and their impact on development outcomes.

Michael Fernandez
Metro Manila is traversed by the Pasig River. Historically, the river was an important corridor for transport and commercial development but, nowadays, it is visibly polluted and many abandoned buildings and the shacks of tens of thousands of squatters occupy its banks. Since the early 1990s, the national government has operated a program to have the river cleaned up. This program received a major boost in 1997 when the Asian Development Bank (ADB) committing technical assistance and financial support in the form of loans totalling US$175 million.

In the words of ADB loan document, the so-called Pasig River Rehabilitation Program (PRRP), was established to ‘commence urban renewal and redevelopment along the riverbanks, leading to improvements in living conditions and public health standards for Riverside communities’.

But nearly a decade on, the PRRP has failed most comprehensively in this regard. The reasons for this centre on the political obstacles to affected squatter communities finding relocation sites within the city. Let us be clear: the squatter communities and their NGO supporters have not sought to resist the river’s restoration outright. They have fought the botched attempts at their resettlement outside Metro Manila and, as a part of this, campaigned to reduce the rate of evictions. But in so doing the river has grown wider because the political impasse has meant many communities along the river remain in place.

Hearing of bungled relocations, the ADB required the government to draw up a proper resettlement plan for all affected squatter communities prior to proceeding further. The plan was never implemented but the short stay in proceedings enabled communities and their supporters to step up their lobbying. Initially, there was some response from President Gloria Arroyo. In 2001, she decided to quickly galvanise her political support and legitimacy amongst urban poor communities following the contested departure of the populist President Joseph Estrada. To do so she decided to make available various pieces of public land for purchase by PRRP-affected (and other) squatter settlers. But, having made the populist gesture, President Arroyo did nothing to ensure it was actualised, despite lobbying from activists.

On another front, the river communities had more success in pursuing the political openings provided by local government elections. In the lead up to the 2004 elections in particular, communities in several of Metro Manila’s constituent cities (with the Pasig River within their borders) were able to have incumbent mayors and councillors change their minds on the tandem metre easement issue and pass resolutions in favour of the three-metre alternative. The resolutions threaten the coherence of the rehabilitation program but, as they have not become ordinances, they are lacking legal force.

The PRRD is now fast grinding to a complete standstill. Squatter resistance has been sufficient to generally halt the eviction and relocation plans of the state, but, even with broad support from the ADB, it has not been sufficient to break the political stalemate over access to land. Accordingly, the PRRD story has been repeated for years, all over the city.

To reiterate the point made earlier: land costs are a barrier to formal occupancy by the urban poor, but the more odious obstacle is their lack of substantive, legal rights as citizens. The Philippine political constantly offers only various informal avenues of protection for squatter communities. As electors in a formal democracy, communities secure promises from particular elected officials, but with no real opposition vehicle in political society (as against in civil society), there is no mechanism for ensuring effective accountability. Public officials regularly provide answers to the demands of the urban poor, but very rarely are they implemented.

In the PRRD case, the ADB could not make a difference either.

Illegal logging and the subsequent illegal timber distribution in worldwide trade has had a destructive effect on the natural ecosystems of forests in Indonesia. The island of Java, which has only a small proportion of its forestlands remaining, including its production forests, protected forests and community forests, has also been suffering from forest decline. Participatory forest management has been attempted in Java in recent years and simultaneously improve local economic conditions. While participatory forest management is not a new idea, it nevertheless is considered a significant strategy.

A road in a village covered with planted trees in home gardens in East Java

from Coercion to Collaboration: Participatory Forest Management in Indonesia

Failing a River and Failing the Poor
Jane Hutchinson

Metro Manila is traversed by the Pasig River. Historically, the river was an important corridor for transport and commercial development but, nowadays, it is visibly polluted and many abandoned buildings and the shacks of tens of thousands of squatters occupy its banks. Since the early 1990s, the national government has operated a program to have the river cleaned up. This program received a major boost in 1997 when the Asian Development Bank (ADB) committing technical assistance and financial support in the form of loans totalling US$175 million.

In the words of ADB loan document, the so-called Pasig River Rehabilitation Program (PRRP), was established to ‘commence urban renewal and redevelopment along the riverbanks, leading to improvements in living conditions and public health standards for Riverside communities’.

But nearly a decade on, the PRRP has failed most comprehensively in this regard. The reasons for this centre on the political obstacles to affected squatter communities finding relocation sites within the city. Let us be clear: the squatter communities and their NGO supporters have not sought to resist the river’s restoration outright. They have fought the botched attempts at their resettlement outside Metro Manila and, as a part of this, campaigned to reduce the rate of evictions. But in so doing the river has grown wider because the political impasse has meant many communities along the river remain in place.

Hearing of bungled relocations, the ADB required the government to draw up a proper resettlement plan for all affected squatter communities prior to proceeding further. The plan was never implemented but the short stay in proceedings enabled communities and their supporters to step up their lobbying. Initially, there was some response from President Gloria Arroyo. In 2001, she decided to quickly galvanise her political support and legitimacy amongst urban poor communities following the contested departure of the populist President Joseph Estrada. To do so she decided to make available various pieces of public land for purchase by PRRP-affected (and other) squatter settlers. But, having made the populist gesture, President Arroyo did nothing to ensure it was actualised, despite lobbying from activists.

On another front, the river communities had more success in pursuing the political openings provided by local government elections. In the lead up to the 2004 elections in particular, communities in several of Metro Manila’s constituent cities (with the Pasig River within their borders) were able to have incumbent mayors and councillors change their minds on the tandem metre easement issue and pass resolutions in favour of the three-metre alternative. The resolutions threaten the coherence of the rehabilitation program but, as they have not become ordinances, they are lacking legal force.

The PRRD is now fast grinding to a complete standstill. Squatter resistance has been sufficient to generally halt the eviction and relocation plans of the state, but, even with broad support from the ADB, it has not been sufficient to break the political stalemate over access to land. Accordingly, the PRRD story has been repeated for years, all over the city.

To reiterate the point made earlier: land costs are a barrier to formal occupancy by the urban poor, but the more odious obstacle is their lack of substantive, legal rights as citizens. The Philippine political constantly offers only various informal avenues of protection for squatter communities. As electors in a formal democracy, communities secure promises from particular elected officials, but with no real opposition vehicle in political society (as against in civil society), there is no mechanism for ensuring effective accountability. Public officials regularly provide answers to the demands of the urban poor, but very rarely are they implemented.

In the PRRD case, the ADB could not make a difference either.

Illega...
A previous incarnation of LEI was a certification body whose role was to develop forest certification mechanisms and performance-evaluation standards. LEI introduced forest certification in the production forests managed by the State Forestry Enterprise in Java and also in natural forests in Kalimantan and Sumatra.

The Indonesian Ecolabelling Institute began to deal with community-based forest certification (PHBML: Pengelolaan Hutan Berbasis Masyarakat Lestari) in 2000. Documents associated with such forest certification were issued in 2002 after a process of review by a certification expert panel. This included panel staff from LEI, a scholar, an academic researcher and an NGO representative. The review incorporated public consultation with local stakeholders. Field tests were also carried out in central Java and east Kalimantan. The basic rule was that where social conflicts exist between local/indigenous people and governments/public companies, such lands or forests should be excluded from areas targeted for certification. Meanwhile ‘communal/individual customary land’ and ‘land with formal property rights’ should be nominated for certification.

Two communities located in Wonogiri Province, East Java, were the first to pursue forest certification. They were selected for certification because their land ownership could be clearly identified, based on the regulations of the Dutch Colonial Government, and because forests appropriate for certification existed there. Property rights for lands were assured in these communities, since the lands had been legally distributed by the Dutch Colonial Government and categorized as ‘land with formal property rights’. Though the stony ground was not appropriate for agriculture, farmers continuously cultivated annual crops and only a small proportion of people were engaged in planting trees. Programmes for planting acacia from 1977 to 1978 and for planting teak and mahogany in 1989 led them to discover the economic advantages of planting trees and encouraged them to continue planting after these programmes ended. As farmers recognised the significance of sustaining natural ecosystems such as water, soil and so forth, and also of obtaining additional income, they conserved forests without indiscriminate felling. At present, these villages are covered with magnificent forests. The process towards forest certification started as an initiative of the Association for Social and Economic Study and Development (PERSEPSI: Perhimpunan untuk Studi dan Pengembangan Ekonomi dan Sosial) after discussions with LEI.

Two communities acquired forest certification in 2003 after the process of evaluation by the expert panel. While PERSEPSI supports the communities, farmers who manage their own forests should be the main actors to deal with all administrative issues such as management of certified timbers, community organisations, and financial affairs in the future.

There still remain several unresolved issues, such as selection of appropriate saw-milling companies to supply certified woods, and balancing the demands of various private companies with certified woods and supply from local communities. Nevertheless, the first attempt at forest certification based on local communities represents a milestone for the supply of certified woods in international and domestic markets. This time, certification and participatory forest management programmes in Java are combined with economic improvements to local livelihoods.

The International Advisory Panel:

**Professor Kevin Hewison**
Director, Carolina Asia Centre, University of North Carolina at Chapel Hill

**Professor Richard Higgott**
Director, Centre for the Study of Globalisation & Regionalisation, University of Warwick

**Professor Jomo K.S**
U.N. Assistant Secretary-General (Economic Development)

**Professor Tessa Morris-Suzuki**
Research School of Pacific and Asian Studies, Australian National University

**Professor Anthony Reid**
Director, Center for Southeast Asian Studies, University of California, Los Angeles and Director, Asia Research Institute, National University of Singapore.

**Professor Krishna Sen**
Department of Media & Information, Curtin University of Technology.

**Professor Lynn T. White**
Director, Woodrow Wilson School of Public & International Affairs, Princeton University.

ASIAVIEW is the newsletter of the Asia Research Centre at Murdoch University, Perth, Western Australia. The Centre examines social, political and economic change in contemporary East and Southeast Asia and the consequences those changes have on Australia’s relations with the region.

ASIAVIEW provides information about the Centre’s activities and research. All articles are copyright and may not be reproduced in any form without permission.

ISSN 1037-6534

ASIAVIEW is produced by the staff of the Asia Research Centre. To obtain a copy or for more information about the Centre please contact Tamara Dent, Administrative Officer, Asia Research Centre, Murdoch University, Western Australia 6150.

Telephone: +61 8 9360 2263
Facsimile: +61 8 9360 6381
Email: arc@murdoch.edu.au