Ethnicity and Development: State Action and Ethnic Coexistence in Multicultural Societies

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Abstract: The political and socioeconomic problems confronting multiethnic and multicultural societies have in recent years attracted increasing attention not only of the politicians and academics around the world, but also the public at large, partly due to the impact of reethnicization of social segments and the widening of inequalities in various parts of the world due to political and economic transition. Although ethnic and cultural diversity is not an exclusive feature of the developing countries, it is nevertheless critically relevant to them, since economic deprivation or desperate poverty often heightens sensitivities and leads to unreasonableness and distrust, creating barriers in searching for solutions based upon reasonable give and take. Commenting on the arguments posited in Amy Chua’s controversial treatise World on Fire (2003), this paper investigates the role of the State in ethnically and culturally diverse societies in the modern world, taking into consideration the two major dimensions of ethnopolitics – ethnic politics and the politics of ethnicity, both polyethnic and bi-ethnic countries, as well both homeland and homeland-diasporic configurations, with special reference to the cases of the two developed countries of Spain and Belgium, and the developing country of Malaysia.
Keywords: multicultural societies, world development, ethnic fragmentation, State, ethnopolitics, homeland, diaspora

Introduction: The political and socioeconomic problems confronting multiethnic and multicultural societies have in recent years attracted increasing attention not only from politicians and academics, but also the public at large, mainly due to the impact of reethnicization of social segments and the widening of inequalities in Eastern Europe and the Balkan conflicts after the collapse of communism. Although ethnic diversity is not an exclusive feature of the developing countries, it is nevertheless critically relevant to them, since economic deprivation or desperate poverty “unduly heightens sensitivities and breeds a general atmosphere of unreasonableness and distrust, making it immensely more difficult to attain solutions to outstanding problems on the basis of a reasonable give and take”[1]. That said, one should be mindful that the threat of ethnic unrest is not solely the bane of third world countries. The Economist observed in 1965 that the sizzling ethnic tension in Malaysia and Singapore at that time coincided with a week of race riots in Los Angeles, as well as ethnic violence in southern Sudan[2]. The threat of interethnic mistrust looms large and wide. It could be both the scourge afflicting the poor nations, and the sword of Damocles even in times of prosperity.

In 2003, Amy Chua, a Yale Law School professor of Filipino Chinese descent, published a book entitled World on Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability[3]. The book’s main contention is that the spread of free market democracy breeds ethnic violence in developing countries by simultaneously concentrating wealth in the hands of the ethnic minority and empowering the impoverished majority that resents the former. The exposition of the


thesis, however, relies heavily on a thread of argument with a disturbing emphasis on the role of the ethnic minority, often immigrants and their descendants, and being termed the “market-dominant minority”. The precariousness of such a predilection for reductionism – which historian and Pulitzer Price laureate Frederick Turner (1861-1932) described as “an addiction to the primary, the elementary” – lies in the undue emphasis on one particular aspect at the expense of a broader, more complex, structure – a simplification that runs the risk of misleading stereotyping by neglect. Such dangerous essentialization is compounded by the inclination for blanket, semantically specious, generalizations as in Chapter 6 of the book where it is noted that “once the Chinese realized that the Marcoses wished only to redistribute wealth to themselves and not to the poor, the Chinese rejoiced ...” (p. 155, italics added).

Typology of Immigrant Communities

In discussing the dependence of the exact outcome in a mixed-multiethnic (i.e. homeland and immigrant) state on the strength of the contending homeland and immigrant movements, Esman (1985) identified three types of immigrant movements[1]. The first evolved from the organized migration of settlers into areas inhabited by peoples commanding weaker technological resources, who are subdued and displaced, e.g. the ethnic Europeanization of the Americas, New Zealand and Australia. In this case, the “homeland” movement of the earlier inhabitants (the Amerindians, Maori and Australian aborigines), reduced to impotent and impoverished minority status, is usually of little significance. The second category of immigrant movements is the result of labour migration into established societies (e.g. the Third World “guest workers” in the industrialized countries, such as the Turkish Gastarbeiter in Germany or the Pakistanis in West Yorkshire, England). Ethnic movements organized and led by their second generation usually demand non-discrimination in education and employment, full inclusion as citizens and toleration for cultural differences. Esman’s third category refers to the migrations of “pariah entrepreneurs” – ethnic communities that moved

[1] On the appropriateness of such a distinction, see later parts of the paper for a critical discussion.
into peasant societies and established themselves in previously unoccupied economic space as a business class. Many of them became comprador merchants under colonial rule. In addition to Esman’s categorization, members of these migrant communities also included labour moved in mainly under colonial indenture or assisted immigration systems. Such immigrant labour sometimes served to enhance the interests of capitalists of the same ethnicity. For instance in British Malaya Chinese capitalist control of tin mining persisted long after British intervention in the tin producing Malay States because of effective and exclusive control over Chinese labour. Relying on ‘labour-intensive’ production techniques, the minimization of the wage bill was key to their viability and profitability ... In the absence of a local proletariat, Chinese capitalists chose to employ an immigrant [Chinese] proletariat they controlled by a variety of economic and extra-economic means [including the secret societies which] were transformed into quasi-welfare organizations serving multifarious functions in the uncertain frontier society and embracing most strata of the Chinese community[1].

For such communities and their descendants, their relative prosperity, real or perceived, “inevitably incites envy, their disinclination to integrate into the native society provokes resentment, and their minority status renders them vulnerable to political attack”[2].

Hence, the structure of the immigrant communities, which constitute the main part of World on Fire’s “market-dominant minorities”, is much more complex than that which the readers are led to understand from the book. To label the economically successful minorities simply as “market-dominant” carries the inescapable undertone of putting the blame of suffering on the victims of ethnic violence unleashed by the demographic majority. World on Fire’s caricature – e.g. of the “market-dominant” Chinese whether in Burma (Chapter 1) or other Southeast Asian countries, and its over-emphasis on


the obscenely rich Chinese tycoons that contrasts vividly with its inattention to the vast majority of the Chinese toiling masses, including the first-generation immigrant coolies living a backbreaking existence inexcusably distorts the image of the immigrant community. Throughout the 194 pages of dense text, next to nothing is mentioned about the large labouring masses within the minority, often diaspora, communities.

World on Fire’s skewed portrayal contrasts sharply with the following illustration of the incompatible class fractional identity and ethnic allegiance that bred discontent and instability in Malaysia[^1]:

**Figure 1: Ethnic and Class Relations in Malaysia**

With M denotes Malay, C Chinese, E élite and Ms masses respectively, the vertical division shows the Malay-Chinese ethnic grouping, while the horizontal one indicates the élite-masses socioeconomic class grouping. Three types of relations are evident here: vertical relations, between Malay élite and their masses (a), and Chinese élite and their masses (b); horizontal relations, between Malay élite and their Chinese counterpart (c), and Malay masses and their Chinese counterpart (d); diagonal relations, between

Malay élite and Chinese masses (e) and Chinese élite and Malay masses (f). Intra-ethnic relations are shown by vertical arrows, inter-ethnic ones by the horizontal and diagonal. This typology closely resembles Bonacich's [1] configuration of class and ethnic relations resulting from imperialism (Figure 2).

While segments A and C in Bonacich's model represent the "imperialist (white) bourgeoisie" and "workers in the imperialist nation" (and segments B and D refer to their non-white counterparts in the colonies and semi-colonies), in the present context they may well be the non-Malay bourgeoisie and proletariat whose existence was a direct consequence of colonial policy and closely linked to the interests of the imperialist nation.

While Bonacich's model refers to classes in the Marxian sense of the word, Husin speaks about "élite" instead. According to Brass [2], the term "élite" is not a substitute for "class", but refers to formations within ethnic groups (e.g. the aristocratic class) and classes (e.g. the secular élites) that often play critical roles in ethnic mobilization. Each of these élites may choose to act in terms of ethnic or class appeals. What determines their action is neither their ethnicity nor their class, but rather their specific relationship to competing élites in struggles for control over their ethnic group, or in competition with persons from other ethnic groups for scarce political and economic benefits and resources.

Figure 2 : Ethnic and Class Relations Resulting from Imperialism


Bonacich's purpose is mainly to show how imperialism complicates class struggle by dividing classes along ethnic lines, and how her "split labour market theory" can be invoked to explain such complications. However, the latter may not necessarily emerge in the form of conspicuous ethnic conflict. For instance, not only do members of the Malay and Chinese élites who are leaders of the component parties in the ruling Alliance share a desire to minimize conflict among themselves, but each group also tries to accommodate members from the other group into their respective spheres of predominance.

In stark contradistinction to this, World on Fire's squinted description of the "market-dominant minority" only refers to the top right item in the fourfold taxonomy of Husin (Chinese élite) and Bonacich (bourgeoisie/pre-capitalist rulers). World on Fire, through its reductionistic caricature (as that of the "gaily jabbering ibu" in Chapter 1, pp. 45-46), from the Southeast Asian Chinese to the "pigmentocracy" in Latin America and the Jews in Russia is in a sense accentuating the dangerous stereotyping of a most visible minority of the minority in whose image the whole community is misrepresented.


reminiscent of Napoleon’s stereotyping of England as a nation of shopkeepers[1], practically paying no attention to the existence of the great majority of the “Great Unwashed”[2]. By turning a blind eye to the “Great Unwashed” majority of the minority, World on Fire is giving the impression that the Malaysian or Indonesian Chinese are but communities of big and small Robert Kuoks, Bob Hasans and Sudono Salims – some favourites among the book’s dramatis persona.

World on Fire keeps bringing up the issue of Serbian atrocities, but exactly in what way the Serbian genocide against Croats and Muslims fits into the book’s thesis is not clear. Referring to Serbian and Hutu atrocities, it is asked in Chapter 7, “Under what conditions do human beings do such things?” (p. 163) while the critical factors such as political opportunism, ethnicity as symbol for political mobilization, and ethnoterritorial resource contest are hardly mentioned. Never given attention are the real reasons of Serbian genocide – land grab, dream of Greater Serbia, historical hatred of the Croats stemming especially from memory of pro-Fascist Croatian state’s campaign of extermination against Serbs during World War II, and Tudjman and Milosevic’s alleged secret pact to carve up Bosnia. It is in the case of former Yugoslavia that World on Fire’s reductionistic approach is most awkward, and where it begins to unravel; it is here that portraying victims of ethnic violence as “market-dominant minorities” fails to work; it is here that tailoring the facts to fit into a grand explanatory scheme is really contrived. The author knew this, as the book apologetically explains towards the end of Chapter 7 (p. 174), after it has equivocally thrown Serbian atrocities many times into its grand framework around the “market-dominant minorities”. It is reluctantly admitted that

[1] First quoted in Barry E. O’Meara (1822), Napoleon in Exile, Vol. 2. Samuel Adams, the American revolutionary leader was said to refer to it in his Oration in Philadelphia 1 August 1776, and Adam Smith used it in his Wealth of Nations of the same year.

[2] James Laver observed in his Modesty in Dress: An Inquiry into the Fundamentals of Fashion (1969: 17): “The distinction between the clean upper classes and what the Victorians called the Great Unwashed persisted almost until our own day, and can still be detected in such a phrase as the white-collar workers’. Cleanliness at wrist and throat (that is to say, the two places where linen can most easily be dirtied) is still a sign that the wearer does not engage in any kind of degrading manual toil.” [James Laver (1969), Modesty in Dress: An Inquiry into the Fundamentals of Fashion, London: William Heinemann Ltd.]
Serbian atrocities are a "more complicated example" (p. 170), but that does not prevent the book's reductionistic framework from falling apart. Stretching the thesis to a wider framework of "regional market-dominant minorities" – Israeli Jews in the Middle East (Chapter 10) and USA as the "world market-dominant minority" (Chapters 9-12, pp. 189-94) – where its exposition of the factors of ethnic resentment or ethnic envy appears even more questionable.

Contrary to World on Fire's reductionism, the understanding of ethnic conflict cannot be achieved without taking into consideration a complex web of institutional factors ranging over the role and identity of the State, ethnic marker as instrument for political mobilization, élite racialist discourse, historical geography of ethnicity, numerical structure of ethnicity, relative ethnic intensity, dominant group orientation and subordinate group aspiration, ethnic concentration and dispersion, and ethnoterritoriality. Take the example of El Ejido, Almería, Andalucía, Spain.

El Ejido Burning

Violence erupted in El Ejido[1] in early 2000 when a Moroccan man was arrested on suspicion of stabbing to death a Spanish woman in a local market. This came two weeks after another Moroccan man was arrested in connection with the stabbing to death of two people. Although the police had said that there is no evidence that the immigrant community is committing more crimes than anyone else, hundreds of local people began marching through El Ejido shouting racist slogans, and proceeded on the rampage, burning cars and shops belonging to Moroccans – a minority that constituted just one-tenth of the local population, who mainly worked in agriculture, picking and planting fruit and vegetables – low-paid and back-breaking work which Spaniards shun. While several thousand people went on the worst rampage of racial violence in the recent history of the country, wrecking businesses, shops and bars owned by immigrants, and beating up Moroccan workers, the local police, under the control of

[1] El Ejido is the centre for fruit and vegetable production on Spain's southern coast. It relies heavily on cheap immigrant labour.
the populist mayor Juan Enciso, did not seem to try to stop the rioters. Six hundred police reinforcements were sent from Madrid two days later, and it took several days to restore order. The mayor, meanwhile, resisted pressure from the prime minister, Jose Maria Aznar, to condemn the violence, vetoed a plan for the Red Cross to set up a camp for the immigrants whose shacks had been destroyed in the riots and helped provoke the resignation of the liberal labour minister, Manuel Pimental, who had spoken out in support of the immigrants.

Homeland-Multietnic: Spain

While ethnic conflict in El Ejido clearly did not arise from the existence of a market-dominant minority it could only be understood by taking into consideration the complex ethnic mosaic of Spain. Historically, the Spanish State has always endeavoured to impose a rigid ethnic, religious and cultural homogenization, not least by expelling the two most important minorities – the Jews were exiled by the Catholic Monarchs in 1492, and the Morescos were banished by Felipe II in 1609. Until the emergence of Basque nationalism the late nineteenth century, the ethnolinguistic and ethnoreligious homogeneity of the Spanish people has never been questioned in the country. The small immigrant minorities – African slaves brought into the country in the sixteenth and seventeenth centuries and Germans who settled in the Sierra Morena in the eighteenth century – were easily assimilated. However, even under this façade of homogeneity, several ethnic groups in Spain have always kept a separate identity, culturally and linguistically: the Catalans (16% of the population), mainly in the northeast of the country and on the eastern islands; Galicians (7%) in the northwest; Basques, or Euskal-dun (2%), mainly around the Bay of Biscay; and the nomadic Gitanos (Gypsies) who are dispersed all over the country, with the greatest number found in Madrid, Barcelona and the larger southern cities. Besides, there are also some less significant but somewhat differentiated groups like the “agotes” in Navarra and the “vaqueiros de alzada” in Asturias (with the distinctive local language called “bable”). Recent immigration, however, is adding a new element to the ethnic mosaic of the country, the “new minorities”. While there are hardly any incorporation problems for the European immigrants and not much difficulty in the
assimilation of Latin Americans given their Hispanic cultural and linguistic background, the integration of Africans and Asians is more problematical. These “new minorities” will be examined later in this paper.

Figure 3 Spain: The Autonomous Communities and Non-Castilian Ethnolinguistic Distribution (native languages in brackets)

Although the Autonomous Communities project after the death of Generalísimo Francisco Franco y Bahamonde (the Caudillo) is not designed solely to resolve the ethnic problems facing the Castilian centre stemming from the "historic regions" of Catalonia and the Basque Country (and to a less extent, Galicia) hence the creation of seventeen instead of two or three such Communities it cannot be denied that it is the real or potentially centrifugal pressure from these ethnic regions (rendered even more explosive after the long years of Franquist repression) that provided the first and main impetus behind the will to decentralize after the restoration of democracy in 1975. The primary importance of the ethnic regions (which extend beyond the three "historic regions") can be observed in Figures 4 and 5 which show the interregional distribution of public sector resources in 1985, during the early phase of decentralization. The top
six regions in 1985 which accounted for 74% of the seventeen regions' total resources were Andalucía, Catalonia, the Basque Country, Galicia, Madrid and Valencia. Out of the six, Catalonia, the Basque Country, Galicia and Valencia (which together accounted for 44% of the total regional resources) are ethnolinguistically distinct from Madrid, the Castilian centre. In terms of resource utilization, these six regions accounted for 75% of the total, with Catalonia, the Basque Country, Galicia and Valencia alone accounting for 48% of the total. The privileged position of Catalonia, the Basque Country and Galicia in the decentralization process is a clear reflection of this concern. The creation of the other “grade one” (the special route) or “grade two” (the slower track to autonomy) Communities can be seen as an outgrowth of this, while decentralization as such is said to aim at creating a new form of State structure bringing the tax-payers closer to the providers of public services their contributions pay for. Figure 6 shows the remarkable growth of the Spanish regional expenditure due to the Comunidades Autónomas project. The impact of decentralization on public expenditure in the first two decades of the Comunidades Autónomas project is further shown in Figures 7 and 8.

Figure 4 Spain: Public Resource Distribution by Region, 1985 (early phase of decentralization)
Ethnolinguistically non-Castilian regions


Figure 6 Spain: Decentralization of Government Expenditure – the First Two Decades
Figure 7 Spain: Total Expenditure as Percentage of GDP at All Levels of Government

![Graph showing total expenditure as percentage of GDP in Spain from 1975 to 1992.](image)

Source: IMF, Government Finance Statistics Yearbooks; Anuarios Estadísticos de España, Instituto Nacional de Estadística/Ministerio de Economía y Hacienda, Madrid

Figure 8 Spain: Total Expenditure, Current & Capital Expenditures – Ratio of Regional & Provincial Governments to Central Government Source: As Figure 7.

![Graph showing total, current, and capital expenditures in Spain from 1980 to 1992.](image)

Spain: The “New Minorities”

Our discussion has so far focused on the main contending ethnic groups in the power structure. We have so far ignored the less significant (in terms of power contest) groups like the “new minorities” (immigrants mainly from Latin America and Africa) in Spain.

According to official statistics, there are at present between 2.5 and 3 million foreigners in Spain, of which only about 1.8 million have a residence permit. That is to
say, those who are “sin papeles” (without permit) total more than one million. Besides EU nationals (mainly Britons, Germans and Italians), these foreigners are mainly from Latin America (about 32%, mainly some 190000 Ecuadorians and 120000 Colombians) and Africa (about 25%, mainly the more than 350000 Moroccans). The majority of the immigrants (about 90%) are in the capital and the region of Catalonia. There are about 300,000 immigrants living in Madrid today, with around the same number in Catalonia. The remaining 10% of immigrants are in the vast southern region of Andalucía, as well as Valencia and the Balearic islands. Both Valencia and the Balearic Islands are regions ethnolinguistically distinct from Castilian centre. Half of the people in Valencia speak Valencian, a variety of Catalan; more than 70% of the Balearic islanders speak Mallorquí, also a variety of Catalan. This means that besides Madrid, most of the immigrants actually end up either in the ethnolinguistically non-Castilian autonomous communities or regions with a strong ethnic movement.

In comparison with the other western European countries, the percentage of immigrants in Spain (5%) can be considered rather low[1]. Nevertheless, racism against these “new minorities”, however subtle, is not unheard of. It can even take violent forms, as in the community of El Ejido in the southern province of Almería, Andalucía. Nor was El Ejido an isolated incident. Earlier in July 1999, there had been three nights of violence against North African immigrants in the north-eastern town of Tarrasa, near Barcelona, when hundreds of angry residents took to the streets shouting “Moroccans out” and “No more Moroccans” and attacked shops and cars of the immigrants.

A few things are readily observable in the pogrom in El Ejido – features that are common in such incidents elsewhere, elements that are not completely strange to Malaysians who had personal experience of the racial violence in 1969 or the boiling ethnic tension in 1987. First is the role of politicians – in particular the populist mayor – and the local police, which the Spanish media blamed[2]. Van Dijk (2005) has highlighted the views expressed by conservative politicians in the historic autonomous regions

[1] In cities like Madrid and Barcelona it is about 10%.

[2] When violence erupted, although the story quickly reached the national news, pictures of the actual violence were few because, along with immigrants, journalists were also under attack by the mob.
who condone or flirt with xenophobic ideas. He noted the publication of a book by Heribert Barrera, former president of the Catalan parliament, with explicitly xenophobic remarks, in which the author declared himself in agreement with the right-wing Austrian politician Haider. Van Dijk also noted that the former Catalan leader Jordi Pujol, in his last major speech in Catalan Parliament, declared on 2 October that immigration was one of the most “problematic facts” of Catalonia. While insisting that it is a general problem for developed countries, Pujol emphasized that in Catalonia it has specific significance because immigration can affect “our identity”. Van Dijk observed further that in a lecture for the Catalan Summer School in August 2004, Pujol defended the integration of immigrants in Catalonia, but without “going as far as miscegenation” because that would spell the “end of Catalonia”. Other similar statements of Pujol in 2004, according to van Dijk, essentially repeated the same theme of the alien “threat” to Catalan language and culture and the all-importance of maintaining the Catalan national ‘identity’ for if Catalonia should have a “central” or “dominant” culture, this culture should be Catalan culture.

World on Fire, while not denying the fact that politicians opportunistically manipulate ethnic hatred to achieve their own ends – e.g. it talks about Mallku in Bolivia at the beginning of Chapter 2 (p. 51), mentions about the emergence of demagogues who “scapegoat” and “opportunistically whip up mass hatred” against the resented minority in the prefaces to Part Two (p. 124) and Part Three (p. 187) – nevertheless does not lay due emphasis on it, whether in Rwanda, former Yugoslavia or Southeast Asia. In the book’s discussion of the Jakarta genocide of the Chinese in 1998 at the fall of Suharto (Chapter 6, p. 152), it emphasizes solely the hated Chinese cronies of Suharto, while ignoring the political intrigue behind the pogrom, with the military and Suharto’s supporters’ resorting to anti-Chinese violence to undermine the democratic transition – the same exploitation of ethnic conflict the brought Suharto to power in 1965 (a stratagem not unheard of in “palace coups” around countries in this region). Yet World on Fire quoted “the prevailing view among the pribumi majority ... that it was ‘worthwhile to lose ten years of growth to get rid of the Chinese problem once and for all’” (Chapter 1, p. 45) as if this was nothing but a simple spontaneous uprising against
the country's "greedy Chinese locusts" (Chapter 9, p. 136). It is not clear how World on Fire's line of reasoning is helpful in explaining the long history of anti-Chinese pogroms and massacres in the early history of the Philippines — while still under colonial rule — and Indonesia and the fate meted out to the tiny East Timorese Chinese community by the Indonesian occupiers when Indonesia annexed the island state in 1975.

Another feature of the El Ejido riots is the lack of political power on the part of the immigrants, partly due to the small size and the lack of ethnic intensity that have been discussed above, partly because of the dispersed nature of the immigrant population.

Historical Geography of Ethnicity and Intergroup Relations

The first man who, having enclosed a piece of land, thought of saying ‘This is mine' and found people simple enough to believe him, was the true founder of civil society. How many crimes, wars, murders; how much misery and horror the human race would have been spared if someone had pulled up the stakes and filled in the ditch and cried out to his fellow men: ‘Beware of listening to this impostor. You are lost if you forget that the fruits of the earth belong to everyone and that the earth itself belongs to no one!’ [1]

World on Fire's implicit condemnation of immigrants (and even more unjustly, by extension, their descendants) as covetous plunderers of resources and illegitimate contenders in resource contest is impossible to escape notice, as it argues that free markets "led to the rapid accumulation of massive, often shocking wealth by members of an 'outsider' or 'nonindigenous' ethnic community" (preface to Part One, p. 19) and that "laissez-faire markets have magnified the often astounding wealth and economic prominence of an "outsider" minority, generating great reservoirs of ethnic envy and resentment among the impoverished "indigenous" majority" (preface to Part Three, p. 187).

The wanton use of strong, emotionally charged terms like "outsider" and "non-indigenous" without critical appraisal in studies on ethnic relations can be misleading and

dangerous. The discussion in the previous sections has repeatedly brought up the issue of homeland-immigrant dichotomy. The critical difference between two distinct types of ethnicity – homeland and immigrant ethnic groups – indeed requires recognition. Their definition is subjective, being related to the real or mythical attachment of an ethnic group to the land on which it resides\(^1\). Ethnic identity is generally more intense and more ascriptive in homeland communities than in immigrant societies. It is also more explicitly expressed in patterns of political organization and spatial segregation in states composed of the former\(^2\). Nevertheless, the homeland-immigrant categorization has increasingly been attracting criticism. Not least is the stigma that the so-called “indigenous” groups insist on forcing upon the descendants of the immigrants by continuing to tag them “immigrants” even when they are generations removed from their forefathers who first migrated to the land. Also being questioned by the descendants of immigrants is the imbalance in rights often claimed by the “homeland” groups who in the eyes of the former are simply distinguished from them by having forefathers who arrived in the land much earlier in historical, or prehistoric, times. Anthropological studies have placed the origins of modern humans in southern Africa or the Middle East. Evolving 90000 to 180000 years ago, these humans then migrated to all parts of the world, supplanting the local, earlier Homo sapiens populations. So in this sense, every so-called indigenous people in any part of the world can be considered descendants of immigrants who had moved into the land and lived there from time immemorial.

With this line of reasoning, the new immigrant minorities of Spain (e.g. Moroccans in Andalucia, Andalucians in Catalonia) would considered themselves simply as people who are los tardios en llegar (latecomers) vis-à-vis the locals who are descendants of los tempranos en llegar (early comers).\(^3\) Similarly, each of the successive peoples who came

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\(^2\) Esman, 1985.

\(^3\) The T-T (tempranos-tardios) dichotomy is not only important but also useful in view of the increasing taboo on the use of the term “immigrant” in public discourse.

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earlier to the Iberian Peninsula and who had historically contributed to the ethnological mixture of the Spanish people – the Romans (Mediterranean), the Suevi, the Vandals and the Visigoths (who were Teutonic), a well as the Semitic and other peoples – was in ethnological terms “tardíos” who came to add on to the already mixed stock of the “tempranos”. The long history of population movement, settlement and resettlement, the reshuffling and mingling of genetic elements through the weaving of biological interrelationships like intermarriage and other forms of miscegenation has since blurred all notions of the early comers and latecomers. Given this historical backdrop, it is interesting to note that political leaders like Jordi Pujol, still posited in public discourse the threat of “miscegenation” to “racial purity”.

While World on Fire admitted, in its African cases, that not all “market-dominant minorities” are “non-indigenous”, its careless lumping together as “market-dominant minorities” the very different cases of the Chinese diaspora in Southeast Asia (the first generation of whom are mostly landless, sans political power, scraping an existence on their road from rags to modest living, and for a minority among them, to riches) and the white minority in Zimbabwe (formerly Rhodesia) who in the author’s words “duped, killed, and expropriated their way to control of the country’s best land” (Chapter 4, p. 102) basically views wealth accumulation by the tardíos, regardless of means, as a crime, while the contribution of the early immigrants – the Chinese coolies and tin-miners, South Indian estate workers in Malaysia, for instance, and their descendants – to the emergence of the “new economy” and economic well-being of the land is never recognized. World on Fire’s taking for granted the unquestioned justification of the majority’s resentment of minority’s success (see, e.g. preface to Part Three, p. 187) represents an injustice to the industrious, toiling masses among the minorities, without differentiating them from the few tycoons who attached themselves to the powers that be, because such justification amounts to implicit labelling of the whole tardío/minority community as plunders and exploiters. This concept of the illegitimacy of the tardíos brings to mind Voltaire’s comment on the lines of Rousseau’s quoted above:

What! He who has planted, sown, and enclosed some land has no right to the fruit of his efforts! Is this unjust man, this thief to be the benefactor of the human race?
Behold the philosophy of a beggar who would like the rich to be robbed by the poor!"[1] Read from another angle, Voltaire might as well be commenting on the modern violence unleashed by the demographic majority on the economically successful minority – World on Fire’s so-called “market-dominant minority”.

As a rather far-fetched extension of its basic thesis, in contrary to reality, World on Fire practically says that China and the “Asian Tigers” are successful because of the absence of “market-dominant minorities” and even more disturbingly, the non-“Tigers” in Southeast Asia are less successful, poorer and less stable because of, by contrast, the existence of such minorities (Chapter 8, pp. 177-178). In addition to conveniently ignoring many reasons for the Tigers’ success – historical, geopolitical factors (e.g. US aid during the Cold War), and the anachronism in dating China’s late economic rise, such reasoning only helps to add to the “crime” of the economically successful minorities – the same argument as that which prompted governments in the region to establish inefficient, resource wasting racialist preferential policies that had in all probability hindered the progress of the region, instead of concentrating on race-neutral poverty eradication programmes.

Problems of ethnic relations are much more complex than could be handled by World on Fire’s precarious reductionist framework. The T-T (tempranos-tardíos) distinction, for instance, is crucial as a determinant in the analysis of ethnic coexistence, intergroup conflict, public policy and ethnic response in a multiethnic (including “bi-ethnic”) society. Consider here a trichotomous taxonomy of multiethnic states based on their ethnic historical geography: “homeland-multiethnic states”, “immigrant-multiethnic states” and “mixed-multiethnic states”[2].

The first category refers to those composed of two or more homeland ethnic groups of significant proportions. Spain and Belgium belong to this category, which also

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includes, among others, Britain, Italy, Nigeria, India, Russia and the former Yugoslavia. The second category refers to immigrant states that consist of more than one major tardio ethnic group (comprised of later immigrants and their descendants) but are devoid of significant temprano communities (descendants of earlier inhabitants), e.g. the United States, Canada, Mauritius and Trinidad and Tobago. The essential features of an immigrant-multiethnic society are that its settlers (and therefore their descendants) are diverse in ethnicity, and that all settlers feel an equally legitimate claim upon it, regardless of their ethno-national background.

Concentrated v Dispersed Minorities

There are various patterns of demographic intermingling. Groups can be intermingled on a regional scale - regions are heterogeneous but small communities are homogeneous, as in Malaysia in the 1960s and 70s or on a local scale where even small communities are heterogeneous, as in Sarajevo and many parts of Bosnia-Herzegovina before the recent war. The power relationship between the dominant and the subordinate groups is influenced by the extent to which the latter is located in a particular regional (or urban) setting, whether it is a "concentrated" or "dispersed" community. A subordinate group that forms a numerical majority in certain regions of a state (or lives in large numbers in inner city areas, like the Pakistanis in Bradford, England) may have greater politico-economic leverage than a more "dispersed" community. In terms of political influence in a democracy, Lee (1983) noted that the vote of a concentrated minority might be more effective than that of a dispersed community under a "winner takes all" electoral system.

Van Amersfoort (1978) has attempted to derive a typology of "majority-minority"

relations by combining the orientations of dispersed and concentrated subordinate groups with three dimensions of dominant group aspirations. Using the terms “dominant” (or “superordinate”) and “subordinate” that convey more accurately the power dimension than van Amersfoort’s “majority” and “minority”, which can be semantically confusing when size and power do not coincide, Figure 9 illustrates a number of probable outcomes produced by this configuration. This typology is useful for an understanding of the contrast in State actions between the countries.

Figure 9: Typology of Dominant-Subordinate Relations

<table>
<thead>
<tr>
<th>orientation of dominant group</th>
<th>dispersed subordinate group’s orientation</th>
<th>concentrated subordinate group’s orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Universalistic</td>
<td>Universalistic</td>
</tr>
<tr>
<td>Emancipation</td>
<td>emancipation process</td>
<td>federalism</td>
</tr>
<tr>
<td></td>
<td>sectarian minority</td>
<td>secessionist movement: eventually secession</td>
</tr>
<tr>
<td>Continuation</td>
<td>suppression (struggle for emancipation)</td>
<td>reservation situation</td>
</tr>
<tr>
<td></td>
<td>reservation situation</td>
<td>suppression (struggle for regional autonomy)</td>
</tr>
<tr>
<td>Elimination</td>
<td>forced assimilation or extermination</td>
<td>forced assimilation or extermination</td>
</tr>
<tr>
<td></td>
<td>forced assimilation or extermination</td>
<td>secessionist war, forced assimilation or extermination</td>
</tr>
</tbody>
</table>

Can Dominants and Subordinates Be Free of Conflict?

In terms of orientation, Van Amersfoort defined universalistic subordinates as those that aim at participation in society and demand equality and, in general, also the preservation of alternative roles. They thus correspond to Wirth’s “pluralistic”, and to a less extent, “assimilationist minorities”[1]. In the case of concentrated subordinates, universalism can take on the form of regionalism. While also aspiring to improve their position, particularistic subordinates “do not demand ‘equal’ rights with the [dominants], but derive their rights from their own particularistic value system”[2]. They thus

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correspond to Wirth's "secessionist" and "militant minorities".

Figure 9 demonstrates that a stable relationship between the dominants and subordinates free of conflict is an exception rather than a rule, since only two out of a total of twelve cells formed by the interface of dominant-subordinate orientations – those marked "emancipation process" and "federalism" – suggest the prospect of a stable form of participation in society by subordinate groups. Federalism, which represents the current state response to ethnic conflict in the two stable Western democracies of Spain and Belgium, is thus far from a prevalent phenomenon in the world context. Furthermore, federalism as a policy option was selected for these countries in order to solve the problems engendered by the self-determination aspirations of the homeland ethno-regional minorities who are significant in the countries' power-configuration. But what is the implication of this for the "new minorities"?

Historic (Homeland) Minorities' Nationalism and the "New Minorities"

Two types of nationalism can be identified in terms of the treatment of minorities: minority-respecting and minority-oppressing. Van Evera\(^1\) noted that many nationalisms of immigrant nations (e.g. American, Anglo-Canadian) have been relatively minority-respecting, while homeland nationalisms often display less tolerance for their minorities (e.g. the plight of the Kurdish minorities of Iraq and Turkey, Turks in Bulgaria, Serbs in Croatia and Albanians in Serbia). Behind this lies the relative intensity, linked to the feeling of legitimacy, of the claim to land where the groups reside. That also applies to peripheral nationalism of regional minorities' sentiment towards other homeland/tardio minorities in their midst. Kendra Clegg, in her study of the Sasak people in Lombok, Indonesia, observed that while "[r]egional autonomy allows local communities to strengthen their cultures and identities ... it may also marginalise minority groups." She found that "[p]oliticising Sasak identity has meant the promotion of a single cultural identity, which disguises the great diversity of understandings of 'Sasak'."\(^2\)

On the treatment of the "new minorities" by the "peripheral nationalisms" in

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\(^1\) Van Evera, 1994.

Spain, van Dijk[1] observed that being both associated with nationalist values, the “autonomous-nationalist” and conservative attitudes towards immigrants tend to be based on related ideologies – a resemblance that exists paradoxically in the two opposed forms of centralist and regional nationalisms in Spain, respectively. While there is the official, hence often “tacit while presupposed”, nationalism of the Spanish State that opposes any infringement on the unity of Spain – a centralist nationalism that represents a continuation of the Franquist-Falangist tradition that had emphasized the unity of Spain, and repressed any form of linguistic diversity and political autonomy of the nations of Euskadi or Catalonia – van Dijk observed, on the other hand, the existence of “peripherical nationalisms” in the historic autonomous regions, especially those that are ethnolinguistically distinctive from the Castilian centre, such as Catalonia, Euskadi and Galicia. Hence, he noted, for conservative nationalists in these regions, too many immigrants might jeopardize the delicate consensus of a system in which the autonomous project is dominant, for instance teaching and using Catalan in Catalonia, because both ideologies, especially their more radical conservative brands, have “the tendency to oppose multiculturalism, multilingualism, immigration or any other way ‘national unity’ or cultural or linguistic homogeneity are seen to be threatened”.

The sentiment of the electorate is no less alarming. Van Dijk cited some 1990 statistics which suggest that less than half of the people who vote for nationalist parties in Euskadi and Catalonia accept the thesis that foreigners should have the same rights as the Spanish people, and research which suggests that voters of more radical autonomous-nationalist parties also tend to have less sympathy for Arabs, Blacks and Gitanos. “This reaction against immigrants in the historic autonomous regions of Spain has a longer tradition, and also was directed against immigrants from other parts of Spain, especially from Andalusia”, according to van Dijk. And this brings us to the question of Andalucía.

The Inverted Paradigm: Public Policy-Induced Ethnogenesis and Polarization

Incidentally, the southern province of Almería, where El Ejido is located, is in

Andalucía, which is not supposed to be considered part of the ethnolinguistically non-Castilian "historic" regions with separatist sentiments. Before we turn to the Asian state of Malaysia, let us look at an inverted paradigm in contrast with the discussion so far, using the case of Andalucía. Andalucía, of course, is Castilian. Nevertheless, what uneven development and public policy can do to fuel regional separatist sentiments is evident even in Andalucía where the population has little ethnolinguistic differences from the Spanish (Castilian) political centre, for while government responds to challenges from ethnic community organizations that seek to influence public policy, "within an inverted and complementary paradigm ... ethnic communities take shape as response to stimuli which induce a process of ethnogenesis"[1]. The shockingly rapid emergence since the late 1970s (with the advent of the Comunidades Autónomas project) of a politically disciplined and powerful regional cultural identity in Andalucía, which Greenwood[2] argued to be as authentic as the Basque or Catalan ethnic movement, basically stems from the local people's grievances that they have been subjected to centuries of exploitation not merely by Andalucian capitalists, but by the Castilian political centre as well. This interesting phenomenon of public policy-induced ethnogenesis evident in the large southern impoverished Spanish region of Andalucía, which shares the linguistic identity of the Spanish (Castilian) centre, is the direct result of the post-Franco Comunidades Autónomas project. “The rapidity with which a politically disciplined and powerful regional cultural identity has emerged in Andalucía shocked everyone”, commented Greenwood[3], "... the idea that the Andalucian movement is something qualitatively different from the 'true' ethnic movements in the Basque Country and Catalonia must be exploded."

This phenomenon of public policy-induced ethnogenesis is also evident in the


increasing support since the 1980s for Italy’s Northern League, whose leader has declared
the aim to set up a state called “Padania” free from Rome’s rule and from union with the
poorer South. Such centrifugal development in Italy, of course, reflects the increasing
resentment of the more prosperous North for having to subsidize the poorer South and
a tax revolt against Rome. Although from the ethnolinguistic perspective the country is
relatively homogeneous (with small Sard, Friul, German and Occitan minorities), Italy’s
late but rapid unification has left a legacy of widespread “pseudo-ethnic” sectionalism,
which is no less ascriptive than that Greenwood found in Andalucia, across its numerous
regions and compartments, partly reflected linguistically in the local dialetti or koinés.

Figure 10 Interrelationship of Ethnic Fragmentation and Public Policy

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Ethnic Politics and the Politics of Ethnicity

So far, we have been using the example of a multiethnic country. Things could very
different where the interethnic power configuration is basically bi-ethnic. Before we
shift our focus to the Asian state of Malaysia, which has often been referred to as a plural
society par excellence, first take a look at Belgium, which has features in ethnic relations
that compare and contrast well with Spain and Malaysia. Taking into consideration the
two major dimensions of ethnopolitics – ethnic politics and the politics of ethnicity
, these three country cases – two European, one Asian – help to throw light on the
trichotomy of polity, society and economy, and in particular the political economy of State and ethnicity.

The two European countries, which are at the similar stage of development, are selected for the same ethnic (or more precisely “ethnoterritorial”) problem they share as well as the contrasting ethnic composition of their societies. Spain, as we have already seen, is a multiethnic (or “polyethnic”) state with numerous ethnolinguistic fragments (the major groups being the dominant Castilians and the minorities of Catalans, Basques and Gallegans), while Belgium is essentially bi-ethnic (whose population includes the major groups of Francophones and Dutch/Flemish-speakers, and a German minority). Such classification is based not only on numerical strength but also on intergroup power structure. The Asian country that the European cases will be compared to is Malaysia, which is a bi-ethnic state (in Lijphart’s sense of the term) like Belgium but differs from the latter – in particular in the days that led up to the 1969 riots – in being a “deeply-divided society”, with mutually reinforcing ethnic markers. It also differs from both Spain and Belgium in the historical geography of ethnicity and the absence of ethnoterritoriality. These different ethnic characteristics together with the different levels of development give rise to distinctively different State responses to the exigencies engendered by ethnic fragmentation in these countries.¹¹

Homeland-Biethnic: Belgium

Belgium today has a population divided into about 57% Flemish/Dutch-speakers, 42% French-speakers and 1% German-speakers. There are no notable phenotypical divides (except in the case of the “new minorities”, mainly migrant workers) and the country is predominantly Catholic (75% of the population). However, such

¹¹ The “critical structural period” [Ira Katznelson (1971)], “Power in the Reformulation of Race Research”, in Peter Orleans and William Russell Ellis, Jr (eds), Race, Change, and Urban Society (Urban Affairs Annual Reviews, Vol. 5), Beverly Hills, California: Sage (pp. 69-70)], when definitive State response to exigencies generated by a country’s ethnic diversity, came in the year 1970 both in Malaysia (the implementation of NEP) and in Belgium (beginning of the federalization process), and at the end of the 1970s in Spain (the 1978 Constitution that saw the emergence of the Autonomous Communities, and the approval of the Statutes of Autonomy for all of these Communities from 1979 to 1983).
seemingly simple linguistic cleavage is complicated by the fact that Francophones living in Wallonia (Wallonie) cannot readily be identified with those living in Brussels (Bruxelles/Brussel), the capital city located within the boundaries of modern Flanders (Vlaanderen). Similarly, Flemish-speakers living in Brussels do not always identify with those in Flanders (Covell, 1993; Beaufays, 1988; Claeys, 1980)[1]. The linguistic frontier in Belgium dates from at least the third century when the Franks crossed the Rhine and settled in the area including the sparsely populated land in the northern part of the present country, establishing their own customs and maintaining the use of their own Germanic language. The Franks were unable to colonize land south of the present linguistic boundary, where the Romance tongue continued to reign supreme[2]. On the other hand, the small German-speaking districts in the east were acquired from Germany after the First World War, incorporated into the Third Reich during the Second World War, and restored to Belgium in 1945[3]. The linguistic frontier is a sharply defined one, crossing the land in an east-west direction from just north of Lille in France to Aachen in Germany (Figure 11). While the Flemings constitute a majority of the country’s population, they are in a minority in Brussels, which was historically one of the most important Flemish cities. However, what turns such linguistic division into a conflict situation is its socioeconomic implications. The geography of the north-south linguistic frontier notwithstanding, the Belgian nation was born in 1830 with a more complex and provocative frontier within Flanders – a sociolinguistic barrier between the Flemish-speaking masses (peasants, workers and lower middle classes) and their Francophone native élites[4].


According to the 1980 constitutional revision, there are three communities at the federal level (Flemish-, French- and German-speaking), the subjects of which are determined ratione personae, whereas the subjects of the regions (the Flemish, Walloon regions and Brussels) are determined ratione loci. The Flemish community and the Flemish region (which together make up Flanders) have one common executive and legislature, which function independently from the national government and legislature in community as well as regional powers. The Walloon region, or Wallonia, and the French community (which greatly overlap ratione loci but are distinct from each other ratione materiae) each have a distinct executive and legislature, also independent from the national government and respectively competent for regional and community matters (ibid.: 21). The German-speaking community was given the same autonomy and responsibility as the French and Flemish communities.

Figure 11 Belgium: Ethnolinguistic Regions

DEMOCRACY: Political Accommodation in Segmented Societies, Toronto: McClelland & Stewart, pp. 179-206 (p.188).
The Belgian Dilemma

Jules Destrée, the Belgian politician at the turn of the century, once remarked to King Albert: “Laissez-moi vous dire la vérité, la grande et horripilante vérité: il n'y a pas de Belges (Let me tell you the truth, the great and horrifying truth: there are no Belgians)” (Jules Destrée, Lettre au Roi sur la séparation de la Wallonie et de la Flandre, 15 août 1912, cited in Quévit, 1982[1]) Doubts about the existence of a Belgian identity (belgitude) above those of the Flemings (Vlamingen) and Walloons (Wallons) have dominated much of modern Belgian history. In industrial unrest generated by the government’s drive to curb national debt, Johan van Hecke, the chairman of the Flemish Christian Democrat party, one of the members of the government coalition, was quoted as accusing Wallonia of living off the labours of the Flemings. He warned that his party would “not allow Belgium to be fed by Flanders and milked by Wallonia” – reflecting increasing Flemish resentment of the higher welfare spending on Wallonia in recent years[2].

An obvious economic implication of the linguistic conflict is the resultant unproductive increase in government expenditure. The support for separate educational systems and the need to carefully balance programmes of public works in the two regions of Flanders and Wallonia inevitably impose strains on the Treasury[3]. As Pierre Harmel, a former Belgian premier, complained in 1965, the country has developed the habit of “buying out political discords at the expense of the public treasury”[4]. However, linguistic division is not the sole social cleavage that leads to such increase in public expenditure. For instance, during the 1960s, as a solution to le problème scolaire – the four-year schools war settled in 1958 the State subsidized a double network of both Church and lay schools, which involves costly duplication, resulting in expensive education at all levels and a severe drain on the budget (ibid.).

Government aid is, nevertheless, not the only major contentious issue between the two communities in the economic sphere. In fact, regionalization of some, but not all, economic matters has created a complex set of structures that has adversely affected the efficiency and feasibility of long-term planning and led to a disruption of multisectoral coordination and integration\(^1\). For instance, as a result of regionalization, the country’s national water regulatory body, which dated from 1913, was divided into Flemish and Walloon branches, despite the obvious advantage of maintaining national control over water management given the fact that much of the country’s water comes from sources in the South. The breaking up of the national body created a wide range of interregional conflicts over the control of water pollution and the questions of water allocation\(^2\). Vanwynsberghe’s analysis\(^3\) on 19 sectors and 5 regions (Brussels-Capital, Flemish Brabant, Walloon Brabant, the four Flemish provinces and four Walloon provinces) over the period 1970-1974 in fact reveals more complementarity than contradictions between regions. Regionalization, he concluded, tends to accentuate the contradictions and ignore the economic links.

The unique Belgian political structure is sometimes called a “bureaucratic-patronage” system\(^4\). From this perspective, Belgian society is seen as not being dominated by the State, but by the bureaucratic expressions of its social divisions. The latter include not only trade unions and corporations but also bureaucratic parties and bureaucratizing ethnic communities. It is a form of clientelism whereby the Belgian population, as recipients of benefits from State resources which are distributed by group bureaucracies, can be seen as playing the role of “clients”. The defence of segment (ethnic/regional) interests consists, in this case, of the defence of the interests of

\(^1\) Eric Syvangedouw (1985), Contradictions between Economic and Physical Planning in Belgium. Villeneuve d’Ascq: Johns Hopkins European Center for Regional Planning and Research.

\(^2\) Murphy, 1988, pp.167-8.

\(^3\) Dirk Vanwynsberghe (1979), «Causes et conséquences macro-économiques de la régionalisation belge». Reflets et Perspectives de la vie économique, Tome XVIII : 4/5.

the segment's bureaucratic manifestation. This explains the unique style of conflict resolution in Belgium, the "package-deal" compromises among the leadership of the organizations. In such a system the balance of compromises reflects the balance of power among the organizations, whilst the State administers and pays for these compromises (Mabille, 1976). This, according to Covell (1985:239), explains the "large but weak" State of Belgium, a State "which employs 800,000 people out of an active population of 3,400,000 but which has rarely been able to assert an autonomous interest in the inter-group bargaining process". This is because the sheer size of the State does not reflect its own interests, but rather the distributional needs of the group bureaucracies. If Belgium can aptly be described as "a happy country composed of three oppressed minorities"[1], it is this political system that serves to put a lid on ethnic discontent and maintains the semblance of a united nation.

Interethnic Power Shift

Hoetink has observed the infrequency of a symmetrical power relationship:

A race problem exists where two or more racially different groups belong to one social system and where one of these conceives the other as a threat on any level or in any context ... One of the groups will commonly be perceived and perceive itself as dominant; the chances that two racially different groups within one society would attain an equilibrium of power, though not absent, are exceedingly small[2].

In short, symmetrical power relationship between groups in a society is rare and even if it emerges, tends to be transient. One of the groups will ultimately achieve dominance in the long run through demographic growth, economic achievement or some other factors, thus pivoting the vertical line of ethnic division into a horizontal

[1] Theo Lefevre, prime minister of the Belgian coalition government which drafted and passed the 1961-63 language laws, was said to have called Belgium 'a happy country composed of three oppressed minorities' [Covell, 1985 (p. 230)]

one, as illustrated in the following diagram (Figure 12), similar to that by Warner\textsuperscript{[1]} in his caste-class configuration for the U.S. Deep South. The diagonal lines A-B incorporate the status gap and divide ethnic group I from ethnic group II (Warner's "castes"). The two double-headed vertical arrows indicate that movement up and down the class ladders within each group can and does occur, but there is no movement across the ethnic line A-B (Warner's "caste line"), though in certain specific cases like Belgium, a substantial degree of horizontal interpenetration and communication across the ethnic line is indeed possible and in fact necessary for the viability of the system, thus compromising the sharpness of the line A-B as a boundary.

In a country like Belgium\textsuperscript{[2]}, the tilting of the ethnic line is evident, with Flanders overtaking Wallonia economically since the 1960s and bringing with it increasing politico-economic leverage on the part of the Flemish community. It is Wallonia's fear of Belgium being slowly transformed into a Flemish-dominated country (given the relatively lower rate of population growth in Wallonia), coupled with the continued insecurity felt by the Flemish community over its new-found power, that is fuelling the interethnic discord of the country.

Figure 12: Vertical v Horizontal Ethnic Division


\footnotesize\textsuperscript{[2]} The case of the Belgian society does not seem at first sight to fit neatly into the typology constructed in Figure 9 above. Both major ethnic factions view themselves as subordinate groups.
Malaysia: Ethnic Diversity and State Action

While often considered to be a plural society par excellence, Malaysia, in the days that led up to the 1969 tragedy, more appropriately belongs to the category of "deeply divided societies". It consists of a major tardio community (the Chinese, as well as the smaller Indian community) residing within a temprano (Malay) society regarding itself as the homeland community[1]. Both of these can be defined as "corporate groups". A "corporate group" is defined by Weber[2] as a "social relationship which is either closed or limits the admission of outsiders by rules". It possesses a formalized system of authority, a concept Fried[3] and Fortes[4] later applied to descent groups. The corporateness of ethnic groups in Malaysia is marked by their relative stability. Religious boundaries play the most important role in perpetuating the practice of endogamy that serves to maintain ethnic group separateness over time.

Such corporateness applies to both the temprano society (comprised of the descendants of earlier inhabitants) and to the tardio community (later immigrants and their descendants). Moreover, as Zenner remarked, one development in the modern world has been "the constitution of the dominant ethnic group in a state as a corporate ethnicity":

The nation-state, after all, fits Weber's definition of the corporate group. Each state defines its rules of membership. In many cases, this is defined to favor the dominant ethnic group in the state[5].

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[1] Before proceeding with the analysis of ethnicity and public policy in Malaysia, here is a note on terminology. In view of the semantic befuddlement and analytical difficulty involved with and the increasing taboo on the use of the term 'immigrant' ('pendatang' in Malay) in public discourse, the rest of the chapter continues with the use of the T-T (tempranos-tardios) categorization as it is employed in the earlier discussion on Spain.


Furthermore, corporateness hinders social interaction and leads to racial stereotyping. “No man is an island, entirely of itself,” said John Donne, the greatest of the English metaphysical poets, in Devotions (1624). Social interaction – the building block of organized society – can be defined as the mutual and reciprocal influencing by two or more people of each other’s behaviour, or the interplay between one’s actions and those of other people[1]. In ethnic relations, the lack of social interaction leads to prejudice and stereotyping, and hate begets hate in a vicious process microsociologists call the Thomas theorem where fulfilment occurs unintentionally when people’s actions are based on stereotyping as if it were true. While “racial” – meaning phenotypical – differences are only skin deep, ethnic boundary as a process[2] tends to be tenacious and uncompromising, the manifestation of the age-old fourfold ascriptive loyalty of race, territoriality, language and religion. Closely interfacing with the politico-economic superstructure, ethnic mistrust more often than not makes many a best-intentioned effort at promoting interethnic harmony and national integration a Sisyphean endeavour. In spite of the continued global effort since UNESCO’s “Statements on Race” (1950, 1964, 1967) to dispel the “race fiction”[3], interethnic mistrust and prejudice is still a worldwide phenomenon afflicting countries big and small, rich and poor. “Tros, Tyriusve mihi nullo discriminate agetur – Whether Trojan or Tyrian shall make no difference to me,” said Virgil (Aeneid, 19 BC), but the fact is that people still tend to look upon those who look, talk, act and dress differently as “others” who cannot be fully trusted. Psychologists’ experiments have shown that individuals tend to help others who are similar to them and racial differences between a victim and a potential helper affect the extent to which help is given[4]. However, with ethnic relations becoming “a perplexing political issue

Summer.

overlapping with and sometimes displacing the issue of class, the problem of ethnic conflict in the modern world needs to be examined from a broader perspective than the merely socio-psychological.

It is clear that what is said to be a potential construct for Belgium (given the Walloons’ relatively lower population growth rate) is a real one as applied to Malaysia. One can discern an important numerical aspect in maintaining ethnic corporateness among the Malaysian Chinese. Unlike the case of Indonesia, the Chinese in Malaysia are sufficiently sizeable not to constitute a demographic minority in the strict sense of the term. At independence in 1957, the dominant ethnic group – the Malays, together with the aboriginals, constituted about 50% of the population of Malaya (the Peninsula and the predominantly Chinese Singapore which later left the federation in 1965), followed by 37% Chinese, 11% Indians and 2% others. The figures today are as follows: 65% Bumiputera (52% Malays, 1% Peninsula aboriginals, 12% Borneo natives), 26% Chinese, 8% Indians and 1% others.

The ethnic distribution by state is shown in Figure 13 below, while Figure 14 gives the degree of ethnic fractionalization by state, with the ethnic fractionalization index here employed for measuring the ethnic fragmentation of sub-national units.

Bumiputera (“prince of the land; son of the soil”) is an official collective term grouping together the Malays, the aboriginals and the natives of Sabah and Sarawak (both on the Borneo island) after these two regions joined the Peninsula in 1963 to form Malaysia. All Malays in Malaysia are by legal definition Muslims while the non-Malays are mostly non-Muslims. Although the population of Malaysia consists of three major ethnic communities, it has always been recognized as a bi-ethnic society, in terms of its intergroup power relationships. While ethnicity is essentially non-territorially based, Furnivall’s observation half a century ago that, even where the ethnic groups


[2] With the dominant ethnic group constituting little more than half of the population, Malaysia is more appropriately classified as a Nd-Ns society, with its implications for ethnic intensity and intergroup power configuration.

are adjacent, they tend to maintain their separateness remains true, applying particularly in the days that led up to the 1969 conflict. Groups remain largely divided by the reinforcing cleavages of language, religion, customs, education, areas of residence and, though decreasingly, type of occupation.

While this paper posits that ethnic diversity affects the role of the State, one of its manifestations being the trend and pattern of budgetary policy, it is not the ethnic composition per se but its interaction with the socioeconomic structure of the society concerned that really matters. The Weberian approach views ethnic group as being not "natural" (as kinship group is) but "rational" and primarily political:

Ethnic membership (Gemeinsamkeit) differs from the kinship group precisely by being a presumed identity, not a group with concrete social action, like the latter. In our sense, ethnic membership does not constitute a group; it only facilitates group formation of any kind, particularly in the political sphere. On the other hand, it is primarily the political community, no matter how artificially organized, that inspires the belief in common ethnicity.

Figure 13

(a)

Figure 14

(b)

Ethnic Composition of East (Borneo) Malaysian States
\[ M = \text{Malays}, \ C = \text{Chinese}, \ I = \text{Indians}, \ A = \text{Natives} \]

Figure 14

(a)

Ethnic Diversity of West (Peninsular) Malaysian States
\[ \text{Ethnic Fractionalization Index} \]

Homogeneous: predominantly Malay
Heterogeneous: multi-ethnic
Contrast the Weberian approach with Geertz's approach in his 1963 paper on the effect of "primordial sentiments" on civil politics:

By a primordial attachment is meant one that stems from the "givens"—or, more precisely, as culture is inevitably involved in such matters, the assumed "givens"—of social existence: immediate contiguity] and kin connection mainly, but beyond them the givenness that stems from being born into a particular religious community, speaking a particular language, or even a dialect of a language, and following particular social practices. These congruities of blood, speech, custom, and so on, are seen to have an ineffable, and at times overpowering, coerciveness in and of themselves[1].

In contrast to World on Fire's reductionist view of ethnicity, current studies on intergroup relations usually see ethnicity not as a "given" of social existence, but a political construct linked directly to power relations and resource competition. Take the

case of Malaysia. According to Cheah[1] the Malay ethnic identity (bangsa Melayu) was a creation after 1939 in response to the perceived threat from the increasingly politicized immigrants from China and India. The notion of a Malay race had therefore hitherto been absent, as Cheah elaborated:

... the Malays rose to confront what they considered threats posed by the immigrant races to their rights, but the Malays themselves had not been united as a race or a “bangsa”, and moreover they had not found a way to solve differences among themselves ... [Such differences] were nurtured by the strong provincial feeling among the “provincial Malays” (such as the Kelantan Malays, Perak Malays and so on), DKA Malays (those of Arab descent) and DKK Malays (those of Indian descent) ... [There were also] tribal divisions, such as the Bugis, Minangkabau, Javanese, etc[2].

The first open suggestion of a “Malay people” (orang Melayu) came only in 1939 when Ibrahim Yaacob (or I.K. Agastja by his Indonesian name) championed the notion of a unified Malay race across Malaya and Indonesia which he christened Melayu Raya (Great Malay) or Indonesia Raya. The boundary marker of ethnicity was thus mobilized to meet the rising need of identity investment for economic/political purposes (the “situation theories” of ethnicity)[3]. An even more blatantly political ethnicization came after the 1969 riots in the creation of the “Bumiputera” race (kaum Bumiputera, as defined earlier). In a different setting, Heiberg[4] made a similar observation: that for political purposes, descent has never been regarded by the Basques in Spain as a sufficient criterion for ethnic inclusion. “Basqueness” is measured instead in terms of adherence to certain morally-loaded political and social prescriptions, or more specifically, whether

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one is a Basque nationalist. Thus it is as an instrument for political mobilization that ethnicity often plays a key role in the interplay between group activities and public policy. By the same token the importance of the ethnic factor in understanding the role of the State in Malaysia does not diminish the significance of contention between social classes, though it is apparent that stratification in a deeply divided society such as Malaysia cannot be adequately represented by a simple class pyramid (Figure 15)\textsuperscript{[1]}. 

Figure 15: Dominant-Subordinate Relations and Class Structure

Race or Class?

Rex (1986)'s remark that “what we call ‘race and ethnic relations situations’ is very

\textsuperscript{[1]} As Marden and Meyer [Charles F. Marden and Gladys Meyer (1962), Minorities in American Society, 2nd edition, New York: American Book Company (p.42)] did for the United States, the structure of differentiation is more comprehensively expressed by superimposing the class pyramid of the subordinate ethnic group upon that of the dominant community. The former is then dropped less than a full horizontal segment to express the inferior position of each class segment of the subordinate group to others within the class. Such a representation is of course too simple to provide an adequate understanding of the Malaysian situation, complicated by the phenomena of class compromise and clientelism. However, a rejection of race and class reductionisms should provide a more rational theoretical foundation for analysing the complex relationship between the variables of ethnic diversity, class structure, and the role of the State.
often not the racial and ethnic factor as such but the injustice of elements in the class and status system\textsuperscript{1}, emphasises the economic, political and social balance of power rather than biological or cultural characteristics of groups. Differences in power and the dynamic change of power resources over time are seen as the key to explaining racial and ethnic conflicts. Such a perspective enables parallels to be drawn, for instance, between the “religious” conflict in Northern Ireland and racial violence in the British urban areas, which at first sight may not seem to share much similarity. As Stone (1985)\textsuperscript{2} argued:

It is true that the sectarian gunman who enters a public house in Belfast and demands to know the religion of the drinkers before deciding who to murder has an identification problem not faced by the white racist intent on attacking blacks in the streets of Brixton or Bradford. However ... [both] incidents of violence take place against a background of differential group power, perpetuated over the years in customary patterns of social relations and institutions, and both are to some degree a legacy of colonialism.

Such a focus upon power differentials, and the conceptual problem associated with “race” and “ethnicity”, leads to the argument that the notion of “minority” is central to the analysis of race and ethnic relations. It is useful to compare Rex’s remark with Cox’s thesis (1948)\textsuperscript{3} that perceives race relations as mainly proletarian-bourgeois, and hence political-class, relations. For Cox, racial prejudice is a weapon to exploit others rather than a defensive reflection of group solidarity. Racial categories exist in the social life of capitalist societies because they serve the interests of the ruling class; the contradictions in these economies have not yet reached the point at which the actual character of the underlying system is apparent to workers\textsuperscript{4}. Wolpe, in his critique of reductionist

\begin{itemize}
  \item \textsuperscript{2} John Stone (1985), Racial Conflict in Contemporary Society, London: Fontana/Collins (p. 38)
  \item \textsuperscript{4} Harold Wolpe (1988), Race, Class & the Apartheid State, Paris: UNESCO and London: James Currey (pp. 51-52).
\end{itemize}
Marxism which conceives classes as unitary entities, posited a different view:

... classes exist in forms which are fragmented and fractured in numerous ways, not only by the division of labour and, indeed, the concrete organisation of the entire system of production and distribution through which classes are necessarily formed, but by politics, culture, and ideology within that division of labour, for example, gender, religion, the mental-manual divide and racial differentiation. Classes, that is, are constituted, not as unified social forces, but as patchworks or segments which are differentiated and divided on a variety of bases and by varied processes ... Race may, under determinate conditions, become interiorised in class struggles in both the sphere of the economy as well as the sphere of politics\(^{[1]}\).

It is instructive to compare Cox's thesis with the theories developed by Bonacich (1972) and Kuper (1974)\(^{[2]}\). Bonacich's "split labour market theory" is essentially a theory of ethnic relations which emphasizes the material bases of ethnic antagonism. It refers to labour markets which are divided along ethnic lines, so that higher-paid groups of workers are distinguished from cheaper labour by their ethnic characteristics. Although Bonacich described it as a "class" theory of race and ethnicity\(^{[3]}\) and located the origin of ethnic antagonism within the development of capitalism, her theory differs significantly from Cox's approach in that it attributes ethnic antagonism to the competition which arises from a differential price for labour, rather than to the strategy of the ruling class to keep two sections of the working class separate. In his study of the revolutions in several African countries, Kuper found that, despite the existence of class differences, once revolutions started they developed along ethnic rather than class lines. Although class conflict is the source of revolutionary change in many societies, Kuper observed that in plural societies "it is the political relations which appreciably determine the relationship to the means of production, rather than the reverse, and the catalyst of


\(^{[3]}\) Bonacich, 1979 (p. 17).
revolutionary change is to be found in the structure of power, rather than in economic changes which exhaust the possibilities of a particular mode of production” (ibid.: 226). While Cox attributed the main forms of alignment and conflict, including ethnic ones, to the relation of groups (classes) to the means of production, political relations in plural societies, according to Kuper, influence relations to the means of production more than any influence operates in the reverse direction. Thus, conflicts developed in plural societies tend to follow the lines of ethnic cleavage more closely than class division.

Politics and Ethnic Relations in Malaysia: A History of Evolvement

The first decade after independence saw the ascendance of the class fraction often called “bureaucrat capitalists” or “statist capitalists”[1]. The United Malay National Organization (UMNO) which dominated the ruling Alliance coalition – the other members were the Malayan Chinese Association (MCA) and the Malayan Indian Congress (MIC) – was born as a coalition of different Malay organizations formed specifically in opposition to the British proposal in 1946 to establish a Malayan Union with citizenship laws granting equal rights to all persons domiciled in the country. The proposal, from the Malays point of view, denied that Malaya belongs to the Malays the granting of equal rights to the non-Malays would cause the disappearance of the special position and privileges of the Malays. As a result of the Malay protest, the Malayan Union project was replaced by the Federation of Malaya Agreement that recognized the special position of the Malays as the indigenous people of the country and dropped the principle of jus soli with regard to citizenship of the non-Malays as stipulated in the former proposal. After the formation of the Federation of Malaya, and subsequently of Malaysia, incorporating former British colonies of Sabah and Sarawak, a distinctive feature of the local society was the absence of a Malay bourgeoisie.

The ruling coalition at this stage represented an alliance of class interests, sharing a common stake in the preservation of the capitalist order. Instead of mounting a

challenge against the more established capitalist interests, during the first decade after independence these ruling “administrators” were constrained by the “Alliance contract”, often represented in the formula: “politics for the Malays, the economy for the Chinese”. Meanwhile, contradictions generated between such class fractional identity and ethnic allegiance bred discontent and instability.

Although the economy in this period remained a laissez-faire system, it was marked by specialization of economic activities along ethnic lines. Most Malays continued to live in rural areas, playing their traditional roles as padi farmers, fishermen and rubber smallholders. The majority of the Chinese population were concentrated in urban and semi-urban areas, engaging in trade and commerce or working in tin mines. Most Indians, on the other hand, were rubber estate workers, the rest being mainly professionals. The type of cohesive forces – common economic and political interests – working among the élites was conspicuously missing among the masses. In Husin’s words, economically the Malay and Chinese peasants may belong to a common “class in itself”, but they do not enjoy much opportunity to act politically as a “class for itself”. On the other hand, ethnic segments in each class (“élite” or “masses” in Husin’s formulation) are connected to similar segments in other classes, via the vertical “ethnic lines” (Figure 1) which, as Otite observed in the case of Nigeria, “provide opportunities and protection to weaker and grassroots people” due to the fact that there is less social distance among classes within an ethnic group than across ethnic groups. Such vertical ethnic “connection” also generates the phenomenon of clientelism. Ironically, the Malaysian ruling élites –

[1] While such simplistic representation was essentially false, since Malays with significant political power comprised only a small minority while only a small proportion of Chinese possessed considerable economic assets, it did capture the tone of the apparent compromise underlying the post-colonial government’s policies. [Jomo, 1986 (p. 246)]

[2] See Figure 1.


whose obvious class identity often overshadows, if not transcends, ethnic differences –
have been antagonistic towards a political philosophy based on class, preferring instead
to adopt race-conscious policies\(^1\) rather than race-neutral alternatives.

The post-colonial consociationalism was thus plagued with severe contradictions,
while official suppression and proscription of class-based organizations (e.g. the
CPM) and ideologies transcending ethnic lines led inevitably to increasing political
mobilization on such lines. In such a situation, as Adam (1985) observed in South
Africa, “few prospects exist for a traditional consociational élite-cartel which is based
on a de-ideologized integration by deference”. Since the grand élite coalition of the
divided segments “hinges on the acceptance of controversial alliances and disappointing
compromises by the grass-roots following … tolerance threshold towards ambiguous
manoeuvring by group representatives stands much lower once those represented
have become mobilized”\(^2\). Against the backdrop of a harsh economic environment,
growing inequality and increasing unemployment, frustrations felt by the nascent Malay
bourgeoisie and those with such class aspirations were increasingly directed at the already
entrenched, most visibly Chinese, bourgeoisie, as well as at the UMNO-led Alliance
which was perceived not to have done enough for them. The visibly ethnic patterns of
employment and the strong identification of ethnicity with class led to a displacement
of class-based frustrations by ethnic ones. Furthermore, while class mobilization may
act to override ethnic distinctions, ethnic mobilization can obliterate internal class
distinctions\(^3\). After the virtual elimination of the legal Left in the mid-and late 1960s,
especially racist political ideologies went unchallenged. As a result, the deteriorating
socioeconomic and political situation in the 1960s was increasingly interpreted in ethnic

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\(^{1}\) Affirmative action and preferential treatment are ‘race-conscious’ and ‘group-centred’ strategies in contexts
where the dominant policy form, particularly in liberal democracies, is individual-centred and ‘colour-blind’.

\(^{3}\) Heribert Adam (1985), 'Legitimacy and the Institutionalization of Ethnicity: Comparing South Africa', in

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terms, with the State becoming the greatest resource sought by élites in conflict and ethnicity being a "symbolic" instrument to wrest control of this resource, paving the way to the racial riots of 1969:

Elites who seek to gain control over or who have succeeded in gaining control over the state must either suppress and control ... or establish collaborative alliances with other elites. When elites in conflict lack the bureaucratic apparatus or the instruments of violence to compete effectively, they will use symbolic resources in the struggle. When elites in conflict come from different cultural, linguistic, or religious groups, the symbolic resources used will emphasize those differences\(^1\).

In the linking of ethnic fragmentation to class differentiation, the extent to which various ethnic cleavages cut across the socioeconomic ones is a particularly important factor underlying the tragic events of 1969. Lijphart's remark on religious cleavage is equally applicable to racial and linguistic ones:

If, for example, the religious cleavage and the social class cleavage crosscut to a high degree, the different religious groups will tend to feel equal. If, on the other hand, the two cleavages tend to coincide, one of the groups is bound to feel resentment over its inferior status and unjustly meager share of material rewards\(^2\).

The grave consequences of non-crosscutting ethnic and socioeconomic cleavages are evident in the case of Northern Ireland and in pre-1970 Malaysia. Such cases seem to vindicate Newman's proposition that "[the] greater the degree of reward disparity and social segregation between a dominant and a subordinate group, the greater the likelihood that conflicts between them will be relatively intense" or even violent\(^3\). Newman, however, also proposed that while conflicts in this case tend to be intense, they are relatively infrequent due to limitation in intergroup contacts and the resource deprivation of the subordinate group. This is the case where each social conflict situation produces exactly the same pattern of domination and subordination.

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\(^1\) Brass, 1985 (pp. 29-30).

\(^2\) Lijphart, 1977 (p. 75).

Dahrendorf (1959)\(^1\) called this phenomenon “superimposition” of conflict, reflecting the coincidence of cleavages stated above. Infrequent though it may be, the ascent by an economically subordinate group to political dominance proved to be a fertile ground for turning suppressed grievances into open intergroup strife which in May 1969 led to the severe ethnic conflict on the streets of Kuala Lumpur and elsewhere in the country.

The “New Realism” and “Coercive Consociationalism”

The aftermath of the riots saw the replacement of the Alliance by the National Front (a considerably expanded grand coalition), the Constitution (Amendment) Act 1971, revisions to the Sedition Act “entrenching” ethnically sensitive issues (citizenship, Malay as national language, Islam as official religion, Malay special rights, the Malay Rulers) in the Constitution, and prohibiting the questioning, even in Parliament, of those issues. A “new realism” was called for, meaning a reformulation of the terms of consociation into accommodation essentially on the terms of the demographic majority: as Mauzy\(^2\) put it, “the fiction of a government of nearly equal ethnic partners was no longer maintained”. Brass\(^3\) observed that interethnic class collaboration may take two forms: a limited, informal economic collaboration or identity of interests that does not extend to social and political relationships where ethnicity may remain primary, or one involving more institutionalized relationships where élites from different ethnic groups collaborate on a regular basis to preserve both ethnic separateness and interethnic élite dominance in relation to the subordinate classes. Crossing the watershed of 1969, the Malaysian political scene moved from the latter to the former. The political realignment resulting

\(^{1}\) Ralf Dahrendorf (1959), Class and Class Conflict in Industrial Society, Stanford, California: Stanford University Press.


\(^{3}\) Brass, 1985 (p. 23).
from the “new realism” was termed by Mauzy “coercive consociationalism”, or what Smooha\(^1\) called “ethnic democracy”. This is a regime type that Rumley and Yiftachel\(^2\) believed succeeded in maintaining stability in Malaysia – due to its temprano majority-tardio minority ethnic composition – though it failed in bi-ethnic homeland states and regions like Cyprus, Sri Lanka and Northern Ireland, where the ethnic sentiments of both groups are equally intense\(^3\). However, to take this as the sole explanation could be misleading, as there are other factors that need to be taken into consideration, such as the existence of co-ethnics in power across the border.

World on Fire claims that markets and democracy combined to bring about ethnic violence because the impoverished majority was empowered under the new democratic structure. Nevertheless, this seems to be taking for granted a very vague definition of democracy. Most of the countries where the demographic majorities unleashed mob violence upon the economically successful minorities were hardly “democracies” – or even if they were, were nascent, immature, fragile and unstable, such as countries where, as we have seen, coercive consociationalism is practised, where elections are free but unfair, where the oppositions have no access to the media, controlled by the dominant party, or other platforms to present their views, where governments have yet to change hands. To avert ethnic violence may not necessitate halting the advent of democracy as the book suggests, but to advance it, to push for “real” democracy that would not allow any demagogue or any entrenched ruling party to use ethnic hatred to perpetuate its iron grip on power. World on Fire stresses that Robert Mugabe came to power through free and fair election and he is now using the white land seizure campaign to mobilize popular support for his teetering regime (Introduction, p.11) (Introduction, p. 11). However, the

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fact that a democratically elected leader is stealing and undermining democracy cannot possibly be a good enough argument to discredit democracy itself.

Public Policy in an "Ethnic Democracy"

After the 1969 election and riots in Malaysia a drastic reorientation of some government policies and programmes resulted in the trend of public expenditure shown in Figures 16-19.

Figure 16 Malaysia: Trends in Public Sector Finance (Public Expenditure and Surplus/Deficit as Percentage of GNP) (first three decades of NEP/NDP)

Source: Computed with data from Malaysian Ministry of Finance, Economic Report, various years.

Figure 17 Malaysia: NFPE Investment (two decades of NEP)

Figure 18 Malaysia: Public and Private Investment as percentage of GNP
(first three decades of NEP/NDP)

Source: As Figure 16.

Figure 19 Malaysia: Ratios of Public to Private Consumption and Investment (%)
(first three decades of NEP/NDP)

Source: As Figure 16.

Public expenditure allocation in Malaysia well illustrates how the question of class may come into conflict with ethnicity-based considerations in the formulation
of State policy. Allocation decision has been, above all, heavily influenced by the uneven emphasis placed upon the restructuring strategy at the expense of the poverty eradication prong of the NEP. It is interesting to note that demographic majority of the country would still be the principal beneficiaries of an alternative ethnic-neutral, class-based, policy concentrating on poverty eradication, since the majority of the poor belong to this ethnic group. However, advocates of the NEP would be quick to suggest that the long-run elimination of historical identification of ethnicity with class (both in employment pattern and capitalist ownership, as reflected in the simplistic and misleading representation of a “Chinese capitalists v Malay peasants” paradigm) will implicitly highlight class rather than ethnic divisions. One explanation of these puzzling trends is to see NEP, instead of an inevitable development of a simple interethnic rivalry, as representing a new stage in the horizontal inter-“ethclass” contention.

The concept of “ethclass” was first proposed by Gordon to help explain the relevance of ethnicity and class to the way people interact and develop their primary group relations. Gordon defined ethclass as “the portion of social space created by the intersection of the ethnic group with the social class.” Such view is to see “ethnicity” and “class”, as Hall did, not as a dichotomy, but related in such a way that neither can be fully understood through discrete modes of analysis. Hall’s view, which was presented in his influential 1980 paper, considers “race” and “class” as forming part of a complex dialectical relation in contemporary capitalism, and was summed up by Solomos as follows:


"Race" has a concrete impact on the class consciousness and organisation of all classes and class factions. But "class" in turn has a reciprocal relationship with "race", and it is the articulation between the two which is crucial, not their separateness.

According to Gordon, people from the same social class but different ethnic groups have behavioural similarities in common, while people from the same ethnic group but different social classes share a sense of peoplehood or historical identification. Only when people are from the same ethnic group as well as social class do they share both behavioural similarities and historical identification and thus develop a sense of participational identity. Husin's illustration of the race and class relations in Malaysia (Figure 1) thus presents four ethclasses - Malay élite (ME), Chinese élite (CE), Malay masses (MMs) and Chinese masses (CMs). Before the 1969 election and riots, as Husin rightly pointed out, the horizontal inter-ethclass relations, which resulted in the "hands off" approach of the State in the economy, was principally characterized by a common desire to minimize conflict and attempts to accommodate members from each other into their respective spheres of predominance:

Some members of the Chinese elite are absorbed into the political power structure dominated by the Malay elite ... On the other hand, members of the Malay elite, especially those who have retired from senior positions in administration and politics are welcomed by some Chinese businessmen as directors in their economic ventures. Common political and economic interests, already strong among them, are further strengthened by social and sporting activities and membership of exclusive clubs consonant with their social prestige[1].

Such interethnic class affinity noted by Husin finds resonance in Gordon's hypothesis that social class is more important than ethnic group in determining one's cultural behaviour and values[2]. However, hiding under this fragile façade of accommodation, resource competition between the nascent Malay bourgeois class and its aspirants and the established Chinese capitalists foreboded increasing conflict  

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horizontally across the ethclasses. "Almost by definition ethnic groups are competitive for the strategic resources of their respective societies", Skinner[1] asserted, because they are sociocultural entities that consider themselves distinct from each other and, according to Cox[2], most often view their relations in actual or potentially antagonistic terms. Moreover, Otite[3] observed that conflicts that occur between ethnic groups have a strong tendency to divide elites along ethnic lines, thus undermining the class ties transcending their ethnic differences[4]. It is in this perspective that Toh[5] saw NEP basically as "a manifestation of the initial victory registered by the Malay petit-bourgeois class in its previous contention with the other dominant capitalist classes", with the "restructuring" prong as a consolidated effort backing the ascending Malay bourgeoisie and petty bourgeoisie using public funds and the State machinery on a massive scale. The official term "restructuring" has never meant altering the socioeconomic relations between classes or strata, but rather an intervention in such horizontal inter-ethclass relations. Nevertheless, as Jomo[6] observed, the most acute interethnic conflict resulted from NEP's "affirmative action" occurs among the so-called "middle-class" (or "petty bourgeoisie"), mainly over educational, employment, business and promotional


[4] Similar conflicts also occur in other class strata. As Johnstone [F. Johnstone (1976), Class, Race and Gold, London: Routledge and Kegan Paul] suggested regarding the South African situation, and Rex pointed out in the case of Britain: the 'capitalist class has created basic distinctions between employed and unemployed', a framework in which workers from one ethnic group 'fight for their own interests against ... workers [from another ethnic group]' [John Rex (1986), 'The Role of Class Analysis in the Study of Race Relations - A Weberian Perspective', in John Rex and David Mason (eds), Theories of Race and Ethnic Relations, Cambridge: Cambridge University Press (p. 76)].


opportunities and facilities.

This is not surprising given that the common political and economic interests and social activities shared by the Malay and Chinese bourgeois class, which effectively inject an element of accommodation and collaboration into inter-ethclass rivalry, was conspicuously absent from the relationship between the middle-classes of the two ethnic groups. Besides, the very nature of middle-class concerns – education, jobs, promotions – also has broader popular appeal than the narrower concerns of the bourgeoisie, such as the 30% target of the NEP or the industrial Coordination Act. All this resulted in an inter-ethclass rivalry which is far more acute at the middle-class level than at the upper-class one, and has wider ramifications in the total society. Toh concluded in his thesis that efforts by the Malaysian State to restructure employment have an element of class-biasedness in that the bulk of the efforts, particularly those operating on the supply side, are concentrated on creating a high-income-earning class of Malay managers, executives and professionals as well as a middle class of sub-professionals and technicians. Echoing Rabushka’s (1974) argument, Toh also contended that the ostensibly ethnically biased role of the Malaysian State, deemed necessary to eliminate the ethnic division of labour as a source of ethnic conflict, in turn further intensified racial contention, in a process he called “the dialectics of post NEP development”.

World on Fire points out the “symbiotic alliances” between indigenous leaders and the market-dominant minority – presumably “outsiders” – wherein the “indigenous regime protects the market-dominant minority’s wealth and businesses” (Chapter 6, p. 147). What has not been given due emphasis, nevertheless, is that such collaboration also exists between the “indigenous regimes” and equally “indigenous” capitalists, as in the Malaysian. Crony capitalism could occur within the so-called “indigenous” community, sometimes even more often so. The case of Malaysia recalls the classic analysis of Bonapartism as a basis of State autonomy. Being propelled into a leading

position by a balance of class forces, combined with the inability of subordinate classes to exercise control over their supposed representatives in the State apparatus, government uses the leverage gained to preserve both the status quo and the interests of the dominant class. The dominant class (or the bourgeoisie, as in Marx's original description of the Bonapartist regime in The Eighteenth Brumaire of Louis Napoleon\(^1\)), in turn, is willing to abdicate to a certain extent its opportunity to rule in exchange for other kinds of protection by the ensuing strong State (Stepan, 1985). In the context of modern multiethnic societies, particularly those with an economy dominated by the minority, members of the demographically/politically dominant group are often willing to grant greater autonomy to a State (and its elite managers), which implements preferential policies in their favour. Therefore it is important to recognize that the State is neither necessarily a neutral nor a passive actor. It may be perceived as an autonomous body that possesses its own interests and objectives independent from the rest of the populace. It can be a potentially disinterested party that engages in mediation and crisis management. However, it can also negotiate to achieve goals based on narrower interests. The State can use its influence to establish, entrench or expand its power\(^2\). Through preferential policies for the majority in a minority-dominated economy (as implemented in post-1970 Malaysia), it not only aims to achieve goals based on sectarian interests but simultaneously seeks its own expansion and perpetuation, while embedding itself in what Sowell called “the illusion of morality and compensation”\(^3\).

Concluding Remarks

Using the thesis of the book World on Fire as the point of reference, this paper

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\(^1\) Karl Marx (1852), The Eighteenth Brumaire of Louis Bonaparte, original version published in the first number of the monthly Die Revolution in 1852 (excerpts included in Karl Marx and Friedrich Engels: Basic Writings on Politics and Philosophy, edited with introduction by Lewis S. Feuer, New York: Doubleday/Anchor Books, 1989).


focuses on the different experiences of various multiethnic countries, in particular Malaysia, Spain and Belgium, to examine the possible determinants of interethnic relations and public policy both as a response to exigencies engendered by ethnic differentiation and a factor affecting ethnic intensity and ethnic identity formation.

The public sector development in bi-ethnic Belgium reflects the contention between two ethnic groups on an equal footing for the control of the State as the ultimate resource for community advancement. Malaysia, while also bi-ethnic in its intergroup power configuration, does not exhibit a similar form of development. Instead, its pattern of public policy development shares more with the multiethnic\(^{[1]}\) Spain in that the State is principally under the control of a dominant group which struggles to maintain or perpetuate such control in the presence of subordinate group aspiration for equality and autonomy. Public finance is in this case not so much an instrument of State power that the ethnic factions freely compete for, but a tool with which the dominant group perpetuates its political control and at the same time maintains the survival of the State. Yet a comparison of the two countries in this paper has revealed that this tool has been utilized in Spain and Malaysia two essentially different ways.

The separate development of public policy and finance in Malaysia and Spain, reflects in both countries the response from the dominant/temprano group to the aspirations of the subordinate/tardio groups\(^{[2]}\). Both countries are confronted with the need for the State, which is dominated by a homeland/temprano faction, to accommodate the economically more prosperous subordinate/tardio groups.

In Spain where ethnic division is territorial, the latter groups, also homeland communities, are concentrated in Catalonia and the Basque Country, which are the

\(^{[1]}\) The term is used here in a less general sense of 'consisting of more than two ethnic groups (in intergroup power configuration)', in contrast to 'bi-ethnic' Belgium and Malaysia.

\(^{[2]}\) Mainly the Chinese and the politically less consequential Indians in Malaysia, and the Catalans, Basques and to a less extent the Gallegans in Spain.
economic backbone of the country\textsuperscript{[1]}. The growth of the Spanish public sector\textsuperscript{[2]} since the end of the repressive rule (1939-75) of Franco has coincided with, though not been solely determined by, the process of political and fiscal decentralization that was accomplished at a speed and to a degree unprecedented among the Western economies, but the similarity in the trend of Malaysian public finance, on the contrary, resulted principally from the tempranos-dominated State’s using public expenditure as a tool to advance the group’s economic interest in an economy still heavily relying on the more prosperous tardio community. The determination to break with and reverse the repressive policies of the Franquist regime and to integrate the country into a prosperous and democratic Europe has made such huge concessions to subordinate group aspirations possible. The fear of a return to the old regime, to many vindicated by the August 1981 coup, serves only to convince the new administration of a need to speed up the policy change and to turn the subordinate groups further away from particularism to universalism in orientation (see van Amersfoort’s typology in Figure 9 above). The combined result of such changes in dominant and subordinate groups’ orientations has, as the diagram shows, led to or facilitated the adoption of federalism as a solution to ethnic conflict. The territorial nature of ethnic division and the legitimacy of territorial claims on the part of the subordinate homeland groups (see Figure 3 above) have also, on the other hand, made political decentralization and fiscal federalism a feasible option.

Such was not a choice readily available for Malaysia at the critical structural juncture of 1969/70, where the ethnic divide is not territorial (see Figure 13 above), and where the tardio group (comprised of later immigrants and their descendants) is an urban community viewed by the dominant temprano society (descendants of earlier inhabitants) as lacking in homeland legitimacy, and by extension, the level of ethnic intensity as that of the tempranos. Furthermore, the mutually reinforcing ethnic and

\textsuperscript{[1]} In Malaysia, it was the more prosperous tardio community that mattered, especially before the implementation of NEP.

\textsuperscript{[2]} See Figures 7 and 8 above.
economic cleavages easily turn a class problem into an ethnic one subjected to the manipulation of the statist capitalist class, which rose to dominance on the wings of unbridled ethnic sentiment at the riots of 1969 and subsequently managed to perpetuate its control of State power through the use of public finance for promoting the economic interests of the dominant ethnic group. The inability of the tardio community to exercise control over its supposed representatives in the State apparatus further enabled the government to preserve simultaneously both the status quo and the interests of the dominant temprano group through the implementation of preferential policies in the favour of the latter.

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文化多样性与世界发展

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