Everyday Politics of the World Economy

Edited by
John M. Hobson
and
Leonard Seabrooke
9 Diasporic agents and trans-Asian flows in the making of Asian modernity: the case of Thailand

Ara Wilson

This chapter explores Asian agency in the making of capitalist modernity in Thailand. The previous chapter, by showing how the West was shaped throughout its formative period (500–1800) by all manner of Eastern agents and influences, argues that East and West have never been discrete civilisations but are better understood as ‘creolised formations’. This chapter brings the critique of Eurocentrism up to the present day. It challenges the Eurocentric view that Asian modernity has been constructed by, or is derivative of, the West. Instead, I show that Asian modernity has been significantly produced by the agency of the Chinese diaspora and trans-Asian flows (for a full account see Wilson 2004).

This chapter analyses the making of modernity in Thailand through a social history of the consumer economy in Bangkok, which has materially and symbolically created a modern infrastructure in Bangkok. Drawing on historical, ethnographic and feminist approaches, I present an extended discussion of one major Sino-Thai family business in order to illustrate the grounded practices and processes – including kinship and gender relations – behind capitalist development in Thailand.

As the discussion of Bangkok’s department stores makes clear, Thailand’s capitalist modernity was produced by Asian actors and trans-Asian flows. The key entrepreneurs in Thailand’s development came from the Chinese diaspora in Southeast Asia. The role of the overseas Chinese in the region’s economies is a well-rehearsed topic, first as ‘aliens’ subject to anxious scrutiny from nationalist states and Western powers and more recently as heralded models of ‘Asian values’ that promote capitalist ethics and stable investment climates. Although these views credit Asian economic agency, their Orientalist lens obscures the concrete social processes that fostered modernity within Thailand. A better understanding of these developments requires conceptualising culture, identity and modernity differently.

This chapter draws on feminist theory and post-colonial approaches to highlight the dynamic social dimensions of capitalist modernity in Asia.
Diasporic agents

Thailand (Siam until the 1940s) was never formally colonised by Europe. Although it was never subject to colonial rule, Siam/Thailand did not escape Europe’s imperial and commercial dominance during the period of high colonialism in the region (and was occupied by Japan during the Second World War on the East Asian International Order, see Shogo Suzuki in this volume). In the nineteenth and early twentieth centuries, Europe forced Siam to adopt economic treaties and political arrangements that were favourable to their interests. Europeans dominated the Thai import-export business, Siam’s major trade. Colonial-era trade intensified Thai rice production with far-reaching effects in the city and countryside. However, European and later US dominance was limited in time and scope. Europeans’ presence was confined to the capital city and their enterprises to import-export businesses. They did not modernise the country. Instead, the deep social transformations associated with modernisation were achieved by the Thai state (which is a separate story) and by the creole Sino-Thai business community, the focus here. Their agency impacted the domestic, regional and ultimately world economy.

One notable representative of Asian agency in both state and commerce is the former prime minister of Thailand, Thaksin Shinawatra. A billionaire tycoon in the information technology field, Thaksin descends from a nineteenth-century immigrant to northern Thailand who began a textile business. The Shinawatra family developed this enterprise into a leading silk manufacturer and expanded into bus lines, real estate, movie theatres and politics. Thaksin and his wife parlayed family money and government connections to create an enormous corporate empire centred on information technology. As the tycoon prime minister, he became the emblem of modern Thailand’s possibilities (Wilson 2004: Ch. 4).

The businesses choreographing Thailand’s contemporary economy are run by Sino-Thais and have their roots in the 1920s to 1950s. The ancestors of many in this business class came to Thailand from south-central China during the massive emigration of the 1920s, a wave that included far more women and married couples than before. Some began in agricultural businesses, notably rice milling and trading. The Charoen Pokphand (CP) conglomerate, a leading global agribusiness, began as a Bangkok shop selling seed grown on the family farm in China. Others serviced the growing urban population with general stores, brothels, saloons, laundry services and the like: the Chirathivat family I discuss below is one notable example. The Shinawatra family represents one of the few families involved in manufacturing (textiles) before the 1960s.

Migrants and their descendants formed creole Sino-Thai communities, some of which consolidated into the major business and professional class in Thailand. They raised capital from their small shops, family and diasporic social networks. They sent money to families in China, producing a huge flow of remittances that caused alarm for the Thai state and Western observers, but that also enabled diasporic finance entrepreneurs to develop banking in the region (e.g., the Bangkok Bank). Trans-Asian capital flows drove Thailand’s economy during much of the twentieth century. With the emergence of banks, local wealth was transformed into larger sums of capital to expand businesses or start new ventures as new opportunities arose.

Family enterprises made pragmatic accommodations to various powers: Europeans, Japanese occupiers, or the Thai state. Even though the Thai government enacted anti-Chinese policies, Sino-Thai businesses formed key alliances with government and military figures (Pasuk and Baker 1995). They also exploited opportunities raised by diminished European influence. This creole Sino-Thai community forged the modern sectors of the capitalist economy in Bangkok: agribusiness, commerce, real estate, finance, manufacturing, tourism and telecommunications. They articulated the domestic with transnational economic and cultural flows. To understand the background to Thailand’s modern economy, then, we require an ethnography and social history to illustrate the everyday nature of international political economy. In this sense a portrait of a prominent Sino-Thai business family, the Chirathivats, serves as a basis for an analysis of how diasporic Asian agents have shaped Thai and transnational capitalist modernity in ways that illustrate both axiomatic behaviour and hybridised mimicry.

From shophouse to department store

The Chirathivat story is well known in Thailand, often recounted in the business press. The standard version of the story focuses on the patriarch Tiang (? –1968) and his eldest son Samrit (1925–92). The Chirathivat family began in villages on the island of Hainan, impoverished from years of strife with China’s regimes. In 1927, Tiang and his first wife, Waan, and their two-year-old son (later given the Thai name, Samrit) travelled by junk to Bangkok, where Waan’s parents had already settled. They joined the large flow of mixed-gender migrants from China. In Thailand, the couple took part in ethnic (Hainanese) and cross-ethnic Chinese networks that extended into the region.

Borrowing money from Waan’s parents, the couple opened a general store. On the first floor they sold coffee, short-order food and odds and
ends. On the second floor, Waan worked as a seamstress. Shops like the Chirathivats' sold imported canned milk, kerosene, or novelty items, as well as local manufactures like cigarettes, matches and soap. Father and son purchased the retail goods from Sampeng, a crowded lane in 'Chinatown' that was the nation's major wholesale market for consumer goods. The Chirathivats' shop produced enough income to support a growing family: Tiang married two more women and fathered 26 children. The business allowed them to rise in class status and educate their children at top schools in Thailand and later abroad.

During the Second World War, even as the occupation by Japan and violent conflict brought undeniable suffering to the country as a whole, and to the Chirathivat family in particular ways, the retreat of European enterprises during the war provided openings for local Sino-Thai entrepreneurs (Pasuk and Baker 1998). Sino-Thai businesses supplanted Europeans as the brokers for Thailand's intersection with the global economy, serving as polyglot agents crossing national and cultural borders. Families like the Chirathivats were well placed for this role. The eldest sons, well educated and trilingual, had rich social networks through school, family and outside jobs. Samrit had connections that extended into the diaspora communities in the region, for example in Singapore. Using these connections, he became the sole agent for Western brands in Thailand, a role formerly monopolised by Europeans.

In 1947, with capital from his father and friends (guaranteed by his wife's gold necklace), Samrit opened Central Trading Store selling foreign magazines. The new shop was a transitional moment in the transformation from local shophouse to modern retail. It still operated as a family business and the family lived above the store. But in content and organisation, the business was more and more differentiated from the ethnically inflected, small-scale Chinese family shop. These distinctions were not an accident but deliberate strategies that reflected the adoption of new conventions that would become rigorous cultural norms. Samrit emphasised modern marketing techniques, introducing Thailand's first showcase for displaying goods. He advertised the store extensively: fliers announced new 'sweaters', 'neckties' and 'petticoats', using transliterated English terms and Western name brands (Samrit 1992: 141). Samrit saw the need for modern goods that suited the growing cosmopolitanism of the post-war Thai bureaucratic and business classes and their orientation towards Western styles, goods and knowledge.

In 1956, the Chirathivat family opened Central Department Store, the largest and most comprehensive store in Thailand. It was located in Chinatown, which from the 1950s through to the 1970s was the heart of consumption in the city: Central Department Store was the department store. It provisioned the transforming and consolidating elite classes of old guard Thai elite, government bureaucrats, business and professional families. The Chirathivats parlayed post-war opportunities, state policies, social networks, family labour and Sino-Thai capital into a profitable enterprise. Over a few decades, Central grew into the largest department store chain in Southeast Asia and reported 'a sales-per-square-foot figure equal to Macy's' (Business in Thailand 1981: 35). By 1993, Central had ten branches in Bangkok and expanded the retail boom to the provinces.

The department store business generated handsome profits that the Chirathivats invested in a diverse range of enterprises. They evolved Central into a conglomerate of thirty interrelated companies involved in retail, hotels, property development, manufacturing and fast foods, with interests in publishing as well. These projects involved collaboration with corporations from the West (e.g., the US, Australia, France and the Netherlands) and Asia (e.g., Hong Kong and Myanmar). Central continues to expand further into the Asian region.

The prevailing business form in Thailand remained a hybrid mode that combined kinship and corporate relations. The Central conglomerate, for example, remained by and large a family affair. Samrit's brothers were leading executives in portions of the diversifying empire; they also sat on the boards of other organisations. Central employed Chirathivat offspring and in-laws, including daughters: one is the president of the Central Department Store company; another is an executive at the chic Zen Department Store. Such elite business families form Thailand's capitalist class, solidifying those ties through intermarriage and joint investments. (Chirathivat offspring have married the children of this class as well as such other notables as a beauty queen and a member of the Thai royalty.)

Asian modernity

Modernity in the Third World is often figured as Western in at least three ways. First, modernity is attributed to Western agents, states, culture and capital: modernisation and capitalist development in the Third World thus represents Western penetration. Second, the global in globalisation is often conflated with, or centred on, the West. It is assumed that transnational flows are controlled by Europe or the United States, which are the hubs of globalisation (see also Andrew Herod's chapter in this volume). Third, symbols of modernity – skyscrapers, Western brands, Hollywood – signal Westernisation and global homogenisation: Western styles and elements are assumed to have the same meaning everywhere. A critical, grounded analysis of Thailand's consumer economy challenges these
assumptions and the conceptions of Western, modernity, culture and identity that underpin them. In this section, I address the first two overlapping conceptions of globalised modernity as a Western creation.

Western capital has played a part in modernising Thailand. The United States injected millions of dollars into Thailand during the Indochina conflicts for projects relevant to the agendas of the US and Thai military and the Thai authoritarian state. However significant, the amount and application of this money had less impact on the development of the capitalist economy than is often assumed. Direct foreign investment from the United States remained limited; even into the 1990s, when legal changes gave global finance capital more liberties, most Western capital took the form of short-term investments. Only after the 1997 Asian economic crisis did Western corporations come to claim much power in the Thai economy. The major investments behind the modern economy – that funded gleaming new shopping complexes and bleak industrial parks – were Asian: primarily Sino-Thai and Japanese, followed by newly industrialised countries (NICs) and China.

An examination of Central Department Store and Bangkok’s consumer economy challenges the conflation of West and modern that characterises conventional international relations. The example of the Chirathivat family business shows that modern retail in Thailand was the consequence of strategic practices within Asia that reflected hybridised mimicry. Leading Thai and regional corporations emerged from the interplay of ethnic, kin, commercial and state institutions. The key agents were the Sino-Thai entrepreneurs (including their families) who combined Asian and Western capital, technologies and styles. Clearly, the Chirathivats were not merely passive consumers of Western systems, but active innovators, interpreters and agents in economic development. As Samrit Chirathivat writes, ‘Our success grew out of our determination to bring Thailand into the modern world’ (Central Department Store, 2001).

Asian businesses launched the symbolic and economic dimensions of capitalist modernity in Bangkok. By the 1980s, the Thai economy was growing at one of the fastest rates in the world. Asian investors like the Chirathivat family shifted into new sectors: manufacturing, real estate, hotels and services. They invested in industrial factories producing goods for export. They constructed hotels, which had become trophy investments, but which also provided the rooms for the burgeoning tourism industry, which earned more foreign currency than any other sector. Unfolding developments in the state policies, urban space, capital and popular culture created a fertile climate for Bangkok’s consumer economy.

Profits from these fields fuelled speculative real estate investments. Downtown rents escalated. Bangkok appeared under construction, as office buildings and commercial venues sprouted across the expanding city. By the mid-1980s, Bangkok had thirty-nine branches of department stores, seven shopping centres, and seventeen more complexes underway. Speculative investments sculpted a new geography of the city oriented to commercial venues, and brought a shopping complex within reach of all Bangkok residents with some cash to spend. Asian development created a modern infrastructure and the modern workers and consumers to fill it.

The consumer economy was encouraged by the Thai state, which saw corporate retail as an important marker of Thailand’s progress and encouraged new conventions that supported it (in contrast to disorderly street markets or old-fashioned shophouses). The business press agreed, noting that the opening of an enormous new shopping mall ‘shed[s] new light on the further growth and expansion of Bangkok as a truly modern Asian city’ (Business Review (Thailand) 1984: 24). With the proliferation of shopping malls, Bangkok’s downtown was compared to Singapore, Hong Kong or Kuala Lumpur. These comparisons serve as a reminder that international need not imply Western. Thailand’s transnational linkages were not only to the West but also, often more immediately, across Asia. Consider tourism to Thailand, a topic that conjures up images of Western backpackers or sex tourists: more than half of the business travellers and tourists to Thailand come from Asia (Tourist Authority of Thailand, 2005). As many have suggested, there are different modes and plural histories of modernity: some of these are centred within Asia. The economic history of Bangkok’s consumer economy presented above reveals the regional and domestic nature of development in Thailand. Asian resources installed the architecture and cultivated the subjects that appear as modernity in Asia. These processes point to the ironic nature of Asian modernity, however: Asian actors produced a modernity that obscured its own Asian origins.

Western Asian style

The conventional views of global modernity revolve around conceptions of nations, agents, capitalism and global processes that themselves are predicated on usually unexamined notions of culture, social life, identities and power, notions which have been subject to critical revisions in a number of fields, notably anthropology, social theory, feminist theory and post-colonial scholarship. These critiques suggest that, in order to recognise Asian agency, we need a more social and cultural view of global
political economy. The following discussion uses an ethnographic and a social historical lens to illuminate the social and cultural dimensions of capitalist modernity in Asia in a number of ways. I first show that Western elements have particular histories and meanings in Thailand and that signs of the modern derive from within Asia as well. Next, I bring a feminist perspective to show the gendered origins and effects of Thailand’s consumer economy. Finally, I show that the identity of Chinese Thais has changed over time in ways that complicate an essentialist understanding of Thai and foreign actors. Revising the concepts of culture, economy and identity, these arguments revise Eurocentric, androcentric and Orientalist understandings of modernity.

Asian consumer culture is chock-full of Western brands, manufactures and designs. Central Trading got its start peddling American magazines, neckties and sports shirts. Western styles in non-Western landscapes suggest a recent borrowing or a wistful mimicry. Imported goods, techniques and terminology reinforce the assumption that modernity came from outside Thailand, specifically from the West. I address this set of assumptions in two ways. First, acknowledging the undeniable popularity of English terms and Western goods, I consider their local meanings. Ethnographic and post-colonial approaches stress that ‘foreign’ elements are ‘indigenised’, interpreted and modified in relation to local systems of value (Iwabuchi et al. 2004: 2). Second, I point out that another powerful source of influences in Thai society comes from within Asia, trans-Asian flows that are obscured by the assumption that modern consumption is Western. Even seemingly Western influences found in fashions, body ideals, or terminology, may come from global cultures of Japan or Hong Kong, rather than from the United States.

The choice of an English name for the Chirathivat’s department store, Central, is an occasion for considering the complexity of Western elements in Thai culture and the use of hybridised mimicry. The preference for an English word confirms its global hegemony as the argot for finance capital and the premier signifier of modernity. In Asia, the ability to speak English confers cultural capital. English was undeniably an indispensable business tool; Samrit was proud of his ability to draft contracts in the lingua franca of commerce. Bangkok’s new constructions rely on English place terms like Plaza, Place, Centre or Square. This use of English reflects the orientation of elites, the main consumers of real estate and consumer goods. Their participation in the linguistic hegemony of English reflects not only global power relations but also their navigations of domestic social hierarchies. But the linguistic hegemony of English is incomplete, and it is important to consider how English is used and interpreted.

In fact, the origin of the name Central reflected a synthesis of Western and Chinese influences. According to store history, Samrit derived the name ‘Central’ from an idea of his father’s. Thang admired a system of the Chinese government called ‘Tong Iang’, or ‘Central’ (klang in Thai), which managed conflict among political factions. Samrit ‘chose the word that had the same meaning in English, “Central”, meaning “the heart or the center”, to indicate the center of goods and service that best met the wishes of customers’ (Samrit 1992: 142; Central Department Store 2001). The choice of an English name illuminates the entrepreneurial pragmatism of Chinese Thais within a context of Western powers and local anti-Chinese sentiments. Yet patently Western images of the modern, like the term central, are woven from multiple strands.

In the 1950s, the name Central indicated modernity not only because it was English, but also because of its connotations, which resonated with post-war visions for a modern economy. Samrit saw a fit between a Chinese political system and the new mode of retail. Centralisation conveyed the economic ideal of the day, which was large-scale, vertically hierarchical and separated into clear functions (compared with later corporate emphases on decentralisation, niche marketing and plurality). Samrit’s interpretations of ‘modern’ retail lay not just with the imported goods or English terms, but also with the infrastructure and operations of the business. His reference points were not only Europe and the United States, but also China and Asia. Significantly, early branches of the store displayed the name in Thai, Chinese and English. In everyday life, English has not supplanted, but supplemented Thai. (The Chirathivat family’s real estate enterprise is named Central Pattana, using the Thai word for development, which itself is an indigenised concept.)

The meanings of foreign languages and products are constructed in relation to local systems of interpretation and often combined in new hybrid forms. In this way, English terms can also be seen as design elements in Asian culture, the way overseas Chinese applied European details to the facade of vernacular infrastructure in the homes they built in pre-revolution China, or in the way Thais wear t-shirts bearing English phrases without caring about their meaning.

Attention to ‘Thai’ interpretations of Western-ness or the English language reveals diverse meanings that are shaped by local social realities. Thailand employs both British and American spellings, sometimes in the same text, as when I worked with a British-educated elite Thai professional producing the program (or programme) guide for Shinawatra’s cable television concern. England and British style are favoured by Thai elites. Middle classes are often more oriented to US culture and schools. Tellingly, however, elite Thais are also oriented to Asia, where high-level
connections facilitate Asian capital flows and political alliances. These elites are the ‘flexible citizens’ described by Aliwa Ong (1999); the diasporic entrepreneurs who smoothly operate across national borders and in different economic zones. A cardinal example is Phaksin Shinawatra, who has personal ties to former members of the Khmer Rouge, Chinese businessmen, World Trade Organisation officials, as well as George W. Bush.

Asia is a vital source of technology, culture and models for Thailand. For Thais, many symbols of modernity are Asian. The reference points for Bangkok’s downtown are Asian cities – Kuala Lumpur or Hong Kong rather than Los Angeles. Hong Kong epitomises the market society; Japan signifies hip style. In 1964, Daimaru department store, a subsidiary of a two-centuries-old Japanese firm, opened a branch in Bangkok. It introduced the enthralling innovations of escalators and air conditioning. After Daimaru, other Japanese stores entered Bangkok: Jusco, Tokyu, Sogo, and Isetan, among others. Japanese retail upset the conventional belief that the US is the source of innovations in consumerism. Since Daimaru’s escalators, much of what counts as modern retail is attributed to Japan: avant-garde comfort, leisure centres and an emphasis on convenience (Nakagawa 1987; Samrit 1992: 154). The undeniable popularity of Western brand names can obscure the significant flows of styles, goods and media within Asia.

Koichi Iwabuchi, Stephen Muecke and Mandy Thomas argue that ‘intra-Asian cultural traffic of popular and consumer culture … has produced a new mode of cross-cultural fertilisation and Asian modernities which cannot be a mere copy of Western counterparts’ (2004: 2). Thais consume Bollywood films, Hong Kong serials, self-help guides based on Chinese lore, Thai updates on the Ramayana and Filipino jazz bands. This traffic is changing conceptions of identity and aesthetics in Thailand. An emerging pan-Asian body aesthetic draws on Caucasian markers (large breasts, prominent noses) but incorporates Japanese fashions and Chinese features as well. The ‘Chinese’ type has become esteemed because they are associated with financial success and romanticised notions of Chinese ancestry. A singular focus on Westernisation reflects Western hegemony, which cannot see differentiated and recombined Asian cultural exchanges, as well as static and essentialist conceptions of Asian culture.

Gendered modernity

Recognising Asian agency in forging global modernity calls for different approaches to the characteristics of the global and modern. Taking an ethnographic approach, I interpret capitalism as culturally shaped practices that take place in a social context structured by a larger political economic setting. Informed by feminist and post-colonial theories, this view of capitalism allows us to consider the question of agency differently: to introduce actors who are neglected in conventional theory (notably women) and to recognise that the identity of actors is complex, as their affiliations and positions change over time.

Business and popular accounts of Central Department Store follow the rags-to-riches formula in which individual masculine energy, inspiration and agency result in success. Feminist perspectives challenge such individualist and masculinist narratives by revealing the social and gendered labour behind the corporation (e.g., Yanagisako 2002). As Susan Greenhalgh (1994) notes, ‘de-Orientalising the Chinese family firm’ entails recognizing the place of women, gender and kinship in the economy.

The formal economy of Thailand has been intertwined with, and dependent on, informal realms of kinship, households, gender and ethnicity. This mix was integral to Sino-Thai businesses that developed the modern capitalist economy and once again signals the importance of axiological behaviour to the creation of Thai capitalism. For example, in the shophouse, which was the predominant business form in Thailand until the 1980s, families and hired hands typically lived and worked together. The Chirathivat clan, for example, lived above their store until the 1950s. Even when they moved to a separate residence, they continued to live together in a large compound. In the Sino-Thai shop, domestic life intimately overlapped with business operations. Shophouses combined production, distribution and consumption. Indeed, as an economic form, the shophouse model is considered premodern because it combined functions that were ideally separated in a ‘modernising’ economy (e.g., Polanyi 1944/1957).

Women’s labour was crucial to this economy. Family firms like the Chirathivats relied on the work and management skills of wives and daughters (Bao 2004; Basu 1991; Greenhalgh 1994). Some of this work was explicit productive labour: Waan worked as a seamstress and her daughters helped in the stores. But the feminist analysis goes beyond recognising women’s neglected participation in the formal economy to argue that ‘social reproduction’ is central to the operations of political economy (e.g., Bakker and Gill 2003; Mies 1986; Peterson 2003). Tiang’s second wife, Bunsri, for example, did less work in the store, but undertook a major share of household labour, which included childrearing, domestic work, charitable activities and spiritual practices. Bunsri took children shopping and taught them about the value of money and goods (Bunsri 1998: 52–9, 74). Both informal and formal education
prepared the next generation of family workers. Discussions of the Chirathivat family's success typically remark on the tight-knit family feeling: this was the result of what anthropologist Micaela di Leonardo (1987) describes as 'kinship labour'. Accounts of the family marvel at Bunsri's ability to keep the peace in a large, polygynous, multigenerational household. Kinship labour also includes Bunsri's participation in the broader Chinese community, including her family's name group (the Hantrakul Foundation) and her meritorious making at Buddhist temples. These efforts were important for family status, legitimacy and connections, as well as their spiritual well being. Thailand's modern economy was underwritten by this hidden gendered labour.

The feminist analysis of capitalist modernity is not confined to a remedial, empirical issue of adding new participants, but represents a transformation to the analysis of processes and systems that addresses the ideological level, explaining how the gendered dimensions of capitalist modernity have been obscured by discourses about modernisation (Gibson-Graham 1996; Mies 1986; Ong 1999; Yanagisako 2002).

Capitalist development in Thailand emerged from family relations and ethnically based business practices grounded in a shophouse economy. In turn, the processes of modernisation transformed these social arrangements. The department store concretely illustrates some of the far-reaching changes wrought by Sino-Thai innovations. The department store enacted 'the radical division of production and consumption; the prominence of standardised merchandise with fixed, marked pricing; ceaseless introduction of new products; the extension of credit; and ubiquitous publicity' (Walcowitz 1992: 47). Even such a minor example as fixed prices, which Central introduced in the 1950s, had manifold consequences. It changed the work involved in selling, supplanting skills at bargaining and knowledge about goods with formal educational credentials. Price tags also changed the codification of value, making goods easily commensurable with international price systems.

The 'modernisation' process that Sino-Thai businesses and the state advanced in the 1950s and 1960s reduced the place of kinship in the formal economy. The rise of wage labour transferred labour away from family businesses (farms, stores or workshops) to commercial agriculture, the state and corporations. The Chirathivat family, for example, transformed their shophouse into a department store and hired non-kin staff; by 1987, Central Department Stores employed 7,000 people. The erosion of family economies altered the relation of kinship to work, consumption to production and public to private. It rationalised economic spheres, the hallmark of modernisation. These transformations were gendered. Disaggregating business and home changed the economic conception of household labour, associating it with consumption and non-economic affective ties. Just as the sensuous displays of the department store obscure the wage labour that enables it, modern retail obscures the social worlds that produced it – kinship, ethnic ties and the shophouse economy. These transformations fostered a vision of Thai femininity that erased women's participation in the labour force at rates among the highest in the world. They also altered the meaning of the Chinese ethnicity, as I show below.

**Ethnic modernity: from alien to emblem**

Everyday international political economy asks, 'Who acts and how do they enable change over time?' (see Chapter 1). This chapter has shown that Asian families – including wives and daughters – were innovative agents in economic development. Famous within Thailand and even across the region, these actors are considered peripheral only in the West. But the 'who' still invites further consideration. In this case, it revolves around the complex question of Chinese identity in Southeast Asia. As post-colonial and critical theory has shown, ethnic identity is a complex formulation that changes over time. Chineseness in Thailand has a spectrum of meanings, including gendered and sexual dimensions (Bao 2004). The example of Sino-Thai business families shows how Chinese identity has been fraught with economic and political associations and has changed dramatically with modernisation.

For much of the twentieth century (and perhaps continuing to the present), Western and Thai authorities viewed Chinese identity as grounded in timeless culture (e.g., Confucianism). They defined dynamic creole diasporic communities, which incorporated Thai women and spoke Thai, as 'alien', outside of what was considered authentic Thai society. From the late 1930s through to the 1950s, the Thai state attempted to regulate or assimilate 'alien' groups. Resident Chinese were compelled to adopt a Thai surname, follow the Thai version of Buddhism, and place their children in Thai language schools.

Western and Thai authorities recognised Chinese economic activity but credited it to a racial and cultural essence and, for much of the twentieth century, viewed it as a problem, a stranglehold on the 'Thai' economy, and a threat to US, Western and Thai interests. The Thai state accordingly promoted economic nationalism for Thais, using policies like the Alien Business Law to privilege Thai nationals. Given that Thai women have long predominated in local trade, these promotions were specifically intended to incorporate ethnic Thai men into the market economy, a vision of nationalist development that attempted
to change the gender and ethnic nature of the formal economy. Western Orientalism and authoritarian Thai nationalism thus reinforced each other.

Drawing on critical theories, the approach of intercultural political economy advanced in this volume proposes a different view of ethnicity and culture more akin to ethnographic perspectives. This sees identity and culture as realised in practice, situated in broader contexts, and changing. This view revises the image of Chinese as outsiders to authentic Thai identity. Instead, it examines how Sino-Thai forged creole communities in relation to domestic conditions and to global, particularly trans-Asian, contexts. The Chirathivat family succeeded in part because they complied with expectations for Chinese in Thailand. For example, they adopted the name Chirathivat, a Pali-derived name meaning long-standing grand culture. The blending of Thai, Chinese and other practices represents a hybrid fashion typical of immigrant Chinese families and Sino-Thai descendants. As these accommodations suggest, the identity of Chinese in Thailand has changed over the twentieth century. It has shifted from resident alien to a hyphenated Chinese-Thai identity and even to exemplary Thai. As the power of the market economy increased dramatically in Thai society, Chinese identity and images of Chinese culture and history became more positively valued (and even romanticised). The Chirathivat family, Caroen Pokphand and Shinawatra are now considered successful ‘Thai’ family dynasties — even as they strengthen their links to China. Their businesses are represented as Thai in contrast with foreign capital from Japan, the United States or Europe. So complete is the shift from ‘alien’ to ‘Thai’ that in the 1980s, Samrit attempted to have the government deploy the Alien Business Law, which had been developed to regulate the Chinese, against an influx of foreign retail investments (Business Review (Thailand) 1984: 9–10). As Prime Minister, Thaksin Shinawatra styled himself both as the epitome of a cosmopolitan Thai flexible citizen, fluent in the global political economy, and as a populist who understands ordinary Thai people. In 2005, rural Thais — the very figures of authentic Thai society — helped re-elect him by a landslide. The transformation of Sino-Thai identity illustrates the complexity of the identities of actors shaping Asian modernity and the importance of hybridised mimicry as Western capitalist discourses are translated with local Thai meanings.

**Conclusion: the Asian economic crisis**

This chapter has used the case of Thailand to challenge Eurocentric evaluations of global modernity that ignore non-Western (and non-male) actors and informal, social and cultural processes. The prevailing views conflate modernisation with Western forces, viewing signs of the modern in Asia as the result of mimicry or penetration. Critical theorists have criticised the model of capitalist penetration of traditional societies as an explanation of modernising development, as this volume has shown: Feminists, for example, have shown that the obvious sexualised and gendered geography of the penetration model compromises an effective analysis of the operations of power and resistance (Gibson-Graham 1996; Scott 1995). Emphasising foreign capital penetration reinforces a homogeneous, static view of society; it obscures the dynamic interplay of capitalist and non-capitalist systems; and it ignores the significant role that women, labourers and other marginal actors play in economic development (Gibson-Graham 1996; Wilson 2004). I conclude this chapter with a brief discussion of the 1997 Asian economic crisis that modifies the image of penetration with an emphasis on Asian actors and contexts.

In July 1997, bad loans and currency troubles in Bangkok banks led to a financial crisis in Thailand and a harsh downturn in the East and Southeast Asian economies, the effects of which continue to reverberate across the region today. The Asian economic crisis is partly due to the speed and power of global financial flows, most famously hedge funds. In the 1990s, Thailand was compelled to open its profitable economy to outside investors, resulting in an escalation of capital flows, including more capital from the West. However, most of this escalating flow took the form of short-term investments and was funnelled through the Thai economy through Sino-Thai family firms, such as the Bangkok Bank. A bounty of capital led to hyper-investments in speculative enterprises that created a ‘bubble economy’. Thus, the Thai financial crisis was fostered by both global finance and the domestic economy (Wilson 2003). It led to a crisis in economies across the region, a rippling impact still unfolding.

The crisis transformed the Thai economy. Many companies went under. The results of the crisis demonstrated how the official formal economy is intertwined with, and dependent on, other realms that are barely recognised in conventional political and economic theories. Not surprisingly, what sustained people were the devalued yet entrenched practices of social reproduction and the informal economy, both gendered domains that rely on women’s labour in particular. Urban migrants returned to their rural homes. Many people began part-time selling, hawking the goods they bought in better times at impromptu bazaars. The well-known centrality of kinship and ethnic networks to Sino-Thai businesses like Central, Caroen Pokphand and Shinawatra, which had helped explain the success of these enterprises, now became seen as a
problem labelled ‘crony capitalism’. Deeply embedded yet malleable forms of axiomatical behaviour that influence Thai capitalism were therefore decreed from the outside as illegitimate, such as, for example, the Shinawatras’ form of control over their corporate empire. Another example was the close relationship between the Chirathivat family’s Central conglomerate and the Sophonpanich family’s Bangkok Bank. Central, ‘to upgrade its image away from that of a family-run business’ (Duangporn 1992: 71), hired more outsiders, generally foreigners from the West and Asia. Even though the economic crisis was caused by the private sector, the International Monetary Fund (IMF) imposed regulations that targeted the public sector, resulting in a fire sale of state enterprises. As a result of the crisis (and responses to it), there are more Western executives in Thai corporations and Western companies have far more of a hold on the Thai economy than they had before. This focused their critique on this foreign regulation, and the crisis became known as ‘IMF time’ (Wilson 2003).

Yet even with such a blatant example of the destructive force of global capital, a contextualised critical understanding of the Asian economic crisis counters the Eurocentric view of Asian modernity as the creation of Western forces. The Asian crisis itself was not simply the result of capital penetration; foreign investments (which were never solely Western) followed upon, and were funnelled through, a speculative economy generated by creolised business elites and trans-Asian flows – by ‘non-Western’ agents and processes. Asian actors, operating in a broader context shaped by Western hegemonic powers, combined both Western and Asian influences to generate the boom and bust that made Asian modernity. As such, hybridised mimicry was still employed by Asian actors to create new forms that continue to shape everyday practices and in small incremental ways the transformation of the regional and world economies.

10 The agency of subordinate politics: Western hegemony in the East Asian mirror

Shogo Suzuki

At first glance, the political economy of the East Asian international order seems to readily offer a ‘home’ for regulatory theories of international political economy (IPE), particularly the realist version of hegemonic stability theory, where the order is primarily interpreted as an expression of China’s hegemonic interests. East Asia was long dominated by China, and the norms and rules of the regional international order – often (misleadingly) called the ‘Chinese world order’ – were hegemonic constructs shaped by Confucian philosophy (Fairbank 1968b; Zhang 2001). According to this story, official trade between its member states took the form of ‘tributary trade’, where goods were presented to the Chinese emperor in the form of tribute, and the emperor dispensed ‘official favours’ of trading rights and gifts. Furthermore, the order remained remarkably stable; its final collapse only came about in the wake of China’s defeat by Japan in 1895, when China’s last ‘tributary’, Korea, was declared an independent, sovereign state in the Treaty of Shimonoseki.

There are two ways of interpreting this international political order. First, it can be interpreted, in similar fashion to Barry Buzan and Richard Little, as a form of a command model of international relations in which ‘vassal kingdoms or tribes paid tribute to imperial suzerains or, depending on the balance of power, imperial suzerains paid appeasement bribes to supposed vassals in return for not being attacked by them’ (Buzan and Little 2000: 234). The implication here is that states paid tribute to the hegemon whenever the balance of power was in the latter’s favour, in a sense ‘buying’ their security.

Another interpretation is of an international politico-economic order where China played a more benevolent hegemonic role of supplying and enforcing the rules of international economic activity. This view of the Chinese empire as an almost alog, benign power gains some credibility when we consider the fact that China has often been seen as possessing a self-sufficient economy ‘which made supplies unnecessary from abroad’