



WIDER Working Paper 2018/x

Nationalism and development in Asia

Prasenjit Duara*

August 2018

Abstract: This paper identifies historic patterns in the dialectic between nationalism and development across various East, South, and Southeast Asian nations. Nationalism as the rationale for development is used by regimes to achieve high levels of growth, but also generates exclusivism and hostilities, often in order to integrate a political core. Popular nationalism has also dialectically reshaped the goals and patterns of development during the post-Second World War period. The region is divided into zones shaped by twentieth-century historical and geo-political conditions. Colonial and Cold War conditions were as important as internal political and ethnic circumstances. Turning points in the dialectical relationship were common within a region. More recently, a common transregional pattern has emerged with neoliberal globalization being accompanied by exclusivist nationalism.

Keywords: Cold War, colonialism, development, exclusivism, nationalism, region

JEL classification: [maximum 6 including methodology; if JEL classification not relevant to the paper, then delete]

Acknowledgements: [insert text here]

* Duke University, Durham, NC, USA; corresponding author: prasenjit.duara@duke.edu

This study has been prepared within the UNU-WIDER project 'Asian Transformations: An Inquiry into the Development of Nations'.

Copyright © UNU-WIDER 2018

Also published in "Nationalism and Development in Asia" in D Nayyar ed., *ASIAN TRANSFORMATIONS: An Inquiry into the Development of Nations*, Volume II, Oxford Univ Press, 2019.

Information and requests: publications@wider.unu.edu

ISSN 1798-7237 ISBN 978-92-9230-____-

Typescript prepared by Gary Smith.

The United Nations University World Institute for Development Economics Research provides economic analysis and policy advice with the aim of promoting sustainable and equitable development. The Institute began operations in 1985 in Helsinki, Finland, as the first research and training centre of the United Nations University. Today it is a unique blend of think tank, research institute, and UN agency—providing a range of services from policy advice to governments as well as freely available original research.

The Institute is funded through income from an endowment fund with additional contributions to its work programme from Finland, Sweden, and the United Kingdom as well as earmarked contributions for specific projects from a variety of donors.

Katajanokanlaituri 6 B, 00160 Helsinki, Finland

The views expressed in this paper are those of the author(s), and do not necessarily reflect the views of the Institute or the United Nations University, nor the programme/project donors.

1 Introduction

Gunnar Myrdal is justly remembered for his expanded vision of development that accounted for institutions. However, he tended to see nationalism in Asia, fuelled by ignorant and superstitious religiosity, as a principal block to development. In contrast, he viewed European nationalism favourably in relation to development, declaring that ‘in Europe, nationalism despite its association with romanticism, remained secular and rational at its core’. I aim to show that there is a more complex dialectical relationship between nationalism and economic development than Myrdal imagined, not only in post-Second World War Asia, but globally.

Nationalism reveals a common underlying structure of a self–other relationship, which may be expressed variously in different countries and at times. The nation-state’s goal has been to strengthen the nation. Economic development is an important dimension and means of achieving this goal, but equally the demand for the integration of the nation frequently based upon the exclusivism of the self–other binary has periodically raised its head. Meanwhile, popular or alternative views of the nation have also occasionally reshaped development policies and goals. While many Asian nations have successfully used nationalism to achieve high levels of growth and development, this same nationalism has also generated forms of exclusivism and competitiveness that may not easily permit addressing contemporary global problems such as environmental crises.

The analysis in this paper develops a chronological framework that attends to regional distinctiveness. It begins by assessing the legacy of European nationalism in Asia as the twinned ideology of development and exclusion. This legacy entailed national homogenization—often proceeding from a religious base overlain by racial, ethnic, and linguistic expressions of ‘othering’—that contributed to national integration and global economic competitiveness. The global spread of this model eventuated in the two World Wars of the twentieth century. In its aftermath, the UN model of national development, which promoted an inclusive, civic nationalism, tended to prevail in many parts of the world for the next few decades.

Next, the paper considers the role of historical factors in shaping the development outcomes of the post-war period, particularly probing the different legacies of state capacities between Japanese and European imperialism in Asia. While the cruelties of Japanese colonialism have led to its denunciation, the institutions and programmes they established were far better suited to modern development in the Japanese colonies than those of the Europeans. During the Cold War, many of the ex-Japanese colonies and puppet states in the Asian Pacific littoral came under the US security umbrella. The high rates of growth in Korea and Taiwan were achieved by a combination of adapting Japanese colonial institutions and the top-down model of nationalism with the security and economic opportunities afforded by the United States. By the late 1970s, a counter-force of grass-roots nationalism forced through more participatory modes of political and economic governance.

Turning to the populous nation-states of China and India, the paper explores their distance from US hegemony and experiments with more socialistic forms of development. These alternative forms were enabled by the powerful nationalist movements, and particularly revolutionary nationalism in China, premised upon a more equitable contract with the population than the older imperialist order. In both countries, by the last decades of the century, the pattern of national development and the ideals of redistributive justice began to change as a result of economic and political failures and the rise of new classes demanding change and even expressing separatist sentiments.

In Southeast Asia, the relationship is examined for the 1970s–1990s period, when a Japan-centred regional economy emerged. Developments in the 1990s culminated in the Asian financial crisis of 1997–98, leading in turn to political crises in several countries. The region came out from this downturn with new ideas for cementing interdependence within it. The Association of Southeast Asian Nations (ASEAN) has emerged as a significant economic region and even while nationalist competition within it continues, it represents a major force integrating the national economies. Finally, the nationalism–development relationship is explored for the twenty-first century, in which time there appears to be an emergent co-relation between neoliberal globalization and exclusivist nationalism.

2 The legacy of European nationalism

Since the publication of *Asian Drama*, the study of nationalism may well have emerged as one of the most extensive areas of inquiry across the interpretive social sciences and humanities. The rose-tinted view of European nationalism prevalent during Myrdal's time has been stripped to reveal nationalism's twin faces: a developmental approach towards citizens of the majority group coupled with the practical denial of rights to minorities and a periodically hostile, competitive, and warring approach to nations outside its claimed territories. Minorities frequently serve as the hinge group between the outside and inside of the nation, or as the 'internal other' of this nationalism. This dualism of nationalism—the mother of all identity politics—is built upon a self–other distinction and emerges as the deep structure of nationalism that has been apparent over the last 300 years.

Nationalism in Europe was closely linked to imperialism, thus expressing this dualism well into the twentieth century. As Eric Hobsbawm pointed out, imperial expansion was justified by a nationalism, one that was more racist than rational. Hannah Arendt observed that imperialists appeared as the best nationalists because they claimed to stand above the reality of national divisiveness and represent the glory of the nation. Whether in Europe, America, Asia, or Africa, nationalism has periodically expressed itself in both inclusive ways and in more hateful, warlike ways.

Moreover, contrary to Myrdal's narrative of Europe, religion has turned out to be an extremely significant factor in the history of nationalism. The self–other form in which the communal self is represented by the state, whether in reality or aspirationally, arose out of the wars of religion in the sixteenth and seventeenth centuries. The confessional communities of Reformation Europe—Calvinist, Lutheran, Anglican, Catholic—were the historical antecedents of nation-states, where church, state, and subjects became rolled into one as the 'chosen community' antagonistic towards non-believers, whether in the vicinity or beyond the continent. The sovereign nation emerged in the late eighteenth and nineteenth centuries, only after the confessional polity and the accompanying disciplinary revolution enabled the successful formations to become competitive in global capitalism. The states created a relatively homogenized political formation with a common language, national culture, and education system equipped to function in an industrial society and gain competitive control of global resources. While the national community retained the self–other identity form of confessional communities, I have argued that the nation-state translated the holy compact into what has been called the 'congruence of state and culture' defining the nation.¹

Religion remained an important force until well into the twentieth century, but its role was transformed. More than working as an obstacle to development, confessional religion often

¹ For the congruence of state and culture see Gellner (1983). For 'confessional nationalism', see Duara (2015).

became the basis of national exclusivism, even when it was not always so recognized. Carl Schmitt, the German philosopher who joined the Nazis, recognized this clearly:

All significant concepts of modern theory of the state are secularized theological concepts not only because of their historical development—in which they were transferred to the theory of the state, whereby for example, the omnipotent God became the omnipotent lawgiver—but also because of their systematic structure, the recognition of which is necessary for a sociological consideration of these concepts. (Schmitt 1985)

Schmitt's notion of the 'confrontation of friend and enemy' in the modern nation-state is ultimately at a metaphysical level—one between faiths. Note that Schmitt's religious model for the modern state came not from Christian universalism but from the confessional faiths of the seventeenth and eighteenth centuries.

Myrdal did not quite grasp the three-way relationship between development, nationalism, and religion that European history itself had demonstrated. Religion as 'superstition' has not played a significant role as an obstacle to economic development in Asia even in the medium term. Rather, religion, which in many parts of Asia—East, Southeast, and South Asia—had not been exclusivist, came to be seen by elites as creating the basis of national homogenization and cohesiveness. State Shinto in Meiji Japan, Hindutva in India, and Islamism in many Muslim-majority countries often represented nationalist elite efforts to suppress local religious orientations and practices and transfer their devotions to what I call 'confessional nationalism'. As in the earlier history of Europe, these sentiments were often expressed more as political loyalties and passions rather than as religious practices. The relevant point here is that religious ideas and sentiments work in a different way in relation to nationalism and development. They typically operate as the basis of exclusivist nationalism, but this can be used for national exclusivism as much as for economic expansion. While religions in the modern world can by no means be so reduced, it has also become an instrument of nationalism.

Writing before Myrdal, Karl Polanyi noted a basic relationship between the inclusive/exclusive polarity and the fluctuations of the global economy. The alternation between capitalist expansion and a closing off of the national economy based on 'the principle of social protection aiming at the conservation of man and nature as well as productive organizations, relying on the varying support of those most immediately affected by the deleterious action of the market' was central to the modern history of nation-states. (Polanyi, 1957: 132) To be sure, the closing off was not always protective of all and nationalist exclusivity is not always related to economic protectiveness. The two are more complexly related. But there does appear to be a broad relationship that makes clear that nationalism—in its different forms—will recur with fluctuations in global capitalism into the foreseeable future.

Scholars of nationalism often present a difference between two types of nationalism: an ethnic nationalism (built on race, religion, language, etc.) versus a 'civic nationalism' in which citizenship rights are equally granted to all citizens, regardless of race, ethnicity, language, religion, or culture. In the European context, German nationalism is often condemned as ethnic/racist, whereas Anglo-French nationalism is seen to be civic and inclusive. This is likely the model that Myrdal had in mind when conducting the comparison between Europe and South Asia. Moreover, it may have represented the dominant model during the first few decades after the Second World War, when the UN effectively embedded this model in its vision of the family of nations. The notion of development was also sanctioned by the UN's mandate to eradicate poverty and promote higher standards of living and well-being across all nations (see United Nations n.d.). Yet in the decades since the 1980s, a narrower ethnic-cultural, if not racist, vision of the nation has, aided by global

capitalist volatility, reasserted itself, which can be seen in the American support for Donald Trump today. This represents, of course, only the most recent expression of the deeply embedded self-other form of the nation.

3 Post-war Asian nationalisms

Most international studies of economic development typically take the nation-*state* as the stable basis of their analysis. When comparing the economic achievements or failures of nations, analysts refer to the state's aggregate indices and policies towards, say, capital formation, foreign debt, currency controls, or balance of trade (see Bergeron, 2004). While indispensable, these analyses can miss how changes in sociopolitical forces transform development strategies and vice versa. National development may be more accurately seen as a moving target—or the site of struggle—responding to both global forces and to nationalism as an imaginary constituted as much by identity factors as the changing configuration of interests and power. Given that the *raison d'être* of economic development is the nation, economic strategy and policy is as much about social and political imperatives of the nation-state as it is about development.

I attend to the historical and institutional factors that shape what we might call the 'national imaginary' or 'nation-scapes'. How do histories, institutions, and expectations shape the configuration of the national interests and its power structure at different moments? How might the national imaginary affect the profile of resource allocation, redistribution, stratification, and, not least, the environment? The imaginary can be integrative or contentious, leading even to separatist forces. It has periodically restructured the goals and strategy of the nation-state with regard to development. To take the most evident expressions of how imaginaries have reshaped society and the world, consider the difference between Maoist and contemporary China or, for that matter, between Nehru's and contemporary India. While the broad goals of national development may remain, the frontiers of community inclusion, the class configuration, and possibilities of nationalism have changed dramatically.

Nationalism, and economic nationalism in particular, has informed most Asian nation-states since the Second World War. While patrimonial tendencies—the tendency of leaders to treat national resources as their patrimony—have periodically been parasitic on economic strategy, by and large the pursuit of national advantage has been the primary thrust of Asian nation-states. Import-substitution industrialization or export-oriented strategies have sometimes been sequential, but they often have been subtly combined, especially in East Asian nations, from the 1960s. Economic nationalism in the era of post-Cold War globalization continues to prevail, although with considerably different approaches as Asian nations have come to accept global integration and seek to make their domestic firms more competitive in the global market.

The UN-sanctioned civic model of nationalism and stabilization of economic flows under the Bretton Woods regime of monetary exchange produced a breathing space for many emergent nation-states in the post-war period to cultivate their national models of development and progress. Between 1950 and 1980, the role of developing economies in the world economy and trade shrank greatly compared with the past century and a half, and with their later growing involvement. As late as 1970, their share in world trade was under 20 per cent, but had risen to more than 40 per cent by 2010, and included trade in services (Nayyar 2013: 97). Moreover, as most of these erstwhile colonies had been multi-ethnic, nationalist leaders developed policies principally of civic nationalism to accommodate minorities.

Indeed, decolonizing nations were created with the commitment to create a new and more just world order. A series of anti-imperialist and non-alignment conferences led by Jawaharlal Nehru, Sukarno of Indonesia, and, later, Zhou Enlai, most notably during the Asian–African Conference of Bandung in 1955, reiterated this commitment. They developed the principles of Panchasheela—a doctrine of non-interference in each other’s internal affairs—a kind of Westphalian doctrine for post-colonial nations. To be sure, territorial conflicts between these newly created states as well as other geo-political pressures of the Cold War led to the dissipation of the movement by the early 1960s. Nonetheless, the strong anti-imperialist and anti-capitalist sentiments upon which many of these nationalist movements were cultivated continued to have an enduring influence in the larger nations of Asia.

4 Colonial legacies in Asia

The region of Asia that concerns us can be divided into two parts, those in South and Southeast Asia that fell under European, chiefly British but also Dutch and French empires, and those that came under Japanese control. Those that were colonized or controlled by Japan before the Second World War had an entirely different experience of development and nationalism than those in the old European empires. Although Japanese colonialism is abhorred by many Korean and Chinese because of historical crimes, the memories of which have been kept alive, Japanese investment in the development of its colonies in Korea, Taiwan, and the puppet state of Manchukuo (which was more populous than Japan) was far greater than in the British and French colonies of Asia. For example, 50 per cent of Korean and Taiwan school children were receiving elementary education by 1940, compared to 2 per cent in Vietnam at the time, while literacy in India at the time of independence was 12 per cent (Cumings 1999; Nayaka and Nurullah 1974).²

Generally speaking, East Asia should be historically distinguished from much of the rest of the continent because of the strong influence of German models of statist nationalism associated with early nineteenth-century theorists like Friedrich List. The main conduit of this model was of course Japan itself, but the fascist *dirigiste* influence on the Kuomintang (KMT) in the 1930s was also significant. Here it is crucial to note that the impact of statism and mobilization on the Chinese Communist Party derived, of course, from Leninism, but strong mobilizational apparatuses were developed all over East Asia during the inter-war period. The Japanese puppet state of Manchukuo developed a Leninist-like mobilizational apparatus called the Concordia Society, as well as other controlled mass organizations capable of bringing vaccination, electricity, and heavy-handed surveillance to the most remote villages of Manchuria in a way that was unknown and unseen in European colonies (Duara 2003).

The question of how and why Japanese imperialism turned out to be so different is a larger question that cannot be addressed in depth here, but it has a bearing on our analysis. Japan was a latecomer to the new industrial and imperialist powers at the turn of the twentieth century, including the Germans, Russians, Italians, and Americans, who sought to challenge the global supremacy of Britain and France. These powers discovered nationalism to be a powerful means to mobilize resources, integrate the lower classes, and discipline the population for competition, often with the promise of imperial glory and rewards. For instance, calls to maximize production, rein

² Cumings maintains that 70 per cent of children were getting primary education in Taiwan and Korea, whereas Kohli cites the figure for Korea at 50 per cent (Kohli 2004: 39).

in consumption, and ban strikes during the First World War were associated to national loyalty in Europe (Arendt 1948/1973; Giddens 1987: 234–39; Hobsbawm 1990: 132).

Japan, operating outside the Eurasian theatre of this war, was one of the war's great beneficiaries, seizing German territories and expanding its footprint in East Asia. At the same time, it also noted the necessity of total preparedness for future wars. Upon observing insufficient civilian support for the war among Europeans, it was the first to develop administered mass organizations. A second feature of nationalism among latecomer imperial powers was the recognition, especially among the Japanese, of the necessity to extend some of the *formal* features of nationalism to their colonies and puppets—the idea of the 'regional bloc' or the 'yen bloc' in the case of Japan. This strategy may be seen in the German New Order, the US Monroe Doctrine, the Soviet Union and later the Soviet bloc, the Sterling Zone, and others.

In part because of its own humiliation as an inferior Asiatic race, as well as the rise of nationalism in the colonies at the end of the First World War, Japan also sought to match the idea of the regional bloc with the paradoxically anti-(Western) imperialist ideology of pan-Asianism. Encouraged partly by Woodrow Wilson's doctrine of national self-determination and the Soviet revolution, the aftermath of the First World War saw the momentum of popular nationalism in East Asia rise to its greatest heights with the 1 May 1919 movement in Korea and the 4 May 1919 movement in China. Responding to this nationalism, Japanese empire builders actively re-conceptualized their imperial strategy with ideas of regional cooperation under their dominance. This train of ideas and policies eventuated in the Greater East Asian Co-Prosperity Sphere of the Pacific War. The Japanese often kept or set up the national form of the occupied states and claimed to modernize and develop them. However, ideology and policies should not be seen simply as a cloak for imperialist nationalism. Rather, the conditions of war and internal conflicts exacerbated the tension in the Japanese imperialist structures between a commitment to develop the colonies and puppet states and a confessionalist Shinto nationalist tendency to impose their domination.

The impact of Japanese nationalist imperialism left its most important legacy, of course, upon its earlier colonies and puppet states of Korea, Taiwan, and Manchukuo, the last of which was perhaps the most developed state in Asia outside Japan. This legacy included a relatively autonomous and interventionist bureaucratic state drawing on native Confucian statecraft and Prussian–German statism (*Staatswissenschaften*), involving state direction of the economy, total surveillance, a disciplined workforce, high levels of mass education, involvement in the regional political economy, and, not least, an ideology of national essence.

According to Korean economist Sub Park, the yearly mean growth rate of gross domestic production in Korea was 3 per cent from 1915 to 1940, while Indian growth between 1900 and 1946 was under 1 per cent annually (Park 2003: 5). The accumulated per capita British investment in India and Japanese investment in Korea were US\$8 and US\$38, respectively, in 1938 (Park 2003). By 1936, heavy industry accounted for 28 per cent of total industrial production in Korea, with half a million workers, a number that tripled by 1945 (Cumings 1999: 76).

Taiwan is justly famous among the export-driven industrializing economies of its time. The success of its export expansion was dependent on low-cost labour and the import of production goods at close to world prices. Both were made possible by active government intervention (Chou 1985). Note, however, that during the 'takeoff' of the 1960s, the ratio of imports and exports to gross

domestic product (GDP) was 38 per cent in 1975; in fact, colonial Taiwan had already achieved this figure in 1937.³

Sanctioning, if not sanctifying, the Meiji Japanese model of development and expansion was the nationalist ideology of *kokutai*. By the end of the nineteenth century, the Meiji state had developed and disseminated the idea of a unique Yamato race with a common ancestry and divine origins in Amaterasu, organized by a nationwide system of Shinto shrines reaching into every community and school (Hardacre 1989: 32–33, 43–55). Even apart from colonial dominance, the spread of Japanese (and Germanic) ideas into the rest of East Asia led to efforts to mimic these ideals from the early twentieth century. Chinese nationalists sought to derive the nation from the ancestry of the mythic Yellow Emperor (also pursued by the KMT and revived in today's People's Republic of China (PRC)), and Korean nationalists sought to raise the mythic Tangun to the same status (Schmid 2002).

In contrast to the Japanese colonial developmental state, which reinforced the top-down confessionalist model, the European colonial legacy in South and Southeast Asia reflected a weak capacity for penetration and development. However, and particularly in the British Empire, its legacy was reflected in the creation of representative political institutions discussed below. East Asian nationalism was channelled through corporatist social surveillance structures such as the (updated) Chinese imperial system of *baojia*, in which an ascending hierarchical agglomeration of decimal family units were responsible for all members under them. The massively expanded role of the *baojia* system in colonial Taiwan was as much responsible for the development of the communities as was their surveillance. So too in Manchukuo, where together with the police they also attended to vaccination, hygiene, and marketing, as well as political surveillance projects. Little wonder that post-war South Korea was taken over by authoritarian and military leaders with deep connections to the Japanese colonial establishment. Park Chung-hee, who came to power in a military coup to rule as president (1963–79) during the takeoff years, was a career officer in the Manchukuo Imperial Army and a great admirer of Meiji Japan and the Bushido cult (Eckert 2016: 1–2). The Chinese Communist Party's Leninist cell units embedded within communities were also like confessional units in which people converted and were reborn into a communist faith (*fanshen*) with the goal of purifying the nation (and, more remotely, the world).

5 The Cold War framework

The ascendance of US power over the former Japanese-occupied territories of maritime East and Southeast Asia during the Cold War, including Japan itself, South Korea, Taiwan, and to a lesser extent Singapore, Malaysia, Thailand, Indonesia, the Philippines, and other countries, played a significant role in the rise of the Asian tigers. Several of these countries—especially Japan and the colonies—were devastated by war but they possessed high levels of education, strong traditions of state activism, and a disciplined workforce. Significantly, the post-war British colonial state in Hong Kong and Malaya also became much more active in building infrastructure, public education, housing, and health services. The United States evolved a pattern of relationships with these militarily, and often economically, dependent allies. Development aid, military protection, and favourable access to American markets were exchanged for firm anti-communist, frequently dictatorial, authoritarian, and monarchical regimes loyal to American interests. As Japan re-built

³ It was 39 per cent, with imports at 16 per cent and exports at 23 per cent (Cumings 1999: 78–79).

its economy and the US dollar weakened in the 1970s, Japan came to play an important intermediary role in the regional economy of East and Southeast Asia.

Atul Kohli has argued that Asian economies performed better than those in Latin America through the post-Second World War period because they pursued *national* capitalist models of development rather than the more foreign-dependent capitalist models of the latter. The economically successful states in Asia created conditions to support profitability for private domestic investors by various means, including exercising considerable autonomy from foreign capital and power, fostering high domestic saving rates, limiting foreign debt, and channelling foreign investment to manufacture for exports (Kohli, 2009). We will explore here how these national structures and strategies emerged and developed—quite differently and with different consequences—in Asia.

In the two big countries, China and India, the powerful nationalist and nationalist-socialist movements allowed them to limit foreign economic involvement and experiment with different modes of development until the 1990s. But what was the process whereby national models came to dominate in countries like South Korea and Taiwan, where the United States exercised considerable power comparable to that in Latin America? Were not nationalist ideals, aspirations, and ambitions in these countries, including South Korea, Taiwan, the Philippines, Thailand, Malaysia, Singapore, and Indonesia, as well as Pakistan, subordinated to regimes that supported the interests of the United States during the Cold War?

Perhaps the most critical factor in this problematic is the nature of US Cold War concerns in Asia. East and Southeast Asia did not see much of a ‘cold’ war; rather, there were many bloody hot wars, only most notably in Korea and Vietnam. Communist insurgencies and counter-insurgencies spread across the region well into the 1970s until after the United States–China rapprochement. The security concerns of the United States, which encountered several communist powers on this eastern front, created important conditions for the relative autonomy of the littoral nation-states in its Asian bloc. Between 1946 and 1975, economic and military aid to South Korea and Taiwan were US\$69 billion and US\$42 billion, respectively. US-sponsored land reforms defused tensions and created stronger domestic markets. It also used aid to steer these countries away from import-substitution policies to the export strategy based on US domestic and military demand in Asia. To be sure, the United States spent even greater amounts—US\$115 billion between 1954 and 1975—in South Vietnam, so it is clear that other factors were at work in the success of South Korea and Taiwan (Gray 2014: 42). The colonial legacy of strong institutions, educated populace, and strategically minded state leadership arguably made the difference in these two countries.

US Cold War allies in Asia emerged as highly authoritarian, if not dictatorial, states backed by the US military and its security imperatives. Where possible, monarchies were supported in East and Southeast Asia (and, especially, in the Middle East). Even when they were constitutional monarchies, they represented the symbolic centre of anti-communist nationalism. While the US–Thai military alliance hunted the communists, the cult of the Thai monarch, King Bhumibol, became closely identified with agricultural development and compassion without significant rural reforms (Baker and Phongpaichit 2005).

In South Korea and Taiwan, the national interests of this leadership were generated less by *national movements* than by the historical factors and the corporatist structure of the colonial society they inherited. Both Park Chung-hee and Chiang Kai-shek were deeply nationalist, but their power during the post-war period was not based on an autonomous national movement. To the contrary, they sought to create and mobilize a national movement to support their political and economic strategies. To secure power during his lifetime, Park Chung-hee promulgated the Yushin (Restoration, as in Meiji Restoration) Constitution granting him lifetime presidency.

The New Community Movement (*Saemaul Undong*, 1971–79) and the militarization of modern society served as the apparatuses for Park’s anti-communist national mobilization. The New Community Movement was launched as a rural development project but turned into a movement of ‘spiritual discipline’ affecting all aspects of life. It emphasized egalitarianism and produced ‘enthusiastic warriors of industrialization’. It worked through core cells and did not expend many funds; it also neglected the growing numbers of urban workers. In some ways, this top-down mobilization, which began to be seen as oppressive after the first few enthusiastic years, ironically fostered the subsequent *minjung* movement that was directed sharply against military rule (Han 2004).

The role of nationalism in Korean development may be assessed, interestingly, through the optic of popular views of Park Chung-hee that have poured out in the political climate of the late 1990s. The divisive consequences of this history can still be seen in the recent political career of his daughter, the recently ousted President Park Geun-hye, and *chaebols* closely associated with the family. Conservative forces regard him as among the greatest national heroes for the radical modernization and strengthening of the nation while reviving national culture and identity, and leading an austere and corruption-free life. They justify his service to, admiration of, and re-opening of ties with Japan and deny his role in hunting down Korean independence fighters in Manchukuo. The ‘progressive’ critique, including those of the unifiers with the North and other leftists and liberals, depicts him as a dyed-in-the-wool would-be Japanese fascist, a brutal dictator, and a corrupt leader who fostered the business and political cabal that would rule South Korea (a phenomenon that analysts of the Korean miracle dub the state’s ‘embedded autonomy’) (Moon 2009: 7–9).

The role of nationalism in Taiwan under the KMT government of Chiang Kai-shek, which underwent an economic miracle similar to that of South Korea in the 1960s and 1970s, resembled the Korean pattern in important respects, but was distinctive in others. The KMT imposed martial law in China soon after its arrival, and the February 1947 massacre took perhaps 30,000 Taiwanese lives. It set up a brutal dictatorship that was most draconian during the White Terror (*baise kongbu*) of the first two decades. This institutional terrorization was accompanied by the effort of the mainland ruling emigrants, who represented about 15 per cent of the population, to nationalize or Sinicize the local population who, they claimed, had become slavish under 50 years of Japanese rule (Harrison 2006: 103–08).

Chiang revived the nationalist–fascist–Confucian–Christian ideological concoction called the New Life Movement. This was essentially a highly surveilled code of conduct and behaviour. In the mainland it had included items such as accounting for the proportion of foreign product in one’s clothing and consumption, as well as punishments—sometimes draconian—for keeping long hair or wearing short skirts. In Taiwan it was imposed through schools, media, family, and military. Additionally, Taiwanese were instructed and expected to speak only in Mandarin (a foreign language to most of them, who spoke the regional languages of South China). Chiang declared that the New Life Movement was meant to ‘thoroughly militarize the life of the people of the entire nation. It is to make them nourish courage and alertness, a capacity to endure hardship, and especially a habit and instinct for unified behavior. It is to make them willing to sacrifice for the nation at all times’ (cited by Harrison 2006: 102). In both Taiwan and South Korea, the communist ‘other’ without and within the nation also enabled the repression and disciplining of the population in their strategy of development.

By the time these states achieved their development goals in the 1970s, especially at the end of the Vietnam War and after the Sino–US rapprochement, there was a slackening of political control. Efforts were made in Taiwan to reconcile the native population with the regime. Over the next few decades, the Taiwanese opposition developed into a full-fledged anti-KMT and ‘Taiwan

independence' movement which now rules the island state through the Democratic Progressive Party (DPP).

The waning of Cold War pressures led more generally to popular movements reflecting disaffection with repression and inequality among the Cold War Asian allies of the United States. The South Korean student movements protesting the Gwangju massacre of 1980 led to the *minjung* movement of the later 1980s. The protests against Marcos emerged almost simultaneously in the Philippines; foment in Taiwan resulted in the electoral defeat of the KMT in 1996; subsequently in 1998, the Suharto regime was toppled in Indonesia. Opposition continues to fester in Thailand, although here the long political continuity of the monarchy has tended to diffuse the opposition. All of these movements expressed themselves as national movements embodying the will of the ordinary people and seeking genuine or grass-roots democracy. In Taiwan, it is also expressed as a guarded separatism, whereas in South Korea there is a deep underlying stratum of desire to seek reunification with the North.

6 Nationalism in China and India

If the developmental capacities of post-colonial societies were shaped considerably by their colonial legacies, China remains an outlier with respect to colonialism. To be sure, the foreign settlements in the treaty ports of China and the impact of Japanese state-building activities in Manchuria, Tianjin, and later in several Japanese-occupied regions did have an impact, but a powerful Chinese nationalism was neither enabled nor hampered by existing colonial structures. The Japanese occupation and the course of the Pacific War provided the opportunity for the Chinese Communist Party (CCP) to emerge as revolutionary nationalists. Chinese communism was premised on the idea that Leninism was the most powerful way to establish a strong, equitable, and wealthy *nation*; this was also the case in Vietnam. Ho Chi-Minh stated: 'I loved and admired Lenin because he was a great patriot who liberated his compatriots' (Ho Chi-Minh 2004: 30). China's break with other communist nations such as the Soviet Union and Vietnam was shaped as much by issues of national territory, honour, and interests as by any ideological factor. The most empowering factor enabling the CCP to follow its own agenda was the revolutionary nationalism that it had awakened, particularly in rural China, and that it managed to secure and contain through land redistribution and the mobilization and control apparatuses of the CCP.

India, under the Indian National Congress, shared with China the command over a vast national movement that also enabled it to develop its own pathways. However, mass mobilization in the Indian context was relatively superficial and did not penetrate deeply enough to alter the lives of the masses. Nor was the state structure in British India or the first decades of independent India capable of mobilization and development. Critical to the differences between East and South Asia is the elimination of traditional landed-class control in the East. In Japan, the Meiji Restoration was effectively a revolution that eliminated historical control of the landed classes by means of state-led mobilization. In South Korea and Taiwan, it was the legacy of Japanese colonial mobilization together with the US Occupation which supervised major land reform. In older European colonies, large landed classes and interests retained local control well into the twentieth century.

Regardless of the depth or strength of national mobilization, the enormous national movements in China and India reinforced their conviction to remain non-aligned, or at least not subordinate themselves to the emerging superpowers. To some extent this was also true of Indonesia under Sukarno. This nationalism predisposed these states to hold oppositional stances towards free-market ideologies, albeit with different degrees of hostility in the different societies. It is notable

that even the Republic of China in Taiwan advocated strong state controls until the 1960s, when it came more directly under the influence of the United States as its protective superpower. Despite the weakness of the non-aligned movement, its most important outcome may have been that the two largest players in Asia—China and India—managed to maintain their non-aligned status, especially after China pulled away from the Soviet bloc from the late 1950s.

The nationalist and nationalist-socialist movements in the two societies allowed them to experiment with different modes of development until the 1990s. In China, both the CCP and KMT, as observed earlier, were deeply influenced by Germanic ideas of state science (whether via Japan, the Soviet Union, or directly). In addition, during the revolution, the CCP developed a formidable Leninist organizational structure with arguably the widest and deepest penetration of any political structure in the world. Contrary to Marx's dismal view of the peasants as a 'sack of potatoes', Mao turned the theory on its head and led a powerful peasant revolution. During the revolution, and particularly during the anti-Japanese war of resistance, it was by no means a merely top-down structure, but actively mobilized the hearts and minds of very large segments of the population through rituals of deep identity conversion embodied in the community stagings of re-birth and 'speak bitterness' campaigns.

In a brilliant analysis, Apter and Saich (1994) discuss how, through a process they call 'exegetical bonding', during the revolution Mao fashioned a nested hierarchy of three narratives, disseminated through pedagogical and political practices, which validated the role of the communists and Mao himself. The master narrative is a tale of loss of the nation to imperialists following the Opium Wars and loss of livelihood, particularly of peasants. The second narrative represents the struggle for Sun Yat-sen's inheritance between Mao and Chiang. The third is about inner-party struggles, of renegades and adventurists overcome by Mao. To the extent that there is any Marxism in these narratives, it is about forging the correct or *true* path to gain national liberation and social justice (Apter and Saich 1994: 14–15).

To be sure, the CCP closely supervised these ritual events and did not allow them to stray too far from the script. Moreover, as the CCP settled into power after 1949, and especially during and after the Great Leap Forward disaster of 1958–59, these rituals of self-formation came to be seen as routinized and 'ritualized'—in the modern sense—and even more as acts of propaganda and surveillance. Disenchantment came to a head during the Cultural Revolution of 1966–76. After the death of Mao and the arrest of the Gang of Four, these campaigns moderated considerably, but they have not entirely disappeared.

A second dimension of Chinese communist nationalism refers to the broader revolutionary strategy of the party. In the Second United Front between the CCP and KMT, a very weak coalition forged during the anti-Japanese resistance between 1937 and 1945, Mao crafted an enormously influential text called *On New Democracy*. The task ahead of the CCP was national resistance and, to that end, only traitors and collaborators with the Japanese army were targeted for elimination. Rich peasants and even patriotic landlords were spared, as were national capitalists. Over the next 30 years, to simplify drastically, policy alternated between radicalism and a more moderate approach towards people who would be regarded as 'class enemies' during periods of radicalism, such as during the land revolution (1946–49), the Great Leap Forward, and the Cultural Revolution. But even during these last two major campaigns, the nation's greatness was foremost in the minds of the leaders. The Great Leap Forward urged the people to overtake Britain and France's iron and steel production within 15 years. During the Cultural Revolution, class enemies, domestic and foreign, were often merged because China was the only true revolutionary power in the world, barring Enver Hoxha's Albania. The enemies of the revolution were automatically the enemies of China.

As is well known, China's development during the Maoist period was creditable compared to other developing countries, particularly in basic education and healthcare. GDP also grew 6 per cent between 1953 and 1978 (Hirst 2015; Zhang and Kanbur 2005: 192). It is interesting to note that Deng Xiaoping did not think that the reforms he unleashed in 1979 would end socialism. He felt that capitalist society could not eliminate the fundamental problems of extraction of super-profits, exploitation, and plundering. Deng was responding to the social and economic problems of revolutionary nationalism that stressed non-material incentives to increase production in rural and urban society. In the process, however, the national imaginary began to change from a civic union of nationalities (*minzu tuanjie*) to an extraterritorial conception of the Han nation, particularly to engage overseas Chinese investments during the 1980s and 1990s. Meanwhile, the rapid growth of the Chinese economy in the coastal regions—significantly fuelled by these investments—over the hinterland contributed to dissatisfaction and separatist nationalisms in ethnic regions of Tibet, Xinjiang, and Mongolia.

It is not clear how prepared Deng was to drive a Faustian bargain with neoliberal capitalism for the sake of uplifting the nation (Xiaoping 1984: 175). As capitalism—led by the state—advanced in leaps and bounds in China and the socialist-nation ideals were increasingly eroded, an ideological and moral vacuum has emerged in which the Party-state has installed a raw nationalism. Indeed, it would appear that Xi Jinping has now thrown overboard Deng's dictum, '*tao guang yang hui*' (to hide one's advantage and improve on the disadvantage), and gone on to assert China's 'rightful place' among the world's nations.

If the legacy of Japanese colonialism was a developmental state (and continued political hatred by many ex-colonials), the legacy of British imperialism in South and Southeast Asia was represented by Britain-inspired political institutions and weak developmental capacity of the state. Civil society in India fostered a nationalism that has probably had the longest history of any modern nationalism in Asia. Dadabhai Naoroji, the second president of the Indian National Congress in 1886, was also the author of the Drain Theory, which documented the drain of wealth perpetrated by the British in India and the negative economic impact of British policies. The Indian National Congress was centrally concerned with economic issues, agitating for reduced taxes and greater state expenditure; it launched the Swadeshi movement in 1905—simultaneously with the Chinese economic boycott of American goods—urging Indians to buy Indian-made cloth over British cloth. Under Gandhi, the idea of economic boycott grew into a vast non-cooperation movement that eventually fuelled Indian independence.

The history of Indian colonialism and a 'negotiated' nationalism ensured that despite the impoverished condition of the nation, democracy would remain the only viable means of sustaining the fledgling nation. Economically, Indian nationalism was a fertile ground for developing ideas and plans for independent India. Between Gandhian ideas of restoring the traditional village economy with its utopian ideals of self-governance and Stalinist notions of total state control of the economy and society were many hybrid ideas championed by Gandhian socialists of various stripes, including Ram Manohar Lohia and Jawaharlal Nehru himself.

Nehru's ideas were implemented during the first decades of the Republic through the Five Year Plans of the Planning Commission, which he chaired. Other South Asian countries also developed national plans that stressed self-sufficiency, national markets, growth, and reduction of poverty and inequality. To be sure, these plans were not anti-market, but rather pro-national market (Ludden 2005). The Nehruvian model of a mixed economy and a secular, democratic (bottom-up) political system remained a powerful imaginary of the nation that also became deeply entrenched as different interests and path dependencies became fixed into it.

As a democracy, the political leaders of India cannot simply be focused on growth and development but have to respond more directly to a multitude of constituencies, redistribution, welfare, and territorial tensions with neighbouring countries. Moreover, India inherited a weak state structure compared to East Asian states. A study of the colonial state's effort to prepare for the Japanese invasion in 1942 revealed how utterly incapable it was of expanding its fighting forces, raising finances, controlling prices, or rationing food (Kamtekar 2002: 187–221). This administrative structure was inherited by the Republic of India without major structural change.

Given the weak administrative capacity and its greater penetration by social interests compared to other East Asian states, national policies in India had to evolve through negotiation and consensus building. It stabilized its territorial unity through the creation of linguistic states and military build-up in Kashmir and the northeast. There have been several turning points in Indian economic policy that have a relationship to the nature of nationalism in India. During the late 1940s and 1950s, the policies of import-substitution and national planning that prevailed represented perhaps a midway path—the outcome of a political stalemate—between socialist influence and big business interests in the Indian National Congress (Mukherji 2009: 84). While the socialists split, creating their own Socialist Party in 1948, Nehru steadily increased the proportion of government investment in relation to private investment, although the latter continued to have a legitimate role in the economy.

During the Indira Gandhi years, Indian non-alignment was compromised as the nation-state was forced to ask for US food aid and financial assistance. In return, India had to liberalize its trade policy and devalue its currency. In 1969, policy veered in the other direction as the government nationalized a massive quantum of private sector assets, including the banking sector. Foreign multinationals also saw their power and autonomy reduced and departed the country during the 1970s. Such a confused zigzag of economic policy reflected weak economic development, popular unrest, and, not least, inner-party conflict, which culminated in the populist policies of the Emergency Period (1975–77) (Kaviraj 1986). This variety of populism not only decimated the inner organization of the old Congress party—which may have been imploding anyway—but the highly undemocratic measures and failures also *catalysed* changes in the national imaginary.

By the late 1970s, the growing middle classes were coming into their own and their rise was accompanied by an explosion of the media and civil society. Urban protest and anger against government corruption and mis-governance—also expressed in Bombay cinema of the time—in addition to weak economic development laid the foundations of a changing national imaginary that was in favour of alternative models of development. At the same time there was, in some regions and communities, a tearing at the national consensus as regional and communal movements began to assert themselves. Counter-national movements appeared during the 1980s in the Punjab, Assam, and Kashmir, the last of which has yet to be resolved (Rajagopal 2011; Roy 2015).

Finally, the liberalization measures of 1991 sealed the transformation of the Nehruvian national self-image, although hard reforms would still take a long time, given the nature of Indian national politics. Indeed, it took the dire threat of a fiscal crisis—in addition to the political tragedy of the death of the prime minister—for national leaders and policy makers to accept this change (Mukherji 2009: 90). More than ten years before, Deng Xiaoping and the reformists in the Party had effected similar systemic changes with positive economic consequences and equally powerful consequences for its imaginary of a socialist nation.

7 The Asian financial crisis and the question of national autonomy

Just as in China and India, popular dissatisfaction with existing strategies of development and changing ideas of redistributive justice during the post-colonial decades in Southeast Asia forced changes in the policies and strategies of the regimes. Indeed, it led to regime change in Korea, Taiwan, the Philippines, and Indonesia. In Southeast Asia, domestically driven tensions and opposition combined with geo-political changes particularly after the United States–China rapprochement, the end of the Vietnam War, and the winding down of the Cold War in the mid-1970s. From this period, several of these nations, including Malaysia, Thailand, and Indonesia—came to be integrated in the regional economy centred in Japan, together with the earlier generation of NICs of Korea, Taiwan, Hong Kong, and Singapore. Japan was not only a source of inspiration: Japanese investment created production systems in the region during the 1980s, and the availability of cheap credit in Japan since then also fuelled speculative investments.

While some of these nation-states, particularly Indonesia and the Philippines, had relatively weak state capacities and poor governance structures, they sought to follow the Japanese path of development. This, as we have seen, was a form of East Asian neo-mercantilism involving close, cooperative relationships between the state and business on the one hand, and the planned nature of economic development on the other. The weak version of the East Asian model in Southeast Asia, while successful in some areas, however, tended to exacerbate the undemocratic characteristics of the regimes, which sometimes led them to unleash ethnic nationalism.

The ‘race riots’ of 1969 in Malaysia between Malays (*bumiputera*) and the large Chinese (and Indian) minority represents the most evident change in economic development policies resulting from competing nationalisms. In the major countries of Southeast Asia, the overseas Chinese community were typically entrepreneurial and often wealthy, but represented what Fred Riggs called ‘pariah entrepreneurs’ due to their low status in the ideology of national purity, and were the frequent object of rent-seeking bureaucrats and military. (Part of the community was also identified with communism, which did not help their situation.) After the 1969 riots, the Malay state sought to redistribute economic power to the Malay population by increasing its control of key economic sectors, nationalizing many foreign enterprises and targeting 30 per cent *bumiputera* ownership of economic enterprises and employment (see Montes 2018; see also Jomo Sundaram).

In Indonesia, the slaughter of communists organized by Suharto and the military in 1965 overlapped considerably with a massacre of the Chinese community (alleged to be communist), and the ethnic violence reappeared in 1998 when the Suharto regime fell. The situation remains uneasy with the rise of Islamism. The Thai monarchy, however, was the most agile in transitioning to a post-Cold War regime. Soon after the military suppressed the student and rural unrest in the mid-1970s, the Thai royalty was the first to host Deng Xiaoping in his post-1978 tour of Southeast Asia. The principally Chinese Thai merchant classes were appeased and the leftists were isolated (Wongsurawat, n.d.).

The years after the end of the global Cold War brought the Washington Consensus to the region. The United States and the International Monetary Fund (IMF) persuaded these erstwhile Cold War partners through their membership in the Asia Pacific Economic Cooperation (APEC) to privatize, deregulate, and liberalize their trade regimes and capital markets. The loosening of national controls led to a wave of private capital inflows into Indonesia, South Korea, Malaysia, Thailand, and the Philippines; the total value increased from US\$48 billion to US\$93 billion between 1994 and 1996. In 1997, the figure declined precipitously to *minus* US\$12 billion (*Financial Times*, 16 February 1998: 21; cited by Beeson 1998: 357–74; see also Higgott 1998).

What came to be called the Asian financial crisis of 1997–98 was triggered by currency devaluation in China and Japan, which made these other Asian economies uncompetitive at both ends of the value chain. The Chinese devaluation of the yuan in relation to the US dollar in 1994 led to a 50

per cent decline in its value on top of the introduction of a 17 per cent VAT rebate for exports (Higgott 1998: 335). The depreciation of the Japanese yen to the US dollar in 1995 (by 40 per cent) and the weakening of Japanese consumer markets caused the steep and unsustainable appreciation of these Asian currencies, which were all pegged to the dollar (Corsettia et al. 1999: 355). Although the crisis began in Thailand, it quickly spread to neighbouring countries, revealing the close relationships between these economies. Riots broke out in several countries, including South Korea and Thailand. Certain weaker economies such as Suharto's military technocratic regime, which could not manage the volatility, collapsed.

One may legitimately inquire, despite the comparatively developed national autonomy in Asia compared to Latin America, whether this autonomy was sufficient. While some Southeast Asian countries may have expressed poor governance, it was ultimately the dependence on the United States–Japan-centred regional economy and the pressures they faced for liberalization that underlay the crisis. Paul Krugman observed in 1998:

Why hasn't China been nearly as badly hit as its neighbors? Because it has been able to cut, not raise, interest rates in this crisis, despite maintaining a fixed exchange rate; and the reason it is able to do that is that it has an inconvertible currency, a.k.a. exchange controls. Those controls are often evaded, and they are the source of lots of corruption, but they still give China a degree of policy leeway that the rest of Asia desperately wishes it had. (Krugman 1998, quoted by Corsettia et al. 1999: 364)

The political consequences of the crisis in the context of regional development is worth noting. The US allies in the region had formed into ASEAN in 1967, initially as a security organization. Subsequently, as these economies 'took off', their economic relationships with each other grew greatly and increasingly, as noted, under a Japan-centred regional economy. While economic and cultural nationalism continued to shape these countries, by the 1990s they had developed sufficient confidence to announce a distinctive identity—although it was more ideology than identity—of 'Asian values', particularly in those societies influenced by Confucian values. This ideological bubble, however, burst soon after the financial crisis. Nonetheless, as the crisis revealed, these economies had become highly interdependent.

The economic integration of East, South, and Southeast Asia, which had increased steadily under imperialist-dominated trade, declined precipitously at the end of the Second World War (Petri 2005: 11–14). Intraregional trade began to pick up in the 1980s, but it was the shock of the common crisis that seems to have awakened the states to the reality of regional networks and focused their attention on cooperation. Ten years on from the crisis, what the Asian Development Bank (ADB) calls 'integrating Asia', including ASEAN, China, Japan, South Korea, India, Hong Kong, and Taiwan, conducted over 50 per cent of its trade with itself in comparison to trade with the outside world, compared with only 33 per cent in the 1980s. In 2016, Asian interregional trade share of world trade rose to 57.3 per cent. Six major indicators of interdependence tracked for the 16 Asian economies have increased markedly in the ten years since the financial crisis (ADB 2008: 70, 97–98; see also ADB 2017). Financial integration has been weaker, but several of these countries have entered into bilateral swap agreements since the Asian financial crisis. The ADB reported in 2017 that 20 years after the financial crisis, wide-ranging reforms and safety net systems against the impact of externals had been developed, 'as seen by Asia's relative resilience to and rapid recovery from the 2008/09 global financial crisis' (ADB 2017: 8).

In the twenty-first century, ASEAN has sought to create a framework to enmesh the major powers in regional affairs through commercial diplomacy (e.g. free-trade agreements), thereby avoiding dependence on a single great power. In recent years, the admirable balance it had achieved has

tended to be overcome by the increasing dependence on Chinese economic development and fear of political intervention.

8 Nationalism and development in the twenty-first century

The end of the Cold War and the onset of the neoliberal era of the Washington Consensus has created a different scenario for Asian nations. The impact of global capitalism was felt most severely during the Asian financial crisis by the frontline nations of East and Southeast Asia. While, as we have seen, these nations have succeeded in creating some protections and escaped the global financial crisis of 2008–09 less damaged than others, the economic, political, and cultural impacts of globalization have generated a changed pattern of both state and popular nationalism.

Many of the economically powerful Asian nations, including Japan, South Korea, China, Vietnam, Malaysia, Thailand, Indonesia, and India have accepted the premise of international economic integration and their businesses have gained considerably from this integration. This has changed the nature of state economic nationalism, but they have by no means rejected it. Instead of blatant moves like expelling multinationals or raising protective tariffs, these states have taken on new roles in supporting national and domestic firms to compete successfully in the global economy. In this context, state intervention has tended to favour private domestic corporations, often at the expense of public investment and services (D'Costa 2012: 14, 28).

Saskia Sassen has written about restructuring of the contemporary state as a consequence of globalization: 'The encounter of a global actor—firm or market—with one or another instantiation of the national state can be thought of as a new frontier zone. It is not merely a dividing line between the national economy and the global economy. It is a zone of politico-economic interactions that produce new institutional forms and alter some old ones' (Sassen 1999: 151). The Chinese state expresses this changed structure aptly since the 1990s. The special economic zones and decentralized formats governing regional and international relationships can be found, most famously, in the Hong Kong–South China relationship, the Yellow Sea zone, and the Taiwan–Fujian–Shanghai interactions.⁴ Provincial government economic activism plays a particularly important role, for instance, in southwest Yunnan–Southeast Asia ties, and more recently in the Belt Road Initiative.

While this has led to high growth rates in the GDP of Asian economies, especially for China and India, the population has also been exposed to the volatility of global capitalism. Partially in response to these changes, the role of popular nationalism in Asia, as elsewhere, has changed. Over the previous 50 years, the nation-state's project to mobilize its citizens for development, sacrifice, and repression had, with notable exceptions, led to its shaping the identities of the people through the educational and other apparatuses, state and non-state. In the current era, this nationalism has tended to become a reactive—and often reactionary—movement in a populist version of Polanyi's defensive or protective phase.

In the absence of an alternative vision to socialism, the PRC state has emphasized the raw goals of restoring national power and glory and reached back to its imperial history. The decades of state-led nationalism, first directed against US imperialism and subsequently against Japanese war crimes, led in the twenty-first century to mass nationalism that often slipped out of state control. Internet nationalism is of course the latest phase of a series of events over the last 20 years,

⁴ See, for example, Hook (2001); see also (Chen 2000).

including demonstrations against the Belgrade bombings and the numerous protests regarding territorial conflicts with Japanese and other neighbouring countries. Similarly, popular nationalisms have forced the hand of the Vietnamese government, generated conflicts between Thailand and Cambodia, between Indonesia, Malaysia, and Singapore, among many others. Islamic nationalism in Indonesia and to a lesser extent in Malaysia, regional Muslim uprisings in Southern Thailand and the Philippines, and Buddhist nationalism in Myanmar have also stoked violence in the ASEAN region just as it has begun to gain some traction as an economic formation (Vu 2013).

In India, the rise of the Bharatiya Janata Party (BJP) has seen both state activism in the global and national economic sphere as well as the intensification of Hindutva communalism. A recent expression of the relationship between the two reported in the *New York Times* is revealing. In the 2017 elections in Gujarat, the *Times* reported that many supporters of Prime Minister Narendra Modi, who had been a long-time chief minister of Gujarat with a strong following among the business community in particular, were poorly affected by recent economic measures, such as the demonetization of the economy:

Kailash Dhoot, a textile exporter, said that Mr. Modi's recent policies had wounded his business but that Mr. Modi's party was still his first choice.

When asked why, Mr. Dhoot was quick, and curt, with an answer. 'Hindutva,' he said. And he closed his mouth firmly, signaling the discussion was over. (Gettleman and Kumar 2018)

The legacy of confessional nationalism has produced loyalty, if not identity, with the state, which was mobilized for economic advancement and political integration. The particular example cited from the *Times* above reveals that the two need not be completely aligned, but can also function as supplementary or substitutive. In other words, the state in India deploys both goals—exclusivist integration and economic development—to substitute one for the other when needed. While this relationship certainly pre-existed contemporary polities, the scapegoating function is very relevant to contemporary states, democratic and non-democratic, in both the developing and developed world.

9 Conclusion

Since the Second World War, nationalism in Asia has revealed many visages—revolutionary, top-down, anti-communist, participatory, civic, ethnic, religious, and more. The immediate post-war decades saw a largely inclusive civic model across much of the globe, permitting the new nation-states to develop their domestic capabilities and resources without strong ethnocentric biases (but not excluding anti-communism). The prevalence of the post-war inclusive model had much to do with the geo-political circumstances of the victory of the Allied Forces in the Second World War, but it was also enabled by strong anti-imperialist national movements across much of the colonial and semi-colonial world. As movements, these were fertile and rich sources of ideas and practices, including cooperatives and rural re-constructionist practices across Asia. They were also movements for the reduction of inequalities, inequities, and social justice. Nationalism as a grass-roots movement is important because it urges us to view the costs of efficient modernization on people and the environment. In East Asia, the reckoning—in the places where it has come, like South Korea and Taiwan—is being made after a certain level of development has been attained. In the more democratic countries, the processes are merged and development is slow, but we also have to contend with the thought that without grass-roots national movements, development may not happen.

Each dominant mode has also transmuted over time, reflecting changes in domestic and international forces. In turn, changes in the political and national imaginaries have affected economic policies and distributive outcomes, and vice versa. We saw decisive transformations in the Cold War littoral where non-inclusive rapid growth was replaced by greater participation and more redistributive models. In China and India, the inadequacies of development strategies also led to political upheavals, which led the state to economic policies that were more capital-friendly. In Southeast Asia, the reliance on US military power and Japanese investments broke down during the Asian financial crisis, leading to changes in leadership, and more importantly, the emergence of a regionally integrated, transnational economy. ASEAN became a significant player able not only to absorb global economic shocks, but also to enmesh global powers within a framework of its own making, at least until the recent activities of the PRC.

More recently, the dialectic between national political movements and economic development has taken a more sinister turn, baring the self–other binary that underlies the nation-form. The ascendance of neoliberal capitalism globally has been accompanied by the rise of chauvinistic, populist nationalism. The connection between nationalism and development appears to have come full cycle from over a century ago, although, of course, there are important differences. Nationalism is at work today to both protect against real or perceived predation as well as to integrate the nation for competitive advantage.

The challenges ahead, particularly with the planetary environmental crisis, will require nations to cultivate new ways of addressing problems of poverty and inequality in combination with sustainable development. While economic globalization has made the world more interdependent than ever, nationalism makes it very difficult to translate interdependence into cooperation. Relatedly, among the impediments to planetary sustainability are contemporary models and conceptions of *prosperity* among competitive nation-states, which tend to perceive development and sustainability as a zero-sum game.⁵ The forces of civil society and transnational agencies and institutions committed to sustainable development will be needed to shift the will of nation-states to respond to this crisis.

⁵ See the important work of Jackson (2009).

References

- Apter, D.E., and T. Saich (1994). *Revolutionary Discourse in Mao's Republic*. Cambridge, MA: Harvard University Press.
- Arendt, H. (1948 [1973]). *The Origins of Totalitarianism*. New York: Harcourt Brace.
- Asian Development Bank (2008). *Emerging Asian Regionalism: A Partnership for Shared Prosperity*. Manila: ADB.
- Asian Development Bank (2017) 'The Era of Financial Interconnectedness: How Can Asia Strengthen Financial Resilience?' Asian Economic Integration Report 2017. Manila: ADB.
- Baker, C., and P. Phongpaichit (2005). *A History of Thailand*. Cambridge: Cambridge University Press.
- Beeson, M. (1998). 'Indonesia, the East Asian crisis and the commodification of the nation-state'. *New Political Economy*, 3(3): 357–74.
- Bergeron, S. (2004). *Fragments of Development: Nation, Gender, and the Space of Modernity*. Ann Arbor, MI: University of Michigan Press.
- Chen, X. (2000). 'Both Glue and Lubricant: Transnational Ethnic Social Capital as a Source of Asia-Pacific Subregionalism'. *Policy Sciences*, 33: 269–87.
- Chou, T.-C. (1985), 'The Pattern and Strategy of Industrialization in Taiwan: Specialization and Off-Setting Policy'. *The Developing Economies*, 23: 138–57.
- Corsettia, G., P. Pesentib, and N. Roubini (1999). 'What Caused the Asian Currency and Financial Crisis?'. *Japan and the World Economy*, 11: 305–73.
- Cummings, B. (1999). 'Colonial Formations and Deformations: Korea, Taiwan and Vietnam'. In: *Parallax Visions: Making Sense of American–East Asian Relations at the End of the Century*. Durham, NC: Duke University Press.
- D'Costa, A.P. (2012). 'Capitalism and Economic Nationalism: Asian State Activism in the World Economy' *Oxford Scholarship Online*. DOI: 10.1093/acprof:oso/9780199646210.003.0001.
- Duara, P. (2003). *Sovereignty and Authenticity: Manchukuo and the East Asian Modern*. Lanham, MD: Rowman and Littlefield.
- Duara, P. (2015). *The Crisis of Global Modernity: Asian Traditions and a Sustainable Future*. Cambridge: Cambridge University Press.
- Eckert, C. (2016). *Park Chung-hee and Modern Korea: The Roots of Militarism*. Cambridge, MA: Harvard University Press.
- Gellner, E. (1983). *Nations and Nationalisms*. Ithaca, NY: Cornell University Press.
- Gettleman, J., and H. Kumar (2018). 'India's Economic Woes Are Piercing Modi's Aura of Invulnerability'. *New York Times*, January 6. Available at: www.nytimes.com/2018/01/06/world/asia/india-modi-economy.html.

- Giddens, A. (1987). *The Nation-State and Violence*. Berkeley, CA: University of California Press.
- Gray, K. (2014). 'U.S. Aid and Uneven Development in East Asia'. *Annals of the American Academy of Political and Social Sciences*, 656: 41–58.
- Han, S.-M. (2004). 'The New Community Movement: Park Chung-hee and State Populism in Korea'. *Pacific Affairs*, 77(1): 69–93.
- Hardacre, H. (1989). *Shinto and the State, 1868–1988*. Princeton, NJ: Princeton University Press.
- Harrison, M. (2006). *Legitimacy, Meaning and Knowledge in the Making of Taiwanese Identity*. Basingstoke: Palgrave Macmillan.
- Higgott, R. (1998). 'The Asian Economic Crisis: A Study in the Politics of Resentment'. *New Political Economy*, 3(3): 333–56.
- Hirst, T. (2015). 'A Brief History of China's Economic Growth'. *World Economic Forum*, 30 July.
- Ho Chi-Minh (2004), 'The path that led me to Leninism'. In P. Duara (ed.), *Decolonization: Then and Now*. London: Routledge.
- Hobsbawm, E. (1990). *Nations and Nationalism since 1780*. Cambridge: Cambridge University Press.
- Hook, G. (2001). 'Region-Building and Integration in Post-Cold War East Asia'. Working Paper 9. Comprehensive Security and Cross Cultural Understanding in a Globalizing Asia Asian Studies Frontier Research Project.
- Jackson, T. (2009). *Prosperity Without Growth: The Transition to a Sustainable Economy*. London: Sustainable Development Commission UK.
- Kamtekar, I. (2002). 'A Different War Dance: State and Class in India 1939–1945'. *Past & Present*, 176: 187–221.
- Kaviraj, S. (1986). 'Indira Gandhi and Indian Politics'. *Economic and Political Weekly* 21(38–39): 1697–708.
- Kohli, A. (2004). *State Directed Development: Political Power and Industrialization in the Global Periphery*. Cambridge: Cambridge University Press.
- Kohli, A. (2009). 'Nationalist Versus Dependent Capitalist Development: Alternate Pathways of Asia and Latin America in a Globalized World'. *Studies in Comparative International Development*, 44: 386–410.
- Krugman, P. (1998). 'Saving Asia: It's Time to Get Radical'. *Fortune Investor*, 7 September.
- Ludden, D. (2005). 'Development Regimes in South Asia: History and the Governance Conundrum'. *Economic and Political Weekly*, 40(37): 4042–51.
- Montes, M.F. (2018). 'Six Development Paths in Southeast Asia: Three Plus Three'. WIDER Working Paper, forthcoming. Helsinki: UNU-WIDER.
- Moon, S. (2009). 'The Cultural Politics of Remembering Park Chung-hee'. *The Asia-Pacific Journal*, 7(19): 1–33.

- Mukherji, R. (2009). 'The State, Economic Growth, and Development in India'. *India Review*, 8(1): 81–106.
- Nayaka, P., and Nurullah, J.S. (1974). *A Students' History of Education in India (1800–1973)*, 6th edn. Mumbai: Macmillan.
- Nayyar, D. (2013). *Catch Up: Developing Countries in the World Economy*. Oxford: Oxford University Press.
- Park, S. (2003). 'Exploitation and Development in Colony: Korea and India'. *Korean Journal of Political Economy*, 1(1): 5.
- Petri, P.A. (2005). 'Is East Asia Becoming More Interdependent?'. Paper prepared for the session on European and Asian Integration: Trade and Money Issues, American Economic Association, 8 January, Boston, MA.
- Polanyi, K. (1957). *The Great Transformation: The Political and Economic Origins of Our Time*. Boston, MA: Beacon Press.
- Rajagopal, A. (2011). 'The Emergency as Prehistory of the New Indian Middle Class'. *Modern Asian Studies*, 45(5): 1003–49.
- Roy, S. (2015). 'Angry Citizens: Civic Anger and the Politics of Curative Democracy in India'. *Identities: Global Studies in Culture and Power*, 23(3): 362–77.
- Sassen, S. (1999). 'Servicing the Global Economy: Reconfigured States and Private Agents'. In P. Dicken, P.F. Kelly, L. Kong, and K. Olds (eds), *Globalization and the Asia-Pacific: Contested Territories*. London: Routledge.
- Schmid, A. (2002). *Korea Between Empires, 1895–1919*. New York: Columbia University Press.
- Schmitt, C. (1985 [2005]). *Political Theology: Four Chapters on the Concept of Sovereignty*, 2nd edn. Trans. George Schwab. Chicago, IL: University of Chicago Press.
- United Nations (n.d.) 'About Economic and Social Development'. Available at: www.un.org/esa/about_esa.html.
- Vu, T. (2013). 'Southeast Asia's New Nationalism: Causes and Significance'. *TRaNS: Trans-Regional and -National Studies of Southeast Asia*, 1(2): 259–79.
- Wongsurawat, W. (n.d.). 'The Crown and the Communists: The Thai Monarchy and the People's Republic of China in the Post-Mao Era'. Unpublished paper.
- Xiaoping, D. (1984). 'Uphold the Four Cardinal Principles'. In: *Selected Works (1975–82)*. Beijing: Beijing Foreign Languages Press.
- Zhang, X., and R. Kanbur (2005). 'Spatial Inequality in Education and Health Care in China'. *China Economic Review*, 16: 189–204.