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THE ROLE OF THE STATE IN DEVELOPMENT IN POST-COLONIAL SINGAPORE AND POST-REVOLUTIONARY RUSSIA

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AN ABSTRACT OF A THESIS

This thesis examines the role of the state in development in post-colonial Singapore and early post-revolutionary Russia (FSU). The foci are state capacity, the role of foreign capital, and the social construction of identity. State capacity was critical to both states' successes and is attributable to both states' broad power bases. The relative ease with which the states obtained and financed foreign capital enhances the understanding of the PAP's success but not the Bolsheviks'. The common, critical states' role was the social construction of identity, which was communicated to the populations via the cultural mode of ethnicity in Singapore and class in the FSU. This key role has been overlooked by development theorists. The neoclassical modernization theorists do not advocate such a key role for the state in development. The general modernization and dependency theorists claim that the state is not capable of playing such a transformative role.

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INTRODUCTION

There are many similarities as well as differences in the role of the state in development in post-colonial Singapore and the former Soviet Union (FSU). However, fundamental similarities in the roles the states played in development outweigh the differences. These similarities have perhaps been obscured by the many apparent differences between the two cases, such as size, the types of industrialization strategies utilized by the states[1], and current political and economic conditions in the areas. Equally contrasting were the espoused political and economic goals of these two states: the Bolsheviks considered themselves the self-proclaimed vanguard of the historical transition to socialism, and the PAP considered Singapore the springboard for a newly envigorated free trade

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[1]The PAP initially adopted an import-substitution strategy (ISI) and then later, an export-oriented-industrialization strategy (EOI). The Soviets adopted a strategy which appears more like what Gereffi describes as secondary import-oriented industrialization (also ISI).

Gereffi defines two types of ISI and EOI strategies. The ISI types include primary and secondary subtypes. (Gereffi:1990:17). In primary ISI, decreases in imports and increases in local manufacture of basic consumer goods are goals. Secondary ISI involves the domestic production of capital and technology-intensive manufactures such as consumer durables, machinery, and intermediate goods rather than the importation of these goods. The EOI strategies also include primary and secondary subtypes. The former includes labor-intensive products which are exported, and the former involves higher-value added goods which are skill-intensive, requiring a more developed industrial base.

capitalism in South East Asia. However, both states emphasized, though in ideologically opposed ways, that modernization and improved social conditions would be outcomes of planned change.

The broadest question this paper addresses is: is there a role for the state in development? Even though the approach is, for the most part, historical, I believe that this broad issue reveals this paper's relevance to current ideas and debates. I assume from the outset that during the Lenin and Lee Kuan Yew years, impressive economic growth and development occurred in both societies, since this has been well established by many scholars (see Davies:1994, Gregory:1990, and Huff:1994). I examine three topics with respect to the role of the states in development in the two cases -- state capacity, the role of foreign capital, and nation-state building. Family policy and education are examined to gauge the scope of state intervention into the lives of the citizenries in the process of nation state building. I hope to uncover key similarities and differences in the role of the states in development in the two cases.

The first section of this paper includes a brief look at modernization and dependency theory as they apply to the Singapore case and development in general. This is followed by Gerschenkron's ideas concerning the role of the state in economic development in the FSU. These themes will also be touched on throughout this paper within the context of the more specific topics listed above.

Chapter 1

MODERNIZATION AND DEPENDENCY THEORY

Barrett and Chin examine the success of East Asian nations' export-oriented industrialization (EOI) strategies in terms of dependency and modernization theory (Barrett and Chin:1987). They argue that:

> the positive development outcomes of the open economic strategies pursued by the East Asian NICs are generally more compatible with the tenets of neoclassical/ modernization theory, (we suggest), than with those of a dependency/world systems approach (ibid, p.23).

The neoclassical/modernization theorists claim that the adoption of EOI strategies by these nations has been a very appropriate, rational reaction to world economic conditions, given the factors of production with which they were endowed (i.e., large supplies of cheap labor) (ibid, p.24). They claim that the new linkages to markets, capital, and technology resulting from the "open" EOI strategy allowed these nations access to factors which they lacked (ibid). As factor acquisition occurred, they predicted that these economies would "mature" -- i.e., their industrial structures would converge with those extant in the more developed nations (ibid). In short, these theorists claim that given the right conditions (a free trade environment is considered best), any society will "advance".

Evans claims that development theory in the 1950s and 1960s centered around the idea that the state most certainly could, and should, take the lead in industrialization and development (Evans:1992:139). However, the outcomes of this approach did not support this idea. As a result, a complete reversal occurred: theorists began to seriously doubt the effectiveness of the state and consequently began to view the state as a major impediment to development (ibid, pp. 139-140). This (coupled with other factors) culminated in the belief in the early to mid 1980s that a minimalist approach by the state was most appropriate (ibid). These theories limited the state's role to upholding institutions considered necessary to development, such as private property (ibid). This last point connects these theorists with the neoclassical/modernization theorists discussed above.

Kohli claims that earlier, broader versions of modernization theory advanced by Durkheim and Parsons led to a dichotomous view of societies: they were either "traditional" or "modern" (Kohli:1986:7). In turn, this classification scheme, along with the functionalist nature of their analyses, reduced the role of the state in development to a "pattern maintenance" device, a (political) subsystem within an overall social system which effected "social integration" and "adaptation" (ibid, p.10). As a result of these ideas, the view that the state was autonomous and therefore capable of playing a "transformative" role in society, was not possible (ibid). However, this view could not explain the realities of recent levels of state intervention in development in Third World nations (ibid, p.12).

In contrast, Barrett and Chin claim that the dependency/world systems theory states that the EOI states in East Asia in the 1980s comprised an "evolving semi-periphery", taking the places in the international economic sphere formerly occupied by semiperipheral nations in Europe, Japan, North America, and Oceania, which were achieving "core" status (Barrett and Chin:1987:23). The authors argue that dependency theorists claim that:

> industrial development in EOI states will be of a dependent, artificial nature. It will often be enclave industrialization, with few linkages to the broader national economy. Second, it will be particularly vulnerable to swings in world economic conditions. Third, this kind of industrialization, where control over capital and markets is heavily influenced by multinational firms, may also result in the domination of national markets by these multinationals, the absence of indigenous entrepreneurship, and economically weakened states (ibid, p.24).

However, according to Woronoff, in Singapore, the influx of capital supplied by multinationals did not compete with the "domestic bourgeoisie" -- the Chinese and Indian retailers, wholesalers, and importers (Woronoff:1992:129-131). While there was no absence of entrepreneurship in Singapore, local entrepreneurs were hesitant to enter manufacturing, which was required for the switch to the EOI strategy. Therefore, the state attracted foreign capital into "pioneer" sectors -- sectors in which there was little local presence, to produce manufactured goods for export (ibid, p.130). National firms were more involved in light industry and production for domestic consumption, such as textiles, garments, and printing (ibid, p.131 and Huff:1994:322). The multinationals (MNCs) also brought with them vast markets for exports (ibid). Therefore, it does not appear that foreign capital completely dominated domestic markets in Singapore as the dependency theorists suggest (at least initially).

However, Singapore's success hinged on the attraction of foreign capital to the manufacturing sector and the markets for exports that the multinationals brought with them. It appears unequivocal, that to this (rather large) extent, Singaporean industrialization and growth was dependent. In fact, Cardoso (in Higgot) argues that dependency need not necessarily manifest itself as the export of raw materials in (unequal) exchange for manufactures; surplus extraction can occur in the manufacturing sector as well, with the dominated economy dependent on foreign capital rather than manufactured goods (Higgot, et al.:1985:32).

The dependency perspective also focuses on colonialism -- economic relations between nations which result in underdevelopment in the dominated, weaker nations (Kohli:1986:14). Kohli claims that authors who have been sympathetic to the dependency approach, but have also acknowledged that the weaker states have nontheless played a significant role in development (and therefore underdevelopment), have shared one "blindspot": they have asserted that the goals of development have been set by powerful economic actors rather than the political elites themselves (ibid, p.16).

In summary, the dependency and modernization theories make a common point. They both conclude that the state is not an effective actor in development, albeit in different ways. I hope to show that both the Singaporean and Soviet regimes played a critical and very similar role in development. They achieved this as they engaged in "the continuous project of nation building", as outlined by Benjamin (Benjamin:1976). He uses Singapore as his example. I also apply his ideas to the Soviet case.

Gerschenkron and the Role of the State in the Former Soviet Union

Gerschenkron states that:

> What makes it so difficult for an advanced country to appraise properly the industrialization policies of their less fortunate brethren is the fact that, in every instance of industrialization, imitation of the evolution in advanced countries appears in combination with different, indigenously determined elements. If it is not always easy for advanced countries to accept the former, it is even more difficult for them to acquiesce in the latter. This is particularly true of the institutional instruments used in carrying out industrial developments and even more so of ideologies which accompany it. What can be derived from a historical review is a strong sense for the significance of the native elements in the industrialization of backward countries (Gerschenkron:1995:119).

Gerschenkron argues that, in Russia, the emancipation of the serfs was critical to modern economic development (ibid, p. 112). More specifically, he states that setting the serfs free helped develop the framework in which modern economic development could occur (ibid). Development actually began in Russia in the 1880s, when a comprehensive industrial policy, including protectionist policies and subsidies to domestic business, was initiated by the Russian state (ibid). Gerschenkron also claims that the introduction of the gold standard in Russia ensured foreign participation in Russia's development (ibid).

According to Gerschenkron's "theory of relative backwardness", countries which were latecomers to industrialization, such as Imperial Russia in the late 19th Century, exhibited higher rates of growth "spurts" than the countries which were their forerunners (Gregory:1991:64). Accordingly, the early successes in industrialization, such as England and the U.S., are viewed as having occurred as a direct result of the presence of the preconditions necessary for modern economic growth (ibid, p.65).

However, the latecomers had an edge which resulted in rapid growth, since the states involved could simply create the conditions necessary for development. For example, Gerschenkron claims that in the mid-19th Century, the Russian state bureaucracy was substituted for the entrepreneurial abilities necessary for economic growth, since these skills were lacking in Russian society at that time (ibid,p.66). Thus, according to Gerschenkron's evolutionist model of growth, the appropriate role of the state in industrialization is to help create, or somehow substitute for, the preconditions which are necessary for modern development but were lacking in the "relatively backward" societies.

In the end, Gerschenkron claimed that the Russian effort to modernize in the 19th Century was a major acheivement but nevertheless a failure, since private property rights were not upheld in the 1861 Emancipation Act (ibid,pp.66 and 69). According to Gerschenkron, the retention of the commune created conditions which promoted the development of "free-riders" and curtailed the decision-making power of the individual peasant over his allotted land (ibid, p. 67). For these as well as other reasons, private property was a necessary constitutional pre-requisite for modern growth which the Russians had neglected (ibid, pp. 66-68).

Currently, Gregory and Crisp are among those who are challenging Gerschenkron's assumptions concerning economic history in Imperial Russia and his development model in general (Gregory:1991 and Crisp:1991). Even though Imperial Russia is not an era which will be considered at great length here, one point I hope to bring out is that a much broader approach to analyzing the role of the state in economic development is needed than was presented by Gerschenkron.

State Autonomy and Capacity

In spite of all the differences, in both Singapore and the Soviet Union the state rallied the support needed from a quite heterogenous population to carry out its development plans. Therefore how the states obtained the capacity to garner the support they needed is a relevant question. Crone's theories on state capacity and autonomy will be utilized to attempt to determine: 1) if the two states actually possessed significant capacity and autonomy; and 2) if so, were capacity and autonomy key factors to the states' successes?

According to Crone, a state's autonomy derives from the political elites' (those who hold offices) distance, or insulation, from the dominant socioeconomic elites in a society (Crone:1988:256). However, this does not always result in a great deal of state capacity, if it exists (ibid). Crone defines a state's capacity as its ability to formulate and predictably implement policy (ibid). He claims that a state's autonomy from socioeconomic elites might result in the ability to formulate policy without undue interference; however, autonomy does not necessarily yield the ability to carry out policy (ibid). State capacity ultimately derives from: 1) the structure of state support -- i.e., the nature of the socioeconomic elites from whom the state derives its power; and 2) the methods of social control utilized by the state.

Crone also states that there are generally two means of social control available to a state: collaboration and coercion (ibid). They are not necessarily mutually exclusive techniques (ibid, p.257). However, while both methods may or may not be effective means for achieving a state's goals, collaboration lends state policy more legitimacy and therefore gives the state a greater degree of capacity (ibid).

The nature of a state's power base, i.e., the nature of the group(s) of socioeconomic elites from which the state derives its power, determines which avenue of control is available to the state. If the political elites derive their power from groups which are broadly-based and therefore far-reaching, such as unions and parties, this provides the state channels by which it can utilize collaborative means of control, such as co-optation, coalition building, and bargaining (ibid, pp.255 and 257). On the other hand, narrowly based social elites, such as technocrats and financiers, do not provide expansive in-roads into a society. As a result, a state tied to a narrow elite must rely on more coercive means of control (ibid).

A narrow elite base impedes a state's ability to formulate and implement policy unconstrained by the socio-economic elites' interests (ibid, 257). However, it does afford the state some degree of autonomy from society-at-large (ibid, p.256). On the other hand, a broadly-based socioeconomic elite lends the state relative independence from particular interests. This most effectively insulates the state and allows the political elites to pursue their own goals rather than the interests of the dominant social groups (ibid, p.278).

Crone also claims that political elites do not necessarily align themselves with the entire array of socio-economic elites in a society: they may choose to collaborate with one or some segments of the elites but not others (ibid, p.255). The political elites might also choose to utilize coercive power or some other "social pressures" to effect their goals (ibid).

State Capacity, Trade Unionism, and the Co-Optation of Labor in Singapore

Crone argues that the degree of success of the development programs undertaken in the Southeast Asian nations has not been related to the pursuit of laissez-faire economic policies or, to the contrary, high levels of governmental intervention (Crone:1988:258). The critical factor has been the varying degrees of state capacity (ibid). In Singapore, the state derives its power from the dominant middle class (ibid, p.259). Broad-based coalitions have been formed in this context (ibid). This has enabled the state to utilize co-optation and other collaborative means of social control (ibid, p.259). As a result, the state in Singapore has exhibited a high degree of capacity to pursue development goals (ibid, p.260).

The co-optation of labor by the PAP in Singapore and by the Bolsheviks in the FSU was critical to the success of both states' development aims. The methods by which the regimes effected the incorporation of labor also appear quite similar. New roles for the trade unions were established as the PAP embarked on its EOI strategy. Similarly, as the Bolsheviks pursued their ISI plans -- i.e., their plans to increase exports and domestic production of capital goods -- new tasks were undertaken by the trade unions there. In other words, "trade unionism" appears to have emerged in both areas albeit under very different circumstances.

The expulsion of Singapore from the Malaysian Federation occurred in 1965 (Rodan:1987:153). Control over labor became most critical to the attainment of the state's development goals at that time. Essentially, Singapore lost its most promising market after the break -- the much anticipated Malaysian Common Market -- just as it was becoming increasingly necessary to the success of the ISI strategy employed by PAP at the time, i.e., the early phase of Singapore's industrialization (ibid). Unemployment was becoming greatly problematic to the regime, and the PAP concluded that without the larger market, the ranks of the unemployed could not be absorbed (ibid). The switch from an ISI strategy to an EOI strategy was imminent. However, this intensified the labor problem, since an EOI strategy in Singapore required low wages (ibid, p.155). Low wages were necessary to attract the foreign capital needed to enlarge the manufacturing sector to produce for export (ibid, p.155).

Crone claims that in the late 1960s (when PAP aborted the ISI strategy in favor of EOI), the state successfully incorporated and subordinated labor (Crone:1988:259). He states that the PAP achieved the co-optation of labor through what Deyo describes as a "corporatist structure" of collaborative, authoritarian management (ibid, pp.259-260). According to Deyo, a corporatist industrialization strategy is most readily understood as a "systematic effort" by political and economic elites to convince, coerce, or somehow manage to get labor to comply with the demands required of workers to achieve national development goals and unity (Deyo:1981:6). The PAP exemplifies a popular-authoritarian corporatist regime, since state-led unionism has been the mechanism utilized to mobilize labor in Singapore (Deyo:1981).

I will outline the "productionist role" of unions in Singapore -- the method by which Deyo claims the PAP co-opted labor (ibid). Then I will present a similar analysis of Soviet trade unionism, to point out the similar ways the Soviet state co-opted labor. I will link these patterns to the states' abilities to implement policy. This is not an arguement about whether corporatism did or did not exist in the FSU. It is an effort to test Crone's hypothesis that state capacity is a crucial factor in successful industrialization, using the experiences of two radically different nations.

Labor unrest during the Japanese occupation led to the creation of the Singapore Trade Union Congress (STUC), a pro-government, national union federation created in 1948 (ibid, pp.36-37). At that time, the colonial government detained union leaders and re-registered many unions in an attempt to control labor and communist insurgency (ibid, p.37). After internal self-rule (1959) in Singapore, labor split into two camps: the leftist Barisan Socialis, which formed the Singapore Association of Trade Unions (SATU), and a PAP aligned coalition comprised of some Chinese leftists and nationalist moderates (ibid). The PAP coalition formed the National Trade Union Congress (NTUC) (ibid). Then the PAP took action to demobilize the SATU and its affiliated leftist trade unions (ibid). The PAP's main goal was the suppression of the still-threatening Chinese political opposition to the "highly anglocized" PAP leadership (ibid, p.38).

After the break-up of the Malaysian Federation, the unions' functions were fundamentally re-oriented by the PAP (Vasil:1988:154). New foci of union activity included increasing worker productivity, wage controls, and the discipline of labor (Deyo:1981:42). In essence, the trade unions were to no longer represent working class interests. National goals became paramount; development goals superseded workers' interests and demands (ibid, p.160). "Survival" became PAP's main goal and theme, and the unions were called upon to do their part in assuring it. In 1967, strikes were rendered illegal by the PAP (ibid, p.155).

Subsequently, the Employment and Industrial Relations Bills were passed. The former addressed worker productivity and wages. The latter rendered promotions, transfers, recruitment, dismissals and the like non-negotiable by the unions (Vasil:1988:158-159). Thus the unions' rights to engage in collective bargaining and other activities were strictly curtailed.

PM Lee addressed trade union leaders of all levels personally at this time (ibid, p.160). However, he especially targeted the lower level representatives and thereby the rank and file, urging them to subordinate their interests to the nation's-at-large (ibid). The PAP's co-optive manuveurs also included the election of NTUC Central Committee members to key positions in the PAP in the general election (ibid). A "symbiotic" relationship between the NTUC and the PAP emerged at this point (ibid). Co-operatives were formed which provided services to the workers, especially the lower-paid (ibid). However, the co-ops were strictly controlled by the NTUC (ibid, p.161). To the PAP leadership, these actions comprised the "modernization" of the trade union movement (ibid). Thereafter, new union members were heavily recruited (ibid, p.162).

As PAP control of the NTUC and its leadership intensified, Deyo claims that further consolidation and centralization of the union structure occurred (Deyo:1981:44). An interlocking directorate of sorts appeared among the PAP, the NTUC, and other national organizations and associations (ibid). Policy concerning government, economic and other national issues, internal discipline, and organizational structure all emanated from the NTUC at the federation level (ibid, p.44). All affiliated unions merely followed orders from the top (ibid). Increasingly into the 1970s, the NTUC exercised disciplinary control over labor (ibid, p.46). Workers were threatened by NTUC during this time due to unemployment and resulting labor unrest (ibid). At virtually the same time, a National Productivity Campaign was undertaken by the National Productivity Board (ibid). In 1972 the National Wages Council was formed, which effectively eliminated the remaining collective bargaining power held by the union affiliates (ibid, p.49). At this point the transition appears to have been complete: the trade unions no longer represented workers' interests. They were full-fledged appendages of the state.

Haggard and Cheng argue that the PAP's effective control of labor was probably more important to investors in Singapore during the EOI drive than the financial incentives awarded to them (Haggard and Cheng:1987:105). In any event, labor, via unionism, was successfully co-opted by the PAP and harnessed to the state's economic development goals. Even though some amount of coercion was utilized, this indicates that the PAP, by gaining the support of labor and the unions, acquired a source of broad-based support. Industrial output increased significantly, from $844 million in 1963 to almost $15.5 billion in 1974 (Deyo:1981:60).

Trade Unionism and the Co-Optation of Labor in the Former Soviet Union

Four main players were involved in the stormy history of the trade union movement in the FSU: the Mensheviks, the Socialist Revolutionaries (SRs), the Bolsheviks, and the Workers' Opposition Party (i.e., the Syndicalists). The trade union movement emerged in 1905-1906, and according to

Melancon, the SRs spoke out strongly in favor of the formation of trade unions just before their emergence (Melancon:1988:4). In response to the SRs' call for their creation (and pressures from workers and the other parties no doubt), the Duma (a post-1905 Russian legislative body) authorized the first trade unions in March 1906. As a result, labor unions and co-operatives proliferated (ibid, p.28). From the outset, trade unions in the FSU addressed workers' educational and other cultural needs as well as wages and safety (ibid). For example, union-run schools, clubs, and societies were formed which organized drama theatres and libraries for the workers (ibid).

The Mensheviks, the Bolsheviks (apparently), and the Syndicalists were also active in the movement from its conception (ibid, pp. 5-6). However, they and the SRs disagreed on some fundamental points concerning the proper role of the trade unions in Russian society. Nonetheless, the Mensheviks and the SRs strongly agreed that the trade unions should remain non-partisan and therefore autonomous from the state (ibid, pp. 6-7). The main point of departure between these two parties was their respective stances on the proper level of involvment in the political struggle between labor and its oppressors that the unions should engage in. The SRs advocated heavy political involvement by the trade unions to advance socialism, while still retaining independence from the state. The Mensheviks were basically reformists, i.e., they felt labor should work within the system to create change. They focused on the economic demands of labor and advocated non-partisan but independent trade unions (ibid, p.9). Ironically, in pre-revolutionary times, both parties utilized the unions as party organs when the various committees comprising the unions were not active. This sometimes occurred during the more tumultuous times for the trade unions before the October Revolution (ibid, pp.3-4).

The SRs fought against the "professionalism, legalism, and economism" that they observed in the trade union movement (ibid). According to the SRs, these views led to "shopism" and conservative tendencies among the proletariat (ibid, p.6). The SRs controlled many large unions during various periods in the pre-revolutionary years and posed a major obstacle to any party which hoped to gain labor's full support, such as the Bolsheviks (ibid, p.7). The Bolsheviks, like the PAP, favored the trade unions' full incorporation by the state, for different reasons (Sorenson:1969:28). However, their aim was for the trade unions to play a key role in building the new, socialist society. According to Lenin, the trade unions should serve as a "school of communism" (International Labour Office Report:1960:35). They should take part in organizing social and cultural events, in the administration of social insurance, and in collective representation of workers, among other functions (ibid, p.39). Officially, Lenin advocated the independence of the trade unions from the state, although their choice of officials was to be supervised by the local Party organizations (ibid, p.35).

In 1912 there was a dramatic increase in tension both within the trade unions and between the trade unions and the state (Melancon:1988:32). Competition among the various parties for control of the trade unions accelerated, and labor support changed hands many times between the Bolsheviks, the Mensheviks, and the SRs before the October Revolution in 1917 (ibid, p.37). Strikes and riots broke out increasingly in the years just before the overthrow of the Tsarist Government in February 1917 (International L.O. Report:1960:26). Sorenson argues that in October of 1917, the Bolsheviks simply took advantage of the near chaotic union situation by (not unlike Kuan Yew) splitting the labor movement, thereby gaining control of labor (Sorenson:1969:10).

The Bolsheviks accomplished this by siding with the Workers' Opposition Party, whose members favored "workers' control" of plants (ibid). One critical point of divisiveness was between the trade unions in general and the Workers' Opposition Party. The workers' party was increasingly disgruntled with the bourgeois tendencies of the Provisional Government (due to their belief that they should take a non-interventionist stance since they thought that capitalism was the necessary precursor to socialism), as well as with the division and ineffectualness of the leaderships of all the moderate socialist parties (ibid, pp.18-19). As a result, these workers turned to the Bolshevik party, which seemed capable of weilding the most power against the Provisional government at the time (ibid, p.19). While this interpretation points to the Bolsheviks' takeover as partly by chance, Acton claims that the factory committees, local soviets, and battleworn soldiers were increasingly advocating the policies of the Party (Acton:1990:185 and 191).

Thus, at the First Trade Union Congress in 1918, the Bolsheviks were a majority, claiming 66% of union membership (ibid, p.25). However, Bolshevik support was concentrated at the oblast (local) level, while the Mensheviks dominated the All-Russian Union level (ibid). Put differently, Sorenson claims that the Bolshevik support emanated from local organizations, and the Mensheviks were in control of the trade union apparatus, the Central Federation of Trade Unions (ibid, p.25). Nevertheless, the Bolsheviks established control at the First Trade Union Congress and therefore were in command of the All-Russian Central Council of Trade Unions, the main administrative unit in the trade union movement (ibid, p.26).

The Bolsheviks' view of the trade unions was articulated at the First Trade Union Congress. They claimed that in a sense, unions no longer served a purpose in a society in which the workers had already gained control (ibid). Strikes and work stoppages would essentially only sabotage their own efforts, since the workers owned the means of production in the new workers' state (ibid). Further, the workers should adopt ideals sparked by a class consciousness rather than special interests which backed trade unions (ibid). As a result of these views and the exegencies of the ensuing civil war (1918-1920), strikes were prohibited, and the factory committees, firmly in the hands of the Bolsheviks, were transformed into the nuclei of the trade unions (International Labor Report:1960:28 and 63). At that time, the Bolsheviks gained control of the trade unions, making them essentially appendages of the state. Nevertheless, democratic principles were officially established which were to operate within the trade unions. The masses were to choose the leadership within the range of socialist parties which existed (ibid, p.35). As a result, the Mensheviks, SRs, and Syndicalists were all represented at the local level within the trade union apparatus (Rigby:1990:20).

The Bolsheviks pushed for unification and centralization of the trade unions from the outset to facilitate their revolutionary goals (ibid,p.32)

Centralization continued to occur at the upper-levels of the organizations within the Federation of Trade Unions. However, these policies were relaxed during the era of the New Economic Policy (NEP), in 1921-1928 (ibid,p.29). The trade unions were no longer to perform tasks for the state (ibid). Decentralization occurred, since the regime considered greater flexibility necessary to effect the increase in output which was required in both the agricultural and industrial sectors (ibid, p.35). Strikes were permitted (ibid, pp.63-64). However, during the NEP, Bolsheviks began to dominate central union leadership positions, but at the regional and local levels, party membership among officers remained low (Ruble:1981:13). This same policy of decentralization was followed in Singapore by the PAP when statutory boards were established for the same purposes -- to increase flexibility and output (see Meow:1985).

The Lenin regime, like the Kuan Yew regime, took a strong, ideological position concerning the productivity and discipline of labor. In a communist society, workers were to be self-motivated and very self-disciplined with respect to work as a result of their desire to create a socialist society (Luke:1985:117). This would indicate the internalization of the "proletariat ethic" (ibid). It would also be necessary to address workers' habits, attitudes, and values after the long reign of capitalism in Russia (ibid, p.119). The level of consiousness of the rank and file would have to be uplifted, after which the cadres would take the lead in voluntary labor discipline (ibid, p.117). This spirit would be upheld by the factory committees and the trade unions (ibid, p.118). At that point, the "zeal and initiative of the class-conscious workers would increase production and rationalize productivity" (ibid).

Lenin addressed labor at the 1921 Union Congress, during which he laid out his plan (Ruble:1981:11). He stressed that these plans should be carried out by the unions with some degree of independence from the state. However, there was an overall broad framework which would circumscribe their actions (ibid). The desired increases in productivity were not to be gained at the expense of labor's rights vis a vis management, and no coercion of labor was officially allowed (ibid). The main foci of the trade unions were still to be their actions as a "school of administration, school of economic management, and a school of communism" (ibid).

In 1929, Stalin replaced many union officials with faithful members of his regime (International Labour Office Report, p.30). After 1930, the unions were to exist solely to carry out party plans (ibid). No Union Congresses were held for seventeen years after 1932 (ibid). Various institutions were merged with the central and local All-Union Central Council of Trade Unions and turned over to the

Central Council. The Central Council was responsible for the administration of social insurance and supervising labor (ibid). Stalin emphasized a "turn toward production", in which Stakhanovism, named after an especially productive mine worker in Donbass, was introduced to increase the productivity of labor (ibid). In 1934, the unions' responsibilities were increased to include the inspection of worker and peasant activities and the social supervision of shops, canteens, and supply organizations (ibid).

In summary, during the Lenin era, the trade unions became appendages of the state in the FSU. They assumed a "productionist role" somewhat similar to that of the trade unions in Singapore: productivity and labor discipline became their responsibilities. The trade unions in the FSU also took on other social and cultural functions after the revolution, which Lenin felt was their critical role in building the new socialist society. The co-optation of labor and the subsequent rise of the Bolshevik Party in the FSU, involved a split in the labor movement, which also occurred in Singapore. Essentially, the Bolsheviks supported the Workers' Opposition Party, thereby gaining the support of the workers who had typically swung the vote in elections. In other words, the support of this group enabled whomever they alligned with to carry a majority. As a result, the Bolsheviks, like the PAP, began to build a broad power base by garnering the support of labor and the trade unions.

During the Stalin era, the unions were basically to do their part in carrying out the Five Year Plans (ibid, p.30). Fostering socialist emulation in the workplace remained a function of the unions during the Stalin era (ibid).

The Singapore and Soviet Bureaucracies

In both Singapore and the FSU, the state and/or party bureaucracies were also key elements which were co-opted by the states. In Singapore, the civil service underwent a shake down of sorts after independence: because of (some of) the PAP's policies and plans, many civil servants resigned. Most positions were subsequently filled by young PAP members. Many native Singaporeans were also very resentful that more positions were not open to them in the civil service. However, in the end, the PAP did effectively co-opt the bureaucracy. In 1951, the Public Service Commission was created to recruit, fire, and promote government workers. Statutory boards and various other committees were also formed which deeply penetrated Singaporean society (Meow:1985:107. The main point is that via these inroads, the PAP effectively co-opted many significant segments of Singapore society and rallied them around the party's economic goals. (The Russian case is discussed below.)

In both cases, there was a fair amount of decentralization at the lower local levels where the implementation of state development policy occurs. According to Low, the PAP achieved this vis a vis the civil service and the creation of the statutory boards (Low:1986:30).

The Bolshevik counterpart to the civil service was the state bureaucracy. The bodies which appear to have facilitated decentralization in the FSU were the local soviets, zemstvos (local representative bodies), and the factory committees. In the process of decentralization and as a result of party/bureaucracy growth, in both cases, the states also effectively co-opted various social groups.

The Civil Service in Singapore

Initially after the changeover to self-rule, segments of the civil service in Singapore were oppossed to, what appeared to them to be, the PAP's socialist program (Hoik 1989:93). Substantial disorder followed. At one point, the ministers were not at all sure that the lower-level bureaucrats would actually carry out their orders (ibid, p.92). Many civil servants resigned, and young PAP members quickly replaced them (ibid, p.93). According to Hoik, at this time the PAP initiated a re-education program for the new civil servants. The aim of the program was to re-orient the bureaucracy towards the nation building tasks which lay ahead (ibid). According to Meow, the PAP's continued success in elections since 1968 has greatly enhanced the relationship between the PAP and the civil servants (Meow:1985:101-102). In fact, he claims that by 1968, there was an almost total identity between the two groups' interests (ibid). This has been evident in that many civil servants have successfully run for political offices, officially joining the party apparatus (ibid).

The spheres in which the civil service acted also changed. During colonial times the focus was on law and order. After the co-optation of the bureaucracy, the PAP expanded the roles of the ministries into foreign affairs, industry and trade, communications, and information (ibid, p.94).

Nevertheless, after the successful co-optation of the bureaucracy, the PAP encountered an obstacle that also plagued the Bolsheviks, albeit in a different area. The PAP needed the expertise of the expatriate civil servants to run the growing bureaucracy, yet complete loyalty to the new regime was also necessary (Meow:1985:101). Similarly in the FSU, Lenin found it necessary to co-opt the "bourgeois specialists", who had the technical knowhow needed in industry if not the proper proletarian credentials and political orientation. Until the Japaneese occupation, few locals had been allowed to enter the colonial civil service (ibid, p.98). Those who did enter were given subordinate positions established solely for the not very well-educated indigenous population (ibid). Thus a "colour bar" was maintained until after WWII (ibid, p.106). The British were considered the "cream" of the administration, and the natives held minor positions (ibid). As a result, few locals were qualified for the positions formerly held by the British. Consequently, some expatriates were persuaded to stay (ibid, p.101).

After the occupation, the locals increased pressure on the colonial government to increase the number and importance of the civil service positions open to them (Meow:1985:98-99). Local politicians who were searching for support found it among the disgruntled local civil servants (ibid, p.99). In 1951, the Public Service Commission (PSC) was created to recruit personnel for the government (ibid, p.107). Not unlike the Central Committee in the FSU, the PSC's role was later expanded to include the promotion and dismissal of officers as well as recruitment (ibid).

After self-rule, the bureaucracy expanded greatly. In 1959, 20,253 civil servants were employed in bureaucratic posts (Hoik:1989:93-94). By the beginning of 1985, 69,589 persons were employed in the bureaucracy and another 70,000 were employed by the newly created statutory boards and other civil positions (ibid). Ministries were created to replace the Colonial Secreteriat, whose former tasks were divided among the new administrative bodies (ibid, p.92).

The number of ministries grew from nine to thirteen between 1959 and 1986 (ibid, p.94). The growth of the public bureaucracy (public boards outside the formal civil service) was tremendous. Five statutory boards existed at the beginning of the same period and eighty were in place at the end (ibid). The statutory boards performed economic, political, and other social functions (ibid). Government-owned enterprises and businesses which were co-owned by the government were also created (ibid). This also occurred in the Soviet case, but, as noted below, apparently not to the extent that most people have assumed. For the most part, chairmen of Singapore's statutory boards and other senior bureaucrats were also on the Boards of Directors of the government-affiliated companies (ibid, p.97).

According to Wong, the PAP has continued to penetrate Singaporean society by creating various committees at the grass roots level (Wong:1991:84-85). Management Committees (MCs) at the neighborhood level, Citizens Consultative Committees (CCCs), and Residents Committees (RCs) were created to afford the PAP greater visibility, give the impression of accessibility, and to serve as mechanisms by which the PAP could articulate policies to the people and receive feedback from them (ibid). They also serve as "watch dogs" for the PAP (ibid). Specifically created as "penetration structures", these committees served to mobilize the population while affording little real participation in reshaping policy or resharing power (ibid, pp.85-86). The main point for present purposes is that the PAP utilized these institutions to co-opt the masses. The various ethnic groups -- the Chinese, Indians, and Malays -- were strategically, equally represented on the various committees (McKinley:1995:in person).

The Statutory Boards

In both Singapore and the FSU, quasi-governmental institutions existed outside the bureaucracy. In the FSU, these included the zemstvos, the city dumas, the mir (village communes), and presumbly the soviets. All (except the mir) were instituted near the end of the Tsarist era. In Singapore, the statutory boards were intended to be autonomous from the state to provide greater flexibility in the implementation of the state's plans (Quah:1985:125). However, they were created by the state for specific functions and officially fell under the jurisdiction of the various ministries (ibid, p.124). They were largely controlled and supervised by boards of directors comprised of senior civil servants, businessmen, other professionals, and trade unionists (ibid, p.121).

Quah claims that the statutory boards were set up by the PAP expressly to implement the state's development schemes (ibid, p.125). Decentralization was considered necessary to expedite implementation, since the civil servants' strict adherence to rigid policy and procedures was considered an impediment to their ability to effectively carry out policy (ibid, pp.125-126).

Among the statutory boards in Singapore is the Economic Development Board (EDB), established in 1961 to solve the unemployment problem by implementing the industrialization program (ibid, p.124). Others include the Singapore Family Planning and Population Board (SFPPB), the Jurong Town Corporation (JTC), and the Housing Development Board (HDB). These boards have also played large roles in carrying out development policy in Singapore.

The Soviet Bureaucracy

Before moving on to the bureaucracy in the FSU, it will be necessary to briefly look at the conditions which surrounded the demise of the Tsarist regime. Opposition to the Tsarist regime reached new heights at the turn of the 20th Century (Acton:1990:10). Increased labour unrest was accompanied by mounting social tensions among the national minorities (ibid). Military defeats by Japan resulted in further loss of confidence in and pressure on the Tsarist regime (ibid). At public meetings, a meeting of the Zemstvo Congress, and newly formed professional unions meetings, reform was demanded (ibid, pp.10-11). At the First All-Russian Peasants' Union, held in secret, the congress demanded the abolition of private property and the creation of a constituent assembly (ibid, p.11). Reactionary right wing loyalist groups rallied support for the Tsar (ibid).

As a result, the Tsar issued a Manifesto in which legislative powers were extended to the newly formed assembly, the State Duma (ibid). At the same time, the St. Petersburg Soviet of Workers' Deputies was formed. Deputies were elected at the factory level, and all socialist parties were represented on the Executive Committee (ibid, p.12). Workers mobilized behind the St. Petersburg Soviet, and many peasants', soldiers', and workers' soviets (councils) were formed (ibid). However, very little actual sharing of power by the Tsar actually occurred (ibid, p.15).

Spurred on by the tremendous increase in the size of the industrial workforce -- to greater than three million by 1914 -- worker unrest began to again threaten the Tsarist regime (ibid). World War I took a tremendous toll on the peasantry and the urban populations (Acton:1990:20). As a result, riots and unrest intensified and led to the fall of the Tsarist regime and the creation of the Provisional Government in February 1917. The fall of the Tsar was complete and the time ripe for the creation of the Provisional Government when the military refused to carry out orders issued by the Tsar for the army to regain control in the cities (ibid). The army simply walked over to the civilian side (ibid). This was followed by further mutinies around the Empire (ibid, p.22). Radical Socialists took the initiative and convinced the St. Petersburg Soviet, which had been winning much support among workers and soldiers, that the time was right for the takeover. The Executive Committee of the new assembly was dominated by the Menshevik intelligentsia (ibid, p.22).

In summary, the fall of the Tsarist regime was in part the result of increasing unrest among the masses, specifically the peasantry, the soldiers, and the workers, which were somewhat overlapping groups. The great discontent of these groups, coupled with the loss of state power due to the many defeats in the war and the radical ideas emanating from some segments of the western-educated intelligentsia, proved to be a force greater than the old, exploitative, western aligned order of the Russian Empire could withstand.

The pattern is similar, if not directly analagous to the course of events in colonial Singapore: native unrest joined with its most expedient ally to create "revolutionary" change. In Singapore this comprised an alliance between native bureaucratic wanna-bes, ambitious and independence- oriented local politicians, and the "anglacized" PAP. In the FSU, the masses aligned with the socialist intelligentsia against the Tsarist regime, even though their agendas differed.

Although I agree with Acton's conclusion that the masses were very attracted and committed to Bolshevik policy, it was also a marriage of convenience. For example, many workers aspired to workers' control of the factories, not control by the Bolshevik party. However, the latter was much more promising than continued, ruthless Tsarist oppression. Similarly, to the peasantry, joining up with the Red Army in support of the Bolsheviks was no doubt preferable to the probable alternative if the White Army came out on top -- the loss of their hard-gained land and the return of their old landlords (Skocpol:1979:218). In turn, the Bolsheviks were in desparate need of an army.

In any event, the main point is that workers, peasants, soldiers, and the nationalist minorities comprised large social groups which ultimately had to be co-opted by the Bolshevik regime if they were to succeed. The party apparatus spanned across these groups somewhat at the time of the Bolshevik takeover (Acton:1990:23 and 192). For example, factory, soldier, and peasant committees, soviets, and new bodies which represented nationalist minorities were either in place or emergent at the time (ibid). Bolshevik co-optation of these bodies was not difficult to achieve. In fact, it was at the grass roots level that the Bolsheviks garnered the bulk of their support (ibid, p.193). However, like the changeover from colonial to PAP rule in Singapore, the transfer of power from the Provisional Government to the Bolshevik Party was not a neat and clean exchange of one set of politicians and bureaucrats for another.

The Bolshevik Party Officials and the State Bureaucracy

In the interim between the fall of the Tsar in February and the Bolshevik takeover in October, workers joined the Bolshevik Party in tens of thousands (Acton:1990:191). In short, they felt a desparate need for central control of the floundering economy (ibid). Plant closings and food, fuel, and raw materials shortages, which all led to speculation, marked the day (ibid). The Provisional Government appeared impotent. As a result, Menshevik and Socialist Revolutionary membership slipped among the workers, and they pinned their hopes on the Bolshevik Party. Like the battle-worn soldiers, they demanded a soviet-based government (ibid, p.191).

Immediately after the Bolshevik takeover (1917-1919), party officials comprising the various committees of the state apparatus were, for the most part, drawn from Old Bolsheviks, who had held Party membership since Tsarist times (Rigby:1990:18). In subsequent years, relative newcomers to the Bolshevik Party -- those who joined in or after 1917 -- began to dominate the committees and positions at the upper and lower levels of the Party (ibid, pp.17 and 19). Many of the new recruits were ex-members of the other revolutionary parties, i.e., the Mensheviks and the Socialist Revolutionaries (ibid, p.20). By 1921, 24% of officers at the gubernia (regional) level and 16% at the uyezd (district) level were ex-members of other parties (ibid). A few, such as Trotsky, were important figures during the revolution and after (ibid, p.20). Therefore various revolutionary segments of the intelligentsia -- the much needed administrative specialists -- were, like the British holdovers in Singapore, co-opted by the Bolshevik Party. They were drawn from the other parties, in part, as a result of the Old Bolsheviks being called to the front lines during the civil war.

The Bolshevik intelligentsia dominated the upper levels and the very top of the Bolshevik leadership both before and after the revolution (ibid, p.27). However, as the "bureaucratic machine" grew ever larger, the new Bolshevik workers began to encroach upon the Central Committee, comprising 44% by 1922 (ibid, p.27). After workers began to reach these heights (1918-1919), the Bolshevik intelligentsia began to dominate and rule via other state bodies, e.g., the Politburo (ibid). Their percentages among party officials increased throughout the initial post-revolutionary years (1920-1922) (ibid, p.20).

At the highest level, 18% of delegates to the Eighth Congress in 1919 were ex-members of other parties. Twenty to twenty-five percent of delegates to the Ninth and Tenth

Congresses were former members of other socialist parties (ibid, pp. 20-21). Between them, the ex-SRs and the ex-Mensheviks formed a majority (ibid, p.21).

Additionally, according to Acton, the state apparatus increased dramatically in 1918-1919 as local committees took over in provincial centers (ibid, p.49). Personnel to fill these were also drawn largely from former officials as well as other middle class people who were granted Party membership (ibid). In any event, all persons who filled the bureaucratic positions were chosen by the Bolshevik Party leaders as a result of the system of nomenclatura (Gregory:1990:15). In the nomenclatura system, all persons chosen to fill official positions were chosen from a list of names compiled by the Bolshevik leaders (ibid). As a result, the Bolsheviks' co-optation of the Soviet bureaucracy was achieved.

Ethnicity and the Party Apparatus

Rigby claims that in general, non-Russians were not well represented among the political elite in pre-revolutionary times (Rigby:1990:24). However, many turned to the revolutionary parties to express their discontent, and many were recruited by the Bolsheviks (ibid). Therefore Jews, Poles, Latvians, and Georgians were all represented in the regime (ibid). In fact, ethnic Russians comprised only

1/2 of the party apparatus in the initial post-revolutionary era (ibid). These groups remained among the inner-circles of the Party during the initial post-revolutionary era, but overall, a Russification of the apparatiki occurred from 1917-1922, i.e., the great majority were Old Russians of European origins (ibid). Subsequently, the trend diminished, since Lenin took back the southern and eastern regions, which had been under the control of the White Army (ibid). Acccording to Green, the Party launched a policy of indigenization during the NEP, beginning in 1923 (Green:1994:34). During this time, non-Russians were encouraged to work in the party and hold local government posts (ibid). Thus, during the Lenin era, the nationalist minorities were also co-opted by the Party.

The Zemstvos, Dumas, and the Soviets

The zemstvos and city dumas were created during the Tsarist era, during the great reforms of the late 19th Century. At that time, they were local and provincial representative bodies which existed outside the official Imperial bureaucracy (Skocpol:1979:89-90). Nobles dominated the posts (ibid, p.89). However, they held no real political power (ibid). For the most part, they served as administrative bodies, providing economic, educational, welfare, and advisory services (ibid 89-90).

Skocpol claims that this points to a major distinction between the Tsarist and Soviet regimes: the Communists attempted to link the executive at the center with the masses, while the Tsar isolated groups such as the obschinas (peasant communes) and the zemstvos from the center of power (ibid, p.227). Further, she argues that organizations such as these and the local soviets, trade unions, and cooperatives -- the "transmission belts" -- later linked the masses to the Bolshevik center (ibid). These linkages were then utilized in implementing state policy (ibid).

The zemstvos and local soviets were in some ways equivalent to the "penetration structures" which exist in Singapore. Originally, they did exist outside the formal bureaucracy as Meow claims the MCs and RCs did in Singapore. This might also have allowed the Soviets more flexibility at the local level in carrying out development policy, just as it did in Singapore. Additionally, these institutions provided a means by which the states co-opted diverse social groups. In Singapore, these groups comprised the various ethnic groups. In Russia, elements of the various nationalist groups, the peasantry, the workers, and the soldiers appear to have been co-opted via these institutions.

Additionally, the state and party apparatuses in the FSU burgeoned in 1918-1919 due in part to the formation of local committees. According to Acton, these included factory, soldier, and peasant committees (Acton:1990:25). Committees representing the nationalist minorities were also formed (ibid, p.23). Groups which held these positions include the middle class, members of all the other socialist parties, members of the intelligentsia from other parties, as well as the members of the various nationalities. Thus the Bolsheviks co-opted these groups, thereby gaining a major portion of their support. Whether by chance or design, the co-optation of these grass roots organs afforded the Bolsheviks the support that was necessary to implement their development plans.

Conclusions

Both the PAP and the Bolsheviks successfully co-opted the state and party apparatuses. This is evident in the functions of the Public Service Commission in Singapore and the nomenklatura in the FSU. The Public Service Commission in Singapore hires, fires, and promotes state personnel. The nomenklatura in the FSU is a list, created by the party, from which all personnel to fill economic posts and other elective offices are chosen (Gregory:1990:15). Via these institutions, both parties effectively controlled personnel decisions concerning key as well as less important positions.

According to Crone's model, bureaucracies might afford only low levels of state capacity, since they form a narrow base of power and support. For instance, more than likely, they all belong to the same class, civic organizations, churches, and such, and attended the same educational institutions. Therefore the inroads into society these elites provide the state/party are limited, since not many come in contact with or are influenced or affected by them. However, in both Singapore and the FSU, the bureaucratic positions were filled by members of the middle class (Dr. McKinley:1996 and Rigby:1990:51). According to Crone's model, the co-optation of the middle classes would also lend broad bases of support to the regimes.

In summary, at the turn of the century in Russia, workers rallied behind the new St Petersburg Soviet of Workers Deputies, and many peasant and soldiers' soviets were formed in response to Tsarist oppression. Nationalist minority groups also pushed for reform. However, the institutions were quite ineffectual; no real sharing of power occurred at that time. Later, the rapidly increasing numbers of workers, soldiers, and peasants joined with segments of the socialist intelligentsia to topple the Tsarist regime.

The masses quickly lost faith in the dual power arrangement -- the conservative Provisional Government and the revived Petrograd (formerly St. Petersburg) Soviet -- which emerged after the Tsar's demise. The Bolshevik Party, which was gaining much support from the masses, took advantage of the precarious situation and seized power from the Provisional Government only months after its creation. Thereafter, Bolshevik Party membership increased dramatically.

The state apparatus also grew ever larger after the Bolsheviks rose to power. However, immediately following the takeover, ex-officials of the other socialist parties (i.e., members of the intelligentsia), the new middle class converts to the Party, and the technocrats from the old Tsarist regime dominated different segments of the state apparatus. Therefore the new Communist Party and state were not entirely led by the proletariat, as the Bolsheviks had envisaged. (However, Rigby does make the point that in comparison to other western bureaucracies, the FSU bureaucracy was quite proletarianized and feminized.) Thus, in the FSU and Singapore, the transfer of power which occurred was marked by the continued participation of bureaucrats from the fallen powers.

In the Soviet case, this appears to have occured partly by chance, since the original leaders of the Party -- the old Bolsheviks -- were needed to lead the Red Army during the civil war. However, the technologists, who were Tsarist holdovers, were simply needed for their expertise. In any event, the end result was the successful co-optation of many segments of society by the state and Party apparatuses. This, in turn, was one of the keys to the success of the Lenin regime's ability to implement development policy.

In the Singapore case, as the civil service expanded after self rule, the positions were filled with PAP members. However, some British bureaucrats were persuaded to stay, since their expertise was deemed necessary by the PAP. In this respect, the co-optation of the bureaucracy by the PAP was somewhat similar to the takeover of the bureaucracy by the Bolshevik regime, since the BoleshevIks filled the many new positions which were created with new Party members and technologists from the Tsarist regime.

Although Wong claims that the MCs, CCCs, and the RCs were formed to lend greater visibility and the pretense of accessibility to the PAP, they also served as co-optive mechanisms. This is comparable to the FSU case, where many different social groups were co-opted via various committees. As a result, the very diverse populations were harnessed to the states' development goals.

Additionally, I have argued that similarities exist between the zemstvos and the local soviets in Russia/the FSU and the statutory boards in Singapore. During Tsarist times (I am uncertain at this time about the Lenin era), the zemstvos existed outside the formal bureaucracy like the statutory boards in Singapore. The institutions were also utilized in both cases by the respective states to implement state policy. Meow claims that in Singapore, this lent flexibility to the system, which facilitated the achievement of state development goals. This was also the case in the

FSU. The statutory boards in Singapore, e.g., the EDB, are also somewhat similar to the commissariats in the FSU, since they were both quite specialized.

Most importantly, Crone's model of state capacity was upheld in the two cases. According to the model, both states exhibited high levels of capacity, since they gained their support from broadly-based socioeconomic elites. In both cases, the regime's power base included the middle class, whose members were channelled into many bureaucratic positions. Labor and the unions also provided both states a broad power base. This allowed both states to effectively formulate and implement development policy.

Chapter 2

THE ROLE OF FOREIGN CAPITAL

Stallings analyzes the role of foreign capital in Latin American nations to determine the extent to which the nations were dependent on or autonomous from foreign economic interests (Stallings:1990). In turn, this indicates whether or not a nation is at risk of economic domination by other nations. Concessions, external debt dependency, the acquisition of foreign aid, "counterweights", and the debt service ratio are among the variables she examines (ibid, passim). The states' ability to mobilize internal savings, gross domestic capital formation as a percentage of GDP, and direct foreign investment are also topics she utilizes in her analysis (ibid). In this chapter, I evaluate the two cases in a similar fashion.

In colonial days, Chinese Singaporean entrepreneurs formed a network of small-scale retail and distribution enterprises (Rodan:1987:151). Capital accumulation was constrained by the economic relations which existed between the local entrepreneurs and the colonial powers (ibid). This, combined with the limited period in which the Singaporean state pursued ISI, resulted in a politically weak domestic bourgeoisie (ibid, pp.153-154). As a result, Singapore was relatively capital poor at the beginning of self-rule and later at the time of separation. Therefore, in order to promote manufacturing for export, foreign capital was needed.

Entrepreneurship in the manufacturing sector was also lacking. Capital, as well as entrepreneurship, was also provided by the multinational enterprises along with the Singaporean government (Huff:1994:299). Joint ventures, i.e., jointly owned Singaporean and foreign enterprises, also were a significant portion of the new manufacturing firms (Haggard and Ching:1987:93).

As a result of these deficiencies, the Singaporean state offered tremendous concessions and incentives to attract the foreign capital and entrepreneurship needed in the manufacturing sector. The pioneer industry ordinances, instituted in 1959, allowed 100% foreign ownership and full repatriation of profits (Haggard and Cheng:1987:105). Later, other generous incentives were offered to foreign firms, such as tax holidays and already-existing (and financed) productive facilities to the pioneer industries (Huff:1994:325). As a result, direct foreign investment, dominated by the U.S. and Japan, played an increasingly important role in capital formation in Singapore (ibid, p.338). On the other hand, domestic investment played a relatively small role in capital formation from 1967 through the 1990s (ibid).*

Political stability and social quiescence in Singapore also provided incentives to foreign investors (ibid, p.325). According to Huff, these points help ensure uninterrupted production, which is critical to component manufacture and intra-firm trade, hallmarks of the multinational firm (ibid). As a result of these and other concessions and incentives, by 1978, foreign firms dominated the manufacturing sector and therefore production for export in Singapore (Haggard and Cheng:1987:95 and 99). According to Huff, the tremendous influx of foreign capital into Singapore by multinational enterprises, especially from the U.S. and Japan, has insured Singapore's supply of technology and markets for export production and sales (Huff:1994:338).

In her comparative study of two East Asian countries and two Latin American countries, Stallings claims that the East Asian nations' ability to rely on Japan as well as the

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*Huff makes the <u>very</u> large point that a "crowding in" effect of sorts occured in Singapore. That is that as government expenditures increased on infrastructure and education, private sector investment also increased. This is significant since most western economists argue that increases in government expenditures "crowd out" private investment, since the government must enter loanable funds markets to compete for funds which, in turn, increases the interest rate. However, "crowding in" is quite easily explained utilizing the Keynesian model of net investment demand.

U.S. for foreign capital provided a "counterweight" against economic domination (Stallings:1990:64). In other words, one nation could be "played off" against the other, thereby reducing each nation's ability to dominate the receiving nation, i.e., Singapore.

Barrett and Chin argue that the East Asian newly industrialized countries (NICs), including Singapore, have received relatively small amounts of foreign aid (as distinct from foreign investment) during their efforts to promote economic growth (Barrett and Chin:1987:37). This also afforded the Singaporeans autonomy from foreign capital. Additionally, aid that has been received has not been concentrated in export industries (ibid).

Singapore's external debt dependency, i.e., external debt as a percentage of GDP, declined throughout the 1970s and into the early 1980s, from 5.6% to 3.1% (ibid,p.38). This suggests that Singapore, like the East Asian countries in Stallings' study, did not rely on private sector foreign loans, since private loans were the major source of foreign capital to developing nations during the early 1980s. This worked greatly in Singapore's favor, since private debt requires the most onerous repayment requirements in terms of interest rates and repayment schedules (Sallings:1990:65).

Singapore's debt service ratio -- the ratio of required payments on debt to the dollar value of exports -- was a very low one percent during the seventies (Barrett and

Chin:1987:38). According to Stallings, in other East Asian countries, this declining trend led to a perceived and real autonomy from foreign economic domination (Stallings:1990:65). This was also the case in Singapore. The timing also seems critical. These data suggest that just after Singapore's export-led growth plan really got underway in the late 1960s (a bit after the separation from the Federation), the nation was in a very favorable position to execute it (Huff:1994:308).

Stallings also claims that an important difference in comparative studies concerning foreign capital is the number of alternative sources of capital a nations has available to it (Stalling:1990:70). Specifically, she refers to the respective nations' abilities to mobilize internal savings for investment purposes (ibid). The PAP's ability to mobilize internal savings increased dramatically from 1960 to 1982 (Barrett and Chin pp.36-37). During this period, gross domestic saving as a percentage of GDP increased from -3% to 41% (ibid). Public and private sector saving increased, as the PAP enforced a "state-directed abstinence" (Huff:1994:307). This saving was effected in the private sector by the forced pension plan carried out by the Central Provident Fund (ibid, p.334). These funds were utilized by the government for planned investment purposes (ibid). Additionally, the funds were at the government's disposal at very low interest rates (ibid, p.346).[a] The capacity of the state to utilize this indirect form of taxation (as well as direct forms) also reflects state autonomy from the particular interests of the taxed classes.

Public sector savings also increased significantly as a percentage of savings between 1974 and 1984 (ibid, pp.332-333). This saving was comprised of the government's surplus and surpluses realized by the statutory boards (ibid). Huff claims that this saving was possible due to the monopoly power the statutory boards wielded (ibid, p.334). Among the especially effective statutory boards in this respect were the Housing Development Board, the Jurong Town Corporation (a Japanese-financed industrial estate), the Public Utilities Board, and the Port of Singapore Authority (ibid). As a result of these factors, by the mid 1970s, Singapore financed two thirds of all capital formation internally (ibid, p.307). Internal saving financed virtually all capital formation by 1980 (ibid). In addition, by the late

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[a]Huff claims that this also allowed the increases in infrastructure and government financed housing to occur in a non-inflationary environment, since neither government borrowing from the central bank nor money creation were necessary. In effect, these two points allowed the state to adhere to the currency board system established by the British which restricted the money supply, dampening pressure on prices (ibid, pp.346-347).

1980s, Singapore's supply of foreign reserves was comparable to many industrialized nations (ibid,p.347).[4]

Huff also indicates that the use of private as well as public savings to build up the high level of foreign reserves is an indication of the PAP's paternalistic, corporatist views (ibid). He quote's Loong, who expressed this view at the Enterprise '92 Conference. He claimed that it was the government's duty "to earn the best and safest returns on the assets under its care" (ibid).

During the same period that saving increased -- the early 1960s through the early 1980s -- the ratio of gross capital formation to GDP also increased greatly, from -2.4% to 39.4% (ibid, pp.307 and 411). However, there was a slight decrease in 1980 (ibid). By 1990, the investment ratio reached 39.7% (ibid,p.411). As in the former period, the ratio did not increase continuously throughout the 1980s. There were years of stagnation as well as years when the figure actually decreased (ibid).

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[4]The roots of this last point actually go back to the Korean War and the economic problems the British were experiencing at that time. The former led to windfall profits for Singapore and Malaya, while the latter resulted in the creation of the institutions necessary to capture those profits. Specifically, the British placed the two colonies on austerity programs and required that they become self-financing at that time. This led to the creation of an income tax system in Singapore (Stubbs:1989:520-522).

In summary, the focus of Singapore's industrialization strategy after independence was increasing the manufacturing sector to increase exports. Since Singapore was quite capital poor at the time, the PAP's goals resulted in a high level of dependence on foreign capital and the export markets the multinationals brought with them. However, as a result of the PAP's willingness and ability to provide infrastructure, concessions, and a very disciplined workforce to the multinational firms, foreign investors were quite willing to locate there. Therefore obtaining the needed foreign capital posed no significant problems to the regime at the time. The Soviets were not so fortunate (see below).

Another major point which contributed to the Singaporeans' success was their low debt dependency, resulting from the PAP's access to low-cost funds. In turn, this resulted in a low debt ratio. In the end, even though the PAP was dependent on foreign capital, the regime was also very effectively autonomous from particular foreign economic and domestic class interests. As a result, the regime's ability to effectively carry out its own development goals was greatly enhanced.

The Role of Foreign Capital in Imperial Russia

The role of foreign capital in Russian ecomonic development is a difficult topic to address for several reasons. Foremost, just a handful of scholars have attempted to do it; therefore available information is sketchy. Secondly, much information that does exist is conflicting. This appears to be due to the fact that Russian history is currently being rewritten and/or reinterpreted, due to the recent explosion of information available. Moreover some of the new information contradicts previously held assumptions. The following discussion is constrained by these factors.

Unlike Singapore, Russia initiated its industrialization program in the late 19th Century constrained by a heavy debt burden (Von Laue:1974:203). In fact, Russia's $1 billion (in rubles) debt was the largest foreign debt among the industrial powers of the time (ibid). The foreign debt was largely due to externally-financed railroad expansion after the Russian defeat in the Crimean War, when Russia became so acutely aware of her backwardness (ibid, p.202 and Gregory:1990:28). As a result, unlike post-colonial Singapore, between 1860 and 1913 all Russian trade surpluses were outweighed by out-payments made servicing the tremendous foreign debt (Baykov:1974:13). However, given the high level of imports necessary for development, the surpluses the Russians achieved during the era were impressive: trade deficits occurred in only twelve of the fifty-three years. According to Baykov, a full two-thirds of the surpluses were gained in the agricultural sector (ibid and Von Laue:203).[8] At this time, the Russians were heavily indebted to France, England, and Belgium (Gregory:1990:42).

Russia's economic development was also highly dependent on the transfer of foreign technology (Gregory:1990:42). Like Singapore, Russia embarked upon the late Imperial industrialization drive in desparate need of foreign capital (ibid). Also like Singapore in the 1980s, until 1890 Russia was able to internally finance net investment purchases (Gregory:1994:32). At this time, Russia's net investment rate was comparable to the industrial powers of the period, at 7.8%, exceeded only by Germany, the U.S., and Australia (ibid). From 1909 until 1913, the figure increased to 12.2% (ibid, p.33). Germany and the U.S. were the only nations reaching higher rates (ibid). The trend in net investment continued: on the eve of WWI, Russia's net investment rate was exceeded only by Germany and was roughly equal to the U.S. rate (ibid, p.32).

Russia's domestic bourgeoisie, also like Singapore's, does not appear to have been a powerful political force at the turn of the century. Russian capital was located mostly

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[8]This is a point which is currently being challenged by Crisp, who claims that industrialization at this time was achieved by the co-development of the urban and rural sectors (see Crisp:1991).

in textiles and food production in the Tsarist period (Haensel:1930:17). The domestic entrepreneurs were, for the most part, comprised of civil service workers, nobility, Jewish merchants, and Old Believers (an old religious sect which was at one time banished from the Muscovite, i.e., Central European, area) (Gregory:1990:29). At the turn of the century, direct foreign investors typically entered extractive industries, i.e., mining, metallurgical, and oil industries in the Ukraine (Haensel:1930:17). Steel, iron, and other mining ventures were also pursued by foreigners in the Southern Region (Baykov:1974:13). Consequently, even though some Muscovites were involved in metallurgy (see Portal:1974), it appears that in Russia as well as Singapore, domestic capitalists did not directly compete with foreign firms.

During the late Tsarist period, in response to the need for capital, the Russian state very actively pursued foreign investment (Gregory:1990:29). As a result, there was widespread participation of foreign capital in Russian industrial development (ibid). High rates of return and the monopoly power extended to foreign firms operating in Russia were tremendous draws to the vast nation (ibid, p.30 and Gregory:1994:61). In fact, the latter rendered foreign firms indifferent to protective tariff barriers that existed (apparently, there were just a few); since given the firms' monopoly power, tariffs could easily be passed onto the

Russian consumers (Gregory:1994:61). Given Russia's tremendous and apparently (to the foreign investors) insatiable markets at the time, it is no wonder foreign capitalists viewed Russia as a "land of unlimited opportunity" (ibid). This points to a major difference between the cases: in Singapore foreign investors were attracted mainly by low wages for their assembly (not really heavy manufacturing as in Russia) operations, while in Russia, foreign investors were strongly attracted by the monopoly power they gained in Russian markets. The latter has nothing to do with comparative advantage. Theoretically, Rodan claims, neither does the former (see Rodan:1987).

According to Gregory, foreign firms viewed the Russian state as an impediment to investment rather than a potential boon to their projects (ibid). It was considered corrupt and intensely bureaucratic (ibid). However, bribes paid to officials for licenses to operate in Russia were quite insignificant (ibid). Nevertheless, business interest in the area was great, and the Russsian state, like the Singaporean state, liberalized trade policy. For example, in 1890, Russia abolished import duties on cotton, agricultural machinery, grain, and oil -- all major U.S. exports to Russia (Hoover Institute:1992:13). Due to trade liberalization, increases in the Russian railroads, peasant resettlement schemes in Siberia, and U.S. access to Russian

Pacific ports, the U.S. share of the Russian market in Siberia increased significantly (ibid and p.11).[6] In 1913, the government also abolished import duties on iron and coal (Haensel:1930:17). This was quite self-serving at the time, since Russua imported vast quantities of these goods.

The Soviet's acceptance onto the international gold standard near the turn of the century also attracted foreign capital. However, it is not clear whether or not monetary and fiscal policy aimed at stabilizing the ruble was initiated specifically to attract foreign capital.[7]

Gershenkron claimed that gaining foreign capital was the goal of the conservative policies, and Gregory argues that they were simply respectable macro policies of the times (as well as somewhat convenient) (Gregory:1994:59). Further, all states must somehow keep a handle on the money supply (ibid, p.61).

In any event, at the turn of the century, many of the most respectable multinationals of the time were located in Russia (ibid, p.61). In fact, Gregory claims that the list of firms licensed to operate in Russia read like an "honor

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[6]In 1915, Harvester and Singer Sewing Machine were both located in Russia (Haensel:1930:17).

[7]Stabilizing the ruble involved running budget surpluses to gain adequate gold reserves to buy and sell gold-backed rubles. This was done to create a stable exchange rate.

roll" of the top American and European firms extant at the time (ibid). In 1913, many new corporations were also formed -- 343 Russian and 29 foreign companies (Haensel:1930:17).

Was the Tsarist economy dependent on foreign capital? Gregory argues that relatively speaking, no more so than Japan or the U.S. at the time of their initial industrialization drives (Gregory:1990:42). However, overall, he claims that Tsarist Russia remained dependent on foreign capital for a longer period of time than the other two nations (ibid).

The Role of Foreign Capital in the FSU During the NEP Era

The highly centralized economy during War Communism gave way to a decentralized, only slightly-regulated economy during the era of the NEP (Gregory:1990:60). Nationalized but unregulated enterprises combined into trusts, which were commercially and financially autonomous from the state (ibid, pp.60-61). Only the "commanding heights" of the economy -- e.g., banking, transportation, and fuel -- remained under state control (ibid, p.60). For the most part, small enterprises were denationalized (ibid). Overall, Gregory argues that a lack of economic planning actually characterized the period (1921-1928) (ibid, p.61).

After the civil war the Soviet economy was in shambles. Factory output had fallen to 15% of the pre-war level (ibid, p.57). Industrial output and transportation were only at

20% of pre-war levels, and shortages of food and fuel on top of the industrial decline added to the apparent chaos (ibid, pp.62-63). However, the ensuing economic recovery during the NEP was dramatic: from 1920-1924 large scale industrial output increased more than threefold, and by 1926, most pre-war output levels were surpassed (Erlich:1974:219 and Gregory:1990:62). Nonetheless, the fast-paced recovery itself became problematic. The large-scale importation of capital which characterized the Tsarist era came to an abrupt halt afer the revolution, largely due to the Soviet regime's abrogation of all prior external government debt (Erlich:1974:221 and Millar:1990:113). At the same time, as a result of the recovery, the capital which had been standing idle during civil war began to wear out rapidly (Erlich:1974:220). As the stock of capital dwindled in the mid 1920s, the Bolsheviks became extremely alarmed (ibid). The Soviets entered this period much like the PAP entered their era of development -- relatively capital poor. However, Lenin did foresee the crisis and the inevitable need for foreign capital. As a result, early in the NEP period attempts were made to re-establish former foreign trade relations and access to foreign savings (Gregory:1990:62-63). (This point will be addressed further below). The foreign loans and investment were not immediately forthcoming (ibid).

In comparison to the high internal savings rates acheived by the PAP and the Tsarist regime, the Bolsheviks' ability to mobilize domestic savings during the NEP was moderate. Erlich argues that there was a steep increase in consumption as a percentage of total income after the revolution, due to the more egalitarian distribution of income (Erlich:1974:220-221). The decline in savings as a percentage of total income constrained the regime's ability to mobilize savings. However, the rampant inflation created by the Provisional Government, which led to (financial) capital flight to foreign banks was probably a more significant constraint (Haensel:1930:25).

In 1922,the government began issuing state bonds to enterprises and the population at large to raise funds (Millar:1990:113). The bond issues were always an important source of revenues, but they became particularly significant during he mid 1920s (ibid, pp.116-117). Unlike the Singapore case in which low-cost funds were generated by the compulsory pension scheme, Millar claims that the earlier bond issues in the FSU (1922-1927) comprised a very high-cost, short-term form of borrowing in an open market (ibid, p.114).

At least initially, domestic savings could not be increased at the expense of the agricultural sector during the NEP. At the beginning of the NEP period, agricultural output had decreased to only 64% of the pre-war level (Gregory:1994:90). However, during the NEP period, agricultural taxes were in-kind (prodnalog) and comprised a full 1/4th of all state revenues (Gregory:1990:59). Since the output at the beginning of the NEP era was so far below levels before the civil war, I conclude that the capacity to mobilize domestic savings from the agricultural sector was not significantly increased above pre-war levels.

In addition, Gregory argues that conditions were less favorable for the Soviet peasantry during the NEP period than before (Gregory:1994:104-106). This point is certainly open for debate (see Choksy:1993) and requires further research. For present purposes, Gregory's finding seems to support the conclusion that agricultural output did not provide a greater share of domestic savings during the NEP than it did prior to the period. Nonetheless, agricultural output did rebound and surpassed pre-war levels by 1928 (ibid, p.91).

Concessions were offered to some foreign firms to attract capital in the years 1923-1930. They were controversial in both the FSU and the West. According to some in the former, allowing foreign firms on Soviet soil carried the risk of "contamination" of the Soviet economy (Williams:1992:10). The West was understandably nervous since the concessions involved new investors acquiring property which had previously belonged to other western firms before the Soviet regime appropriated and nationalized it (ibid, p.11). In any event, other officials were apparently not as anxious to attract foreign firms as Lenin was: from 1921-1929 2,670 concessions were sought and only 172 were actually extended (ibid). Those which were accepted were largely involved in primary commodity extraction, such as oil, mining, and timber (ibid, pp.10-11).

U.S. interests continued in the FSU after both the February and October revolutions. In fact, in an attempt to decrease Anglo-French dominance of the Soviet economy, the Provisional Government abrogated all standing trade agreements. This allowed the U.S. equal access to Soviet markets (Hoover Institution:1992:15). As a result, the U.S. was the first international power to recognize the Provisional Government after the fall of the Tsar (ibid). Several special missions, comprised of world political and industrial leaders and technical experts of the time, were sent back and forth between the nations. The missions resulted in $450 million in U.S. loans to the Soviets and the acceptance of Soviet orders for 1,500 U.S. steam engines and 30,000 railroad cars worth $150 million (ibid, pp.15-

16).* A special railroad mission was sent whose aim was to facilitate the construction of the trans-Siberian railway (ibid).

In 1921 aid was granted to the FSU by the American Relief Association for the severe drought which threatened millions of Soviet lives (ibid, p.12). Afterward, concessions were granted by the Soviets to some U.S. firms hoping to locate in the FSU, even though the American government initially refused to recognize the new Soviet regime (ibid, pp.20 and 22). Most were in mining (ibid, p.79). Soviet imports of agricultural equipment vacillated greatly between 1921-1923 (ibid, p.21). However, between 1924 and 1929, Soviet imports of U.S. equipment and machinery increased dramatically (ibid). Ford and GE were major beneficiaries (ibid). In 1924, U.S.-Soviet joint stock companies were created (ibid, p.20).

Technical aid was also provided by many US. (and Canadian) citizens during the NEP era. In 1919, U.S.-Canadian Societies were formed to help the Soviets expand the economy in agriculture and industry (ibid, pp.23 and 91). Engineers, doctors, veterinarians, and other

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*After the Bolshevik revolution and the creation of the Ministry of Foreign Trade, which monopolized foreign trade in the FSU, many of the loans were cancelled and most of the loot wound up in the hands of the White Army (ibid).

specialists lent their support to the Soviet workers (ibid). Money, equipment, and seed were offered in support of the agricultural co-ops and communes (ibid, p.23).

British businesses were enthusiastic about entering into Soviet trade agreements. They applied for concessions from the outset during the NEP. However, they were not as successful as their U.S. counterparts. Firstly, the British scene was a veritable soap opera of world political interests and ill feelings concerning war reparations (Williams:1992:68-70). This greatly constrained the British government's ability to promote business investment in the FSU (ibid). Secondly, British financiers were still anxious about the fact that Soviets had defaulted on all debt accumulated by the Tsarist regime (ibid, p.63). As a result, the credit the Soviets needed to finance joint deals was not forthcoming from the British (ibid, p.83).

Thirdly, at least one British concession was denied because the British firm demanded greater control over Soviet workers than the state was willing to formally allow (ibid, p.71). This was in direct contrast to the Singaporean case, in which the multinationals were assured of labor's full cooperation as a result of the PAP's earlier defeat of the leftist labor movement. Also, the PAP's willingness to hold down wages, provide training, and basically do everything necessary to attract foreign investment also provided evidence that the subordination of labor would not be a problem. This was not the case in the FSU. Disputes over property usage were also involved in the British case which was denied (ibid). British government officials were anxious to restore business relations since they were grappling with high levels of unemployment. The unemployment problem could have effectively been dealt with if the Soviets opened their markets to British goods, and the British thought that the re-establishment of former economic ties might also reduce the possibility of further hostile actions by the Soviets (ibid, p.63). The British government was also concerned about any further spread of communist propaganda in Asia Minor, Persia, and Afganistan (ibid, p.62). In the end, some British concessions were granted; and a few British firms did (re)locate to the FSU (ibid, p.11).

As a last point of comparison in this area, the establishment of the Soviet foreign trade monopoly apparently comprised the beginnings of protectionist trade policy in the FSU. Via this institution, the Soviets thought that more effective planning and greater efficiency in production would be achieved than was possible in the "decadent west" (ibid). In addition, austerity would be promoted and the protection of domestic infant industries would be ensured (ibid). The latter point is also in direct contrast to Singapore, where foreign firms were attracted into new industries by way of the pioneer industries program. Protectionist policy had been eschewed at least since colonial times.

Conclusions

In summary, many similarities exist between the role of foreign capital in Singapore and Imperial Russia, and Singapore and the FSU. The differences are equally notable, and some are quite surprising. The Tsarist regime achieved a high internal savings rate, and until the turn of the century, was also able to internally finance net investment. These two achievements were also met in Singapore by the PAP. According to Stallings, utilizing foreign savings lessens a state's perceived and real autonomy from foreign domination.

An austerity program was enforced by the Monopoly of Foreign Trade in the FSU. In Singapore, the compulsory pension fund was established by which the PAP, in effect, borrowed from the private sector at very low interest rates. In contrast, in the FSU, government bond sales proved to be a very costly form of borrowing.

In comparison to the Tsarist and the PAP regimes, the Bolshevik regimes' ability to mobilize domestic savings was moderate. However, it is not a clear-cut case. In addition, foreign loans were not forthcoming since initially, the Bolsheviks abrogated all previous foreign debt.

A point of similarity between the cases concerns "counterweights", or alternative sources of foreign capital, which afford a state "room to manoeuver" (Stallings:1990). This provides a state the ability to play one country against the other(s) in the quest for foreign capital.

Protective trade policy was not really an issue in the Russian case. That is, the multinationals' decisions to locate in Russia were not affected by it, since their expectations about locating in Russia were so optimistic. In any event, Gregory argues that tariffs did not exist as a part of an overall industrial policy in Russia as Gerschenkron claimed (Gregory:1994:60).

After 1890, trade liberalization occurred in Russia, which as in Singapore, attracted capital from the U.S. as well as other core nations. This is particularly interesting since trade liberalization and an ISI strategy do not go hand in hand. Instead, protecting domestic industry to promote internal growth is a goal. This points out that development in the Russian case is an example of a nation pursuing types of development strategies which do not exactly fit the ISI - EOI dichotomy. Bradford claims that this is more often the case than not (Bradford:1990). In contrast, in the FSU, protection of infant industries was effected by the Monopoly of Foreign Trade. In Singapore, protective trade policy did not exist, which was a major draw to foreign capital.

The cases were also characterized by the use of public and private savings for development. In both the Sinagapore and Soviet cases, state-run monopolies existed. In Singapore, the statutory boards were a source of public savings, which enabled the PAP to tap both the public and private sectors for savings. In the FSU, the Monopoly of Foreign Trade was utilized to promote austerity and generate public savings. Nonetheless, an important difference lies in Singapore's vast accumulation of foreign reserves in the 1950s, which does not appear to have been the case in either era in Russia.

Another important distinction between Singapore and the Russian case is that, somewhat surprisingly, a high rate of public investment existed in the former but not in the latter (Gregory:1994:34). Additionally, Gregory and Rowney claim that relatively little industrial planning and state control over commerce and manufacturing occurred in Russia and the FSU in 1921-1928 (Gregory:1994:87, Gregory:1990:60-61, and Rowney:1993:141). State enterprises also played a relatively minor role in Russian development and in the FSU during the NEP (Gregory:1994:60). Only a few were key. In contrast, in Singapore, the statutory boards generated significant surpluses for the state.

Gerschenkron claims that the Russian state adhered to a complete industrial policy (Gregory:1994:60). However, according to Kahan this could not have been the case (ibid). Kahan claims that any industrial policy would include subsidies to at least some industries, but this did not occur in Russia (ibid). Clearly an extensive industrial policy was followed by Singapore when the EOI strategy was adopted. Later, during the "Second Industrial Revolution" it was also very evident (Rodan:1987:154-161). Beginning in the 1970s, the subsidization of certain industries and business practices, e.g., research and development and increased automation during the 'higher value added' campaign (1980s), were cornerstones of the PAP's efforts. Concessions to foreign investors were extended in all cases. Technical aid, i.e., foreign entrepreneurs' and specialists' expertise, and foreign capital were obtained in all cases also.

A major difference in the Russian and Singaporean cases was the tremendous debt burden the Tsarist regime accumulated. It was so great that almost all of the balance of trade surpluses were "spent" serving it. In Singapore, the very low debt burden actually decreased during some periods after the break-up of the Federation. Another difference between the Singaporean and the FSU cases was the potential investors' perceptions of their inability to control labor in the FSU. At least one potential concessionaire was not accepted by the FSU as a result of the investing firm's concerns about the Soviet regime's overriding control of labor. In contrast, in Singapore, the PAP ensured that a docile and dependable labor force was available to foreign firms.

An important difference between the cases lies in the types of industries and business activities which were promoted by the state. In Russia and the FSU, most foreign capital flowed into extractive industries, while research and development and the assembly of manufactured goods were promoted in Singapore. Although this topic is beyond the scope of the this paper, Galtung's work suggests that the implications of these differences are tremendous in terms of overall social welfare (Galtung:1976). Another critical difference was that Singapore, due to a jump start during the Korean war, had vast amounts of foreign reserves from the outset, which neither the Russians nor the Soviets had to their advantage.

Chapter 3

THE SOCIAL CONSTRUCTION OF IDENTITY AND NATION BUILDING IN POST-COLONIAL SINGAPORE AND POST-REVOLUTIONARY RUSSIA

The neoclassical economics/modernization theorists predict that developing EOI economies, such as the Singaporean economy, will converge with core economies. Inevitably, they too will become "developed" (Barnett and Chin:1987:24-25). For example, labor will increasingly be employed in more productive jobs, such as a shift from agriculture to industry (ibid, p. 27). The diminishing power of nations to control international investments by multinational firms is considered an integral part of this dynamic, which will ultimately result in industrial structures in the developing nations much like those in developed nations. In the case of Singapore, the appropriate change in the allocation of labor was from unproductive, low-paying commercial and service jobs to higher paying jobs in manufacturing (ibid). This view suggests that these changes will occur automatically -- that a natural process is at work requiring little if any intervention by the state. The earlier writers of modernization theory believed that the state was not capable of playing an active, transformative role as a result of their functionalist perspective.

Rodan elaborates on these ideas which emanate from the orthodox growth theorists. He adds that they also believe that the EOI strategy is best effected through free trade policy (Rodan:1985:172). Without governmental interference, the LDCs can emulate the trajectories of the developed nations (ibid, pp. 172-173). However, many orthodox theorists do admit a largely secondary role for the state, such as the distribution of income and/or the provision of infrastructure (ibid, p. 173). Similarly, many other evolutionist models of (endogenous) social change assume that change is automatic, unidirectional, and essentially unavoidable, such as those put forth by Spencer and Marx (Burke:1992). Gerschenkron's evolutionist model of economic development differed fundamentally from some of these theories, since he claimed that the state played a very key, positive role in development.

Substantively, one might argue that the neoclassical/modernization free trade advocates believe that the state can, but should not, act in the economic sphere, while other orthodox theorists claim that the state can and should play a limited role. Gerschenkron's position was that the state can, does, and should take an active role in economic development. Rodan's own views are that the state in Singapore acted effectively to manipulate Singapore's comparative advantage in the international division of labor, thereby casting his vote with those who claim that the state can still effectively act in the economic sphere (Rodan:1985:187).

In contrast, Kelly claims that, in contemporary times, the traditional (core states) are currently experiencing a loss of autonomy and capacity to act to the benefit of their citizenries (Kelly:1993:8,10,12). Emasculated by transnational corporations, these states are no longer able to effectively play a role in the management of their macro economies via fiscal (including a decreased ability to tax corporations) and monetary policy (ibid). Except for parts of Asia (probably including Singapore), Kelly claims that most Third World nations have also experienced a loss of state control over economic processes (ibid). The resulting (negative) changes in the socio-economic conditions for most have been attributed to the forces of "globalization", a construct which provides the subjective reality in which "diversity and multiculturalism make sense" (ibid, p.21).

In turn, the acceptance of diversity promotes the acceptance of the new transnational managerial class, e.g., Japanese managers of auto plants in Tennessee (ibid, p.19). In short, Kelly claims that the "global representations" arose as a result of the contradiction between the older views in most nations, which legitimized the predominate positions of major ethnic groups in societies (such as the Russians in the Russian Empire or the Chinese in Singapore), and the acceptance of the new "transnational elite" (ibid, p.21). Gordon's convincing argument that the increase in Third World production was just a minor blip in the 1980s when, according to Kelly, the globalization representation was first articulated, strongly supports Kelly's argument (Gordon:1988 and Kelly:1993:2). However, for present purposes, the main point is that the global representation imparts an out-of-control, processual "leviathan" in the international economic arena. The "leviathan" will lead to who knows what -- it is apparently not an institutionalized process. (This point will be returned to.) Others have also expressed the view that states are losing the power to act while corporations are gaining power (see Barnet and Cavanagh:1994).

My intent in this section is to try to demonstrate that the states' role in economic development in the two cases examined here was linked to their nation-building projects, as outlined by Benjamin (Benjamim:1976). Through the resulting state-constructed social identities, the states determined the relations of production in the respective societies. This appears to be an institutionalized (and institution creating) process, a continuous role of the state in the economic sphere. This appears to be (at least part of) a process which underpins the not-so-willy-nilly "leviathan", which is doling out worsening economic conditions to most. The apparent invisibility of this aspect of the state's role in development might also be attributed to the "globalization representation." (This does not deny the possibility that states' powers are eroding with respect to their citizenries. In fact, it could imply that states' roles in the economic sphere are being reduced to a weakened mediator between the large corporations and labor.)

The fact that Singapore and the FSU appear to be radically different cases perhaps has obscured this very similar aspect of development, which Benjamin associates with nation building and identity construction. According to Benjamin, state-constructed identities are an integral component of nation-statehood and the continuous, self-conscious project of nation building (Benjamin:1988).

Benjamin identifies "primary" and "secondary" nation-state formation (Benjamin:1988). The former refers to the first nation-states which arose from the European states of late Medieval times (ibid, p.8). The formation of these nation states ". . . was cumulative, gradual, complicated, and mostly unforseen" compared to the latter, whose origins were instigated by identifiable individuals (ibid, p.14). In other words, the formation of secondary nation-states have been/are completely self-conscious acts, whereas the formation of the primary nation-states may or may not have been (ibid, p.14). This is somewhat comparable to Gerschenkron's ideas concerning latecomers to industrialization: the latecomer states had an advantage over the early industrial states. They could simply create the necessary conditions necessary for modern development that the earlycomers had identified. For our purposes, the main point to gleen from this is that the nation state is an imitable, societal form, an ideological institution, rather than the end product of some as-yet-unknown socio-economic process(es) (ibid, p.2). According to Benjamin, modern nation-states are ". . . set up within the framework of the industry-based world system of international relations . . ." (ibid). He also examines ". . . the profound effects that modern nation-states -- or, more precisely, their rulers' -- actions have on the life-circumstances of their populations" (ibid).

Post-colonial Singapore is a classic case of secondary nation-state building. In the eras focused on, the nation building aspects of state-led identity construction are highlighted by Benjamin. Post-revolutionary Russia is not so cut and dry a case, but at least it is a dramatic example of "continuous nation building", since the Bolsheviks' main project was to build a new, "modern", socialist society. Additionally, the new Soviet leaders were members of the western educated intelligentsia in the FSU, and Benjamin points to the western educated intelligentsia as leaders of nation-state building in other nations (ibid, p.19). In any event, the new Soviet leaders certainly dug in their heels and consciously initiated what they considered a societal "modernization" project.

According to Benjamin, identity is the foundation upon which modern nation-states are built (ibid, p. 20). First and foremost, persons in a "modern" society must look outward (i.e., have a "sociocentric" orientation) to find themselves -- to properly determine who and what they are (ibid). The acceptance of a sociocentric cultural regime, which underpins this orientation, demands the acceptance of (state) interference into the personal lives of a citizenry. In turn, this "cultural framework" sets up the conditions which allow a state full political penetration of the population.

In short, Benjamin claims that a state establishes this orientation in a population by first instilling feelings of a lack of self worth (ibid, pp. 20-21). After this is accomplished, the citizens begin to look outside their own experiences to define themselves (ibid). The state then "charges in with interference" (ibid, p. 21). A society's members are ready to accept the interference by the state (and others) as they attempt to forge identities based on what others tell them (explicitly or implicitly) what they should be (ibid).

According to Benjamin, after a state has accomplished the initial task of turning the population's attention outward, ". . . so that they (will) have ears for what the leaders wish to tell them", a common "cultural mode" must be established to serve as the means of communication between the leaders and the people (ibid, p. 19). The objective is to alter the people's "cultural consciousness" in order to mould the society into a ". . . flexible, modern-minded . . . workforce" (ibid, p.19). In other words, the "cultural mode" becomes the way by which the government articulates the only possible identities which are available to a society's members. In turn, the identities effectively place citizens in the overall scheme of things which the state envisions, steering them into the roles which must be filled in the course of nation building (ibid, pp. 22-23).

The cultural mode might be based on ethnicity, class, gender, or religion (among other things) (ibid, p.21). However, no matter which cultural mode is adopted, the societal categories are constructed by the state (ibid, pp. 24-24). According to Benjamin, the dual nature of these categories strike at the very heart of a person's integrity and role allocation (ibid, p.24). Embedded in these identities is a person's lot in life in the economic sphere. As a result, the state-constructed identities appear to articulate the pre-determined, requisite relations of production.

The Social Construction of Identity in Singapore

Both the PAP and the Bolsheviks viewed their nation building projects as "modernization" plans for the respective societies (Swee:1972 and Shanin:1989). The regimes were acutely aware of their nations' backwardness with respect to the more "developed" nations of the world. Both regimes villified certain segments of their populations and glorified others. However, in both cases, identities were constructed, i.e., they did not really fit the social reality. Nonetheless, the constructed identites were imposed upon their populations as the two states carried out their nation-building tasks, forging new identities for the individuals who were to comprise the new societies which the states envisaged. According to Benjamin, the cultural mode by which the PAP communicated with the Singaporean population was multiracialism (Benjamin:1976). After the Marxist revolution, the new cultural mode in the FSU was class-based.

In both cases the villans were considered "rural" and "non-modern", unamenable to change (Swee:1976:22 and Fitzpatrick:1993:751). In Singapore, the Malays were portrayed as the rural folks. Since Singapore had no hinterland to point to, in a speech to Singapore youth, Goh Keng Swee asserted that they must look to other, surrounding national boundaries to find Singapore's hinterlands, i.e., Malaysia (Swee:1976:22).* Swee claimed that cities were

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*Swee was the Minister of Finance and Defense in Singapore in the 1970s. The speech referred to was entitled "Cities as Modernizers".

modernizers, the antithesis of the "kampongs" (Malay villages) in which the Singaporean Malays were said to live (Li:1989:96). However, Li claims that most Singaporean Malays migrated as individuals searching for gainful employment and the anonimity of city life, not to recreate the Malay villages they left behind (ibid). Contrary to popular opinion, the Singaporean "kampongs" were largely urban, unstable, and relatively new rather than ancient, unchanging, and rural (ibid). The constructed Malay identity also retained the racist overtones of the colonial era: Malays in Singapore were considered indolent, backward, lazy, and politically and economically inept (ibid, p. 168). The fact that Malays did not value an education was considered evident in the children in the "kampongs", who stayed out late at night and lacked effective parental control (ibid, p. 169). Large Malay families and low Malay incomes were also to blame (ibid). However, Li claims that many Sinaporean Chinese -- who were portrayed as "the quintessential economic men", bursting with entrepreneurship, progress, and productivity -- shared many of the same qualities, i.e., low income, large families with high drop-out rates (ibid, pp. 166 and 169).

In this fashion, the PAP constructed ethnic identities in the "multiracial" Singaporean society. As a result, Benjamin claims that multiracialism is a cultural and social institution in Singapore, "one of the Republic's founding myths" (Benjamin:1976:115-116). Therefore one should view social behavior in Singapore as "a situation in which cultural factors emanating from the national system as a whole weigh just as heavily as factors pushing up from the lowest domestic levels" (ibid, p.16). However, the assertion that the Malay-Chinese-Indian trichotomy is a reality of Singaporean life is belied by two facts: 1) prior to the anti-colonial movements in India, Indonesia, and China, which served, incidentally, to insure the various ethnic groups' identification with their respective "homelands", many other ethnic labels were utilized to describe the Singaporean population (and still are informally); and 2) in spite of evidence which points to a great deal of cultural uniformity, Singaporeans are continuously exposed to a "persistant myth of considerable exogenous racial and cultural difference" (ibid, p.130). In other words, the party line is that four (including Eurasian) unchanging, unmerged cultures exist in Singapore, while in reality many elements of culture are shared (ibid, pp.120-121). As a result, Benjamin claims that the portrayal of the Sinaporean population as a "multiracial" society is in essense the states' re-creation of Singaporean culture, not an accurate description of it.

One result of the illusion is that ethnicity has become an utmost concern in Singapore:

> One does not need to be an ethnologist or culture-historian, however, to realize that the state of affairs represents, paradoxically, a re-creation of culture. In order to demonstrate the distinctiveness of each of the four cultures their differences have to be heightened, their similarities underplayed, and expressive forms have to be developed to display their separate-but-equal status. A simple example is provided by the vignette of four interlinked but differently hued hands that appears on the back of Singapore's ten-dollar currency note. The constant reiteration of the Chinese-Malay-Indian-Eurasian categorization in national censuses, in the Reports of Government departments concerned with social policy, and in the schools, puts considerable pressure on people to see themselves as ethnically defined. Two major institutions have emerged to give expression to this idea: the cultural show, and the organization of broadcasting (especially television) (Benjamin:1976:121).

Benjamin claims that the cultural shows are performances of the state's version of Singaporean society -- representations which the state displays for the population to absorb (ibid). According to Benjamin, the Singaporeans' preoccupation with ethnicity is very evident. For example, the ethnic identity of a visitor to Singapore will more than likey be of utmost concern to all Singaporeans he meets (ibid, p.20). Stereotyping is also very common (ibid). All Singaporeans must carry ID cards which state their "race" (ibid). One result of all this is that ethnicity becomes exaggerated: Malays exhibit more "Malay-like" qualities, the Chinese more Chinese-like, and

Indians more Indian-like (except for caste) characteristics (ibid, p.124).

The Social Construction of Identity in the Former Soviet Union

If the Singaporeans were preoccupied with ethnicity, the Soviets were obssessed with class. Fifty-six volumnes of statistics describing the Soviet population, very strictly according to Marxian prinicples, were published in 1926 (Fitzpatrick:1993:755). Analyzed by experts in many fields, the data became the grounds upon which Soviet "class" was built (ibid). Fitzpatrick claims that Soviet classes might be more accurately considered "virtual classes, statistical representations" which enabled Soviet citizens and their future generations to accept class as the foundation of Soviet society (ibid). Before the civil war ended, Lenin requested a national census in order to assess class relations and occupations (ibid, p.754). The Soviets were deeply committed to understanding Soviet society "scientifically", and uncovering the class structure was considered the first step (ibid).

On the other hand, the old Tzarist category scheme distinguished Russian social estates -- the "soslovila" -- which indicated one's rights and obligations with respect to the state (ibid, p.745). Examples of the old soslovila include noble, merchant, clergy, and peasant (ibid, p.746). Fitzpatrick argues that the new Marxian classes that the

Bolshevik revolution demanded were not quite what emerged after the takeover. The new social categories appeared much more like revamped soslovila than "modern" class (ibid, p.754). A class-based society was largely the vision the Soviet intelligentsia held for the Russian Empire (ibid, p.747). For many , the soslovila all too vividly exposed the backwardness of the nation to the rest of the developed world (ibid).

The intelligentsia were very aware of the fact that Russia appeared to be lagging behind the rest of the world in terms of economic development, and in other areas as well (Fitzpatrick:1993:746):

> Russsian society was in flux at the turn of the century. The crisis of identity that had long preoccupied educated Russians extended to the basic categories of social structure. At the time of the country's first modern population census in 1897, citizens of the Russian Empire were still officially identified by soslovie rather than occupation. Soslovie categories (noble, clergy, merchant, townsman, peasant) were ascriptive and usually hereditary; historically, their main function had been to define the rights and obligations of different social groups toward the state. To all educated Russians, the survival of soslovila was an embarrassing anachronism, pointing up the contrast between backward Russia and the progressive West.

The intelligentsia were especially concerned that Russia was not comparable to western world giants due to its undemocratic principles and the fact that the soslovila could not underpin a meritocratic society (ibid, p.747). Worse yet, the soslovila could not incorporate the intelligentsia or a modern industrial working class into the existing "estates" (ibid).

From the outset, identity in the FSU was problematic. No sooner did the revolutionaries takeover, thus creating the new class-based society, than it began to fall apart at the seams (ibid, p.749). The landowners and capitalists were expropriated, immediately wiping out what might have become a legitimate bourgeoisie (ibid). Additionally, the urban industrial workers fled for the countryside when the Civil War interrupted normal production in the cities. Most who did not flee were conscripted into the cadres, from which the new, soon-to-burgeon Soviet bureaucratic elite class was chosen (ibid). A virtual modern day Time of Troubles ensued.[10] Nonetheless, the Soviet regime was under the gun to create a class-based social structure to distinguish the "bourgeois class enemies" from their proletarian allies (ibid). Ultimately this proved to be a monumental task since, for instance, the new Bolshevik rulers (i.e., members of the intelligentsia and former leaders of all the other socialist and revolutionary parties) -- the vanguard of the proletariat -- had to

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[10]A period in 17th Century Russian history during which chaos reigned. All institutions underpining Russian society gave way (Green:1994).

somehow sqeeze themselves into the proletarian category (ibid, p.751).

Groups seem to have been "classed" partly according to previous sterotypes as well as their characteristics after the war. For example, peasants and artisans were described as "non-modern, petit-bourgeoisie" (ibid). White collar workers, in effect, defied class. For all intents and purposes, the "employees" should have been included along with other proletarians. However, they remained highly suspect to the Bolsheviks and the proletariat (ibid).

"Classing" the new Soviet society required the abolition of the old sosloviia. This also proved to be a difficult task for the new regime. In fact, Fitzpatrick argues that in many cases, the Bolsheviks were unable to appropriately untangle the old sosloviia from the new class categories (ibid, p.752). For example, the white collar "employees" were suspiciously like the old meshchane, the former soslovie indicating a lower urban status of the "petit-bougeoisie, philistine mentality" (ibid). Priests and their families -- those of the old clerical soslovie -- were also labelled class enemies and denied full Soviet citizenship and admittance to universities (ibid).

Undaunted by the plethora of logistical problems, the Bolsheviks built the new class society and, like the PAP, produced "cultural shows" to communicate their class-based image of society to the population (ibid, p.757). One show appeared during the Stalin era which was the government's representation of Soviet rural life -- the Potemkin village (Fitzpatrick:1994:16). In fact, many Russian rituals involved "professional peasants" -- peasants whose jobs were to publically act out what the Soviet peasantry was to become. In the new socialist representations, the peasantry was declared "modern" and "rational" (ibid, p.16).

In open displays of the differing rights and privileges with respect to class, the "unmasking" of class enemies became a regular occurrence, during which Communist officials revealed the "true" identities of those who had allegedly false claims to the proletarian class (Fitzpatrick:1993:756). Similar to the ID cards in Singapore, passports were revived (from pre-revolutionary times) in the FSU in the 1930s, which stated the class positions of the peasantry (ibid, p.753).

In short, in the FSU, the young proletarian cadres (largely drawn from the former middle class of Russian society) were on their way up the social ladder (ibid, p.753). In order to retain new converts (including some of the new leaders), the Soviets also allowed those with a newly-found "workers' consciousness" to enter the new ruling party. However the list of the "lishentsy" -- the newly disenfranchised -- grew longer, such as the "former people" e.g., old nobility and clergy, and the new bourgeois "specialists", kulaks, and Nepmen (ibid). Only "toilers" were allowed educations and other Soviet privileges (ibid and Fitzpatrick:1991:18-19). Many, via various means, quite easily re-invented their identities, at times forsaking relatives and at other times adopting new ones (Fitzpatrick:1991:26).

Nation Building and the International
Economic Arena: the
Singapore Case

According to Benjamin the era of "primary" nation-state formation in world history began to draw to a close approximately with the French Revolution in 1789 (Benjamin:1988:12). Therefore the emergence of newer nation-states such as Thailand, Mexico, and Japan in the mid to late 19th Century was already quite "secondary" in nature (ibid). At this time, via the modality of colonialism, the basic unit of the world system of economic and social relations -- the nation-state -- emerged. Benjamin also claims that the hallmark of nation-statehood is recognition by other nation states, not simply a self-proclamation of independence. In other words, international diplomatic ties which link a nation to the world system are at the foundation of nation statehood, the foremost signifier of a state's sovereignty (ibid, pp.10-16):

> This discontinuity between nation-statehood and whatever preceded it is usually referred to as the achieving of "independence". Yet in reality, and despite the rhetoric, a new nation-state's "independence" has more to do with an increasing separation from its own past than with an increased autonomy from the rest of the contemporary world. More

> than anything else, nation-statehood means entry into the modern world-system of nations. From the moment of independence, a country is tied into such a complex international network of legal, economic, political and cultural arrangements that its social circumstances are influenced at least as much by external factors as by internal ones (Benjamin:1988:3).

This view is consistent with dependency theory but not necessarily modernization theory.

According to Benjamin, nations hold specific positions in the "industry-based world system of international relations" (ibid, p.2). Therefore when new nations emerge, a large part of the "breaking from the past" project is determining the nation's new position in the international community. For example, a state might decide to change a nation's main economic goal from producing more final goods for export to the production of more capital goods for domestic use. This type of maneuvering was evident in post-colonial Singapore when the PAP adopted the import substitution strategy of development. Although the Soviets did not "win" independence from the Tsarist regime, they also repositioned the nation within the international economic community. According to Rodan, at the root of these changes is a state's conscious, planned manipulation of a nation's comparative advantage (Rodan:1985:172-176). Perhaps, in this manner, a new position in the international division of labor (of the state's choosing) is forged.

Briefly, I will show that the attainment of new positions in the international arena was a critical role of the state in the two cases. The Singaporean state, which under British rule had largely supported the export of raw materials, switched foci to the production of capital and then to high tech and export manufacturing growth (Huff:1994:273-290). After the revolution, the Soviets pursued mechanization and relative isolation. I will also briefly examine family policy and the structure of occupations in both cases to try to gauge the breadth of state intervention. However, these are areas which require further research to yield satisfactory conclusions.

After the separation from the Malaysian Federation, the PAP significantly altered Singapore's economic development plans. Essentially, this involved a change from an ISI to an EOI development strategy. During the 1960s, manufacturing was chosen by the PAP as the leading sector into which resources would be steered (Swee:1972:8). The economy was well equipped: Singaporeans enjoyed a well developed infrastructure, including port facilities, schools, and an effective administrative system (Stubbs:1989:52). Rapid expansion in manufacturing began which was underwritten by multinational corporations (Low, et al.:1988:11-12).

The ISI strategy largely failed. The foreign exchange needed to industrialize was more than what was being gained by the reduction in imports. Regional competition for lowest wages offered to multinationals was also beginning to impinge on Singapore's position as a regional manufacturing and processing center.

As a result, in the late 1970s, Singapore began to promote higher-value-added production through high-skill and high-tech intensive industries (ibid, pp.15-16). According to Rodan, this change involved the PAP's re-orienting the economy via the manipulation of Singapore's comparative advantage -- its cheap labor force (Rodan:1985:174-175). For example, the provision of infrastructure and training were key factors the PAP provided the multinationals (ibid, p.175).

Arguing that there is "no pre-ordained role for a country in the international division of labour", Rodan claims that through selective resource allocation, a state shapes a nation's comparative advantage (ibid, p.188). The PAP has achieved its goals by exercising great control over labor and the "corrective wage" policies in the late 1970s and early 1980s, which were designed to attract foreign capital (ibid, p.179). Therefore according to Rodan, neither the cost of labor nor the scarcity of it completely determines the way an economy's specialization in the international division of labor might change in favor of higher value added production (ibid, p.182). Rodan's view is in direct contrast to dependency theory, since he claims that the state takes a very proactive role in development. However, this may or may not be the case. For instance, domestic politicians might act in complicity with foreign powers, exploiting their own citizens, for the most part, to the benefit of the foreigners.

The Former Soviet Union in the International Economic Arena

Generally, prior to 1917, the Russians ran balance-of-payment surpluses which provided a source of foreign exchange/reserves as well as imports from the west (Gregory:1990:338). However, after the civil war, for the most part, the Soviets faced balance-of-payment deficits, which crippled the economy by the eve of the first five year plan in 1928 (ibid). Increasing competition in world grain markets almost sealed the Soviets' fate before the plans for the economy could be initiated (ibid). Nonetheless, Gregory claims that the Bolsheviks still found themselves in a much more favorable position than contemporary LDCs when the dust cleared from the war and the plan was set in motion (ibid, p.43-44). The main differences between the FSU and contemporary cases are: 1) a sufficient surplus to feed the urban workforce was achieved in the FSU prior to the plan era; 2) infrastructure development was already in process; and 3) a small urban workforce, including managerial personnel, was already established (ibid, pp.42 and 44). According to Lewis, the Soviets did not gain much from these advantages (Lewis:1994:200). From the 1890s, until after the revolution, the Russians/Soviets could not escape the fact that out-payments for servicing the debt plus profits paid to direct foreign investors were greater than the ruble value of imported capital (ibid).

Gregory claims the the Bolsheviks' "aversion to trade" was evident from early on (Gregory:1990:324). Firstly, the Soviets rejected the western notion of comparative advantage -- i.e., that all nations which engage in international trade gain from it due to specialization (ibid). Secondly, heavy involvement with capitalist economies was considered very risky. The chaotic behavior of markets could wreak havoc with the Soviets' plans (ibid, p.324). And thirdly, the Bolsheviks were (they felt) constrained by the hostile motives which underpinned capitalists' trade with them (ibid). As a result, the Soviets were forced to expand trade by heavy borrowing from the developed nations (ibid, p.327). In fact, Lewis claims that by 1931, payments on concession contracts (mainly to the U.S.) and for foreign technical assistance -- i.e., foreign "specialists" -- reached a full twenty-five percent of the value of all grain exports (Lewis:1994:210). However, out-payments for machinery remained even higher (ibid). Lewis also argues that by 1932, Soviet trade was actually driven by the availability of foreign credit, not competitive forces or a grand plan (ibid, p.209).

In the immediate post-revolutionary era, the Soviets nationalized trade (ibid, p.201). Shortly thereafter accumulated Tsarist debt was repudiated (ibid). An immediate result was that foreign trade almost disappeared in 1918-1920 (ibid, pp.200-201). During this period, foreign trade was less than one percent of the 1913 level (ibid). In the mid 1920s, the Soviets turned nearly all their attention to the modernization of industry. As a result, the industrialization debates overshadowed almost all other concerns (ibid, p.205). One camp argued that an increase in agricultural output was the only way that the Soviets could gain the funds to underwrite modernization (ibid). Not unlike the PAP's plans for the Singoporean economy after independence, the Soviets' goal was to re-orient the economy. The plan itself was somewhat similar to the PAP's -- to increase (agricultural) exports and to decrease imports of consumer goods and other manufactures (ibid, p.206).

However, throughout the 1920s (during the NEP years), balance-of-payments deficits outweighed surpluses (ibid, p.204). As a result, the Soviets were forced to export precious metals to and borrow even more heavily from developed nations (ibid). A full sixty percent of the deficits were covered by borrowing (ibid). In contrast to Singapore (which held tremendous foreign reserves), during

1928 alone, total Soviet foreign reserves decreased by thirty percent (ibid, p.205). According to Lewis, the foreign reserve crisis provided a strong argument for an import substitution approach to industrialization (ibid). Since less foreign reserves meant fewer imports of either consumer or capital goods, the Soviets felt that decreasing the former would be less disruptive to the plan.

By the end of the twenties, the situation had worsened. Grain exports were increased yet again, and imports of consumer goods (e.g., textiles) were even more severely restricted (ibid, p.208). Then the Great Depression hit. Like the 1974-1975 recession in Singapore, the depression greatly disrupted the Soviets' plans. World trade decreased by twenty-five percent from 1929-1932 (ibid, p.207). A surplus in the world's grain supply was followed by the collapse of prices of all primary goods, while the prices of industrial goods spiraled ever higher (ibid). Accordingly, the FSU's foreign debt more than doubled from 1929-1931 (ibid, p.208). Germany and the U.S. were major suppliers of capital to the FSU during the era, and the U.S.'s share of Soviet imports increased greatly during this time. Germany and the U.S., especially the latter, benefited very much from the Soviets' development dilemmas.

In summary, the FSU's position in the international economic arena changed after the revolution much like the Singaporeans' position changed after independence.

Essentially, after foreign trade was re-established in the FSU, the Soviets attempted to finance the modernization of industry by increasing the social surplus extracted from the peasantry, curtailing imports, and diverting funds to the importation of capital goods. In other words, the Soviets also choose an import substitution strategy for development. This changed the Soviet position in the international economic arena since exports of raw materials, grain, and animal products remained predominate while Soviet imports shifted dramatically from consumer goods and manufactures to capital, equipment, and technical assistance (Gregory:1990:339). As a result, the states' projects were surprisingly similar: both states had to somehow effect the changes in attitudes and behaviors of their populations which the states' new goals required. The necessary changes were effected through increased state interference into the personal lives of the populations.

The Structure of Occupations in Singapore

The resulting structure of occupations in Singapore point out some ways in which the PAP's vision of Singapore in the international arena effected the ethnic populations differently. The structure of occupations in Singapore reflects apparent discrimination against the non-Chinese elements of the population -- i.e., the ethnic groups considered non-modern, such as the Malays and Indians. Here the focus is on the Malay population.

According to Li, Malays in Singapore lag far behind their Chinese counterparts in terms of well established, English-educated clerical and professional classes (Li:1989:102). Prior to 1959, equality between the Chinese and Malays existed (ibid). At that time, many poor Chinese existed alongside the poor Malays (ibid). However, since then the Malay position has weakened. The gap between the two groups in the two highest professional occupational categories -- professional and technical and administrative and managerial -- in 1957 was 2.3%, with the Chinese holding most of these high level positions (ibid, pp.102-103). By 1980, the gap was 9.6% (ibid). Malays were predominate in the lower professional ranks (e.g., teachers) and in the lower manual category (ibid, p.103). In turn, income distribution figures also reveal a maldistribution of income between the two ethnic groups in 1966 through 1980 (ibid). Additionally, large numbers of women Malays in Singapore took low paying jobs in manufacturing in the 1970s (ibid).

<u>Family Policy in Singapore</u>

Wee claims that governmental intervention into the personal lives of Singaporeans is legitimized by the portrayal of the "decadent west" as a powerful, corrupting force which must be banned from Singaporean's lives

(Wee:1990:7). Thus a parent-child relationship between the PAP and the population is fostered, since the latter is considered incapable of warding off the evil effects of western permissiveness (ibid). According to the PAP, the danger this poses to Singaporeans strikes at the heart of Singapore's ability to survive in the international economy. Singapore's population is its most valuable resource, therefore the erosion of eastern values would threaten productivity, undermining national interests (ibid, pp.8-9).

The PAP's interference into Singaporeans personal lives is evidenced in the extreme in family policy. Middle class families, largely Chinese, and other well educated Singaporeans have been encouraged to reproduce via tax exemptions and other incentives (ibid, p.10). In contrast, less educated segments of the population, such as the Malays and the Indians, have been encouraged to have abortions or consent to being sterilized (ibid). Match-making schemes by the government have attempted to match up well educated couples (ibid, p.11). Much official concern has been expressed over the fact that many well educated Singaporean women are marrying foreign men -- the so-called "brain drain" (ibid, pp.11-12). The government's position on reproduction (and sexuality in general) was quite clear: the government prefers intra-ethnic marriages between Singaporeans, and foreign marriage partners for Singaporeans are only tolerated if white, well-educated partners are chosen (ibid, p.11). In this fashion, the PAP attempted, by very dubious means, to promote the state's economic goals concerning the creation of a highly intelligent and educated workforce necessary to attract high tech producing capital. In other words, via the genetics programs, the PAP attempted to eek the most out of its most valuable resource -- its modern workforce.

According to Kuo and Wong, family planning policy in Singapore was linked to the PAP's economic goals for the nation at the time of Singapore's separation from the Malaysian Federation (Kuo and Wong:1979:9). The authors state that at that time (1965):

> With expanding economic opportunities, increasing wages, and a rising educational level, the Singapore population has enjoyed a steadily rising standard of living over the past decade. At the same time, the government has implemented an impresive national family planning programme and a series of population policies which are designed to prevent population growth from swallowing up the hard-won fruits of economic progress (ibid).

Tax incentives and various disincentives, such as housing discrimination and decreased medical and educational services, have been utilized by the state to encourage couples to keep families small to ensure that the PAP would reach its economic goals for the population, e.g. a low unemployment rate (ibid, p.213).

More recently, the PAP reversed its position with respect to the more well-educated segments of the population (Wee:1990:10). This reversal coincides with the push towards export-oriented growth which requires a large labor force.

Education in Singapore

Since independence, educational policy has been very problematical in Singapore: how can a multiracial ideology be maintained in a standardized educational system when four languages are spoken by the population? The educational system seems to have favored the well-established, successful members of Singaporean society, giving another edge to the Chinese (ibid, p.115). For example, not all Singaporeans speak English, the school language (only 9% of Chinese households and about 2% of Malay households) (ibid). In effect, this policy resulted in a bilingual education in primary grades and a tri-lingual education in secondary grades (ibid). This posed many problems for many children. Many were caught in a system which forced a tri-lingual existence upon them. The PAP tried to solve the problem by declaring that all Singaporeans will be taught in their mother tongue. This also provided equal status for all four language streams (Chee:1989:468). However, English was considered the "language of business", and Malay was adopted as the national language at the time of independence (ibid).

By the 1970s, social mobility through economic success in Singapore required the command of English. Thereafter, an English-medium education became the most highly valued (ibid, p.480). The subsequent focus on meritocratic principles in Singapore society served to reinforce this point (ibid, p.481).

Nonetheless the focus on English-medium education was viewed by the PAP as an unfavorable outcome. The main fear was that if one language became predominate, ethnic identities and moral development might diminish, and an overall "cultural erosion" might occur among the different ethnic groups (ibid, p.484). According to Chee, the language dilemma in Singapore struck at the foundation of one of the developing nations' main nation building projects at this time -- establishing moral and ethical grounds to promote unity and a common direction (ibid, p.486). This was especially critical to Singapore in the 1970s, when recession and increased competition in international labor markets from Singapore's low-wage neighbors threatened Singapore's favorable position in the international system (ibid, p.487). The PAP was very concerned about Singapore's "competitive edge" in human resources for attracting foreign capital (ibid). In fact, according the Chee, the PAP's goal was to maximize Singaporeans' productive talents "at all levels of the educational structure" (ibid, p.487-488). The main thrust of PAP educational policy was not to maximize equal opportunity among the citizenry. To the contrary, the main aims were to maximize Singapore's comparative advantage in global labor markets and to maintain and reinforce the multicultural myth.

Nonetheless, according to Wilson, after the war, yet before independence (1945-1955) in Singapore, the return to education was definitely a direct result of the language one was taught in. Those taught in English were awarded the high prestige jobs, Chinese-taught were usually destined to work for local merchants or as unskilled labor, and the Malays (who were taught Enlish classes) typicallly became chauffeurs and gardeners. A few went on to higher education if they qualified for the English school system. The Tamil schools produced Indian street sweepers and the like (Wilson:1978:244-245). In this fashion, the educational "streaming" system in Singapore went a long way in sealing the economic fate of individual Singaporeans. However, a Singaporean's eligibility for any of the language-based educations ultimately depended on his or her ethnic group of designation. It appears that as a result, the structure of opportunities for the various ethnic groups is somewhat limited by virtue of their "mother tongues".

Rather than facilitating communication between the different ethnic groups in Singapore, Benjamin claims that the adoption of English as the national language actually threatened the integrity of the groups (Benjamin:1976:123). English, as the language utilized for inter-ethnic communications, actually breaks down the boundaries between the groups, thereby endangering their distinctiveness (ibid). The west is viewed by Singaporeans as "non-racial", the very antithesis of Singapore (ibid). Therefore the invasion of western ideas is understandably viewed as a tremendous threat to Asian morality and society (ibid).

The Structure of Occupations and Family and Social Policy in the Former Soviet Union

In both 1914 and 1926, more than eighty percent of the Soviet population was engaged in agriculture (Barber and Davies:1994:81). The percentage of the workforce which was self-employed, employed in small-scale industry, and building and trade remained quite similar in the two years (ibid, p.83). The middle and big bourgeoisie classes grew quickly around and after the turn of the century (ibid). Higher education also expanded rapidly (ibid). However, unemployment also reached new heights in the decade (ibid, p.84). Rural to urban migration increased greatly as new job opportunities opened up in the cities (ibid). Parity was achieved in urban/rural wages, and the FSU became the first nation to achieve "equal pay for equal work" between the sexes (ibid, p. 94). Nonetheless, many social problems continued to haunt the new regime. This was especially true with respect to family policy and policy concerning the many ethnic minorities extant in the new society.

The objective of new family policy after the revolution in the FSU was twofold: 1) to change family relations; and 2) to facilitate the emancipation of women (Goldman:1991:125). The freedom to divorce was the cornerstone of Soviet policy (ibid, p.126). The party line was that socialism would eliminate the need for women to work in the home (ibid). As a result, women could work outside the home for wages equal to men's (ibid). An enactment of 1925 extended the legal rights of marriage to de facto unions, simplified divorce, and gave married and unmarried partners a legal right to make claims on their partners' income in case of divorce (ibid, p.128). The new family laws were intended to allow individuals greater marital freedom to ensure that the best relationships possible were fostered by the state (ibid, p.130). The foundation of all marriages was to be only love, affection, and common interests, not economic exigency nor the traditional sexual division of labor (ibid).

Women had felt very unfairly treated under the family laws which existed before the revolution (ibid). They opposed frequent re-marriage, which post-revolutionary marriage laws incidentally reinforced, and they demanded greater sexual responsibility by males (ibid, p.120). Although many women also embraced the Bolshevik vision of the perfect, "companionate" union, they severely condemned men who left a wife and children in pursuit of a younger, less burdened woman (ibid, p.130). This appears to have been a frequent practice in the FSU which was also exacerbated by the new, more lenient family policy (ibid).

To add to their troubles, the number of unemployed women skyrocketed after the revolution (ibid, p.132). Massive layoffs occurred in 1920-1921 as a result of the mandatory use of cost accounting during the NEP (ibid, p.131). Entire state industries and social welfare agencies where many women were employed shut down (ibid). As a result, women became even more economically dependent on men. Prostitution became commonplace (ibid, p.132-133). In the final count, nearly forty-five percent of all women who were divorced in the 1920s were unemployed (ibid). The women who were employed were typically in low-paying, unskilled positions (ibid, p.133). The sad reality was that women and their children could not live on alimony and a woman's salary, and men could not afford new families if they religiously met their alimony obligations (ibid, p.135).

Obviously more attention should have been paid to low wages when the Bolsheviks formulated their policy. However, the Bolsheviks do not appear to have formulated family policy in order to better carry out their development plans. Family policy reflected their Marxist, utopian ideals rather than a realistic way to achieve their goals.

The ethnic minorities in the FSU seem to have benefited greatly from the Bolshevik revolution, especially if their conditions prior to it are considered. In pre-revolutionary times, they suffered from rampant discrimination in employment, housing, and education. According to Mandel, the most pitiful Russian worker was more skilled and better off than his indigenous counterpart anywhere in the Empire (Mandel:1985:41). The indigenous peoples were no small fraction of the Russian population -- sixty-five million non-Russians became Soviets after the revolution (ibid, p.66). Mandel also claims that not unlike other areas of the world (including colonial Singapore), before the revolution the Russians ruled some parts of the Empire indirectly, i.e., through the indigenous royalty (ibid, p.41).

In pre-revolutionary days, almost universal illiteracy plagued the Empire. Three fourths of all Russians and 90% of all non-Russians could not read or write (ibid). However, Lenin's plan included equality for all peoples. Therefore shortly after the revolution, education became available to everyone who desired it in their own native language (ibid, p.44). The new education policy was the cornerstone of Bolshevik policy on minorities. However, in the end, most families ended up pursuing Russian educations for their children, since it was the most commonly used language (ibid, p.76). (English also became the official language in business.) However, this trend did not emerge until a few years after the takeover (ibid). In pre-revolutionary days, college educations were only available to Russians, therefore Russians were greatly over-represented in the more lucrative occupations which held more status, such as doctors, lawyers, and official clergy (ibid, p.41). The Provisional Government had also espoused equality for all. According to Mandel, their inability to achieve it (or take steps towards it) was due to the fact that most Russian liberals did not believe that non-Russians were their equals (ibid, p.62).

Before the Bolshevik takeover, Russians comprised only about one-tenth of the Central Asian population, but they were still predominant in the towns, where about half the people were Russian (ibid, p.41). Residential ghettos emerged, mainly as a result of legal prohibitions against Jews and other economic factors (ibid, p.76). However, the Soviets confiscated all rental property owned by landlords after the revolution. This all but eliminated discrimination in housing (ibid). Rents were reduced to a small fraction of household incomes. As a result, economic discrimination was also decreased, which had contributed greatly to housing segregation (ibid). Thus greater integration in housing was achieved.

Employment discrimination was also officially abolished after the Soviet takeover. Prior to the revolution, Jews were not permitted to hold positions in government service, the railroads, or in the postal service (ibid). However, just after the revolution, 150,000 Jews were placed in industrial jobs. The number of Jews employed in agriculture also increased from two to eleven percent. In the Empire, oppressed peoples were only allowed to hold menial jobs. For example, one third of all Tatars were employed as janitors, porters, and rag-pickers (ibid, p.40).

Just after the revolution, an official "Declaration of the Rights of the Soviet Peoples" was drawn up by the new government (ibid, p.66). All peoples were declared equal and sovereign (ibid). Any nationality could secede, and all priviledges and restrictions based on nationality or religion were abolished (ibid). Bans on inter-ethnic marriages were also revoked (ibid, p.76). Thereafter, civil marriage ceremonies became the accepted practice for weddings (ibid).

Conclusions

In summary, family and other social policies were inseparable from Bolshevik and PAP ideology. The Singapore case was perhaps the most dramatic: in their quest to maximize Singapore's comparative advantage, the PAP initiated eugenics programs which involved increasing birth/sterilization rates in various segments of the population.

Family policy in the FSU after the revolution seems to have worsened the problems it was intended to alleviate. For example, easy divorces, in the end, increased the birth rate. As a result, working class women were burdened tremendously.

SUMMARY AND CONCLUSIONS

In summary, the neoclassical/modernization theorists claim that the state should not intervene in the economic sphere: modernization will automatically occur, given the right conditions. In both post-colonial Singapore and early post-revolutionary Russia, the state did intervene in development; "modernization" and development did not occur as the result of a natural process. However, the late-Tsarist/early Soviet economies were less planned than the Singapore economy. The broader modernization theorists claimed that the state merely performed a pattern-maintenence role, providing integration and adaptation rather than playing a transformative role in social change. By applying Benjamin's model of nation-state building to both cases, this theory is not upheld: both regimes were active agents of social change.

The dependency theorists' focus on economic domination of "developing" nations by world powers fits the Soviet case more closely than the Singapore case. In the latter case, the state's ability to acquire foreign capital from various sources was greater than in the former. This was achieved in part by the PAP's ability to ensure labor cooperation and offer an extensive infrastructure to foreign firms. These were key elements in the state's ability to remain autonomous from particular foreign economic interests. The Soviets were unable or unwilling to offer these key factors to foreign firms. Low-cost borrowing and a low debt burden were also critical to the Singapore state's autonomy. In contrast, foreign policy in the FSU was constrained greatly by the state's unfavorable financial position vis a vis the industrialized, world powers.

Gerschenkron's model of the role of the state in development in the FSU was not upheld in its entirety. For the most part, this conclusion was reached as a result of Gregory's argument that the late Tsarist/early Soviet states did not adhere to an industrial policy. According to Gregory, the aim of tariffs imposed by the Russian state was simply to collect revenues, not to attract foreign capital by rendering it more profitable for foreigners to locate in Russia than to export goods to the Empire. However, the FSU was a highly attractive production site for foreigners due to the monopoly power they were granted by the state. Both states did provide entrepreneurship for development in the forms of state-run enterprises and joint-stock companies. Surprisingly, there were many more of these firms in Singapore than in the FSU. However, this point alone does not prove that entrepreneurship or any other preconditions are necessary for economic development to occur.

Crone's model of state capacity was upheld in both cases. Both states gained the support of the middle class, labor and the unions, and the bureaucracy through co-optive means. These power bases all provided broad-based support to the regimes. In turn, this allowed both states to effectively formulate and implement develpment policy. However, coercion did occur in both cases.

Important differences in the cases are revealed in the comparison of the role of foreign capital. High-cost borrowing and a large foreign debt characterized the late Tsarist/early Soviet eras. In contrast, Singapore enjoyed low debt dependency, a low debt service ratio, and a tremendous amount of foreign reserves.

Both countries had various sources of foreign capital, which Stallings claims lends a state autonomy from foreign economic domination. Nonetheless, the Soviet regime was much more constrained by their lack of autonomy in this area than the PAP. Additionally, the FSU received foreign aid and Singapore did not. This also weakened the Soviets' position vis a vis the nations which extended the aid.

Even though this paper points out many differences in the two cases as well as similarities, both states managed to achieve their development goals. State capacity was critical to their successes. The role of foreign capital in development in the two cases, in which important differences were revealed, partly explains the PAP's success but not the Bolsheviks'. The critical role both states played in development, which has been overlooked by the modernization and dependency theorists, as well as Gerschenkron, is the social construction of identities. Modernization theory and dependency theory deny that the state should or could play such a key role. Gerschenkron also failed to identify this overarching role of the state in development.

The identities were constructed in the process of the states' day to day nation-building tasks. The "cultural mode" by which the states communicated the identities was based on ethnicity in Singapore and class in the FSU. The identities, which were imposed on the groups comprising the societies, included the various economic roles the individuals were allotted in order to carry out the states' development plans. Family policy and education were also greatly effected by the states' development goals and ideologies. This reveals the extent to which both states interfered in the personal lives of the citizenries to achieve their development goals.

Benjamin also links "modern" consciousness and therefore modernity to the introduction of "relations of interpersonal interference" into peoples' lives, such as a king who intervenes in the lives of his subjects through tax collectors and priests (Benjamin:1988:27-29). Thus two domains of sociality are experienced by the "modern" individual: close-up, face-to-face experiences and intervening, "imposed values of an administrative structure" (Benjamin:1988). Both domains characterize existence in all nation-states. Ironically, in this respect, both the

Singapore and Soviet societies were already modern, even though this was the main goal the leaders of both nations espoused as they pursued their development plans.

APPENDIX

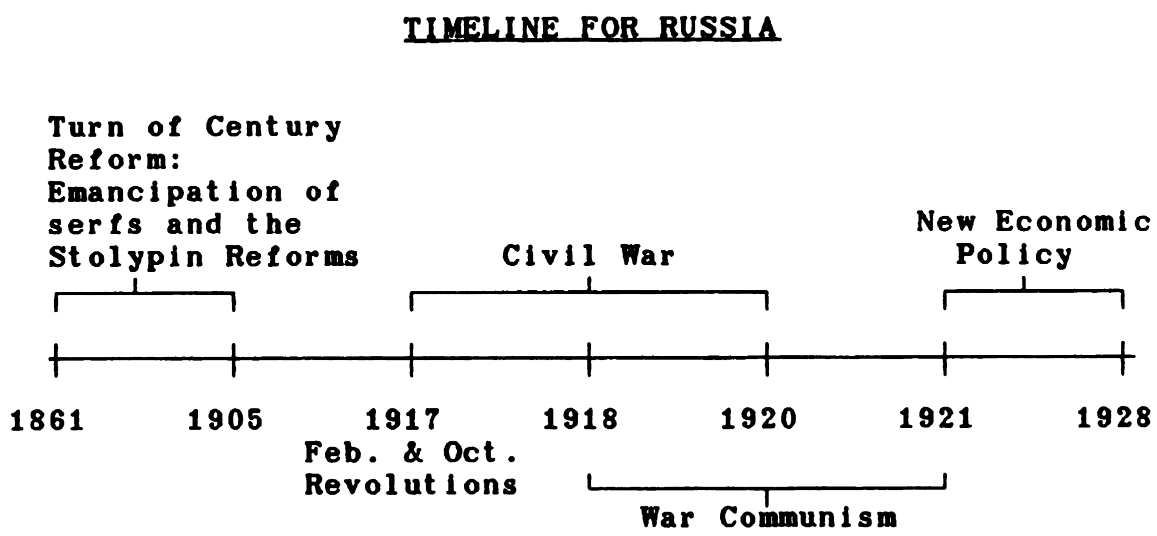

Figure 1 -- Timeline for Russia.

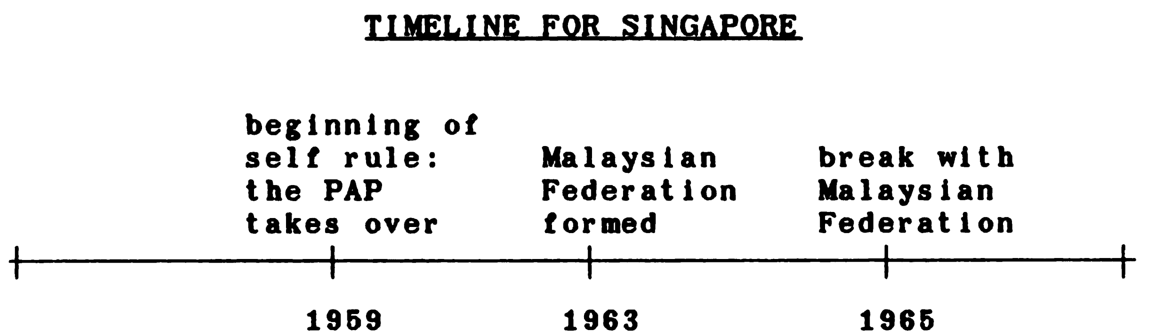

Figure 2 -- Timeline for Singapore.

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