

“Asian Values and Governance”

Ambassador Han Sung-Joo

(Former Minister of Foreign Affairs, Republic of Korea)

It is a great pleasure for me to be here for the Workshop on Governance Problems. I would like to thank the sponsors for inviting me here and give me the opportunity to share my thoughts on the subject. Today, I would like to speak on the topic of “Asian values and Governance.”

I think values have much to do with governance. Hence, I think Asian values have much to do with Asian governance. When we talk about “values in Asia,” we probably mean social or cultural values that are shared by a substantial number of people in that society named Asia. Values have integrity, which refers to continuity, uniqueness and consistency. The term, “Asian Values,” assumes both the existence of one or more of value systems in Asia. I think we can also presume that the values are changing or changeable, although slowly and usually in a piecemeal way .

During the last decade of the past century, Asian values were touted to be the driving force behind Asia’s rapid and remarkable economic stride during the previous several decades. Politicians and scholars were using the concept for a variety of purposes. Some did so as a response to Western criticism of Asia. Others invoked the concept to legitimize the political system and regime in power. Still another purpose was to protect what they considered to be necessary values for good government and good society from the presumably unwanted influence of the West. For some academics in Asia and elsewhere, the interest in Asian values was motivated by a genuine desire to discover the driving force behind Asia’s rapid economic development.

When the financial crisis came to Asia at the end of the last century, the inevitable question was raised. To what extent the Asian values, to which the remarkable economic success of many Asian countries was attributed, were also responsible for the difficulties they faced at that time. At a minimum, one had to admit that Asian values, to the extent

that they could be delineated and identified, failed to prevent the crisis.

One way to get around this dilemma is to argue that Asian values which were helpful during the early industrialization and pre-globalization stage actually acted as impediments for these Asian countries in adjusting to a new age of interdependence and globalization. The earlier stages of industrialization and economic growth seemed to have been helped by a paternalistic state, government guidance and protection of private enterprises, communitarian outlook and practices, and emphasis on social order, harmony and discipline. These are traits that supposedly emanated from what were generally considered as Asian values. On the other hand, the new age of globalization required among other features transparency, accountability, global competitiveness, universalistic outlook and practices, and emphasis on private initiatives and independence of the private sector. These are traits that were associated with “Western” values and under-emphasized by Asian values. Thus what was considered as an attribute of economic success was now seen as a cause of economic troubles.

Some may argue that what one calls Asian values are basically traditional values and what are considered to be Western values are basically modern values so that the difference between the two sets of values represents more temporal than spatial distance. Even as they admit the presence of what are obviously non-Asian traits, they argue that these are traits acquired through time rather than being necessarily culture-bound. Nonetheless, there are values and patterns of behavior that exhibit common threads which cut across the Asian countries and peoples. We just have to recognize that there are variations and differences within the area that is geographically defined as Asia.

Northeast Asian countries share many of the traits that are also found commonly among Southeast Asian countries. China is, in a manner of speaking, the cradle of Asian values with its long cultural history, rich intellectual legacy and large size of population. However, today’s Chinese values are the product of a multiplicity of traditions, ideologies and realities. Through time, China went through several cultural/intellectual stages: the Confucian (plus Taoist and Legalist), socialist, and now pragmatic (developmental). What we find today seems

to be an amalgamation of these values which have experienced both stability and change over time. Today, all three sets of traditions—Confucian, socialist and developmental—inform the behavior, practices and institutions of China. The Confucian tradition is to be found mainly in inter-personal relationships—deference toward elders and authority, adherence to doctrines, and achievement orientation. The socialist stage has left its indelible mark on the Chinese egalitarian impulse and political structure. The pragmatic and developmental aspirations are reflected in the policies of the government and behavior of individuals many of whose main goal has become to be successful economically. How long the mixture of market-economy and one-party politics will last and whether and how it will change with what effect remains a salient question.

Japan, as a model of Asian economic success, should be considered the main and earliest beneficiary of Asian values. But Japan has had a unique tradition of its own—a feudal society dominated by the martial class. For Japan, economic development took place earlier than other countries because its elite had a very pragmatic goal—*fukoku gyohei*, rich country and strong army. Democratization has been possible in post-War Japan, not only because it was imposed by the outsiders but, perhaps more importantly, because of Japan's own cultural legacy which included feudal social structure which allowed decentralization and rotation of political elite. Japan is an essentially Asian society in that consensus-seeking, rather than adversarial confrontation, is the dominating mode of behavior. Despite the efficiency and thoroughness with which Japan achieved its economic success, however, some elements of the Asian values which make a society susceptible to corruption, favoritism and bureaucratism—a phenomenon that is common among all Asian countries with few exceptions --- seem to have caught up with Japan. It remains Japan's big challenge as to whether and how she can overcome these problems.

South Korea presents a typical (if not extreme) case of Asian values playing both the functional and dysfunctional role for sustained economic success. The “Confucian” legacy, in particular, provided a culture and value system which place great emphasis on education, secular world view, work discipline, achievement orientation and leading

role of the government. In addition, because of the acute security situation over several decades since the end of the Korean War, military culture with both its positive and negative aspects played an important role in the country's economy and politics. On the plus side, military culture has resulted in enhancing organizational know-how of both the leadership and the general public, uprooting of much of the population from their traditional setting, acquirement of various types of skills and group discipline—factors which contributed enormously during the early stages of economic development.

However, the combination of traditional and military cultures also resulted in excessive dependence on inter-personal ties, family enterprise system, government-business collusion, lack of transparency, failure to rationalize business structures, and bloated bureaucracy. Asian values in South Korea have had as much negative effect on its economy in later years as they had positive effect during the early days of economic development.

There is variation among the Southeast Asian countries as well. I am not an expert on Indonesia. But since I am in Indonesia, let me venture to test what I have learned about this country and people. As I understand, Indonesia represents an amalgamation of the traditional Java culture, Islamic influence, military/pragmatic orientation of President Suharto's "New Order," and the globalization trends of post-Suharto years. The New Order value system, which incorporated both the traditional and Islamic cultures, emphasized consensual approach, communitarianism, social order and harmony, respect for elders, deference to authority, and government for the benefits of the state and people. They were accepted and supported by the middle class that wanted stability and development (*stabilitas* and *pembangunan*). During the later years of President Suharto, the persuasiveness of the New Order value system seems to have reached its limits, largely due to changing values of the middle class but also because of its difficulty in coping with the challenges of globalization.

In Malaysia, the role of religion (Islam) has been more prominent than other Southeast Asian countries including Indonesia. In Malaysia, more than in any other country, Asian (Malaysian) values are defined and identified as a contrast to the Western values. As in Indonesia, the

political elite has utilized its cultural legacy to enhance the legitimacy and authority of the government. Thus, the future of Malaysian economy depends very much on whether some of the more productive aspects of Asian values---such as pragmatism, hard-work and high-saving, and achievement orientation---fare relative to other social values.

Singapore presents a unique case of a successful implementation of Asian values. It has done so by deliberately emphasizing selective aspects of Asian (mostly Confucian) values and at the same time adapting them to the requirements of both initial industrialization and post-globalization ages. Thus, Singapore has made a maximum use of some elements of Confucian values such as deference to authority, social discipline, government leadership, meritocracy, emphasis on education, family values, emphasis on consensus rather than contention, and acceptance of the community over self. By adding to these values those of clean government, efficient bureaucracy, enlightened leadership and national unity – i.e., good governance, Singapore has successfully turned the Asian values into factors that have contributed to making Singapore a society that is rational and efficient in its economic management. Singapore has also succeeded in creating a society that is virtually corruption-free and a society that values ability rather than personal relationships. Will Singapore adapt to the rapidly changing world under the new, younger leadership which is still to a large extent under the tutelage of the past generation of leaders? This question remains yet to be answered in the course of time.

Asian values seem to have been a factor in the remarkable, rapid and quantum leap and rise of such giant Asian countries as China and India. What role Asian values play in economic development also depends on the way in which such values are selected and combined, and the dynamics among the various values within the larger basket that contains so-called Asian values. Also important is the international context. In a globalized world where goods, services and capital move uninhibited across the national borders, Asian values can be a liability unless they are adapted to the new requirements of transparency, accountability and limitless competition. Thus, it would be impossible to predict what role Asian values would play in the various countries. It depends very much upon how each society and its government apply the values to the

challenges it faces and what the nature of those challenges will be.

Is there a relationship between Asian values and corruption? On the face of it, Asian values which seem to emphasize personal relationships over public obligations, government paternalism over private initiatives, and moral exhortations over legal stipulations would tend to allow more room for corruption than “Western” values, which emphasize legality, transparency and individual initiatives. At the same time, however, Confucian teachings have regarded integrity and clean government as the most important virtues of the officialdom. This perhaps reflects the recognition of the seriousness of the problems arising from corrupt practices of government officials.

Thus, perhaps the most important element here is not what kind of social values are prevalent as what kind of expectations people have and what is the degree of anti-corruption enforcement. Corruption will inevitably flourish if people, both in and out of the government, expect others benefiting from the practice, get away with committing it, and most other people doing it. Only a strong and determined leadership will be able to break the vicious loop of corruption and expectation of benefiting from it.

Another dimension to consider is democracy. How do Asian values affect democratization of the Asian societies, and how does democracy in turn affect governance? This is a both theoretical and practical question that theoreticians and practitioners have been debating for a long time. Asia, with its authoritarian tradition which places the government above the people, was thought to be an inhospitable place for democracies. In the past few decades, we have been witnessing many Asian countries, including Japan, Indonesia, South Korea, Taiwan, and the Philippines transforming into political democracies. India has been a democracy ever since its independence after the Second World War. They all have meaningful and regular elections which elect governments. They enjoy freedom of assembly, speech and political organizations. Many of them have local governments flourishing. Other countries such as Thailand, Mongolia and Malaysia are inexorably moving toward democracy albeit with occasional setbacks. Thus, we cannot say that values in Asia stand in the way of the regional countries’ democratization process.

What is the relationship between democracy on the one hand and clean government on the other, which is a hall-mark of good governance? As the 2006 conference on corruption sponsored by the CSIS-Hills Program on Governance makes clear, there are mixed findings on the subject. On the one hand, democracy enhances transparency, freedom of speech, and investigative functions of the private sector including the media, thus contributing to the ability to control corruption. On the other hand, democracy increases the need for money for election purposes and the opportunities for corruption as the number of centers of power and decision making increases, while decreasing the will and ability of the leadership to control and ultimately eradicate corruption. Thus, regardless of whether a country is democratic or not, we are likely to find either the country controlling corruption quite effectively or not controlling at all. New Zealand, for example, is a democracy where corruption is well controlled. Singapore is a non-democracy which is virtually corruption free. We also find examples of corrupt democracies and corrupt authoritarian regimes.

It is perhaps the culture of corruption where unethical behavior is seen as both wide-spread and acceptable that makes corruption either common or rare. It thus pertains to the values related to corruption specifically rather than the system of government—i.e., whether it is a democratic or authoritarian government—the country has. How, then, can anti-corruption values be cultivated and instilled? There is probably no silver bullet. At the same time, however, it is not a lost cause either. For one thing, integrity and corruption-free behavior have to start and come from the top leadership of the country. Otherwise, it will be impossible to launch, much less carry out, the fight against corruption. Asian values, with its emphasis on benevolent and paternalistic leadership and egalitarian inclinations may prove to be helpful to find such a leadership who can ultimately inculcate the values, thus culture, of anti-corruption in the society.

Finally, I would like to note that one positive development in Asia in recent years is the explosive increase in electronic communication. In particular, East Asian countries are experiencing a phenomenon that can be called a “democratization through the internet and cell phones” as citizens and the civil society become more interested and engaged in

governmental affairs which become more transparent and exposed. As the economies of East Asian countries become more globalized, people feel the effects of government policies and measures more directly and keenly on their daily lives. At the same time, as different means of communication become more readily available and extensive, public consciousness spreads in conjunction with the expanding horizon of information. The effect is greater involvement of the non-governmental sector in governmental affairs and greater checks and balances on the government and corporations.

####