

THE FUTURE OF ASIAN VALUES: WILL THEY BE STRENGTHENED OR REPLACED BY INDIVIDUALISM?

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ABSTRACT

About two decades ago, East Asia was hot, as were "Asian values". In explaining East Asia's extraordinary economic development - what the World Bank called a "miracle" - many believed that culture played a key role. This paper studies the literature about Asian values and the impact of Asian values on Asian Financial Crisis. According to results, development can be achieved without losing cultural values.

Keywords: Asia, Asian values, Asian Financial Crisis, individualism

I. INTRODUCTION

About two decades ago, East Asia was hot, as were "Asian values". In explaining East Asia's extraordinary economic development - what the World Bank called a "miracle" - many believed that culture played a key role. After all, so many third world countries have tried to climb out of poverty, and only East Asian countries have fully succeeded. Singapore's genius Patriarch Lee Kuan Yew became a world-class pundit, explaining how a unique culture of Confucianism permeated Asian societies. Many scholars agreed, perhaps no more emphatically than Joel Kotkin, who, in his fascinating 1993 book *Tribes*, essentially argued that if you want to be economically successful in the modern world, be Jewish, be Indian, but, above all, Chinese. So there is a question. What are the Asian Values? Asian values, a set of values promoted since the late 20th century by some Asian political leaders and intellectuals as a conscious alternative to Western political values such as human rights, democracy, and capitalism. Proponents of Asian values have generally argued that the rapid development of many East Asian economies in the post-world war II period is due to the shared culture of their societies, especially the Confucian heritage. They also argued that Western political values are not suitable for East Asia because they encourage excessive individualism and legalism that threaten to undermine public order and destroy economic dynamism. Among the Asian values often mentioned were discipline, hard work, thrift, educational achievement, balancing individual and community needs, and respect for

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power. Critics of Asian values disputed their role in economic growth and argued that they were being used to protect the interests of East Asia's authoritarian elites. Firstly Asian Values were considered to be key factor for the development especially economically. But after the Asian Financial crisis Asian Values were blamed for failure of East Asia. At Present this topic is not being studied by many scholars as before. This paper studies the current condition of Asian Values and if they will disappear or become stronger in the future. Literature Review

In the early 1990s, the issue of Asian ideals arose largely thanks to two politicians: Lee Kuan Yew, then Singapore's Prime Minister, and Malaysia's Prime Minister Mahathir Mohamad, both of them aiming for a relatively narrow agenda. Lee hoped to gain support in Beijing by fostering a slightly anti-Western sense of Chinese cultural identity as he tried to strengthen his relations with China. On the other hand, Mahathir tried to fend off the drive of the Bush administration to create a platform known as Asia-Pacific Economic Cooperation for a new Asian political bloc which will exclude "racist" forces such as Australia and the United States (Fukuyama, 1998). The concept of Asian values started a long time ago (Emmerson, 1995; Rozman, 1991; Thompson, 2000); however, the debate on Asian values started in mid 1990s due to a series of political events. Since then, the debate on Asian values has been discussed between two perspectives: cultural relativism and universalism. In recent years, Asian values has been the key concept of an authoritarian ideology that promoted the virtues of Asian communitarianism and strict government in order to counter the perceived danger and risks of "Western" individualism within their own societies (Rosker, 2016). Asia values has a Protestant ethic which attributes high growth rates to some cultural traits like hard work, thriftiness, discipline, and teamwork. Western democracy, in contrast to Asian value, impede development; thus, it must be postponed until sufficient development has been achieved (Thompson 2001). Thompson (2001), in order to provide better understanding of the historical and social functions of Asian values, made a historical comparison of modern Singapore and Malaysia, and the imperial Germany. He noted several historical parallels and believed that these similarities were not accidental, because imperial Germany had a significant impact on Japanese philosophies in the Meiji period and on other countries in East and Southeast Asia through Japan. Similar to imperial Germany, Singapore was also fitted with powerful bureaucratic apparatuses that controlled industrial development. Malaysia was also the same but to a lesser extent. One difference to be noted is that while imperial Germany had a parliament, legislative bodies in Singapore and Malaysia were strictly ceremonial and had no significant role in decision-making by the government. It is to be noted that Asian values are multifaceted norms; therefore, several literatures used different traits in defining it. One definition is by Tong (1994) who said that Asian values involve "a sense of community and nationhood, a disciplined and hardworking people, strong moral values and family ties". Dalton and Shin (2006), on the other hand, said that the two main features of Asian value are: 1) recognizing and respecting hierarchy, and 2) providing concern for overall well-being.

II. PROBLEM STATEMENT

Each nation apart from keeping their economic stability needs to concern about their cultural values. Asian values have been one of the key factors for economic development. Those values are to respect elderly people, to work collectively for the improvement of society, to concern much about family and etc. Because of the globalization and modernization, those values are getting lost. It is important for a country to keep economic development, however

cultural values are also essential so that nation keeps existing. This paper studies the reflection of cultural values on economies of states and the relationship between Asian financial crisis and Asian values

Reflection of Asian Values on Economics

Asian values are seen to have both positive and negative effects to the economy. Most scholarly papers attribute the development and success of Asian countries to the Asian values. But some would argue that Asian values contributed to the difficulties faced by Asian countries during the financial crisis and even the present due to the following negative aspects of Asian values: informality, favoritism toward family member, and tendency to result into corruption. As the first example of Asian economic success, Japan tends to be the principal and earliest beneficiary of Asian principles. However, Japan has a unique tradition, a feudal society dominated by the class of warriors. Because its leadership had a very strategic objective in reaction to the West (i.e rich country and strong army), economic development took place faster in Japan than in other nations. Japan is considered an inherently Asian society in which the dominant mode of action is the quest for consensus rather than adversarial conflict. However, even though consensus seeking has been important for social and political life at home, Japan has sometimes shown confrontational actions in its international relations. Another Asian country is South Korea which Professor Han (n.d.) said is a typical case of Asian values which showcased both a functional and unstable role in sustained economic success. Using military culture, the country was able to improve its organizational know-how, pull up a significant portion of its population from its traditional agrarian background, and achieve diverse skills and group discipline. But using both traditional and military culture led the country to depend heavily on interpersonal ties and family-business system. South Korea also did not have transparency and rationalized business structures; thus, having monopolies, corruption, and unequal distribution of resources. Singapore is one of the Southeast Asian countries that have successful outcome in implementing Asian values. The country did not only use Asian values as it is but also manipulated some aspects of the Asian values, mostly Confucian. Singapore while using Asian values also adapted to the requirements imposed by initial industrialization and post-globalization stages. By using the modified Asian values, Singapore was able to address the negative side of Asian values and was able to make the country “rational and efficient in economic management, that is virtually corruption-free, and that values ability over personal relationships” (Han, n.d.). To Singapore, Asian values are what helped achieve economic development and adaptive capacity to the changing world. As to whether economic growth is partly the result of cultural values, some agree but there are also some opposition. One reason for opposition is because cultural values are considered diffuse and perpetual element of a given society (Granato et al, 1996). This means that relying with cultural values to achieve economic growth will just lead to a hopeless result since culture cannot be modified.

The relationship between Asian Values and Asian Financial Crisis

Economic development of the Asian countries has been greatly attributed to the Asian values. However, with the occurrence of the Asian Financial Crisis which started in Thailand and spread out to Malaysia, South Korea, Indonesia, Singapore, and Hongkong, some questioned whether this phenomenon was caused by Asian values due to its failure to prevent the crisis. An argument that Professor Han raised regarding this correlation is that the same Asian values that contributed positively to the economy during the early stages of industrialization and preglobalization became obstacles for the Asian countries in adapting to the new age of interdependence and globalization. This is because in a globalized world, there is a need for transparency, accountability, and global competitiveness which

Asian values do not possess. Failure to comply to the requirements of globalization, Asian values are seen as contributor to economic problems like the financial crisis. The Asian financial crisis has led to consequences not only in banks and financial markets but also in intellectual circles which triggered the reassessment of the definition of Asian values and its implicit challenge to the connection between capitalism and democracy.

III. CONTENT ANALYSIS

For the analysis this paper uses comparative analysis of impact and essence of Asian Values in East Asia before and after Asian Financial Crisis. In addition it researches if Asian Values are losing their impact on society and economics. Time by time, the influence of European and American ideology is getting stronger in Asia especially in Korea and Japan. As a result it seems collectivism is being replaced by individualism. This research focuses on the future of Asian Values.

Are Asian values disappearing?

Fukuyama (1998) stated that there is the possibility for Asian nations to reclaim the trajectory there were on before the Asian financial crisis. The problem would be is how the economic and political institutions of Asia will be able to survive the powerful forces of globalization with the use of Asian values. If Asia wants to remain competitive; then, massive changes to their system must be done such as changing the Japanese keiretsu and the Korean chaebol system; relaxing the regulatory hand of Northeast Asia; and strengthening the financial sector to ensure its soundness. Doing these changes, however, will result to the downfall of Asian values. As what Fukuyama had argued, the Asian crisis will undermine the ideology of Asian exceptionalism. Economic rules in Asia have not been suspended; with the region's economies catching up to the West, growth rates are declining and social problems are rising. And neither have the laws of politics: the well-documented correlation between stable democracy and a high level of development surely applies to a region where rising educational achievements and the complex nature of industrial or post-industrial societies will increasingly favor the rule of law and greater popular participation. The relationship of culture and development, especially with the creation of the Asian Tigers, was taken into consideration by scholars who tried to determine whether these countries followed a single growth path guided by their peculiar features. Only in the late 1980's did scholars start to deal more systematically and critically with the cultural forces behind the dynamic of East Asian growth. The economic dynamism of the East Asian NISs is focused on a combination of preferred timing of the world system, a special geopolitical position, and culturally embedded social behavior, believes Michael Hsiao, 1988. He states that at the time when the world economy was evolving and capitalist countries had a great degree of overall economic growth, East Asian NISs joined the international market. We were also better able to use this favorable time as East Asia was perceived as a bulwark against Soviet communism in the US Containment Policy during the post-war American hegemony. He points out that some popular cultural characteristics have enabled the Eastern Asian NIS to be economically successful and that the most critical of these characteristics is Confucian ethics and principles for work, family and organization. Such cultural influences should not be seen as individual characteristics. We are rather a series of institutionalized, societies-based cultural arrangements. William J. O'Malley (1988) tried to find a connection between Confucian culture and the pattern of economic development that he described as export-orientated, government-led and corporate-led. The evidence fits perfectly between the important aspects of Confucian culture and the type of institutional structures underlying Japan, Taiwan and South Korea's rapid economic development, in

particular the functioning of governments and businesses, as well as the relations between them. In his analysis of the Confucian characteristic of East Asian political systems (except Hong Kong) and the economic influence, Luciano Pye, (1988) discussed Confucianism and economic development issues. To Pye, these structures are a special blend of Confucianism and modern capitalism which could be called paternalism. We are authoritarian but also recognize competence, exalt technology, foster domestic growth and, in general, push for modernization and equitable economic development. Pye has studied the shifts in the modern capitalist authoritarian systems of the traditional East Asian Confucian states. The arrival of the more technologically advanced West forced the traditional group-oriented viewpoint from Confucian countries to shift beyond the family and the clan to include the country. This gave birth to a powerful sense of nationalism, a "quest for wealth and power" against the Western world. As a result, East Asian policymakers looked early on at issues of economic development and national development. Therefore they had a major head start in pushing for economic growth over the majority of the non-Western world. However the conventional Confucian sense of cultural superiority was broken by a second great shock that required real insight from outside the world. But after Asian Crisis in the early stages of development, many economists consider Confucianism as an impediment to economic growth. The explanation is the traditional religious system itself, which stresses hierarchy, individuals and reverence for the authorities. Moreover, "the natural world and man's social world [are] seen as a unity and believed to be governed by the same moral principle..." and thus the natural order is used to "justify existing social norms and institutions". In keeping with this argument, several economists proposed that, because of its strong links to historical practices and institutions, the teachings of Confucianism could have stopped or at least delayed the growth of the Tigers. Confucianism is in turn synonymous with a culture called 'feudalism' in clear contrast to the system of 'capitalism.' In this way they treated faith, which is important for the continuation of competition and the internationalization of world markets, as an impediment to the process of modernization. Confucianism, on the other hand, has promoted economic development in the areas of South East Asia by the values that it integrates. Nevertheless, the Confucian values and traditions, with their many roles, obligations and duties, give rise to a paradigm for the full government. Not only does the State act as a monitoring and regulatory body, it places great emphasis on development, education and mobilization. The bureaucracy is not only administrative and policy officials but also directs national interests and is often regarded as leaders, spiritualists and teachers. The idea of individualism, the importance of education and the government's perception of being a superior entity are just a few of the values that have fostered the creation of strong States which support Western international competition and promote the development of the countries. In conclusion, economists who supported this view argued that Confucian values, which might have restricted the initial development of the four Asian tigers, are the same ones that in recent decades allowed and encouraged their unprecedented growth. Current condition and impact of Asian Values Countries cultural values are considered to be a soft power. So that a nation keeps existing, they need to keep their cultural values as well. At present, unlikely in the past countries are not opening war to one another to take over them. Modernization theory may seem similar to Confucianism ideas, because both of them emphasize on education, self-development. However as far as I know, the original concept of Confucianism is not just teaching individuals for their personal benefits only. Society also should benefit from the knowledge of individualism. According to my understanding about modernization is about individualism, while Asian Cultural Values promote teamwork, society benefits. In this sense, they are different. However in my opinion Asian Values are slowly disappearing which is really sad. At least I consider it is sad. Japan and Asian tigers are now mostly following the way of living, studying, working, eating styles of Western countries. Family relations that were the main link of the Asian Cultural values are getting weaker and weaker.

In the past Asian people were much concerned about the development of the country, they were concerned about the society. However those traits are also becoming rare. On one hand it can be a positive side, but still cultural values are getting lost.

IV. CONCLUSION

From my point of view individualism will replace collectivity, which can be a good mediator for the growth of the economy. Because, in collectivism the effort of individuals cannot be observed. Individual approaches may make the working process transparent and productivity also will increase. But if Cultural values are taken into consideration, replacement of collectivism by individualism will cause the main characteristics of Asian Countries to disappear. From my point of view development can be achieved or increased without losing the cultural values. Because of war between South Korea and Japan they still do not have a good relationship. China wants to be ahead of Korea and Japan as well as the USA. In case of presence of conflicts/not good relationships among those countries, Asian Values can easily be affected.

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