INTRODUCTION

THE RESEARCH UNDERTAKEN IN Work Package 2 is interdisciplinary in nature, comprising researchers in the disciplines of economics, political economy, anthropology and history. This WP explores the impact of national policies and regional processes on economic development and poverty reduction, with an assessment of macro practices from a micro perspective, looking at, for instance, working conditions and labour rights in new regional manufacturing hubs.

Southeast Asian countries share two features: the desire to develop entrepreneurial domestic firms, with the government actively intervening in the economy to achieve this goal. However, changes in the model of development are occurring, a factor that has been recalibrating the arena of struggle involving governments, businesses and labour. The demand for increased foreign direct investments, a key driver of growth in the region, has further contributed to these struggles that are occurring in the region, leading to what is now seen as an ‘uneven development trap’, one that traps the labour force in precarious circulatory migration and undermines social stability. Multinational firms differentially engage with the government as well as with domestic firms and labour, depending also on where they come from, a core factor that determines a country’s ability to effect industrial upgrading and improve its firms’ position in global production chains. For example, how government-led enterprises from China operate in the region varies remarkably from the way firms from East Asia as well as North America and Europe function in Southeast Asia.

The researchers in this WP are undertaking studies that aim to uncover how an equitable model of development can be created, one where the role of domestic enterprises such as business groups, government-owned companies and small and medium-scale firms, can be harnessed to help nurture progressive change, one that acknowledges and respects labour rights. This WP’s comparative analysis of ASEAN countries, with differing levels of development, allows for an assessment of the developmental role of the government and how the heterogeneity of firms that operate in the region shape industrialisation and rural transformation. This comparative review provides important insights into how different Southeast Asian countries deal with the new challenges that undermine social security, contributing ideas for novel public policies and instruments that protect the well-being of people and protect the rights of labour. The research also allows to get a better understanding of livelihoods strategies pursued by individuals and households in order to increase their well-being, often through mobility at national and regional level. A key motivation for the WP initiative is that the enhancement of public policies for welfare provision need to consider these livelihood strategies – in a context of rapid economic and social change – so to better respond to new challenges and opportunities. Within this context, the focus on industrial labour allow to focus on how a region that has achieved important results in absolute poverty reduction needs now to focus more on vulnerability, relative poverty and inequality.

The inter-disciplinary nature of the WP also translates in a wide array of research methods which allow to conduct a multi-level analysis of problems. In coherence with the CRISEA endeavour, the WP operationalise a macro–micro analytical framework that allow to give value to the complementary work conducted by individual researchers, e.g., studying the policy implications of FDI to the region and the impact on the people livelihoods at grassroots level. The WP involves a multinational team from the University of Malaya, Vietnam Academy of Social Sciences, Chiang Mai University, Ateneo of Manila, University of Oslo, University of Naples L’Orientale (in cooperation with University Milano Bicocca and University of Amsterdam). Field activities have regarded so far Cambodia, Indonesia, Malaysia, the Philippines, Thailand and Vietnam.

Terence Gomez (Leader Work Package 2) & Pietro P. Masina (Co-Leader Work Package 2)
“Generations of Workers”

This project involves ethnography of work in the frontier-like Indonesian province of Kepulauan Riau (KEPRI). This region is part of the Indonesia–Malaysia–Singapore Growth Triangle (SIJORI) and includes Batam, an industrial center for electronic components and shipbuilding since the late 1970s and an established regional ‘mobility hub’ for Indonesian migrant workers, capital and technologies. Because of their geographic location, Batam and to some extent the surrounding islands have maintained fiscal and industrial appeal. Though these production centers face harsh competition from other ‘Special Economic Zones’ in the ASEAN market, a trend that has modified the original mobility paths, caused job loss and stimulated new openings in the services, property and informal sectors. Even though the SIJORI industrialization and the resulting circulation of workers have been given extensive scholarly attention until the late 2000s, little is known about the more recent dynamics.

The dynamic dimensions and the socio-economic metamorphoses that characterize today’s KEPRI society is assessed. The underlying rationale is that it may be risky to position all the ongoing transformations under the umbrella of industrialization. Conversely, while an ‘industrial society’ might have developed in KEPRI since the implementation of the SIJORI measures, the region can be considered a ‘mixed hub’. Such a hub is crisscrossed with processes of industrialization, stop-and-go projects by the state and the capitalists, impermanent occupations, failures, progressive informalization of labor, shadows of illegal work, rising poverty, and socio-ecological degradation.

This project analyzes the intersections between capital, work and the circulation of workers. The issues reviewed include how people conceptualize different categories of work, that are currently available or used to be (skilled, menial, informal and illegal work, men’s and women’s jobs). Other questions are considered: Do migrants consider working in the Indonesian borderlands a transitional phase of their lives or do they wish to start a family there? How do they relate to their kin and communities of origin? How is work accessed and how are jobs held down (middlemen, recruitment agencies, skills, discipline, clientelist connections)? Are interrelated generations of workers and cohorts of second generation migrants emerging in KEPRI? How do KEPRI autochthonous people navigate the shifting economy?

A core issue addressed in the process is that of socio-ecological transformations. Capital reshapes the space, sometimes wreaking havoc, some others causing slow-paced and invisible changes. Also reviewed are issues such as the social impact of the commodification of the province’s land and sea, and of the construction and demolition of factories, dockyards, resorts, houses, roads and seaports. Related issues include the destruction of the coastal mangrove ecosystems by charcoal speculators, the manipulation of the seabed underneath the shipyards, and the illegal extraction of sand to feed the internal demand of construction materials may affect fishermen’s traditional livelihoods and force new generations to look for factory and service jobs.

Giacomo Tabacco
CRISEA WP3 Dissemination Conference
- Development and Transformation in Southeast Asia:

**The Political Economy of Equitable Growth, Kuala Lumpur, 9 July 2019**

THIS CONFERENCE WAS CONVENED to provide a comparative analysis of the developmental role of the government in Southeast Asia, the impact of China’s growing investments in the region, and the outcomes of rapid industrialization on society and on labour. This forum aimed to assess the factors inhibiting national governments from promoting industrial upgrading, as well as other factors that have hampered the developmental potential of Southeast Asian countries. How these governments sought to improve their legitimacy through social security mechanisms focusing on the poorest and the most vulnerable of society was to be brought under review and debated. The four speakers at this one-day conference were Dr Jomo Kwame Sundaram, Professor Edmund Terence Gomez, Associate Professor Pietro Masina and Professor Jonathan Rigg.

When considering these issues, the speakers first reviewed the evolution of the Southeast Asian economy and then provided new insights into the impact of foreign direct investments on industrial development, the rise of spatial inequities and new patterns of exploitation of labour. The lecture on China’s investments, which provided up-to-date data involving the business activities of 92 companies, private firms as well as state-owned enterprises, drew much attention in the domestic and international press. The key point that was noted was that following the introduction of the Belt Road Initiative (BRI) by President Xi Jinping in 2013, there had been an investment surge by China into Southeast Asia. An important outcome of the BRI was that of growing ‘state-state ties’ between China and Southeast Asian countries, particularly visible in Malaysia. Based on these state-state ties, enterprises owned by the governments of both countries have been employed to jointly mount projects, creating ‘public-public partnerships’, though private investors also receive government support. In the process, diverse forms of ‘state-business relations’ had emerged, with some ventures controversial in nature, with evidence of anomalies, while others have had productive outcomes.

Subsequently, a request was made by the EU ambassadors in Malaysia for a further discussion on the research on China’s investments in Malaysia. This discussion with the EU ambassadors was held on 19 September 2019.

Prior to this CRISEA dissemination conference, the early findings of this study of China’s investments were presented at two public forums. The first, at a conference entitled ‘Malaysia-Business Smart Link Road’, held on 17 August 2018 in Kuala Lumpur. The second, an international forum, organized by the Hong Kong-based newspaper, *South China Morning Post*, on 10-11 October 2018 in Kuala Lumpur. Details about this international forum can be found at this website: https://chinaconfsea.scmp.com/. The proceedings of both conference were also well covered by the Malaysian and international media.
SINCE THE MID 2000s Vietnam has become an important player in the regional production system. The economic strategy, adopted in conjunction with the country admission to the WTO in 2006, is based on foreign direct investment attraction and export-led industrialization. The country specialised first in the manufacturing of garment and footwear and more recently becomes a major electronics producer – today mobile phones are the major export item and Samsung is the largest foreign investor in the country. This economic model has guaranteed high levels of economic growth and the generation of millions of jobs in manufacturing. However, the model is not without flaws for at least three reasons, as clearly suggested by regional experiences. First, the industrialization process remains highly vulnerable as foreign investors may come and go. Second, a modality of industrialization so dependent on FDI makes more difficult for national firms to climb the value chain and escape from labour-intensive, low value-added productions. Third, the country continues to rely on cheap labour as a competitive factor, with negative consequences in terms of wages, working conditions and workers’ rights.

From a macro perspective, the Vietnamese model of industrialization shares many of the positive and negative features of previous experiences in other countries of the region such as Thailand, Malaysia and in part Indonesia. In these latter countries the difficulty to move towards higher quality and more value adding productions has been described as a middle-income trap. Although these countries have done much better than most other developing nations, they failed to repeat the catching-up obtained by Japan first, and then South Korea, Taiwan and Singapore. Although these countries have dramatically reduced absolute poverty – and Vietnam has been a case of particular success in this – inequality and relative poverty seems to remain major challenges.

From a micro perspective, there is a need to better understand how this model of industrial development impacts on the livelihoods of industrial workers. Previous research has indicated that industrial employment in Southeast Asia is mostly precarious and workers tend to move in and out of manufacturing and in and out industrial areas. In other terms, industrial development does not result in a permanent movement from rural to urban areas and from agriculture to industry, as it happened in the case of Europe and the first generation of Asian NIEs. Thus, CRISEA is working in several Southeast Asian countries to document in a comparative perspective how households tend to rely on multiple sources of income – agriculture, industrial employment, informal jobs – in order to survive, although these strategies seldom allow to emerge from a condition of vulnerability and relative poverty.

In order to study the impact of the current model of
industrialization on the Vietnamese workers, CRISEA has established a synergic cooperation with another initiative co-financed by the EU Delegation to Hanoi: the project *Empowering Civil Society and Workers in Vietnam (ECOW)*. This synergy was possible because the Vietnam Academy of Social Sciences and the University of Naples L’Orientale are involved in both projects and the research aims are highly compatible. Together CRISEA and ECOW are conducting a large field research in Vietnamese industrial parks using both quantitative and qualitative tools. The research focuses on foreign invested firms in the garment and electronics sectors operating in key industrial parks in the North, Centre and South of the country. The target is to make 3000 interviews with industrial workers and other key stakeholders by the summer 2020. At the time of publishing this Newsletter, the research team has completed the quantitative investigation in the Centre and the North, covering the Hoa Khanh Industrial Zone and Hoa Khanh Extended Industrial Zone in Da Nang (mainly medium-sized firms in electronics and garment); Tinh Phong Industrial Zone and VSIP Industrial Zone in Quang Ngai province (also medium firms in both electronics and garment); the Trang Due Industrial Zone in Hai Phong (with several large firms in electronics, among which LG); Yen Phong Industrial Zone in Bach Ninh province (where Samsung employs about 40,000 workers); and Khai Quang Industrial Zone in Vinh Phuc province (including both garment and electronics firms).

About 2,000 workers have been investigated so far, by both quantitative research (using questionnaires) and qualitative research (in-depth interviews focusing on life history).

Preliminary findings indicate that most workers are migrants from other provinces. These workers either live in factory dorms or rent private rooms in the villages around the industrial area. In both cases, these accommodations are designed for unmarried workers and anyway the costs of living in these areas are too high to allow workers’ household to settle there with children. Employment in manufacturing is predominantly confined to young labor force. Typically, these workers – among which up to 80% are women – tend to leave the industrial areas in connection with marriage and maternity. In some cases, workers chose or need to stay longer in industrial areas after maternity sending the children back to the village with the grandparents, but this is normally an arrangement that can last only a few years as the cost of mobility between the industrial and rural areas are quite high.

Another major reason to motivate workers to leave industrial employment voluntarily once they are in the early thirties – or result in their involuntary dismissal – is the very rigid factory discipline, which not only implies hard work rhythms and exhausting over-time work, but also makes workers vulnerable to discretionary economic bonuses and fines. Not only raising children in the industrial areas is costly, but migrant workers who are typically far from their extended family networks may find practically impossible to continue to adjust to the hard rules of factory work.

These preliminary findings confirm a trend already studied in literature regarding the circular migration of workers to and from industrial areas. In the case of Guangdong, these industrial workers had been labelled “a Peter Pan” generation as they are perpetually young as they normally leave after 5 to 10 years in manufacturing. Less clear, however, is what happens to these migrants once they leave factory work. Do they move back to rural areas, although the scarcity of land does not make agriculture a viable option? Do they end up in the informal sector in urban areas? This is stream of research on which CRISEA will try to give a new contribution. The ongoing research in Vietnam will provide data that will allow to complement the picture that is emerging from parallel CRISEA work in other countries in the region.

Do Ta Khanh and Pietro Masina

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**PAST EVENTS**


**FUTURE EVENTS**

IN JUNE 2019, Silvia Vignato and Giacomo Tabacco, together with Juan Martin Baigorria (an Italian filmmaker) and Awaludin Arifin (a filmmaker and research fellow in media and communication at the local Malikussaleh University), shot the WP2 film about deindustrialization, industrial culture, and Special Economic Zones programs in Aceh, Indonesia. The shooting took place in the region of Lhokseumawe and North Aceh and lasted for three weeks. Following their original plans, WP2 researchers succeeded in recording about twenty hours of footage of diverse events and environments, most of which presented strong visual appeal.

Notably, these include shots of “industrial Lhokseumawe”, a coastal stretch that sits on a large deposit of natural gas exploited from the early 1970s until the last decade. In the footage, actual working sites, such as the petrochemical hub where fertilizers are produced and loaded into cargo ships, are opposed to rusty gas rigs and pipelines which are no longer in use. Abandoned factory chimneys and facilities coexist with burning gas flares and high-tech refineries. For the latter too, the future is uncertain, as the hydrocarbon has run out and the Special Economic Zone does not seem to be taking off.

The shooting also features the multifaceted surroundings of the industrial plants: Lhokseumawe middle-class residential areas, chaotic urban spaces where “ordinary people” live, the sites of forced evictions that, in the late 1970, occurred to accommodate the factories, and the monuments to the victims of the war fought by the Free Aceh Movement (GAM) against the Indonesian Army between 1976 and 2005. Traditional villages, paddies and wooden houses are also part of this “around the factories” picture.

What appears in the film, and will be underlined by scrupulous editing, is that villages are not enchanted, backward places, postcard-like rural sceneries. They are complex and dynamic social units where people, especially the landless, try their very best to make ends meet while keeping a positive vision of the future. In the film, we shall see how they migrate overseas, smuggle drug and take odd jobs, in addition to getting married, having babies, getting a divorce and raising children. Ironically, as it appears in the film, few villagers have ever worked at the nearby industrial plants because they lack the required skills.

Finally, Silvia, Giacomo, Juan Martin and Awaludin shot artisanal and low-technology brick making and fish drying by piece carried out by workers, primarily women, in the shadow of the large factories and the billboards advertising the Special Economic Zone. This kind of low-skill, low-paid job is what the landless, non-migrant villagers can look to. Parallel to shooting environmental and working scenes, during the three-week filming, the CRISEA researchers and their team interviewed some fifteen respondents. While drawing on former acquaintance with the respondents, the filmmakers were surprised to acknowledge that the interviews also revealed many new elements.

The edited film will substantially center on two core characters who engage in a conversation. F. is a war survivor, twice the widow of a Free Aceh Movement combatant, and now the wife of a man convicted of drug trafficking. A mother of four, she makes bricks and gets into debt to support her family. Younger L. has just had a baby and is married to a man who previously migrated to Malaysia. She lives in the house that her brother, freshly out of jail, has built with drug money. L.’s mother often stays in that house too, when she is not busy working the night shift at the fish drying shop. Furthermore, Silvia, Giacomo, Juan Martin and Awaludin recorded supporting interviews to F.’s and L.’s family members, to Pak I., a negotiator of the Special Economic Zone, to a member of the town board, to some citizens that have been evicted from their home, and to the few people who have worked in the factories.

From a general standpoint, capturing images and sounds of transforming industrial, post-industrial and globalizing Southeast Asia adds to existing audio-visual repositories,
UNDER THE WP2 “ECONOMY” OF CRISEA, in September 27, 2019, the Institute for European Studies organised the seminar: “The Participation of Enterprises in Agriculture: Experiences from Vietnam and Norway”, at the headquarters of Vietnam Academy of Social Sciences. The seminar was chaired by Do Ta Khanh, with two speakers from Vietnam and Norway, Nguyen Anh Phong – Director of Center of Rural Development Information, under Institute for Policy and Strategy for Agriculture and Rural Development – and Arve Hansen, Oslo University. The seminar was also attended by researchers from the Vietnam Institute of Economics and Ho Chi Minh Academy of Politics.

In his presentation, Arve Hansen discussed the success and challenges of agriculture in Norway, reflected in the four objectives in Norwegian agricultural policy. He also provided some implications for Vietnam’s agriculture in the process of industrialisation. In the meanwhile, Nguyen Anh Phong’s presentation focused on the overview of enterprises participation in agriculture in Vietnam with the particular attention to macro policies, land policies, capital markets, goods market and technology those have large impacts on the development of agriculture in Vietnam.

The discussion followed by the two presentations was mainly on the lessons from Norway in the involvement in agriculture development and the solutions to boost the sector in Vietnam in the circumstance of industrialisation.

which usually lack data about marginal and smaller localities, like the ones Silvia and Giacomo analyze. On the other hand, doing research with video and audio involves thinking with respondents over visual features and engaging in fascinating transdisciplinary work. This process has often helped the researchers to challenge their and their respondents’ conventional reading of social change, and to put together a dynamic image of the concepts and the practices peculiar to Lhokseumawe, North Aceh and Indonesia. Finally, the film portrays two families who live on the poverty line and are part of a socio-economic context where it is increasingly tough to advance in life, while the industry is shrinking and the state struggles to set up safety nets. Nevertheless, children alone reinforce people’s hopes for a better tomorrow.

Silvia Vignato and Giacomo Tabacco
Selected Publications of CRISEA Researchers

BOLOTTA, GIUSEPPE

BOUTÉ, VANINA

CAMROUX, DAVID

DEVADASON, EVELYN SHYAMALA

FARNAN, ROBERT A.

HANSEN, ARVE

LARSSON, TOMAS

MÉRIEAU, EUGÉNIE


**MIDDLETON, CARL**


**PAWELZ, JANINA**


**STOKKE, KRISTIAN**


**TAPPE, OLIVER**


**UFEN, ANDREAS**


**WISCHERMANN, JÖRG**


The third CRISEA briefing session for the EEAS was successfully held in Brussels on the 11th of December 2019. Like the previous session, H.E. David Daly was present as the head of Division for Southeast Asia and ASEAN at the EEAS, with CRISEA's delegation being represented by Jacques Leider from EFEO. The session’s theme, “Identity in Southeast Asia: Critical Issues at the Intersection of Politics, Violence and Social Formations,” focused on research conducted within the framework of CRISEA’s Work Package 4 ‘Identity: Forging Regional Belonging’, chaired by Volker Grabowsky (University of Hamburg).

Janina Pawelz (University of Hamburg) presented the first case study, “Timor-Leste: Addressing violence-prone groups and setting a course towards peace.” Violent clashes between rival martial arts groups became frequent in the independence era of Timor-Leste, causing numerous injuries and deaths. While the martial arts groups have gained prominence as instigators of violence and actors challenging peace and security, they do also provide structures of identity and social protection for thousands of Timorese youth. This situation creates a mix of conflict dynamics bearing serious risks for the country. Discussion on this topic illuminates the domestic dynamics for policy makers and international agencies.

The second case study was presented by Edyta Roszko (Chr. Michelsen Institute) on “Exploitative expansion of Vietnamese fisheries as an answer to the South China Sea conflict and the market.” It discussed Chinese and Vietnamese fishermen’s shift from inshore to offshore fishing in the South China Sea as a response to China’s attempt to nationalize most of the South China Sea, which has created a conflictual situation where scarce marine resources function as a sort of ‘rival goods’. This massive exploitation turns into territorial claims and the regional development seems to set a threatening pattern for other oceans, too. The policy briefing addressed the challenges of these new mobilities that operate under the radar of states.

The final presentation by Iselin Frydenlund (MF Centre for the Advanced Study of Religion, Oslo), opened discussion on “Protecting Buddhism: Buddhist just war-ideology during the 2017 Rohingya Exodus.” Recent violence against Muslim minorities in Buddhist Myanmar and Sri Lanka has sparked off a new debate about the relationship between Buddhism and organized violence. Analysis of discourses of prominent Buddhist monks in their response to the 2017 crisis in Rakhine State shows that they resort to a Buddhist just war ideology. The policy briefing pointed out that rather than a norm deviation from “true” Buddhism, this ideology is anchored in Buddhist historiography and Buddhist views on the state. The open discussion session that follows created lively exchanges between EEAS staffs and CRISEA researchers. Policy briefs from the session will soon be made available at the project’s website crisea.eu.
École française d’Extrême-Orient, France:
• Yves Goudineau, Coordinator
• Jacques Leider, Scientific Coordinator
• David Camroux (Sciences Po)
• Andrew Hardy, Special Advisor
• François Baffoil (Sciences Po)
• Sophie Boisseau du Rocher, Leader of WP5 (IFRI)
• Vanina Bouté (CNRS-CASE)
• Olivier Evrard (IRD)
• Rémy Madinier (CNRS-CASE)
• Vatthana Pholsena (CNRS-CASE)
• Jérôme Tadié (IRD)

University of Hamburg, Germany:
• Volker Grabowsky, Leader of WP4
• Monika Arnez
• Marco Bunte (GIGA)
• Janina Pawels (GIGA)
• Oliver Tappe (University of Cologne)
• Andreas Ufen (GIGA)
• Jan van der Putten
• Jorg Wischermann (GIGA)

The University of Naples L’Orientale, Italy:
• Pietro Masina, Co-leader of WP2
• Dennis Arnold (University of Amsterdam)
• Michela Cerimele
• Antonio Soriente
• Giacomo Tabacco (University of Milano Bicocca)
• Silvia Vignato (University of Milano Bicocca)

The Institute of Social and Political Sciences, Portugal
• Paulo Castro Seixas
• Nuno Canas Mendes
• Andreia Valente
• Nathalie Lobner

The University of Lodz, Poland:
• Tomasz Kaminski, Co-leader of WP1
• Dominik Mierzejewski
• Malgorzata Pietrasia
• Edyta Rosko (Chr. Michelsen Institute in Bergen, Norway)
• Michał Zarbba

The University of Oslo, Norway:
• Kristian Stokke
• Arve Hansen
• Hege Merete Knutsen

The University of Cambridge, UK:
• Tomas Larsson, Leader of WP3
• Iza Hussin
• Rachel Leow
• Natasha Paireaudieu

The University of Chiang Mai, Thailand:
• Chayan Vaddhanaphuti, Leader of WP1
• Kwanwewan Buadaeng
• Nathanhan Kunnamas, Co-leader of WP5 (University of Chulalongkorn)
• Prasit Leepreaech
• Carl Middleton, Co-leader of WP1 (University of Chulalongkorn)
• Manoj Potaponh
• Annuayvit Thitibordin (Kamnoetviyida Science Academy)

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• Jayeel Serrano Cornelio, Co-leader of WP4
• Filomeno Aguilar
• Lisandro Claudio
• Leonardo A. Lanzona
• Marissa Maricosa Paderon

The Centre for Strategic and International Studies, Indonesia:
• Medelina K. Hendyto, Leader of WP6
• Vidhyandika D. Perkasa
• Shafiah F. Muhibat

The University of Malaya, Malaysia:
• Edmund Terence Gomez, Leader of WP2
• V.G.R. Chandran
• Evelyn S. Devadason
• Nathalie Fau (CNRS-CASE)
• Danny Wong Tze Ken

Vietnam Academy of Social Sciences, Vietnam:
• Pham Quynh Phuong, Co-leader of WP3
• Dao The Duc
• Do Ta Khanh
• Hoang Cam
• Nguyen An Ha
• Nguyen Bich Thuan
• Nguyen Phuong Dung
• Pham Anh Tuan
• Vu Ngoc Quyen

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• Aye Aye Myat
• Thida Tun
• Kyawt Kyawt Khine

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