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NALANDA-SRIWIJAYA CENTRE ESTABLISHED

By Tansen Sen



The Nalanda-Sriwijaya Centre at the Institute of Southeast Asian Studies pursues research on interactions among Asian civilisations. It serves as a forum for comprehensive study of the ways in which Asian polities and societies have interacted over time through religious, cultural and economic exchanges and through diasporic networks. The Centre also offers innovative strategies for examining the manifestations of hybridity, convergence and mutual learning in a globalising Asia. The Centre will be inaugurated formally by Nobel Laureate Amartya Sen on August 11.

The goals of the Centre are to:

- ❖ develop the "Nalanda idea" of building for contemporary Asia an appreciation of Asian achievements and mutual learning, as exemplified by the cosmopolitan Buddhist centre of learning in Nalanda, as well as the "Sriwijaya idea" of Southeast Asia as a place of mediation and linkages among the great civilisations.
- ❖ promote the academic study of trans-national Buddhism as well as other aspects of intra-Asian interactions and comparisons.
- ❖ encourage and develop skills needed to understand the civilisations of Asia and their interrelationships.
- ❖ build regional research capacities and infrastructure for the study of the

interactions among the civilisations and societies of Asia.

In February 2009, the Centre, in collaboration with the Singapore Buddhist Lodge, convened an international conference entitled "Buddhism Across Asia: Networks of Material, Intellectual and Cultural Exchange". Drawing 54 presenters from nearly 20 countries, the conference saw the presentation of a wide range of scholarship and elicited much discussion among both presenters and observers. There was also a special session on Nalanda, where the keynote speaker, Professor Amartya Sen, presented a talk entitled "The Buddha and the Modern World". Selected papers from the conference will be peer-reviewed and published in 2010. The Centre has also commenced a monthly lecture series that focuses on intra-Asian interactions. The inaugural lecture, entitled "The Buddhist-Hindu Divide in Premodern Southeast Asia", was delivered by Professor John Micksic of the National University of Singapore. I spoke on "Why Buddhism and Not Hinduism?; Re-examining the Successful Transmission of Buddhism to China" at the Asian Civilisations Museum in June.

The Centre is planning five key projects for which it will be seeking grants and collaborators from around the world. These projects are:

Comparative Diasporas: This project will focus on the study of Chinese and Indian diasporas in diverse cultural and geographical settings. While past studies have focused on Indian and Chinese diasporas separately, comparative studies on these two important diasporic communities have been lacking. This project will seek to understand the interactions, mutual perceptions, and contributions of the Chinese and Indian diasporas in history and in the contemporary world.

Buddhist History and Archaeology in Southeast Asia: Many important Buddhist sites in Southeast Asia remain to be explored. These include



the Bagan and Pyu sites in Myanmar, Palembang, Jambi and the northern coastal sites in Sumatra, Sumberawan and Taruma in Java, southern Thai sites on the peninsula, and Dong Duong and other Cham sites in Vietnam. This project will seek to examine some of these sites in order to understand the impact of Chinese and Indian influences, as well as indigenous developments with regard to Buddhism, that took place in Southeast Asia. In addition, it is hoped to employ the skilled archaeologists working in Singapore to conduct joint surveys and excavations of some of these sites in collaboration with archaeologists of the respective countries.

India-China Interactions during the Late-Qing and Republican Periods:

The interactions between India and China during the colonial period have attracted limited attention. In addition to opium trade between the two regions during this period, there were regular exchanges of people and trade in other commodities. Writings of many of the travellers and visitors, such as Kang Youwei and Ma Jianzhong from China and Binoy Kumar Sarkar and Ramnath Sarkar from India (the latter written in Bengali), have not been translated or researched. This project will focus on these and other aspects of cross-cultural interactions between India and China from 1850 to 1949.

Perceptions of Asia: Asia as both a concept and a reality continues to provoke productive debate. While the Notion of Asia as the “Other” developed within Europe, there are ongoing studies of how certain Asian ideas and concepts perceived Asians and their interrelationships. Such ideas burgeoned during the period of high European imperialism, when prominent Asians strove to define and interlink the various facets of Asia. Recent studies have examined figures such as Rabindranath Tagore, Okakura Kakuzo, Lim Boon Keng and Manhae Benoy. These persons had an imagination of Asia as an abstract entity transcending the imperial and national frontiers being etched by colonial powers, and thereby hoped to provide a prism to refract the light of universal humanity. This project will explore the intellectual, cultural and political conversations across Asia conducted by these intellectuals. The aim is to make a significant contribution to the modern intellectual history of Asia as well as theories of universalism, cosmopolitanism and internationalism.

Chinese commercial networks:

In many ways, East Asia as a system was created through Chinese commercial networks. It was Chinese traders who, from the Song period onwards, created the commerce with which the various regions of East Asia have now been long tied. Song mercantilism and financial

Professor Amartya Sen (left), with Ambassador K Kesavapany (right), ISEAS Director, visiting the Institute in February. Between them in the background is Harvard Professor Sugata Bose.



*Main stupa of Sariputta
in ancient Nalanda
University, Bihar, India.*

*Source:
Wikimedia Commons*

policies were key factors in promoting overseas trade. Initially, Hokkien maritime traders linked Fujian with Korea, and later in the 11th century, with the ports of Vietnam and Champa. These links extended over the succeeding centuries to Taiwan, Japan, the Thai polities in the Chao Phraya river basin, and the ports of insular Southeast Asia. The 15th-century rutter, *Shun Feng Xiang Song*, provides a compendium of routes utilised by Chinese seafarers through much of maritime East Asia, showing how all the major ports were connected by Chinese seafarers, trans-shipping goods and ideas throughout the region. The 17th and 18th centuries saw Chinese junk trade to Nagasaki further linking up commercial nodes in East Asia. By the 1780s, it can be said that an entirely new economy had been created in East Asia through Chinese maritime and commercial activities and it is thus that the 18th

century in the region is known as the Chinese century. Asians had created their own capitalist economy in the area and this provided the foundation for the subsequent European colonial economies. The period of high imperialism in the 19th century saw a decline in Chinese shipping activity but an increase in the frequency of European shipping that assisted in maintaining Chinese commercial networks, some of which have remained active even into the 21st century. The project aims at a textual study of the rise of Chinese commercial networks in East Asia, their development and scope over time, and the roles that they played in developing regional cultural interactions, commercial links and new economic modes throughout the region.

Dr Tansen Sen heads the Nalanda-Sriwijaya Centre.

FTAS OPEN UP OPPORTUNITIES DESPITE ECONOMIC DOWNTURN

By Sanchita Basu Das



The times are again challenging the ASEAN private sector to manage costs and explore opportunities. The financial crisis and the subsequent economic downturn represent a significant upheaval in the evolution of ASEAN companies. With sectors such as financial services, the automotive sector and Information Technology (IT) intrinsically linked to the global economy, companies are experiencing a reduction of capital expenditure and corporate spending. In addition, there are hiring freezes and organisations struggle to have access to credit facilities for new investment.

But there could also be some unexploited opportunities given the many trade agreements that ASEAN has signed over the past two decades.

ASEAN represents one of the world's most successful regional organisations. Although its 10 members have only three per cent of the world's land area, it has a growing market of 570 million people and a combined Gross Domestic Product (GDP) of US\$1.1 trillion. ASEAN's prosperity depends on trade since its ratio of exports to GDP is almost 70 per cent. The group's economic geography is as spectacular as its topography. Investors benefit from its intricate networks of production that span the region and extend to China, Japan and South Korea in East Asia and India in South Asia. Instead of finished goods, much of the region's trade is in parts such as car components and labour-intensive tasks.

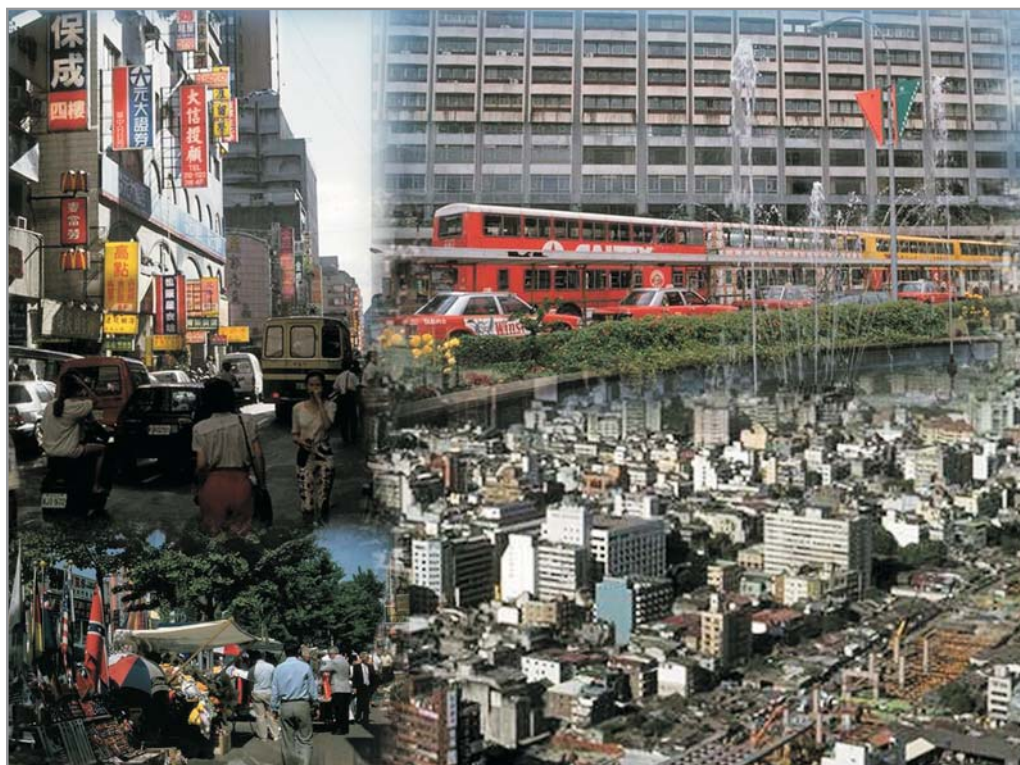
Given this, an ASEAN trade agreement offers several ways to access other markets effectively and at the same time strengthen economic cooperation with neighbours. The ASEAN private sector can take advantage of factors such as geographic proximity, complementary endowments of production factors,

and growing economic ties so as to ameliorate some of the negativity from the global economic downturn.

In 1992, the ASEAN Leaders launched the ASEAN Free Trade Area (AFTA) with the signing of a Common Effective Preferential Tariff (CEPT) Scheme. This required member-countries to reduce their tariff rates on a wide range of products traded within the region to 0 to 5 per cent. ASEAN companies can take advantage of this agreement of AFTA, which has been fully operative since January 2003. As ASEAN becomes a free market with the elimination of tariff and non-tariff barriers, businesses will be able to expand exports and enjoy economies of scale. Moreover, participating in AFTA could make these companies stronger regional players.

Since the beginning of 2000, ASEAN has also signed several bilateral FTAs with external partners. While enacting FTAs with China and Korea, ASEAN has completed its negotiations with Australia-New Zealand (CER) and India, and is considering negotiating with the European Union. Some ASEAN members like Singapore and Thailand are actively pursuing bilateral FTAs and have already established links with major economies and markets such as the United States, Japan, Australia, New Zealand, India and China.

ASEAN companies should explore these new markets, especially the two fastest growing economies – China and India. They should lower their dependence on the markets in Europe and the US as these could be one of the causes triggering the crisis. Cooperation with the neighbouring Asian countries could enhance their immunity from further crises. For example, in November 2004, ASEAN and China concluded an FTA; they also signed the trade in services agreement in January 2007. This kind of FTA cooperation could lower



bilateral trade costs and increase combined trade volume between the countries. Between 2004 and 2007, trade volume between China and ASEAN increased from US\$105.9 billion to US\$202.5 billion, attaining the trade target of US\$200 billion, set by leaders of the two sides, three years ahead of schedule.

It should also be noted that when there is a downturn, FTAs could help to explore opportunities in sectors where competition may have been weakened. For example, while there is a general belief that doing business in the US market is expensive, Singapore companies can use the Singapore-US FTA in the current crisis and can seek opportunities in sectors where competition has been shaken. With lower tariff rates and investment protection, the FTA allows a Singapore company to operate in the US market at a much lower cost; it is also guaranteed protection from loss of investment.

Moreover, tariff concession in FTAs boosts competition and efficiency and, in times of downturn, this is a great opportunity for businesses to effectively grow and diversify their revenue stream. The healthcare sector is already taking advantage of this and is building up its business model around FTA activities. This

is especially so because many ASEAN countries are struggling with rising healthcare costs on account of an ageing population and sexually-transmitted diseases. FTAs offer countries opportunities for mutually beneficial cooperation in healthcare activities, and in generic and other drugs.

Thus, in the current scenario, where growth opportunities are diminishing for businesses and the focus is shifting to cost-cutting measures, FTAs open up new avenues and new sources of generating revenue. ASEAN, with its extensive network of FTAs, should encourage its private sector to seek opportunities following the terms of agreement signed over the past few years. It should provide windows/units where businesses can receive support and assistance on how best to increase their markets and handle operations around the world. These units, with their deep knowledge, can help ASEAN businesses execute their operations successfully, especially with the group's FTA partners.

Ms Sanchita Basu Das is a Visiting Research Fellow and the Lead Researcher for Economic Affairs in the ASEAN Studies Centre at Institute of Southeast Asian Studies. These are her personal views.

OBSTACLES TO KOREAN UNIFICATION

By Ji Hyun Kim



There is a famous Korean song longing for the unification of Korea. It goes: "Our wish is unification/ even in dreams/ devoting our lives..." Whenever there is an inter-Korean event, this song is sung at the dramatic finale to the closing ceremony by participants from both sides, holding hands and in tears. As seen in the lyrics, it has been most South Koreans' long-cherished desire to live in one Korea so that they can travel across the nation freely, meet members of families torn apart for more than half a century, and be more prosperous than living in separated families.

South Korean activists, many of whom are university students, have urged the government to adopt more benign policies towards North Korea and to take the initiative to unify the nation without involving other countries, which would always consider their own interests in the peninsula as a top priority. Those efforts, which took the form of the Sunshine policy, were somewhat effective, although they attracted the criticism that they were a rather poor strategy since there was no sincere change in the North Korean regime. That was the case till the incumbent conservative administration took office and shifted the line in early 2008.

Also, there are now fewer South Koreans, especially among the young, who eagerly support the unification of the Koreas. More young South Koreans

see North Korea as a neighbouring "country" which is needy, is a bully or is sometimes clever enough to get away with diplomatic brinkmanship. While the Constitution of South Korea does not recognise North Korea as a legitimate government or as a state, for young South Koreans, mostly born after the 1980s, North Korea is a "foreign" place where people speak a divergent Korean, have a totally different socio-economic system, and show endless loyalty to their dear leaders' pictures. Current circumstances of no civil interaction make things even worse. It is hard for the young generation to imagine and persuade itself that Koreans on the two sides are actually the same people. The concept of a "nation," once advanced in unification propaganda, is just rhetoric.

Even if some agree with the idea of a unified Korea as one nation, there is another obstacle that makes them likely to hope that unification will not occur in their generation. This is because it would cause chaos for a while and impose the burden of suffering on them. Given the fact that South Korea's economy is going through one of its hardest times and that young people are most severely hit by the economic crisis, it is natural for them to fear the enormous impact of unification on competition in the job market and social stability. On the other side of the ledger, of course, the good news would lie in a huge cut in military spending. However, the benefit from this cut would be spread very thinly across the nation, while individuals would feel directly the heavy cost of unification.

Older generations who once lived in one Korea and share memories of the struggle against the colonial Japanese, the Korean War and separation are passing away. Young South Koreans do not possess those memories and tend to be indifferent to unification. What is of concern is that there is lack of preparation of the social consciousness

on unification. Hence, regime change in Pyongyang or something else that leads to unification suddenly could be disastrous.

Moreover, just as Korean separation has never been an issue only to the two sides, unification cannot be a matter just for them. Annually updated regional outlooks from Northeast Asian countries have placed the North Korean issue for years as their top priority or at least second most impending security threat.

The stalemated Six-Party Talks on North Korea, held among the two Koreas, China, Japan, Russia and the US, show that unification is not something that can be achieved easily. It is hard to foresee accurately the possibility and time frame of unification, the route to it, and its aftermath because of the closed nature of the regime in the North. This situation makes the regional powers prefer the status quo rather than

add unification as one more factor of uncertainty that might threaten their own national security. The threat could range from war in the peninsula to its opposite: the appearance of a unified Korea as a nuclear power.

However, given that the status quo might be thrown off balance, preparations need to be made on unification, such as nurturing feelings of social solidarity, developing an economic infrastructure, and preparing a set of political rules. New approaches will be needed to convince young South Koreans because it is they who will suffer or benefit from unification.

Ms Ji Hyun Kim, a Masters of Arts degree student at Seoul National University, was an intern at ISEAS from December 2008 to February 2009. This article was written before the latest developments in the Korean Peninsula.



THE WORK OF ISEAS' COMPUTER UNIT

By Natarajan Nagarajan

From a single stand-alone desktop in 1993 to more than 150 workstations connected to the Gigabit Ethernet backbone in 2009, ISEAS' IT infrastructure has grown to support the increasing demands of its Research and other units.

The unit serves the Institute through implementing new technologies, maintaining IT infrastructure, and providing technical services and support.

The unit maintains the network infrastructure, which contains the high-speed Gigabit Ethernet (GE) on the backbone and fast Ethernet connection to desktops. The WAN Connections include a link to SingNet for the Internet access and a leased line connection to BIG (Broadband Infrastructure for Government) for accessing government services.

The unit maintains more than 15 servers running on different operating systems, and also 15 appliances. The unit deploys servers and desktops and supports more than 150 workstations. It does regular backup of various ISEAS' systems, creates the desktop image of workstations for easy recovery, and coordinates with the vendor for regular off-site storage of backup tapes. The unit's main priority is to minimise down time and provide efficient support.

The unit maintains various databases and applications, and provides account

management and technical support to the Administration, Library and Publications units and to Research staff, visiting researchers and trainees. The unit also assists the various units in installing new applications, upgrading the software and in data migration.

The unit does regular updating of ISEAS' main website, which includes an average posting of over 200 articles in the Viewpoints section and the listing of more than 100 events on the website every year. Recently, the unit helped the ASEAN Studies Centre and the APEC Study centre to launch their mini websites.

The Computer Unit maintains the computerised smart card security system and sets up the necessary access rights. It looks after the Institute's IT security infrastructure, which includes the management of firewalls, IPS, and mail and web filters. It promotes security awareness among staff.

The unit manages the IT budget and prepares IT development proposals for new projects. It prepares the tender documents for relevant IT projects, evaluates the tender proposals and provides recommendations to management. It coordinates with various Ministries on the implementation of various IT policies, security and compliance issues, and advises management on those issues.

Mr Natarajan Nagarajan is the head of the ISEAS Computer Unit.



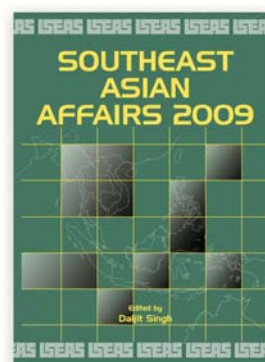
SOUTHEAST ASIAN AFFAIRS 2009 OUT

Southeast Asian Affairs is an annual review of the region that ISEAS has published since 1973. Written in an attractive, readable style, the book is meant not only for the specialist but also for the general reader with an interest in Southeast Asian developments. It is also used for teaching or as a reference book in universities with Southeast Asian studies.

The latest issue, *Southeast Asian Affairs 2009*, edited by Daljit Singh, has an interesting mix of writers, including well-known names like Jusuf Wanandi, Tommy Koh, Carlyle Thayer, Michael Vatikiotis, Martin Stuart-Fox, Hal Hill, Peter Warr and Vu Quang Viet. The 415-

page volume, with 21 chapters, contains reviews of each of the 11 countries of Southeast Asia, six country-specific special theme essays, and four regional essays.

The special theme essays include one on prospects for the Philippines economy, the war on drugs in Myanmar, the effect of the domestic political crisis and the global economic crisis on the Thai economy, and an analysis of how policy follies caused Vietnam's 2008 economic crisis. The regional essays examine the role of mediation in armed conflict in Southeast Asia; the performance of ASEAN economies in the midst of the economic crisis; the challenges facing ASEAN and Southeast Asia; and issues related to maritime security.



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