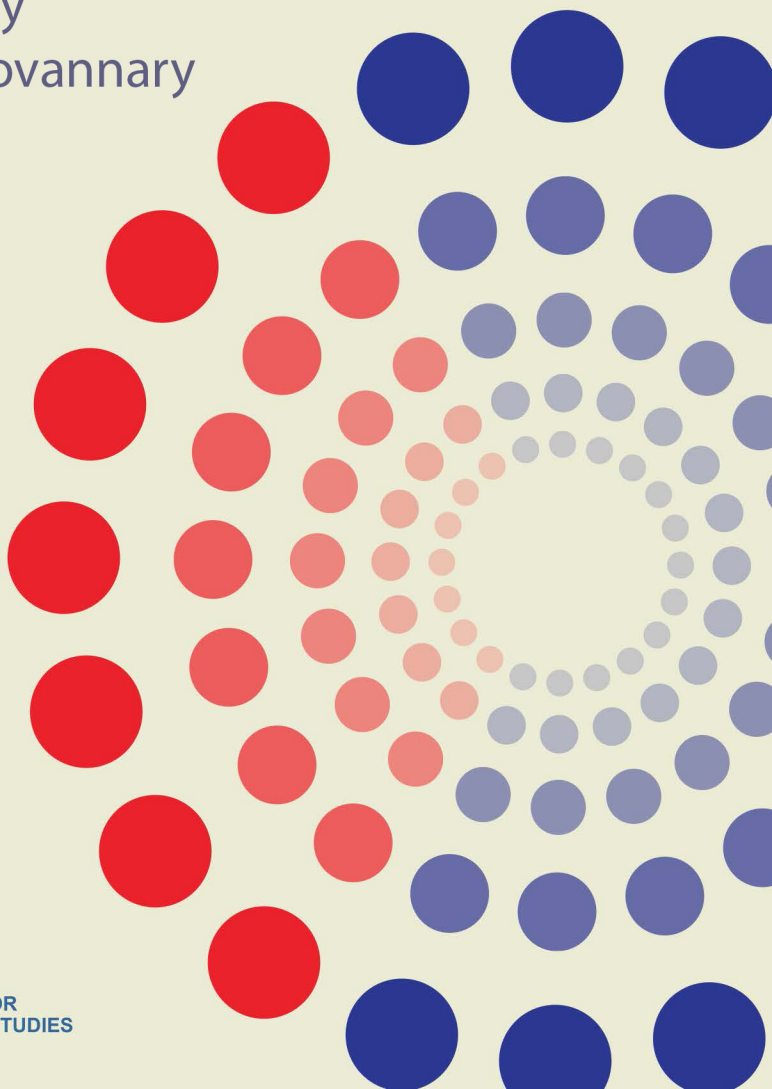


Selected Works

Contemporary Perspectives on
Cambodia and the Asia Pacific

Volume II
Chheang Vannarith

Compiled By
Sombath Sovannary



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Volume II

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DOMESTIC ISSUES

China, ASEAN and Cambodia

The rise of China generates both opportunities and challenges for Southeast Asian countries. China is both a global and regional economic locomotive. It drives regional economic development through the flows of trade, investment, and development assistance. But, meanwhile, it also creates a region-wide intense economic competition and a dependent-on-China economic development model.

During the Asian financial crisis in 1997, China significantly contributed to the regional bailout packages. Again, in the aftermath of the global financial and economic crisis in 2008, China provided economic assistance and loans to restore economic conditions of the crisis-hit countries and regions.

Foreign economic policy is the main pillar of China's foreign policy towards Southeast Asia. In 2010, China-ASEAN Free Trade Agreement (CAFTA) came into force, paving the way for deepening institutionalized trade ties between China and ASEAN member states. China is now ASEAN's largest trading partner, while ASEAN is China's third largest trading partner.

Bilateral trade volume reached US\$350.5 billion in 2013 – accounting for 14 percent of ASEAN's total trade. It is expected that the trade volume will reach US\$500 billion by the end of 2015. In 2013, ASEAN received US\$8.6 billion of foreign direct investment flow from China, accounting for 7.1 percent of total inflow of foreign direct investment (FDI) to ASEAN.

In October 2013 – during his state visits to several Southeast Asian countries – Chinese President Xi Jinping initiated the 21st century Maritime Silk Road to promote marine economy, maritime connectivity and trade relations. However, such increasing common economic interests are insufficient to building regional common public good, which includes strategic trust, confidence, peace and stability. China has to promote other fields of cooperation as well.

On the security and strategic front, China is struggling to build its image as a peaceful-development-oriented rising power. In 2002, China and ASEAN signed a Declaration on the Code of Conduct of Parties in the South China Sea (DOC) and adopted a Joint Declaration on Cooperation in the field of non-traditional security issues.

China has been arguably socialized by ASEAN norms. These norms include multilateralism, equal partnership, comprehensive security cooperation, peaceful settlement of disputes, non-interference, consensus-based, and collective identity building.

“Security in Asia should be maintained by Asians themselves,” stated Chinese President Xi Jinping at the fourth Summit of the Conference on Interaction and Confidence Building Measures in Asia (CICA) in Shanghai on May 21, 2014.

For Cambodia, China is one of the most important development and strategic partners. China is the top provider of development assistance and soft loans to Cambodia. China has provided about US\$3 billion to mainly develop infrastructure without many conditions attached.

However, the quality of the development assistance is relatively low. It lacks transparency and effectiveness.

China is also the main source of inflow of foreign direct investment to Cambodia. The cumulative Chinese investment in the Kingdom accounted for US\$9.6 billion from 1994 to 2013. The investment projects focus on labor-intensive industry, particularly the garment sector and natural resource extraction.

China is Cambodia's main trading partner. In 2013, the bilateral trade volume accounted for more than US\$3 billion.

At the bilateral meeting between Sun Chanthol, Cambodian Minister of Commerce, and his Chinese counterpart in Beijing last August, he requested Chinese government to provide duty and quota free to Cambodian. Cambodia hopes to see an increase of duty-free rice export to China from 100,000 to 500,000 tons.

Although China is the main development partner of Cambodia, the Chinese image among the Cambodian general public is not that good. Some may argue that China fails to project its soft power in Cambodia. China only focuses on the government, political parties, and business community. It does not pay enough attention to the people, especially those at the grassroots.

Therefore, China needs to invest much more in building its image abroad. Economic instrument alone does not help China to project its global power status. China needs to improve its transparency and effectiveness of its development assistance. In addition to building roads and bridges, it should also consider building schools and hospitals.

Chinese investment in Cambodia should closely link with poverty reduction, sustainable development, and inclusive growth. The Chinese companies must develop a culture of corporate social responsibility. Otherwise, it is hard for China to win the hearts of the local people.

Moreover, China needs to further accelerate people-to-people ties through cultural and educational exchanges. China-Cambodia young leadership programs should be developed to nurture and connect the future leaders of the two countries.

The Khmer Times, 4 September 2014

Cambodia-Vietnam Ties Remain Strong Despite Turbulence

Vietnam relations advanced over the years, especially in the economic field. Bilateral trade volume hit \$3.43 billion in 2013. Vietnam's foreign direct investment in Cambodia totals over \$3 billion.

Vietnam is Cambodia's third largest trading partner and its fifth biggest foreign investor. By 2015, bilateral trade is expected to reach \$5 billion, and Vietnam's total investment here is projected to hit \$4 billion.

Last year, 854,000 Vietnamese tourists visited the Kingdom, the largest of any country. By the end of 2015, this number may double to reach 1.6 million.

On defense cooperation, Vietnam has provided Royal Cambodian Armed Forces with more than \$21 million for military equipment, infrastructure development, training and capacity building. This year, Vietnam agreed to provide long-term training to 300 Cambodian officers.

Although bilateral ties strengthened over the decades, they remain vulnerable to domestic politics, nationalism, and external powers' intervention.

Different political groups implanted in Cambodian historical memory the perception of a threat from Vietnam. More Vietnamese businessmen and more migrants to the Kingdom add to that threat perception.

Recent anti-Vietnam protests in Phnom Penh challenged the friendship between the two countries.

Protests started after the Vietnamese embassy spokesman here said that the Kampuchea Krom provinces in present-day Southern Vietnam were under Vietnamese control long before colonial France officially ceded them in 1949.

On August 12, protesters burned Vietnam's flag in front of the Vietnamese embassy. The following day, Vietnam's Ministry of Foreign Affairs demanded "strict (dealing) with the case by Cambodian authorities in accordance with the law and effective measures to prevent any recurrence."

To cool tensions, Heng Samrin, president of the Cambodian National Assembly, visited Hanoi in late August to reaffirm Cambodia's good neighbor policy.

At a meeting with Vietnam's president, prime minister and the head of the National Assembly, Mr. Samrin highlighted positive developments of bilateral relations in all fields and reaffirmed Cambodia's commitment to stay friends.

But, on Sept. 6, Thach Seta, head of the Khmer Kampuchea Krom Community, announced

his group will resume anti-Vietnam demonstrations in early October.

On September 11, Tran Van Thong reportedly was removed from his position as Vietnamese embassy spokesman in a diplomatic gesture to reduce tensions. The Vietnamese Ministry of Foreign Affairs again asked Cambodia to “take effective measures to stop those wrongful actions of protesters.”

Although anti-Vietnam protests do not have much impact on the wider, positive trend of the bilateral relations, both countries need to work transparently resolve outstanding issues: border demarcation, cross-border migration, and economic land concessions granted to Vietnamese companies.

These issues should be resolved on mutual interests. Good bilateral relations between Vietnam and Cambodia serve the interests of both peoples – and positively contribute to building the ASEAN community.

The Khmer Times, 18 September 2014

Cambodia Faces Global Climate Change

Cambodia's Foreign Minister Hor Namhong dwelled up on the causes and impacts of climate change in his address Monday at the United Nations General Assembly in New York.

He urged the international community to fully implement climate change policies based on the UN's principles of Common but Differentiated Responsibilities.

Cambodia is supportive of the Conference of Parties on Climate Change.

It is expected that concrete results will be achieved by the next conference in December 2015 in Paris, following several failed attempts in previous conferences.

At the regional level, ASEAN has adopted an ASEAN Climate Change Initiative.

The initiative was seen as a consultative platform to enhance regional cooperation and capacity in climate change mitigation and adaptation. It outlines and promotes cooperation on policy formulation, information sharing, capacity building and technology transfer.

Why does it matter?

As a small developing country, heavily reliant on agriculture, Cambodia is one of the world's most vulnerable countries to climate change.

According the United Nations Development Program, long-term risks caused by climate change for rural Cambodians include food insecurity, water insecurity, waterborne diseases, natural disasters, sea level increases salt water, flooding of coastal regions, particularly in Koh Kong province, and the disruption of critical ecosystems.

Without preventive measures, the National Council on Green Growth estimates climate change will cost Cambodia around 1% of annual GDP by 2030, and 3.5% by 2050.

Losses mainly derive from climate-sensitive diseases, water scarcity, extreme weather events and impacts on infrastructure, energy sector and farming productivity.

Climate change can provoke population migration. Extreme weather events, especially floods and droughts, could force rural people to move to cities or seek work outside Cambodia.

What to do next?

Decision makers need to take actions urgently.

At the global level, developed and developing countries need to work collectively to cut carbon dioxide emissions and to support developing countries to mitigate climate change.

Legally binding national commitments with regards to emissions reduction are the only way out. Next year's conference in Paris must deliver that. There is no time left. Climate negotiation must go beyond the narrowly defined national interests and take on global responsibility.

ASEAN needs to invest more in building regional institutions that can effectively respond to climate change. More support is needed for less developed member states: Cambodia, Laos, and Myanmar.

On the national level, Cambodia's government needs to work with development partners, civil society groups, businesses, and local communities to educate, build appropriate infrastructure, strengthen capacities of farmers and develop resilient communities.

The Khmer Times, 3 October 2014

Cambodia's Development Path

Developing Asia is maintaining its growth momentum. But the recovery process of major industrialized economies remains uncertain and falls short of expectations, according to the Asian Development Bank.

The Bank estimates the growth rate of developing Asian countries is 6.2 percent, and for Southeast Asian countries 4.6 percent this year. For Cambodia, the growth rate is slightly over 7 percent.

The ASEAN Economic Community scheduled to be completed in the end of 2015 will create more opportunities for Cambodia, but it needs to prepare to face intensive competition in goods and services.

Locating in such a dynamic region full of potential, Cambodia can quickly move up the economic development ladder, from a labor-intensive and natural resources based economy to a knowledge based economy.

Political leadership, bureaucratic capacity, social democracy, and entrepreneurship can unlock Cambodian potential. Robust governance reforms and constructive social mobilization are preconditions to build an accountable and clean state institution.

If it can maintain an annual GDP growth rate of 7 percent in the next two decades, then Cambodia can realize its vision of becoming a middle-income country by 2030.

But the question is: how to sustain that high economic growth? The growth base relies on four sectors: garment industry, tourism, construction, and agriculture. It is therefore necessary to diversify the sources of economic growth.

To create new growth drivers, the Royal Government of Cambodia has introduced economic development policies that include industrial development policy and human capital development.

Industrial development policy aims to facilitate investment in industrial infrastructure, promote manufacturing industries and agro-processing, create more value to the service sector, and link domestic production bases with regional and global production networks.

Structural constraints in promoting industrialization are: weak institutional coordination, low technology knowhow, low human capital, insufficient infrastructure, limited financing, and lack of government's facilitation and incentives.

The National Strategic Development Plan 2014-2018 lays out comprehensive economic reform programs, including business sector development. The private sector is regarded as the engine of economic growth. It plans to create a favourable investment climate to attract more foreign direct investment, promote domestic investment, and support local entrepreneurs.

Concerning human capital development, education reform has been robust under the new leadership. There are eight integrated reform measures: enhancing the quality and efficiency of education, strengthening personnel management, strengthening examinations, higher education reform, developing technical skills for the youth, reform of the public financial management, improving physical education and sports, and creating intellectual back in education sector.

Remaining challenges are the widening development gap between the rich and the poor, between the urban and rural areas. Socio-economic inequality and injustice threaten long-term peace and development.

Development needs to go beyond economic growth. It has to include social policy.

For long term solutions to social and economic issues, Cambodia should develop a national welfare state and socially just development. It needs to carry out comprehensive reforms including taxation, labor market, pensions, health care, and education/training to serve interests of the people, not the elites.

Addressing social exclusion and injustice requires development of a structural social policy. It needs to address the sources and causes of structural vulnerabilities and power hierarchies. Development programs need to promote social inclusion and accountability.

The Khmer Times, 10 October 2014

Leaders Appreciate Strong Ties Between Cambodia and Vietnam

Last week's state visit by President Truong Tan Sang to Cambodia was a significant step in consolidating bilateral ties between the two countries and peoples although there are remaining challenges to be tackled, particularly migration and border issues.

King Norodom Sihanomi called the visit as another milestone in maintaining and deepening the bilateral cooperation in all areas. Cambodia highly respects the traditional friendship and partnership between the two neighbors.

President Sang emphasized the importance of the bilateral friendship. He asserted Vietnam would commit to work together with Cambodia to implement the policy of "good neighbor, traditional friendship, sustainable and comprehensive partnership."

The ruling Cambodian People's Party (CPP) wholeheartedly appreciates the support given by Vietnam in toppling the Khmer Rouge regime which killed about two million people, or one quarter of the total Cambodian population at the time.

National Assembly President Heng Samrin and CPP Vice-President Say Chhum reiterated that Cambodia would not be where it is today without the generous support and sacrifice from Vietnam. Cambodia remains grateful to the people of Vietnam for what they have done for Cambodians.

January 7th, although it is a political contentious event, is the day to remember the killing fields and to celebrate the victory over the Khmer Rouge. It is carefully organized to raise the public image of the ruling CPP.

Prime Minister Hun Sen also expressed his commitment to nurture bilateral friendship during his meeting with President Sang. Both sides committed to firmly stand on their positions to not allow opposing groups use their territories against the other, and to accelerate implementation of bilateral agreements, particularly border demarcation.

However, the main opposition group in Cambodia remains skeptical of the strategic intentions of Vietnam. They view Vietnam as the core threat to Cambodian security, territorial integrity, and identity. Such perception and approach are politically and socially constructed to challenge the old establishment under the leadership of the CPP.

This dangerous move needs to be neutralized, especially within the context of regional integration and community building. ASEAN Member States should not view each other as threats. On the other hand, they need to regard each other friends and partners and to work together to promote mutual understanding and trust.

Neighbors cannot be changed. There is a need to peacefully live and develop together. More responsibility rests on the bigger neighbors in assuring that they do not have intentions, or take

actions, that threaten the security, territorial integrity and sovereignty of their smaller neighbors.

All political factions in Cambodia need to work together to find a common foreign policy towards neighbors based on principles of international law. Raising the banner of nationalism against a neighbor is not healthy in promoting regional peace and stability.

Political and strategic trust is the cornerstone of peace and stability. It needs to be earned through frequent and frank communication and dialogues at different levels. People-to-people ties are crucial in forging long-term friendship and partnership. Cambodia and Vietnam must continue working together to achieve these goals.

Apart from political issues, bilateral economic relations remarkably improved over the last decade. Such deepening economic integration significantly constitute the core pillar of Cambodia-Vietnam relations.

There are currently 128 investment projects by Vietnam in Cambodia, with a total investment capital of \$3.36 billion. Vietnam now ranks 5th among more than 50 countries invested in Cambodia.

It is estimated that the foreign direct investment from Vietnam will reach \$6 billion in 2020. Investment capital is expected to reach \$4 billion in 2015.

Bilateral trade volume reached a new height in 2014, with the accumulated trade volume of \$3.5 billion. It is estimated that \$5 billion will be achieved by 2015, and \$6.5 billion by 2020.

Strong and healthy bilateral cooperation between Cambodia and Vietnam serves the interests of both peoples. It is win-win cooperation. Such networks of bilateral ties constitute the foundation of building a stronger ASEAN Community.

To realize the vision of an ASEAN Community, with the central role of shaping the regional architecture, Cambodia and Vietnam must work closer together to fully implement regional community blueprints and prepare action plans for the post-2015 ASEAN. ASEAN Community building is a journey which requires full participation from every member.

The Khmer Times, 29 December 2014

Cambodia's Healthy Political and Economic Outlook

Cambodia is entering a new phase of political and economic development. National, regional and global conditions shape the future of Cambodia. Economic performance remains good, and political development is on the right track.

According to the forecasts, the Kingdom will retain its over 7% growth rate for the next few years. For 2015, the growth rate is estimated to be about 7.3%, slightly higher than 2014. However, the sources of growth still narrowly concentrate on the textile industry, construction, tourism and agriculture.

The economic structure is gradually diversifying through the development of light manufacturing industry, agro-industry, financial service and logistics. In addition, E-commerce will potentially take shape in the next few years.

The flow of foreign direct investment, especially from China, Japan, South Korea and other ASEAN emerging economies, is going to concretize such diversification of the economic structure and sources of growth and employment.

Skill gaps are the main constraint for young workers and fresh graduates seeking suitable employment opportunities. The outflow of Cambodian migrant workers to the regional countries, especially South Korea, Thailand, and Malaysia, is going to increase.

Corruption and inefficiency on the part of the public sector continue to restrain the foreign direct investment flow and slow down economic competitiveness, seriously limiting the growth potential and poverty reduction efforts.

To maintain high economic growth, Cambodia needs to strengthen its fight against corruption, improve the quality of education, and accelerate the pace of skill development programs. Under the new leadership, the Ministry of Education has carried out serious reform, particularly with regard to vocational training.

Political development is generally on the right track. There is good progress in political reconciliation and dialogues, power accommodation and position adjustment between the two main parties: the Cambodian People's Party (CPP) and the Cambodia National Rescue Party (CNRP).

Newly emerging grassroots-based political organization such as the Khmer for Khmer political network is going to transform country's rural politics. Political decentralization and the empowerment of the rural local community will challenge the traditional power base of the long-ruling CPP.

Although the new normal Funcinpec party can partially restore its political trust and support, it remains minimal in shaping the fast-changing political landscape and dynamics in the country.

Most the supporters of Funcinpec have either joined CNRP or CPP. Prince Norodom Rannaridh will find it difficult to convince them to rejoin Funcinpec.

If the small parties can mobilize their support, then it is highly possible to see the return of the establishment of a coalition government after the next general election. The Khmer for Khmer political movement may be transformed into a political party. It can get support from those who are politically neutral and undecided. It can potentially win some seats at the National Assembly.

In that case, the political system will move from the current bi-party back to a multi-party political system. More political actors will join political stage, and political power bargaining may become more complicated.

At the regional level, Cambodia will be greatly impacted by the regional community-building process. This year marks a special year for ASEAN and its member states. ASEAN Community building will be largely completed by the end of this year, although there are remaining obstacles and gaps to be overcome.

Such deepening regional integration provides Cambodia an opportunity to attract more foreign direct investment, expand its export market, and develop its infrastructure and logistics to link with other economies in the region.

Meanwhile, ASEAN integration also pressures the Cambodian government to speed up institutional reform. To catch up with other member countries, Cambodia has no other choice but to increase its productivity, efficiency and competitiveness.

Cambodia could consider integrating two development models: the developmental state model practiced in East Asia, especially Japan and South Korea, and the successfully implemented social welfare state systems in Scandinavian countries.

As a small and poor country, Cambodia cannot do much to shape the global and regional political-economic development trends. But with strong leadership and national unity, it can smartly transform the external environment into the source of national strength.

The Khmer Times, 13 January 2015

Tackling Vietnamese Migrants in Cambodia

The issue of Cambodia's ethnic Vietnamese community has been highly politicized by different political groups. It has risen to the top of the political agenda in contemporary Cambodian politics and become the subject of a political game. Although it looks ugly, especially within the context of regional cooperation, it serves the political purposes of certain political groups.

The opposition party has consistently played this card and effectively challenged the legitimacy of the ruling party in its efforts to accumulate political scores. It directly attacks the foundation of the legitimacy of the ruling Cambodian People's Party(CPP): the toppling of the Khmer Rouge regime with the support from Vietnam.

Vietnam threat perception is very much orchestrated by the opposition party and the nationalist movement in Cambodia. It created a new big wave of anti-Vietnamese sentiment over the last few years. Such threat perception is counterproductive to good neighbor relations and the Asean Community building efforts.

It is therefore necessary to move from politicization of the issue toward evidence-based and solutions-oriented dialogue. It needs to distinguish between ethnic minority groups who have lived in the Kingdom for a long time, and foreign migrants who recently moved to Cambodia to find opportunities.

First, there is a need for academic and policy research on all ethnic groups in Cambodia in order to better understand their livelihood, cultural identity, social structure, and their contribution to national development and collective identity construction. Cambodia needs to build a harmonious society for long-term peace and prosperity.

Vietnamese Cambodians constitute the largest ethnic minority in the Kingdom. They have lived and integrated themselves into Cambodian society since the 17th century. Similar to other ethnic groups, ethnic Vietnamese have significantly contributed to Cambodia's economy and society. There is no reason to be afraid of this ethnic group. The issue however arises from the recent flow of Vietnamese migrants to the country.

With regard to the increasing number of temporary Vietnamese migrants, more scientific research should be conducted to understand the driving forces, impacts, and characteristics of these migrant workers. Based on this, policy recommendations can be developed to reduce negative impacts of immigration and determine practical ways to transform foreign migrants into a source of national development.

Second, there is a need to strengthen institutional capacity, facilitate inter-ministerial coordination, and promote multi-partnership to deal with illegal migration. For instance, in the recent national census raids, more than 1,000 illegal Vietnamese migrants were deported. This was a positive initial step in governing foreign migrants in the Kingdom.

Third, bilateral cooperation between Cambodia and Vietnam in dealing with migration issue is essential. They need to work closely together to strengthen cross-border control and cooperation to prevent the flow of illegal migration and human trafficking.

Both Vietnam and Cambodia should encourage more investment and job creation in border areas. It can help reduce the flow of illegal migration. The implementation of development projects in the Cambodia-Lao PDR-Vietnam Development Triangle will significantly reduce poverty along the border areas.

Last, there is a need for holistic approach towards cross border migration based on the principles of national and international laws, in line with regional cooperation and integration projects and national development and poverty reduction. If well managed, regional migration would positively contribute to national and regional development and community building.

The Khmer Times, 25 January 2015

Reform: The Future of CPP

Last week's extraordinary party congress clearly and substantially demonstrated the political will and commitment of the Cambodian People's Party (CPP) to deeply reform itself after a serious setback in the last general election in July 2013. It is not too late for a reality check and institutional surgery for this longtime ruling party. CPP has a strong chance of restoring public trust and confidence.

Cambodia is afflicted with the cancer of nepotism, corruption, and ignorance. In the last three decades, corruption has become systemic and endemic. It is deeply rooted into the whole party and government systems. Some may argue that corruption has become an integral part of Cambodian culture, and is impossible to root out unless there is a complete power transformation and a strong social movement.

Nepotism is widespread across government ministries from the national to the local levels. Some ministries have become a family business. Children and relatives of these ministers have been brought in to consolidate power and monetary interests. This creates serious public institutional inefficiency and injustice.

Cambodian leaders are ignorant of the fact that social dynamics have been changing rapidly. Public distrust and discontent has been on the rise due to the inefficiency of the government institutions, a weak and corrupt judicial system, a culture of impunity, mismanagement of natural resources, deforestation, overfishing, land disputes, widening income inequality and social exclusion.

Cambodia is confronting two main risks: class struggle and external intervention. Social class struggle is driven by the rapidly widening development gap between the urban and rural areas, increasing tensions between the rich and the poor over social status, and access to resources.

The possible alliance among the workers, peasants and intellectuals could pose serious threats to the power status quo in the Kingdom. In such scenario, Cambodia may be thrust into another significant political change. History shows that power transition in Cambodia has never been smooth and peaceful. It is therefore necessary to implant a culture of peace and tolerance in society.

Cambodian politics has suffered from the intervention of external countries. Without national unity and strength characterized by political consensus and inclusive socio-economic development, Cambodia is not resilient to external pressures and changing power dynamics, especially in the Asia-Pacific.

The road ahead for the CPP is to change the direction of such political and social dynamics. First, it needs to set action plans to reform at all levels. Decisive, bold and transformative leadership is required to deliver concrete results. It is not a treatment; it is a surgery. It takes some risks to go through this process. And the recovery will be painful and time consuming.

Secondly, the ruling party must strengthen its bureaucratic capacity. Merit-based recruitment and a reward system need to be introduced and strengthened. Salary reform for public servants is the key to retaining talent within state institutions. Recognition and justice are fundamental to public human resource management.

Thirdly, CPP needs to encourage and motivate its party members to embrace change. It needs to invest in creating a new generation of leadership with an open mindset, high sense of reflection and self-realization, and who are firm in value and strategic position but flexible in tactical approach and communication. They should also be ready to listen to diverse arguments, and have the capacity to select the best solutions to the problems and issues facing Cambodian society.

Lastly, the party must live with uncertainty and be ready to face future challenges and risks. In the worst-case scenario, CPP may not maintain its power after the next election. In such a case, CPP should have an appropriate strategy to return stronger. Unity within the party is crucial. Political leadership, bureaucratic capacity, and strategic action plan are the cornerstones of a resilient and strong party.

The Khmer Times, 3 February 2015

Culture is a Source of Identity and Development

Under the label “Cambodia: The Kingdom of Wonder,” Cambodia is promoting its tourism and national identity. Culture and historical heritage are regarded as the bedrock of identity construction and sustainable development.

Three decades of civil war greatly destroyed Cambodian historical and cultural heritages. Cultural elements were rooted out during the Khmer Rouge regime. After restoring peace and stability in the early 1990s, Cambodians have struggled to reconstruct their identity.

Although globalization hit Cambodia particularly hard in the 1990s, cultural identity remains strong and vibrant, deep in the heart and soul of Cambodians. National pride rests upon the concept of Khmer Angkor, although there is no standard definition of the term.

Historical and cultural meanings attached to the Angkor temple complex, Khmer language, Theravada Buddhism are the main sources of Khmer identity. Inter-generational knowledge transfers of family value, customs, and traditional rituals, help preserve cultural heritage. Culture is a key to social cohesion and a wellspring for social resilience.

Cambodian nationalist leaders always have linked their political platforms and movements with the distant glorious Angkor period. Angkor Wat temple has become the symbol of the Cambodian national identity and unity. Angkor is the soul and spirit of all Cambodians.

Angkor Sangkran, the annual cultural event, organized by the Union of Youth Federations of Cambodia to celebrate Khmer New Year, is an attempt to raise public awareness especially, among the young generation, of traditional Khmer cultural values and customs.

Angkor Sangkran needs to add more substance. It should expand its activities and programs to include public roundtables on Cambodian identity and cultural values, cooperation with other regional youth associations to promote cultural diversity, and implanting a culture of peace and tolerance.

Cambodia’s cultural heritage has attracted millions of international tourists. Culture tourism accounts for 80 percent of Cambodia’s tourism. The tourism industry generated \$3 billion revenue last year.

At the World Conference on “Tourism and Culture: Building a New Partnership,” Prime Minister Hun Sen stressed last week in Siem Reap the key role of culture in developing sustainable tourism and development.

“Culture tourism development will benefit community development, enhancement of local people’s living standards and local development,” the Prime Minister told tourism and culture ministers gathered from around the world for the opening session.

Culture is an enabler and driver in development. Incorporating culture into development policy promotes sustainable development, social inclusiveness, and cultural diversity. Development is

not only about GDP and per capita income, but also social and cultural wellbeing and harmony.

Cambodia has comparative advantage in integrating culture into its development strategy. Cambodia has great potential to become a regional role model in promoting and integrating culture into regional cooperation for sustainable development.

A proposed National Consultation Group to promote Cambodia's culture tourism should expand its scope to include culture tourism, cultural diversity, sustainable development, and creative industries.

This group's policy recommendations should be integrated into the national development strategy. This model of linking culture with development can be applicable around the world.

The Khmer Times, 10 February 2015

Japan Eyes Cambodia in its Mekong Strategy

Cambodia's Deputy Prime Minister and Minister of Interior, Sar Kheng, is in Japan through Thursday of this week to strengthen bilateral cooperation between the two countries, as well as to enhance the Japan-Mekong partnership. He will deliver the opening remarks at the Fifth Meeting of the Public-Private Cooperation in the Mekong region and exchange views with Japanese leaders.

The Mekong region occupies a key strategic and economic position in East Asia. It has become a ground for major powers to compete and get access to natural resources and expand their sphere of influence. Moreover, the rising influence of China has alarmed Japan, the US and India.

To counterbalance the rising power of China, Japan has initiated different cooperation mechanisms to strengthen ties between Japan and the countries in the Mekong region. The first annual Japan-Mekong Foreign Ministers Meeting took place in 2008, and the first annual Japan-Mekong Summit took place one year later.

At the 6th Japan-Mekong Summit in Tokyo in November of last year, Japan committed 600 billion yen (\$5 billion) to support development and infrastructure projects of the Mekong region under the three pillars: "Enhancing Mekong Connectivity," "Developing Together," "Ensuring Human Security and Environmental Sustainability."

Japan has assisted the Mekong countries in drafting the "Mekong Industrial Development Vision" and concretizing the Southern Economic Corridor and East-West Economic Corridor. In addition, Japan supports the functioning of the Mekong River Commission in sustainably managing water resources and biodiversity.

The construction of hydropower dams along the main stream of the Mekong River poses serious economic and security threats to the downstream countries. It is the source of regional disputes and conflicts. Without an effective regional institution to manage the differences, the riparian countries may potentially go to war over the access to and management of the water resources. Japan may use the water dispute to challenge the upstream country, China.

India, from the Japanese point of view, plays a crucial role in balancing the rising power of the China in the region. Therefore, Japan has invited India into the discussion by linking the infrastructure and economic corridors between India and the Mekong region. Japan has invested in infrastructure projects such as the India-Myanmar-Thailand Trilateral Highway and the Dawei special economic zone project.

Although Cambodia is the closest friend of China in the region, Japan has high hopes that the direction of Cambodia's foreign policy remains on the path of neutrality. Cambodia needs economic assistance for its own survival and security. The only way not to allow Cambodia to fall into the strong Chinese sphere of influence is to support economic development and poverty

reduction in the country.

Japan also calculates that strong democratic values and institutions can assist Cambodia and the Mekong region to build their own identity and strengthen their independent and neutral position in the region. Although Japan has not put its democratic card up front in its approach to the region, democratic values and good governance are principally attached in their development assistance and cooperation.

Japan has agreed to support electoral reforms in Cambodia, clearly demonstrating Japan's strong interest in promoting democracy in the region. Cambodia is the first country to which Japan has ever provided such support. It is a laboratory for Japan's development assistance in promoting electoral democracy in the Mekong region.

Cambodia, like other regional countries, defines national interest and security as economic development. To gain influence in this country, economic tools are required. Development assistance is just a short-term solution to development. Investment and trade are the long-term solutions.

Japan will continue to expand its economic presence in Cambodia and the Mekong Region. More Japanese firms are interested in investing in the region. The bilateral trade volume between Japan and the Mekong region is increasing, partially due to intra-industry trade.

Japan is clearly China's main competitor in the Mekong region. Cambodia is at the forefront of this power competition between these two regional powers. Cambodia is walking on a tightrope, as long as the bilateral tensions between China and Japan are not eased.

The Khmer Times, 15 February 2015

China Promotes Public Diplomacy in Cambodia

It is an uphill struggle for China to build its global image as peaceful rise. China needs to offset the threat perception, a view held in some quarters. The real challenge to regional peace and stability is the lack of strategic trust and confidence. China needs to convince its neighbors that the rise of China is the rise of the whole region.

The prevailing view in China is that for China to succeed in its global power projection, it has to do through its soft power – economic and cultural power – not hard power – military power. Soft power has been the key element in China’s foreign policy and diplomacy at least for now.

Public diplomacy is exercised to implement China’s soft power, which is the ability to win the hearts and minds of others, persuade and affect others to achieve the outcomes that China wants through attraction rather than coercion or payment.

China wants to build a global image of peaceful rise without compromising its core national interests. It wants to advance its culture, and to spread its civilization around the globe. China used to be the center of the universe and the China dream is to rejuvenate that historical role and status in a different form.

The instruments of public diplomacy that China has exerted include cultural exchanges, language training, education, research and publication, youth programs, and media. Confucius Institutes have been mushrooming around the world to promote Chinese language and culture.

Cambodia is fertile ground for China to test its soft power through public diplomacy. The Confucius Institute was opened in Cambodia in 2004. Later, in 2009, it was changed to the Confucius Institute of the Royal Academy of Cambodia, affiliated with the Council of Ministers.

The Institute conducts cultural exchanges and it provides training classes and workshops to local Chinese language teachers, and Chinese language training for government officials. The Institute is expected to open branches in all provinces in the Kingdom.

The Institute also provides a platform to promote government policy. Early this month, the book “Xi Jinping: The Governance of China” was launched with the presence of the Cambodian Deputy Prime Minister Sok An and the Chinese Ambassador Bu Jianguo.

Sok An, as reported by Xinhua News Agency, stated “The book has reflected Xi’s strong commitment and efforts toward deeper reform on governance [...] It will enable the world to better understand China’s development, domestic and foreign policies, and response to the concerns of international community”.

In November last year, the first Chinese Cultural Mansion in a foreign land was inaugurated in Phnom Penh to provide classes on Chinese paintings and calligraphy, music, martial arts and dances to Cambodian students. It is another cultural institution to complement the Confucius

Institute.

Noticeably, Cambodia and China jointly celebrated a splendid and grandiose Spring Festival this year. It was one of the biggest cultural events between the two countries and it was presided over by the Cambodian Prime Minister Hun Sen and the First Lady. It clearly demonstrated that the Cambodian leaders give high respect to the friendship with China, and showed strong cultural ties between the two countries and peoples.

On education exchange and human resource development, the Chinese government annually provides scholarship to more than 70 Cambodian students to pursue their higher education at different universities across China. Since 1998, more than 600 Cambodian students have graduated from Chinese universities. There are many other short-term trainings and workshop programs supported by China to improve leadership capacity of the Cambodian government officials.

China's public diplomacy, especially through cultural and educational exchanges, works well in Cambodia. Cambodian students have greater opportunity to learn more about China.

However, China needs to continue improving its image through the reform and improvement of the private sector as well to dispel doubts and concerns that China is exploiting Cambodian natural resources and breeding corruption. The Chinese companies in Cambodia must be more socially and environmentally responsible.

The Khmer Times, 26 February 2015

Cambodia Leads ASEAN Promoting RtoP

Last week, Cambodia hosted an international conference to commemorate the 10th anniversary of the adoption of the Responsibility to Protect (RtoP) doctrine by world leaders at the 2005 World Summit. Cambodia has since shown great interest in taking a leading role in promoting RtoP in Southeast Asia.

“I believe that Cambodia has an important role to play in promoting Responsibility to Protect and mass atrocities prevention in Southeast Asia, given our own unique experience and what we have accomplished so far in addressing the past atrocities under the Khmer Rouge regime,” stated the Cambodian Prime Minister Hun Sen.

Hun Sen intends to encourage other members of Asean to sign and ratify the Rome Treaty, promote regional dialogue, make Cambodia a regional hub in RtoP training and education, and also a coordinator of UN-ASEAN partnership in promoting RtoP in Southeast Asia.

As agreed by UN Member States, the RtoP concept rests on three equally important and non-sequential pillars: (a) the responsibility of the state to protect its population from genocide, war crimes, ethnic cleansing and crimes against humanity, and from their incitement;(b) the international community’s responsibility to assist the state to fulfill its responsibility to protect; and (c) in situations where a state has manifestly failed to protect its population from the four crimes, the international community’s responsibility to take timely and decisive action through peaceful diplomatic and humanitarian means.

RtoP does not impose any new legal obligations upon states or widen the legal scope for interference in domestic affairs of states. Prevention is the single most important element of the RtoP. RtoP is best served by helping states to build the capacity to prevent the four crimes from being committed in the first place. Thus, RtoP helps strengthen sovereignty by enabling states to fulfill their sovereign responsibilities.

Cambodia should develop a concept paper on establishment of the Asean RtoP Network and submit it to the ASEAN Summit in Malaysia this year. A concept paper would aim to prevent commission of genocide, war crimes, ethnic cleansing and crimes against humanity in Southeast Asia through dialogue. To achieve that, specific objectives might include: providing technical assistance on request to ASEAN member states in capacity building related to preventing the four crimes

examining the cooperative development of civilian capacities to assist states under stress when such assistance is requested

considering ways of enhancing key national and regional capacities to strengthen the potential for ‘Southeast Asian solutions to Southeast Asian problems’

allocating expertise and resources to raising awareness about RtoP among states and societies in Southeast Asia

establishing formal pathways for cooperation between the UN and ASEAN and leveraging additional investment and technical support

fostering regional ownership of RtoP and ensuring that it is localized in a manner consistent with existing regional norms and interests

establishing a useful vehicle for region-to-region learning about practices and capacities needed to implement the RtoP and for deepening regional partnership with the UN

developing a capacity for information sharing that might strengthen early warning of the four crimes and enable to region to feed advice into the UN.

To accomplish these goals, the Asean RtoP Network needs to facilitate regular meetings for Asean officials to foster cooperation. In particular, the Network could appoint national RtoP focal points for each country. It could support national capacity building through trainings and educational programs, and facilitate information relating to early warning.

If Cambodia can champion promotion of RtoP in Southeast Asia, it would promote the international image and role of the Kingdom. To strengthen its global role, Cambodia now needs to invest more in three areas: cultural diplomacy, peacekeeping operations, and RtoP.

The Khmer Times, 5 March 2015

Cambodia and China's "Belt and Road" Initiative

During visits to Central Asia and Southeast Asia in 2013, Chinese President Xi Jinping launched the "Silk Road Economic Belt" and "21st century Maritime Silk Road." This is generally referred to as the "Belt and Road" initiative, aiming to boost intra-regional and inter-regional economic integration.

The "Belt and Road" initiative is the core foreign policy of China under Xi Jinping as China embarks on its global power projection. The initiative also helps build Chinese identity and their global image, realizing the "China Dream" and the "Rejuvenation of China".

The action plan on framework and mechanisms was released last month at the Boao Asia Forum in Hainan. At the Forum, President Xi assured that the initiative is progressing forward.

"The 'Belt and Road' initiative is not meant as rhetoric," he said. "It represents real work that could be seen to bring real benefits to the region."

However, infrastructure development under "One Belt, One Road" requires huge financing. China alone is unable to support this. For the initial stage, China is ready to contribute \$40 billion from its Silk Road Fund, as announced last November.

Chinese-Led Infrastructure Bank

China proposed to establish the Asian Infrastructure Investment Bank (AIIB) in October 2013 to mobilize multilateral sources, primarily to finance infrastructure development, intra-regional and inter-regional connectivity, and economic integration.

By January, 26 Asian countries joined the AIIB as founding members. If things go smoothly, the AIIB will be formally established by the end of this year. The AIIB will play a complementary role to such existing financial institutions as the Asian Development Bank and the World Bank.

For Southeast Asia, China is the core economic partner. China is Asean's largest trading partner. Asean is China's third largest trading partner. Bilateral trade volume between China and Asean is expected to reach \$500 billion this year and \$1 trillion by 2020.

The "Belt and Road" initiative further connects and integrates the economies and peoples of the two regions. But the main challenges to overcome are strategic trust and confidence-building between China and its Southeast Asian neighbors, in particular the Philippines and Vietnam.

Cambodia and the Bank

Cambodia is a founding member of AIIB. The "Belt and Road" initiative will greatly benefit

Cambodia in infrastructure development and regional connections. The Asean Economic Community will reach a significant milestone by the end of this year, pushing Cambodia to strengthen its economic competitiveness.

Human resources and infrastructure development – especially roads, rails, sea ports, telecommunication and electricity power grids – are the two most important instruments to help Cambodia to concretize its economic reform agenda and grasp benefits from regional economic integration.

“Lack of capital is a main obstacle for countries in the development of infrastructure, so China’s initiatives for the AIIB and the Silk Road Fund are very useful,” Prime Minister Hun Sen said in January at the inauguration of the hydroelectric dam in Koh Kong province.

“We will surely explore the opportunity to capitalize on these latest developments to support our reform and development agenda in the priority areas,” the Prime Minister said later in March at the Cambodia Outlook Conference.

Clearly, the AIIB will fill the infrastructure finance gap. Cambodia will greatly benefit from the “Belt and Road” initiative. But, the government must pay closer attention to the quality and inclusiveness of the infrastructure development projects.

Transparency and social and environmental accountability need to be taken into consideration as well in the development projects. Otherwise, the fruits of development will not be fairly shared.

The Khmer Times, 9 April 2015

What Next for the New NEC?

A new National Election Committee (NEC) was formed and approved by the National Assembly last Friday in an attempt to build a credible, transparent and independent NEC after the most controversial elections in July 2013. It is a milestone in Cambodia's electoral reform.

The negotiation on electoral reform between the Cambodian Peoples' Party (CPP) and the Cambodia National Rescue Party (CNRP) began at the political reconciliation and agreement between the two parties on 22 July 2014 and lasted for eight months.

The negotiation was a long but fruitful process. It not only paved the way for institutional reforms, but it also served as a confidence and trust building measure for both parties to work together. The culture of dialogue between the two political parties has come a long way within a short time frame and is finally starting to produce some fruitful results.

Expectations of the new NEC are considerably high but with cautious optimism. Some civil society groups in the Kingdom have raised their concerns and doubts with regard to the independence, neutrality, and inclusiveness of this new electoral body.

Firm Political Commitment

"From now on, the NEC members are no longer members of political parties," said Prime Minister Hun Sen. "The new election body is very important to promote trust in the elections."

In response, Sam Rainsy, the minority leader in the National Assembly, stated "I congratulate the National Assembly for choosing new NEC members, and from now on people will trust the NEC and the future elections will not have problems like previous elections."

However, actions speak louder than words. Outcomes determine the process. The Cambodian people and international community are following closely the institutional development and functions of the new NEC and the preparation for the upcoming elections.

Currently, the core issue is how the new NEC should move from here. Experiences from the past have shown that political interference, lack of transparency and accountability, and weak election dispute settlement mechanism are the main issues and challenges of the old NEC.

Therefore the new NEC has to develop an innovative way to strengthen its institutional capacity and leadership to overcome those issues and challenges. The nine members must work together as a team, serving the best interests of Cambodian people not the political parties.

Capacity building and professional development for the new NEC staff are crucial. The new NEC should also develop its in-house research and training capacity related to election laws and regulations, voter empowerment, electoral reform, election monitoring, election organization, election disputes settlement, and conflict resolution.

Multi-Partnership Building

The new NEC must build a strong partnership with both the local and international civil society groups working on elections. The international donor community should take this opportunity to provide more electoral support to the new NEC.

So far Japan has shown commitment to improve and systemize the voter registration. Japan will send voter registration experts once the new NEC is formed. The European Union is also interested in expanding its electoral support to the Kingdom.

“The EU stands ready to bring assistance to Cambodia to ensure that future elections are transparent, inclusive and credible,” said in the statement of the EU commission to Cambodia after the new NEC was created.

A Means to Build Legitimacy

Elections are the indispensable links between the state or government and society or people. Free, fair, and inclusive elections are the foundations of representative democracy.

With strong and credible electoral system, post-election political deadlock and crisis can be prevented.

“Building democracy is a complex process. Elections are only a starting point but if their integrity is compromised, so is the legitimacy of democracy,” stated Kofi Annan, former Secretary General of the United Nations.

The Khmer Times, 12 April 2015

Our Culture of Dialogue: Boon not Bane

The fast-moving political reconciliation and trust building between Prime Minister Hun Sen and opposition leader Sam Rainsy in such a short period has intrigued observers of Cambodian politics.

Political dialogue is normally a time-consuming process. It requires patience. It reflects historical experiences and memories.

It develops from voluntary measures to politically binding provisions and then, if possible, to legally binding obligations.

The current political dialogue between the ruling Cambodian People's Party (CPP) and the opposition Cambodia National Rescue Party (CNRP) started last year after the July 22 political agreement between the two parties, ending an almost year-long political deadlock.

A Playing Field for Both Sceptics and Optimists

However, some analysts are sceptical and argue that the newly born “culture of dialogue” remains fragile and opaque. It is part of the “divide and conquer” strategy orchestrated by the ruling party to split the opposition party, especially President Sam Rainsy and Vice-President Kem Soka.

Despite the scepticism, there is room for optimism. For the Cambodians, the “culture of dialogue,” which is also an instrument to consolidate democratic dialogue, gives them hope that one day Cambodia will enjoy national unity and prosperity.

The recent meeting between the two leaders and more than 200 Cambodian workers and students in Kuala Lumpur was a case in point.

The dialogue is not only between the two leaders but also with the people. Such unfolding political development creates a new chapter in the history of modern Cambodian politics.

The “culture of dialogue” helps prevent political polarization, narrowing the vast and growing gap between the two political groups embedded in Cambodian political culture and society.

The “culture of dialogue” also helps to reduce security risks stemming from political transformations and transitions in the Kingdom. It significantly contributes to the building of investors' confidence.

The “culture of dialogue” creates communication channels between the two parties in an effort to promote mutual understanding and trust. Without trust and confidence, political stability and national unity are impossible.

Personal contacts and frank communication help defuse political tension between the two parties. However, reciprocity, uniformity and credibility are required to sustain such culture of

dialogue.

Sincerity, Honesty and Transparency

However, to effectively implement the “culture of dialogue,” both parties must exercise self-restraint and mutual concession based on sincerity and honesty in order to keep the dialogue and confidence-building measures on track.

The dialogue process must be transparent with greater openness and involvement from the public. The leaders of both parties need to develop a public outreach strategy to engage the people in this dialogue process.

A dual-track approach should be simultaneously conducted between the leaders of two parties, and between the leaders and the people. Both parties need to instruct their party members and supporters to respect and observe the spirit of the “culture of dialogue.”

Some, including Sam Rainsy, have suggested setting up a National Congress similar to Sihanouk’s Sangkum Reastr Niyum, in order to promote trust between the government and its people.

CPP and CNRP should establish a joint working group to determine the nature, scope and areas of cooperation to consolidate the process and outcomes of the “culture of dialogue.”

Good for Both Sides

The “culture of dialogue” is a boon as long as there is political will and determination.

Both parties need to promote this culture to their wider constituencies to get their support and participation. More dialogue is needed between the youth of both political camps.

International and national stakeholders should support the spirit of the “culture of dialogue” and work together to ensure the functionality and sustainability of this culture.

The Khmer Times, 3 May 2015

Cambodia Strives for Harmonious Industrial Relations

Industrial relations have been adversarial and confrontational in Cambodia since the late 1990s when foreign direct investment started flowing in. Coming up with effective preventions and settlements of labor disputes is one of the main priorities of the government and other related stakeholders. Cheap labor, vast natural resources, and market access are the three main determinants of foreign direct investment to the Kingdom.

Labor-intensive industry has emerged as the core economic sector after agriculture. The garment sector is the country's largest foreign currency earner, generating around \$6 billion last year – or about a third of Cambodia's GDP – and accounting for more than 80 percent of the country's total exports. The sector comprises more than 1,000 factories and employing 700,000 local workers.

The labor law adopted in 1997 to protect the rights of workers has not been effectively implemented. Worker safety and health remain the key issues that need to be seriously addressed. Some factories do not comply with the Cambodian labor law.

The protests demanding a rise in minimum wage for garment workers from \$80 to \$160 led to violence and a harsh crackdown in late Dec. 2013 and early Jan. 2014. To deal with the rising tensions, the government agreed to raise the minimum wage to \$100 for the full-time workers and \$95 for workers on probation.

And from Jan. 1 this year, the minimum wage was further increased to \$128 for full-time workers and \$123 for workers on probation. Despite the wage increase, the workers and their representatives continue to demand for an increase in the minimum wage to \$177, in order to meet basic needs.

Institutionalize Tripartite Dialogue

Wage negotiation is a complex process. It involves three parties, namely the employers, labor unions and state agencies. The tripartite consultation and negotiation is critical in settling labor disputes and building healthy industrial relations and sound labor governance.

For instance, the tripartite dialogue model in Singapore under the National Wages Council created in 1972 is a success story. It provides relevant experiences for Cambodia in formulating wage guidelines to achieve orderly wage increases and to prevent wage disputes.

Frequent and frank dialogues among the three parties helped build trust and understanding. In turn, it led to the formation of various tripartite working groups, taskforces and committees to address main employment and industrial relations, and produce practical policy recommendations to bring about positive changes to the existing policy and practices.

Cambodia may take a step further by providing a legislative foundation to institutionalize these

mechanisms. It creates win-win-win industrial relations among the three stakeholders.

Strive for Industrial Peace

At the national level, in order to make tripartite mechanism works, labor unions have to be politically independent and neutral. They should not be affiliated to any political party. Their missions and efforts are to serve the best interests of workers and not the political parties.

The government plays a critical role in mediating the differences and disputes between the employers and employees. The government needs to promote social welfare based on a just and fair industrialization.

At the industrial level, the employers must know how to balance individual and organizational needs, and how to align workers aspirations with enterprise objectives.

Sound labor relations must be built from within an organization. Safety, health care and social security need to be introduced. Such measures improve workplace cooperation and productivity.

Changing the Business Mindset

Efficiency and productivity are not achieved only through technology, allocation of resources and managerial control, but more importantly, through the greater involvement of the employees or workers.

Studies have proved that appropriate payment or decent wage, a fair rewards system, and workplace relations significantly motivate employees or workers to work more productively, hence improving labor productivity.

The Khmer Times, 7 May 2015

Aspirational Cambodia: Empower the Young People

Cambodia has the region's youngest population, with over 76 percent of its population under 40 years old. This young generation will be the one to realize Cambodia's dream of becoming a middle-income country by 2030, and attaining a high-income country by 2050.

Youths aged 15 to 34 account for 35 percent of Cambodia's population. They are the country's future and its present. They are key drivers in social change, economic development, and political transformation.

However, their potential contributions to society have not yet been tapped. To transform this demographic dividend into a source of national strength and development requires more investment and clear strategic action plans.

Only \$433 million, 11.4 percent of the \$3.9 billion national budget, is allocated this year to education. Cambodia's government should allocate at least 15 percent of its national budget to education.

More Youthful Politics

Young Cambodians will play significant roles in changing the Kingdom's political map. The party that wins the hearts of young people will win elections.

Several youth associations and networks have been founded to promote dialogues on issues Cambodia faces. They also organize social events and conduct community works.

Acknowledging the increasing significant role of youth, Cambodian political parties are getting involved by promoting young people to take leadership positions in their parties. The parties also are redesigning their agendas to reflect the concerns of youth.

Empowering Young People in Delivering Public Services

The ruling Cambodia People's Party has injected new blood into its government, as well as party machines. The newly appointed young ministers have received public support through their determination to carry out structural reforms and deliver results.

For the ruling CPP to remain in power, it needs to empower more young leaders to bring about positive changes at both national and local levels. There should be a meritocracy when identifying the young leaders – recruitment and promotion of public servants based on their ability and virtues.

Skills Revolution

Education is not just about learning facts and figures, but about developing leadership to transform communities and make positive changes in society.

Lack of skills – and skills mismatches – are common problems of young Cambodians. Hence, the development of skilled human resources is fundamental.

The Ministry of Education is adopting strategies to develop skilled labor. These include: training of skilled and productive labor to meet market demand, developing regulatory frameworks, and improving educational and vocational training institutions.

The strategies also emphasize: encouraging private sector participation in education, strengthening the quality of education, and promoting scientific research and technology innovation.

Cambodia should study and adopt relevant experiences and lessons from Germany's apprenticeship model. This is a dual education system that combines vocational training at school and apprenticeships, or on-the-job training, in a factory.

The Khmer Times, 12 May 2015

Cambodia in a Complex Region

Cambodia will be facing more external strategic challenges as a result of fast-changing regional security dynamics. Its foreign policy must be reviewed to keep pace with the present rate of change of regional politics.

Regional security will grow more uncertain and unpredictable. Securitization and militarization of the South China Sea dispute poses a real security threat to the region. An open armed conflict between the claimants over the disputed water cannot be ruled out given the increase in strategic distrust and tensions.

Cambodia has taken a safe approach towards the South China Sea dispute. Prime Minister Hun Sen has clarified the Cambodian position on the dispute – that it is a bilateral issue between the claimants, and not between Asean and China.

Early this month, Cambodia’s Ministry of Foreign Affairs and International Cooperation reiterated the Cambodian position that “territorial claims in the South China Sea must be settled with countries involved. Asean can’t settle this dispute.”

Another regional challenge results from the growing power competition between China and Japan in Southeast Asia and the Mekong region. Cambodia is at the forefront of this rising strategic competition between these two major economic powers.

The structural power competition between China and US has spawned region-wide strategic uncertainties. There are different motives and conflicts of interest between the US-led alliance system and China’s new security concept and mechanism.

To face these external challenges and pressures, Cambodia needs to strengthen its identity, promote national unity, and review foreign policy.

Building National Identity

Cambodian history and cultural roots are largely related to the legacy of the Khmer Empire, which lasted from ninth to fifteenth century. The Khmer Empire was imprinted with extensive road networks, a complex irrigation system, religious monuments, and extensive trade and cultural ties with China and India.

After the collapse of the Khmer Empire, the Khmer kingdom was weakened and disintegrated. Cambodia, as a result of being sandwiched by its two big neighbours Thailand and Vietnam, shrunk in territory and diminished in regional influence.

Khmer identity was reconstructed during the French Protectorate. After gaining independence from France in 1953, Khmer identity was reinstated and reinforced. However, these efforts were in vain due to three decades of civil war.

Without a strong national identity, Cambodia cannot face the wave of globalization and stand

firmly on the international stage. Cambodia's identity is constructed through lessons and experiences from its historical past.

Promoting National Unity

National unity is crucial for effective security and foreign policies. However, national unity is hard to achieve given historical context and geopolitics.

Cambodian political structure lacks national unity. In the past, opposition groups sought foreign support to topple the other parties. Cambodia has been exposed to cut-throat domestic power, competition and foreign intervention.

The culture of dialogue advanced by the two main political parties, the Cambodian People's Party and the Cambodia National Rescue Party, imparts a foundation to build a long-term national unity based on mutual trust and confidence, constructive criticism, and the spirit of working together.

Foreign Policy Review

It is now important to review foreign policy in order to adjust the Cambodian position on the international stage in the changing regional power structure. Cambodia needs to develop its foreign policy approach based on core principles and pragmatism.

The guiding principles as enshrined in the Constitution are neutrality, non-alliance, and peaceful co-existence. These principles help Cambodia to benefit from strategic competition between major powers in the region and transform the external circumstances into a source of national strength.

The Cambodian government needs to conduct a broad multi-stakeholder consultation among different political parties, members of parliament, academics, private sector, and civil society groups on Cambodia's foreign policy. The key issues that need to be discussed include Cambodia's national interests, how Cambodia can benefit from the rising Asia, how Cambodia can transform external circumstances into a source of national strength, and how Cambodia can diversify its strategic and economic partners.

The Khmer Times, 19 May 2015

Cambodia Confronts “Great Power” Politics

The strategic rivalry between China and US in the Asia-Pacific is on the rise. Cambodia’s most challenging foreign policy task is to strike a balance between and benefit from these two great powers.

Stable and healthy China-US relations are the bedrock of regional peace and stability. Both countries have been urged to find common ground and approaches in managing their conflicting interests. However, neither country has effectively developed their strategic narrative and actions that can forge a common vision or dream based on shared interests and global responsibility.

“A new type of major power relations” is necessary between China and US, as suggested by Chinese President Xi Jinping during his trip to US in late 2012. This historic initiative aims to maintain global order amid global power transformations caused by the rising power of China.

For the US, it needs to be prepared to adjust its global power position. In the next decade, China will surpass the US to become the world’s number one economic power, although US will remain a dominant military power.

For China, should it attempt to create regional hegemony at the expense of the US and other regional countries, it will fail in its mission of promoting “peaceful development.” And the Chinese Dream advanced by Xi will be doomed to failure as well.

Mutual strategic trust and position readjustment are necessary for both China and the US. They need to work closer together to overcome strategic misconceptions and build a common strategic purpose, especially on constructing a stable global order and functioning global institutions.

Within such complex great power politics, what should the strategy for Cambodia be?

Striking for a Balance

As a small country, Cambodia must forge equidistant bilateral relations with all major powers. Currently, Cambodia has much stronger comprehensive strategic partnership with China than with the US.

The Cambodia-US relationship is faced with the lack of mutual strategic trust and understanding arising from different values and approaches.

A case in point was the harsh reaction by the Ministry of Foreign Affairs in response to comments made by US Ambassador William Todd, on the NGO draft law.

Both Cambodian and US leaders need to improve their political perceptions of the other party. Promoting bilateral dialogues among different key stakeholders between two countries can enhance mutual understanding and find common areas for further cooperation.

Human rights and democracy remain the key stumbling block in Cambodia-US relations. However, one should not look at the relations only through the prism of human rights and democracy. There are many other areas that both countries can work together especially in economic cooperation and human resources development.

Strengthening Asean Centrality

Multilateral institutions and mechanisms provide opportunities and space for a small country to strengthen its independence and realize its national interests, especially within the context of rivalries or conflicts between great powers.

Asean is a regional shield protecting member states from becoming pawns in a great power game. Asean has a vital role in promoting rules-based international relations and a regional code of conduct expected to shape the behavior of great powers.

However, Asean is confronted with unprecedented challenges emanating from strategic competition between China and US and its allies. The South China Sea dispute, now a strategic playground between China and the US, poses a real threat to Asean unity and relevancy.

Therefore, promoting and safeguarding “Asean centrality” in shaping regional architecture is crucial for Asean. The regional bloc must take a leadership role in building effective pan-Asia Pacific regional institutions to prevent and resolve regional disputes.

The Khmer Times, 28 May 2015

Cambodia's NGO Leads to Where?

The long-debated controversial draft NGO Law is drawing serious attention from national and international stakeholders.

Since the early 1990s, thanks to the processes of democratization and openness, thousands of civil society organizations and Non-Governmental Organizations (NGOs) have grown in number, diversity, and influence.

The increasing power of NGOs prompted the Cambodian government to raise questions about roles and responsibilities of these emerging non-state actors. Key questions are related to NGOs' agendas, sources of funding, transparency, and accountability.

NGOs are principally independent from the government and political parties. They are organized on local, national or international levels. They provide useful forums for societal voice, a means of organizing and representing social interests, policy information, and welfare provisions which are lacking.

But, the Cambodian government is increasingly cautious about certain NGOs becoming separate political and destabilizing forces, and potentially connecting with terrorist networks. Regulating and controlling NGOs is therefore necessary step to ensure public security and stability.

Backlash on the Draft NGO Law

Local and international civil society groups have protested the proposed law. They are concerned that human rights and freedom will be restricted.

Last Tuesday, Scott Busby, US Deputy Assistant Secretary of State in the Bureau of Democracy, Human Rights and Labor, warned: "The law will impose restrictions and burdens on NGOs that will make it difficult or even impossible to do their crucial work."

However, the Cambodian government is determined to pass the law.

"The government will approve this law in coming days and we will send it to the National Assembly," stated Prime Minister Hun Sen. "Other countries have this law, why do they object to Cambodia making this law?"

Experiences from Asian Countries

Some Asian countries have moved to govern NGOs, especially those funded by foreign sources. They want these NGOs to function within boundaries of rules and they believe best serve national interests. Some countries even perceive NGOs as a potential risk for upsetting political order and public safety.

Japan has a vibrant democratic political system. Laws governing NGOs in Japan date to 1896, but were revised in 1998 and 2006. The 1998 and 2006 laws increase the ability of NGOs to

participate in society by reducing bureaucratic oversight. As a result, Japan experienced increasing number of active NGOs.

But NGOs are strictly prohibited from getting involved in political activities. The Specified Nonprofit Corporations Law states that NGOs cannot conduct activities “for the purpose of promoting, supporting, or opposing a political principle” or “the purpose of recommending, supporting, or opposing a candidate.”

India, the world’s largest democracy, also has laws governing NGOs. Under Indian law, only those organizations registered with the Foreign Contributions Registration Act are eligible to receive funds from foreign donors. The Act was revised in 2010 in order to monitor more effectively foreign sources of funding.

Security threat is the main concern of Indian government in managing NGOs. Last year, India singled out Greenpeace as a “threat to national economic security.” Moreover, India’s Ministry of Home Affairs claimed the country’s NGOs are “vulnerable to the risks of money laundering and terrorist financing.”

NGO Laws Are Not All Bad

NGO laws can contribute to the development of civil society by providing legal protections for NGOs. Transparent multi-stakeholder consultation is fundamental to develop good NGO laws.

The laws should encourage and facilitate NGO activities. The laws should eliminate lengthy and unnecessary scrutiny of registration and projects, while holding NGOs accountable to public interests.

“To the NGOs and the associations, please do not worry about the law. This law will protect you, this law will support you and open up to your activities,” stated Prime Minister Hun Sen early this week.

The Khmer Times, 4 June 2015

Cambodia-Vietnam Ties at 48

Today marks the 48th anniversary of diplomatic ties between Cambodia and Vietnam. Both countries were victims of great power politics during the Cold War. Their bilateral relations were undermined by different political rivals and nationalist groups.

After the Khmer Rouge regime was toppled in 1979, the bilateral relationship has been strengthened, especially between the Communist Party of Vietnam and the Cambodian People's Party. The future generations of leadership of these parties are expected to continue to nurture this traditional friendship.

Cambodia and Vietnam have frequently exchanged views on international issues of common concern. Sharing similar experiences of their fight against colonialism and imperialism, these two countries strictly adhere to the principles of non-interference, sovereignty, independence, and equal partnership in international relations.

Both countries have been firm in their stand of preventing hostile forces to use their territory to threaten the security or interfere in the internal affairs of each other. The guiding principles of the bilateral relationship are good neighborliness, shared development, mutual respect, and peaceful settlement of disputes.

Trade and Investment Increasing

For the last decade, Vietnam has become Cambodia's main economic partner. In 2014, Vietnam invested \$350 million in 23 projects, bringing the total capital investment in Cambodia to almost \$3.36 billion. Bilateral trade volume reached \$3.29 billion in 2014 and is to reach \$5 billion this year.

But the relationship does not commensurate with the magnitude of the comprehensive strategic partnership. Hence, there is still much potential for cooperation between the two countries especially in the field of people-to-people ties and cross-cultural dialogue.

There are a number of barriers to this bilateral relationship. The most thorny issues are unresolved border disputes and unfinished border demarcation, illegal immigration, and the legalization of undocumented Vietnamese who either were born or have lived in Cambodia for a long time. Unless these issues are appropriately resolved, bilateral ties are vulnerable to crisis, which stems mainly from rising nationalism.

China's Tug of War

Cambodia-Vietnam ties are also being influenced by fast-changing and complex regional geopolitics, particularly the rivalry between China and the US. There is a clear trend that Cambodia is moving closer to China, while Vietnam is approaching the US in counterbalancing China in the South China Sea dispute. Such strategic divergence between Cambodia and Vietnam may lead to an unnecessary diplomatic split.

For instance, Cambodia maintains a different position from Vietnam in addressing the South China Sea dispute. Cambodia has called for claimants to manage and resolve the dispute. Over-internationalization of the dispute further complicates regional security.

Domestic politics also have significant impact on bilateral ties. Some political parties have used the nationalist card to gain popularity. But rising nationalism is a two-edged sword. It would be dangerous if nationalism cannot be controlled and results in ultra-nationalism.

The Way Forward

Both countries need to effectively deal with border demarcation issues, prevent illegal immigration, and speed up the legalization process of undocumented Vietnamese immigrants in Cambodia. Otherwise, it risks being politicized and escalating into tension and conflict.

People-to-people ties and cross-cultural dialogue are fundamental to achieving long-term friendship, good neighborhood, peace and stability. Both governments need to invest more in promoting educational and cultural exchanges between the two peoples.

Deepening economic integration within the framework of the Asean community provides more opportunities for the peoples of both countries. Through enhanced economic interdependence, risks of conflict are significantly reduced.

Different political actors in both countries should determine ways and means to promote dialogue, to build mutual trust, and to settle disputes through diplomatic means, based on international laws.

The Khmer Times, 24 June 2015

LANGO Passed, What Comes Next?

The National Assembly passed the controversial Law on Associations and Non-Governmental Organizations (LANGO) last Monday amid protests from local and international civil society groups (CSOs), a boycott from the opposition party, and mounting international pressures. What happens next?

Some local and international CSOs have protested against LANGO by calling it “repressive and unnecessary.” The US and EU have raised concerns that LANGO will restrict the freedom and rights of CSOs and that they will closely monitor the implementation of the law and its impacts on CSOs.

Lack of inclusive and open dialogue and consultation is the root cause of misperception, misunderstanding, and distrust between the government and some CSOs. The ongoing debates on LANGO clearly reflect deep distrust between the government and CSOs, particularly those working on human rights, democracy, social justice, and environmental protection.

Time for a New Mind Set

Perhaps a new thinking and innovative approach is required to bridge the gap of misperception and rebuild trust between the government and CSOs. To be realistic, CSOs should find ways to closely work with the government to ensure that the implementation of the law will not restrict their freedom and rights.

The government has recognized the crucial role of CSOs in promoting socio-economic development.

CSOs are the agents of development. The government claims that LANGO is created to protect the rights, freedom, and interests of CSOs. Accountable and transparent CSOs will surely benefit from LANGO.

But it would be a serious democratic setback and a disaster for Cambodians if the government fails to keep its promise, honor its commitment, and starts to impose strict restrictions on the activities of CSOs, implementing red tape on registration, and suppressing those activists who raise dissenting or critical views.

Trust Building

An open, inclusive and substantive dialogue is vital to build trust and confidence between the government and CSOs. An institutionalized Government-CSO forum should be created to build cooperation and partnership to address and resolve issues Cambodia is facing.

The main role of CSOs is to ensure the government’s accountability and transparency. So, it needs to build relationships with the government to realize its mission. The relationships may be cooperative, or sometimes confrontational.

The government needs to broadly view CSOs as a partner or mirror, not an enemy or a threat. To strengthen state institutions, critical and honest views are needed. Being open to diverse views helps the government to develop a relevant and inclusive policy agenda.

Ambiguity and Clarification

It is necessary to clarify some ambiguous words and phrases under LANGO such as national security and public security, and define the scope of activities that are considered or justified as the threat to national security and public order.

LANGO is a living document so it can be amended if necessary. But for the cooperation to be fruitful, trust and confidence has to be built between the government and CSOs.

Capacity Building

More support is needed to strengthen the governance and leadership of CSOs. The government and international development partners should develop more capacity-building programs to support local CSOs, especially the community-based and grassroots CSOs.

The Khmer Times, 19 July 2015

Approaches to Cambodia-Vietnam Border Disputes

Border disputes between Cambodia and Vietnam have been complicated and will worsen unless there are appropriate and effective resolution mechanisms. It is a security flashpoint that deserves regional attention.

Cambodia-Vietnam border disputes have been long politicized by different political groups in Cambodia. Opposition leaders have accused the government under the leadership of the Cambodian People's Party of failing to protect Cambodia's territorial integrity and acting in favor of Vietnam in border negotiation and demarcation.

From the government's point of view, the accusations are largely politically motivated and baseless. In August 2012, Prime Minister Hun Sen spent five hours at the National Assembly explaining the border issues and the process of border demarcation between the two countries. Yet, it failed to convince members and supporters of the opposition party.

Border tensions have increased after several incidents with violence taking place last month in contested border areas. The Cambodian government has taken firm position vis-à-vis Vietnam. Cambodia's foreign ministry has sent diplomatic notes to protest against territorial violations by Vietnam. Cambodia has demanded Vietnam halt constructions of ponds, roads, and military outposts until the border demarcation is completed.

"Pending the demarcation of the border, the areas which have not been demarcated should not be changed," Prime Minister Hun Sen told Mr. Le Hong Anh, Politburo Member of the Communist Party of Vietnam, on June 9.

Move from Politics To Technics

Over-politicization of border disputes is counterproductive and complicates the bilateral negotiation process for a solution. More importantly, it does not serve the best interests of both sides. Different political groups should move beyond political condemnations and accusations to legal-based discussions and resolutions.

The Joint Border Committee formed by the two countries is tasked to find mutually acceptable resolutions to border disputes. More than 80 percent of the border has been demarcated. After the meeting two weeks ago, the bilateral Committee agreed to halt all construction projects in yet-to-be demarcated areas.

Cambodia has sought support from the United Nations, France, the United Kingdom, and the United States, asking for Cambodian maps prepared by the French Protectorate to verify maps used by the government in its border negotiation with Vietnam. These maps serve as the legal bases for Cambodia to negotiate with its neighbours, paving the way for complete resolutions to Cambodia's border disputes. Once the maps are verified, the gap of political differences

concerning border issues will be significantly reduced. Maps are the key to resolving the disputes.

Arbitration is the Last Resort

Bilateral mechanisms at both working group and top leadership levels prove to be the most effective way in resolving sovereignty disputes between states. At this stage, bilateral negotiation between the two countries is the most appropriate. Should bilateral negotiation fail and tensions continue to escalate, they can bring the case to the International Court of Justice in the Hague, but only as a last resort and if agreeable by both parties.

The Khmer Times, 22 July 2015

The Interplay between domestic politics and foreign policy in Cambodia

Regional geopolitics is becoming more complex and unpredictable. Competition between China and the US is on the rise and regional security flash points, especially the disputes in East and South China seas, remain unsettled and are the main sources of regional instability.

In this context, Cambodia needs to promote national political reconciliation and unity, stand up for its legitimate national interests, be adaptive but maintain strategic vision and policy coherence, and find its place and stand firm on the international stage.

Domestic politics is an important part in explaining and even determining foreign policy. Domestic political changes have significantly impacted Cambodia's stand on the international stage.

Any political leadership change in the Kingdom will greatly impact foreign policy strategy and approaches, especially towards its immediate neighbors and major powers.

National Unity is Vital

The main challenge and constraint in Cambodia's foreign policy is the lack of national unity and consensus. Without national unity, Cambodia cannot effectively exercise its foreign policy and diplomacy. Without national unity, Cambodia is vulnerable to fast-changing regional geopolitics.

The lack of a common position and approach on border disputes with its neighbors puts Cambodia in a weaker position in bilateral negotiations. Political leaders need to deepen strategic trust through frequent, frank and open dialogue through which political consensus can be achieved. However, this is always difficult to realize.

Culture of Dialogue Remains Fragile

The culture of dialogue between the ruling Cambodian People's Party (CPP) and the opposition Cambodia National Rescue Party (CNRP) is believed to be the pathway towards national reconciliation and long-term peace and stability.

However, after one year this approach has been disturbed by the deep differences between the two parties in their approaches towards the border dispute with Vietnam, as well as disagreement over the Law on Associations and NGOs (LANGO). The sentencing of 11 CNRP activists last month further worsened strategic trust between the two parties.

The culture of dialogue is doomed to fail if the leaders of both parties cannot find common ground, do not put the national interest above all else, and continue to play the game of political bashing. The victims of the failure of the culture of dialogue are Cambodians struggling to survive and build their future.

Grim Political Outlook

Cambodia may go through another round of political instability unless the border dispute with Vietnam is appropriately managed and resolved and the culture of dialogue is put back on track and produces more concrete results based on cooperation and partnership.

Political unpredictability damages investor confidence, which can slow economic development. It is safe to say that the main root cause of political instability is the problem of youth unemployment. Cambodia has around 5 million young people aged between 15 and 29 years old, accounting for about 30 percent of the total population. Although youth unemployment rates have fallen since 2006 – when a study by the International Labor Organization (ILO) found that about 20 percent of youths in Phnom Penh lacked jobs – unemployment and underemployment remains widespread nationally.

Cambodia's Fragile Balance of Power

Cambodia walks a tightrope balancing its foreign policy between major powers. Some foreign observers argue that Cambodia has already lost its balance due to its strategic relationship with China. However, Cambodia is in fact diversifying its strategic and development partners.

Cambodia's bilateral ties with Japan, Russia, and India have been enhanced quite remarkably over the last decade. But its relations with the US have been constrained and held back by differences in democratic values and human rights. Cambodian-US ties can only be improved after the 2018 general elections, when a freer, fairer, and more inclusive general election is conducted.

As a small, developing country, Cambodia must be pragmatic in its foreign policy strategy and adaptive to geopolitical transformations. It needs to have bureaucratic and diplomatic flexibility while standing firm on the principles and core values enshrined in the Constitution. It needs to have a foreign policy sagacity and capacity to maneuver.

Cambodia should project itself to be a respected and responsible actor on the international stage. It needs to be consistent and persistent in promoting rules-based international relations, advocating for a multipolar world order, taking a leadership role in regional community building, and strengthening multilateral institutions.

The Khmer Times, 9 August 2015

Cambodia and WTO: Ratify Trade Facilitation Agreement

Cambodia officially became a member of the World Trade Organization in 2004, after almost a decade of membership negotiation. Expectations that Cambodia would benefit from trade liberalization were high. Through its membership, Cambodia would expand its export markets to the world, in particular its textile and agricultural products, the two areas where Cambodia has a strong comparative advantage.

Dr. Sok Siphana, former Secretary of State of the Ministry of Commerce and now government advisor, wrote in 2005: “Cambodia has, from the outset, made its position clear that it looked to the process of WTO accession as a positive externality to stimulate and make irreversible substantial trade liberalisation and more broadly based reforms.”

However, the failure of the Doha trade negotiation round of the WTO disappointed WTO members, particularly developing countries. It derailed prospects for lowering trade barriers and facilitating global trade.

Some members focused on deepening regional trade liberalisation. In the Asia Pacific, there are three mega regional free trade areas under negotiation: The Regional Comprehensive Economic Partnership (RCEP), the Trans-Pacific Partnership (TPP), and the Free Trade Area of the Asia-Pacific (FTAAP).

The conclusion of trade facilitation negotiations in Bali in December 2013 was a significant milestone in restoring the image and relevance of the WTO. The main goals of the Trade Facilitation Agreement (TFA) are to expedite the movement and clearance of goods, including goods in transit. It sets out measures for effective cooperation between customs and other authorities for trade facilitation and customs compliance.

TFA also contains special provisions for developing and least-developed countries. These are aimed at helping them to implement the agreement. Cambodia should conduct studies on areas where it needs support from international donors to implement TFA. Technical assistance and public awareness programs need to be promoted.

The expected benefits of TFA are cost reductions, more trade flow, more investment flow, better allocation of limited resources, and the lock-in of reforms. This gives the WTO members a common direction for lowering trade barriers. Developing and least developed countries will largely benefit from trade facilitation.

But, there are procedures required to put TFA into force.

First, it calls on members to draw up a protocol of amendment to insert the TFA into Annex 1A of the WTO Agreement. Second, it has to mandate a protocol to enter into force in accordance

with Article X:3 of the WTO Agreement. Article X:3 requires acceptance by two-thirds of all WTO Members for the Agreement to enter into force.

The main challenge now is to encourage WTO Members to ratify TFA before the end of this year. So far only 12 out of 161 WTO Members have ratified TFA. From ASEAN, only Singapore and Malaysia ratified TFA. It would be a setback in Cambodia's foreign trade policy if it fails to ratify TFA before December.

Consultations among legislators, the Royal Government, business leaders, and civil society leaders should be conducted to exchange views on the opportunities and challenges of TFA and to develop action plans to increase Cambodia's export capacities and opportunities under TFA.

It is believed that the political support from both the ruling Cambodian People's Party and the opposition Cambodia National Rescue Party is not a problem. But, there are legislative hurdles. A concerted push in the National Assembly is needed to discuss and ratify TFA in upcoming parliamentary sessions.

The Khmer Times, 2 September 2015

Cambodia's Two Suitors: China and the US

To survive and prosper in a dynamic and complex region, Cambodia must seek strategic proximity with all major powers. China and the US are the most important actors in the Asia Pacific region. Cambodia needs to develop good relations with both countries.

As a small country, Cambodia does not have the capacity to shape the relations between major powers. Regional order is much dependent on how China and the US project their power and accommodate each other's core interests. A stable and healthy Sino-US relation is thus the cornerstone of regional peace and development.

China-Cambodian Ties

Since 1997, Sino-Cambodian relations have been significantly strengthened. Bilateral comprehensive strategic partnership was reached in 2010. Currently Cambodia is China's closest friend in Southeast Asia. For instance, Cambodia shares similar views with China with regards to the South China Sea disputes. Cambodia fully supports China's "One Belt, One Road" initiative and China-led Asian Infrastructure Investment Bank (AIIB).

US-Cambodian Ties

US-Cambodian bilateral ties have gradually improved since early 2000s. Human resources development, security and economic relations are the main areas of cooperation. However, differences in democratic values and human rights remain the stumbling block in advancing ties to a new level. U.S. President Barack Obama made clear to Prime Minister Hun Sen at the bilateral summit in November 2012 that issues related to democracy and human rights are the main impediments to a strengthened bilateral relationship.

Cambodia is pro-Cambodia

Cambodia is striving to be neutral. Cambodia is pro-Cambodia. The countries it leans towards is largely determined by approaches applied by these countries. China's foreign policy approach towards Cambodia has been more effective than the US's.

For the current government, Cambodia's national interests are defined in terms of economic development, security, and cultural identity. China is regarded as the most important development partner. China has provided more than \$3 billion development assistance and invested more than \$10 billion in Cambodia.

The U.S. is the biggest market for Cambodia's textile exports, the key export industry employing more than half million Cambodian workers. The U.S. has provided an annual development assistance of about \$80 million, mostly channeled through non-governmental organizations and humanitarian assistance programs.

Political Trust Matters

Hun Sen's government does not really trust the U.S. given the perceived double standard in Washington's foreign policy towards Asia. The U.S. does not allow their strategic partnership to be constrained by democracy and human rights. The U.S. did not put much pressure on Thai junta after the military coup in 2014. But the U.S. emphasizes democracy and human rights in its bilateral relations with Cambodia.

China has earned trust from current Cambodian ruling elites through economic and cultural diplomacy, non-interference, and mutual respect. Although China is a big country and second largest world economic power, China has not imposed pressure or intervened into Cambodian politics.

China has given privilege to Hun Sen in important international forums or platforms. Most importantly, China has taken good care of the Cambodian royal family. Special support provided by China to the late King Norodom Sihanouk, particularly after he passed away in Beijing in October 2012, did win the heart of Cambodian people.

Party Politics and Domestic Political Changes

While the ruling Cambodian People's Party (CPP) leans towards China, the opposition Cambodia National Rescue Party (CNRP) has closer ties with the U.S. and its allies. If the opposition party comes to power after the general election in 2018, Cambodia's foreign policy may potentially experience a critical swing. U.S. may find a window of opportunity to build its strategic partnership with Cambodia.

China seems to put all its eggs in one basket, which is to cultivate strong partnership with the ruling CPP, ignoring the opposition CNRP. In contrast to how China treats the opposition party in Myanmar by laying the red carpet to welcome opposition leader Aung San Suu Kyi, China has never invited the opposition leader from Cambodia and does not seem to have any plan to invest in building a partnership with the opposition CNRP. This may be a risk for China if there is any political change in the Kingdom.

The Khmer Times, 8 September 2015

Promoting Social Protection in Cambodia

Social protection, as defined by the Asian Development Bank, is the set of policies and programs designed to reduce poverty and vulnerability by promoting efficient labour

markets, diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption or loss of income. It consists of five core elements, namely labour markets, social insurance, social assistance, micro and area-based schemes to protect communities, and child protection.

Social protection is construed as the foundation for inclusive, equitable and sustainable development, as it can simultaneously address the economic, social and environmental dimensions of sustainability. It is concerned with preventing, managing, and overcoming situations that adversely affect people's livelihood and well-being. Getting access to social protection is according to some scholars a basic human right.

It follows that the notion of social protection is a powerful tool in the fight against poverty and inequality. It covers wide-ranging issues including decent work, education, health care, food security, environmental health, and income security. Identification of policy options is critical. This process should begin with understanding the reality of the vulnerabilities of the poor. The range of social protection policy instruments should then be integrated, in order to strike an appropriate balance between various efforts designed to reduce, mitigate and cope with different shocks.

In 2011, the Cambodian Government issued a National Social Protection Strategy for the Poor and Vulnerable. It aims to: 1) protect the poorest and most disadvantaged who cannot help themselves; 2) mitigate risks that could lead to negative coping strategies and further impoverishment; and 3) promote the poor to move out of poverty by building human capital and expanding opportunities, including access to health, nutrition and education services for poor households, so they can move above the poverty line.

However, there are three main challenges and constraints that Cambodia is facing when implementing social protection policy. Those are an implementation gap, resource constraints, and a knowledge gap. The government should launch an integrated social protection program, and in doing so it needs to pay attention to the following three challenges.

Implementation Gap

Social protection programs have been implemented by the central government, but failed to build capacity in local government to gradually take ownership and responsibility of implementing social protection policy. Decentralisation of social protection programs is therefore necessary.

Social protection programs often lack clarity regarding responsibility and accountability.

Limited coordination among social protection policy interventions has resulted in uneven coverage, the duplication of efforts and the lack of sustainability and overall impact.

Geographic coverage of existing programs is far from universal. Moreover, programs do not necessarily prioritise poor areas. And targeting has not yet been mainstreamed into social protection. Many social protection programs still rely on ad hoc targeting procedures whose accuracy has not been investigated, adding to transaction costs and inefficiencies.

Feedback and complaint resolution systems – a central pillar for guaranteeing good governance, transparency and effectiveness of social protection – tend to remain underdeveloped.

Resource Constraints

An underlying challenge is that the budget for safety net implementation remains low, with much of funding provided by development partners and earmarked for interventions that are often implemented in parallel with other items on the government development agenda.

The current fiscal policy is not oriented towards social protection given that the state budget for the education and health sectors are marginal. The taxation system does not function well, leading to a big loss of state revenue that creates a serious shortage of national budget allocated to support the poor and vulnerable. Hence, implementing social protection programs mainly relies on funding resources from the donor community. This produces a lack of sustainability.

Knowledge Gap

Due to the lack of objective assessment of the programs, it is impossible to improve the programs on a regular basis. Moreover, there have been few rigorous and thorough evaluations of existing social protection interventions, making it difficult to assess how well they perform by international standards and where there are areas for improvement.

Policy Recommendations

The Asian Development Bank and the World Bank have proposed a set of concrete policy recommendations to promote social protection in Cambodia. It suggests that the quality of basic rural infrastructure needs to be upgraded, especially education and healthcare facilities. Integrated health care, education and training services need to be strengthened.

There is a huge need to build basic rural infrastructure such as roads, irrigation, electricity supplies, water, and sanitation. More resources – both financial and human – are required to support the most vulnerable groups. Skill development can uplift the poor from the poverty trap.

More support is needed for children in rural areas through the expansion of scholarship programs and school feeding. The government should expand scholarship programs, school feeding, targeted cash transfer and similar programs that have been shown to help reduce secondary school drop-out rates.

More investment and public funding are needed to expand the coverage of the existing Health Equity Fund – a scheme that provides free access to health care for the poorest – and raise public awareness of the importance of maternal health and child nutrition. As of 2014, the Health Equity Fund reached about 3 million Cambodians.

Finally, the government needs to develop and promote programs to enhance the profitability of rice production by providing improved seeds and more effective rural extension services to help farmers shift from subsistence to commercial farming.

CISS Commentary, 17 August 2015

How Cambodian nationalism is driving border disputes with Vietnam

To strengthen national unity and identity, Cambodian leaders have for generations tried to construct, or reconstruct, nationalist ideology around Cambodia's enduring border disputes. The border disputes have become the main topic in Cambodian domestic politics and foreign policy since Cambodia gained independence from France in 1953. The disputes are the result of the unclear frontier demarcation by the colonial administration, and have led to armed conflicts between Cambodia and its neighbours. But some political leaders have gone too far and become ultra-nationalist. In Cambodia's electoral democracy, some political parties have promoted a type of nationalism that positions itself explicitly against the country's bigger neighbours to gain popular political support. A lack of political transparency, understanding and participation has made the public more vulnerable to populist and nationalist policy agendas.

Anti-Vietnam nationalism and a perceived Vietnamese threat gained momentum since 2009, when the current opposition leader Sam Rainsy allegedly encouraged villagers to uproot border markers on the Cambodia–Vietnam border in Svay Rieng province. The border disputes intensified after lawmakers from the opposition Cambodia National Rescue Party (CNRP) led a few hundred activists to the to-be-demarcated border region in north eastern provinces, leading to clashes and violence in June.

The border tension is compounded by an anti-Vietnamese political rhetoric that has gained steam since the general election in July 2013. The opposition parties have accused the government under the leadership of the Cambodian People's Party (CPP) of being under strong influence from Hanoi, of ceding territory to Vietnam and of allowing Vietnamese immigrants to illegally enter and work in Cambodia. Since April 2014 more than 2000 illegal Vietnamese immigrants have been deported. The opposition parties will continue to use the 'Vietnam threat' factor as a key part of its strategy to gain popular votes in the upcoming commune election in 2017 and the national election in 2018.

The stance of Cambodian opposition parties, including the CNRP, further complicates border negotiations with Vietnam. In 1985, Cambodia and Vietnam signed a treaty on border delimitation. And in 2005, both sides reached another complementary treaty on border issues. But these agreements were deemed illegitimate and rejected by Cambodia's opposition parties.

On 9 June 2015, amid the renewed border tension between two countries, Cambodian Prime Minister Hun Sen asked Vietnam to maintain peace and stability along the border during his meeting with Le Hong Anh, a member of the politburo of the Vietnamese Communist Party, in Phnom Penh. A few days later, Cambodia's Ministry of Foreign Affairs and International Cooperation sent two diplomatic notes, dated 12 June and 14 June, to protest Vietnam's violation of Cambodian territory. But Vietnam did not respond and accused 'extremist groups'

in Cambodia of provoking the border tensions and clashes.

A key issue fuelling domestic opposition in Cambodia is allegations that the maps being used by the Cambodian government in its border negotiations with Vietnam are fake or inaccurate. In July 2015, to ‘verify the authenticity of maps’ being used by the Cambodian government, Hun Sen requested that the United Nations, France, the United Kingdom and the United States loan Cambodia the original maps that were prepared by France during the colonial period. After verifying the maps received from the UN and France, the Cambodian government confirmed the authenticity of the maps that were used to conduct border negotiations with Vietnam.

The Cambodian government has now called for an end to the politicisation of the maps and border disputes with Vietnam. Foreign Minister Hor Namhong stated, ‘The maps issue must be finished at this time. ... We don’t want political parties using the border issue to incite people to go against the government.’

Instead, the Cambodian government tasked a group of technical experts to compare the borders detailed on these maps with the existing border markers. The Royal Academy of Cambodia was tasked with conducting objective research on border demarcation and providing policy recommendations. The Academy is expected to finish their research within the next two years.

But border-related political tensions between the government and opposition party have not receded. A number of people have been arrested for trying to stir anti-Vietnam nationalism by accusing the government of using fake border maps. In August CNRP Senator Hong Sok Hou was arrested for posting a fake version of the bilateral treaty between Cambodia and Vietnam in 1979 on Mr. Sam Rainsy’s Facebook page. The fake treaty in the Facebook post purported that Heng Samrin, Cambodia’s then head of state, had proposed to dissolve the border between Cambodia and Vietnam. Hong Sok Hou is now being tried in court.

The border disputes will continue as long as domestic political dynamics in Cambodia continue to evolve around assertive nationalism. More transparency and public participation are urgently needed in the border negotiations and demarcation process between Cambodia and its neighbours. In the absence of these checks, the general public will remain vulnerable to political manipulation.

East Asia Forum, 16 October 2015

Hun Sen's View of Asia

Prime Minister Hun Sen this month laid out Cambodia's perception of and approach to regional issues. He emphasizes five key terms: peace, harmony, cooperation, integration, and prosperity.

The remarks were made in China at the sixth Xiangshan Forum, the International Conference of Asian political parties on rebuilding the Silk Road, the International Finance Exchange and cooperation on One Belt One Road – the new Silk Road and the new Maritime Silk Road – and the Global Poverty Reduction and Development Forum.

The Rise of Asia is the Rise of the World.

But Asia needs to do more to strengthen global governance and its multilateral institutions. Asia needs to become a global stakeholder by assuming greater responsibility and ownership in promoting the global commons, advocating multilateralism, and strengthening a rules-based international system.

Asia needs to be more active in “setting out rules and the enforcement”. To realize such a global role, Asia needs to promote “regional integration and cooperation.”

China-US Relations

Small countries in the region are facing mounting challenges in adjusting their position to adapt to a fast-changing regional geo-political and geo-strategic environment, particularly mitigating the risks stemming from major powers' competition and rivalry.

It is not in the long-term interest of a small country to choose side between major powers. A small country must be willing to build close ties with and benefit from all major powers.

Cambodia perceives the rising power of China is not a threat but an opportunity and a healthy and stable relation between China and the US is the foundation of peace and stability in the Asia-Pacific region.

Mr. Hun Sen said, “Relations between the US and China are extremely important for the Asia-Pacific. Washington and Beijing are conscious of their complex interdependency and have been building mechanisms across their bilateral relationship to help manage their relations.

ASEAN's Centrality

ASEAN is facing increasing regional geo-political complexity, emerging from both traditional and non-traditional security threats, rising nationalism and protectionism in some ASEAN member countries, and the downward economic pressures stemming from the economic slowdown in China and Europe.

Territorial disputes in the South China Sea and the conflicts over the management of the Mekong River are the two main issues that threatening ASEAN's unity and solidarity. To

survive and remain relevant in shaping regional cooperation and institutions, ASEAN needs to collectively address these issues based on common interests and identity.

“ASEAN is presently the leading architecture of regional cooperation. It has to to strengthen itself to maintain its centrality role in regional cooperation and its role as a main facilitator in Asia,” Mr. Hun Sen.

Infrastructure

Infrastructure is the foundation of regional development and integration. Cambodia prioritizes infrastructure in its national strategic development plan as well as its regional integration strategy.

Regional financial cooperation is critical to concretizing regional infrastructure connectivity. In this respect, Cambodia fully supports China’s initiatives on One Belt One Road and the Asian Investment Infrastructure Bank (AIIB). And priority should be given to the less developed region, the Mekong sub-region.

Prime Minister Hun Sen said: “the cooperation of Mekong River region could be the first step in realizing the concept of the Economic Belt and Silk Road. Therefore, this region deserves our consideration in promoting the implementation of this initiative.”

South China Sea Disputes

Cambodia has been consistent in its position on the South China Sea disputes.

As a non-claimant state, a responsible member of ASEAN, and a close friend of China, Cambodia has urged all claimants to use direct dialogue and consultation to build mutual trust and find common ground on managing or possibly resolving their differences and disputes.

ASEAN is not an international court. It does not have mandate to decide the borderline of the claimants. ASEAN has a role in facilitating dialogue and consultation, promoting a peaceful settlement of the disputes, and advocating the principles of the international laws, particularly the United Nations Convention on the Law of the Sea.

“The adherence to a peaceful approach in line with principles of international laws is the solution that could ease tension and last to ensure peace, security and good cooperation,” stated Mr. Hun Sen.

“In this respect, I think all relevant parties should continue doing whatever can be done first, following the Early Harvest Approach, to build trust and confidence,” he added.

Cambodia’s Place in the Region

To be a relevant regional actor, a responsible member of ASEAN, and an advocate of an ASEAN-centric regional order, Cambodia needs to strengthen its leadership and institutional capacity, maintain high economic growth, and build a resilient society.

Cambodia should focus on five measures to develop the economy. First, developing a more productive and value-added economic structure. Second, investing more in rural infrastructure and agricultural development, linking urban and rural areas.

Third, linking trade liberalization with poverty reduction. Fourth, investing in education and skill development. Fifth, promoting financial access and inclusion.

The Khmer Times, 29 October 2015

Stabilizing Cambodia's Political Turbulence

Pace is not only the absence of war and conflict, but also the absence of fear, injustice and hunger. There is no perpetual peace without justice, the rule of law, respect for human rights, and strong democratic institutions.

The culture of dialogue founded by the two main political parties – the Cambodian People's Party (CPP) and the Cambodia National Rescue Party (CNRP) – a year ago, is dead. Unfortunately, the old culture of political violence and deep political distrust seems to be re-emerging.

Cambodia is on the brink of a renewed political crisis if this trend is not urgently reversed and corrected.

The assault on two opposition lawmakers by a group of protestors last week in front of the National Assembly showed the ugly side of the Kingdom. It was a serious setback for democracy and the rule of law.

The CNRP has accused the CPP-led government of orchestrating the violent demonstration against it.

The protestors had called for the removal of Kem Sokha, vice president of the CNRP, from the position as vice president of the National Assembly.

Last Friday, the CPP-dominated National Assembly voted to remove Mr. Sokha. The move, which is constitutionally questionable, further deepens the already tense relations between the two main parties.

“Demonstrations of force by Hun Sen's partisans in Cambodia are often stained with violence and are obviously aimed at terrorizing the population,” wrote Sam Rainsy, president of CNRP, on his Facebook page. As he so often seems to be, Mr. Rainsy is in France, far from the political fray here.

But the CPP has denied any involvement in the incident and asserted its stand to find justice for the victims. Last Wednesday, Prime Minister Hun Sen made a rare television address to the nation to call for the arrest of the culprits.

“Today, I officially call on the authorities to seek the arrest of the culprits who committed violence against the two parliamentarians,” he said. “We cannot tolerate those who committed the act, no matter who they are [...] anyone who commits such a cheap act must be arrested and sentenced at any cost.”

Public Trust

Public trust is the cornerstone of peace and development. Public trust is the most important pillar upon which legitimacy and sustainability of a political system is constructed.

If the government fails to bring the perpetrators and their accomplices to justice, it will undermine public trust. Without public trust, the state-society gap will widen, potentially instigating political and social instability.

Various forms of political and social polarization caused by contending political and social forces tend to increase the risk or likelihood of violent conflict or the breakdown of political order.

Cambodia unfortunately has been facing rising political polarization over the years even though the magnitude of polarization has not reached a dangerous level yet. If current trends continue, it will negatively affect long-term peace and development.

Usually, politicians are the ones responsible for creating such a polarized society. They are the masterminds behind political group identity construction and across-group alienation.

There is a chance, although it is small now, to strengthen public trust and deescalate political polarization through improving democratic and accountable state institutions, the rule of law, and making political and social institutions accountable.

Political trust lies in the citizens' appraisal of the government and its institutions, general policy-making, and individual political leaders who are competent, efficient, fair and honest, and most importantly, who keep their promises.

The culture of dialogue needs to be revived and sustained. Political bashing, cut-throat power competition, violence and fear do not solve any political problem. Instead, political dialogue, mutual understanding and trust building do.

The Khmer Times, 2 November 2015

Myanmar's Landmark Elections and Its Effects on Cambodia

The countries in the Mekong region have struggled to build democratic institutions in their own ways with different results. Myanmar is emerging to be a source of inspiration for democracy in the region.

The landmark election last Sunday signified a critical turning point in Myanmar's politics, implying a power transition from the military to civilian leaders.

More than 6,000 candidates from over 90 political parties ran for the first credible election in more than two decades, which was relatively free and fair. Eighty percent of 30 million registered voters turned out to vote, reflecting high expectations for change.

Initial results showed that the NLD had secured a majority of the seats in both houses, allowing it to establish a new government by itself. The NLD contested 168 seats out of 224 seats in the upper house of the national parliament, and 325 seats of the 440 seats in the lower house. Twenty-five percent of the seats are reserved for the unelected military representatives.

Power arrangement

The presidency will be announced early next year. However, Ms. Suu Kyi, the head of NLD and Nobel Peace Prize laureate, is barred from the presidency as the constitution disqualifies anyone whose close relatives are foreigners – her two children hold British citizenship.

The NLD may not win the number the seats required to amend the constitution (it needs 75 percent of all seats to do so) to allow Ms. Suu Kyi to become the next president. A power competition between the NLD and the military will remain and there is uncertainty in the establishment of a stable post-election government.

The best scenario would be for the NLD and the military-backed Union Solidarity and Development Party (USDP) to work together in a coalition government or a kind of working partnership to design and implement a national development agenda.

Democratic consolidation and institutional building is a gradual process. Myanmar needs time and collective efforts in mobilizing domestic political support from different actors, particularly the military. Collective leadership, multi-stakeholder consultation and partnership, and public engagement are critical in nation building and democratic consolidation.

Myanmar's Image and Role

The election brings hope and positive changes to the country and the region. Myanmar's image and role on the international stage will be strengthened if there is a smooth power transition in the post-election period.

Since the political reforms and opening-up of Myanmar in 2010, Myanmar has emerged to become a catalyst of ASEAN community building.

Cambodian politicians and civil society groups have been paying close attention to the ongoing political development in Myanmar. The opposition Cambodia National Rescue Party (CNRP) has capitalized on Myanmar's election to ratchet up its "change" campaign. Some have quickly concluded that if the NLD could win and gain power in Myanmar, so would the CNRP in Cambodia.

However, Cambodia and Myanmar are very different in terms of historical and economic development. First, the NLD had a landslide victory in the 1990 general election, gaining about 80 percent of the seats. Unfortunately, it was not allowed to rule. The NLD has maintained its popular support since then, despite suppression from the junta.

Overall, the leadership and organizational structure of the NLD is stronger than the CNRP from central to local levels.

Second, the NLD has worked quite closely with the USDP over the past three years. Through such communication, personal relationship and trust between the leaders from the two parties have been built, particularly between Ms. Suu Kyi and Shwe Mann, who was purged from his USDP leadership in August.

In comparison, since the CNRP was only formed in 2012 after a merger between the Human Rights Party and the Sam Rainsy Party, the question of leadership still lingers. Unlike the NLD, the opposition leaders do not enjoy the same level of trust with the ruling elites, making any future cooperation even more difficult.

Third, under the military leadership, Myanmar had failed to develop and reduce poverty in the country. Its GDP growth rate is about 5 percent over the last two decades. The poverty rate is about 26 percent. Its difficult political and economic history, weak public institutions, and weak social trust pose great challenges for Myanmar. Such economic development failure greatly challenges the legitimacy the military regime. Economic failure is the main reason explaining the loss of support for the USDP in the election.

The Cambodian economy on the other hand has performed quite well over the last two decades with an annual GDP growth rate of slightly over 7 percent, lifting millions of people out of extreme poverty. The current poverty rate is about 19 percent. According to the United Nations, Cambodia has also achieved all of its Millennium Development Goals targets, most notably in maternal health, infant mortality and literacy. Thus, what the Cambodian People's Party needs to do now is to speed up reforms and deliver concrete results to win the 2018 election.

The Khmer Times, 11 November 2015

The Big Picture of Dmitry Medvedev's Visit

The three-day state visit by Russian Prime Minister Dmitry Medvedev to Cambodia last week marked a milestone in the bilateral relationship. It was the first visit by a Russian leader in almost 30 years.

The two sides signed 10 agreements, covering cooperation on information sharing to combat terrorism and money laundering; direct air services; nuclear energy; information technology; healthcare; and cultural exchanges.

The Russian media focused on economic cooperation while local media drew attention to Cambodia's \$1.5 billion Russian debt. Cambodia has tried to convince Russia to cancel this old debt, incurred during the 1980s.

Looking at the big picture, the visit was part of Russia's new grand strategy towards Asia. It signified Russia's long-term interest in comprehensively engaging Asia.

After the end of the Cold War, Russia has significantly reduced its presence and influence in Southeast Asia. The region has since been largely dominated by the US and China.

Russia – which had a naval base in Vietnam until 1991 – started to revive a strong interest in Asia during the third term of President Vladimir Putin. The engagement has only intensified after the Ukraine crisis.

Since the annexation of Crimea and the intervention in Ukraine in early 2014 – and the invasion of Georgia in 2008 – Russia's relations with Europe and the US have been increasingly tense. The US and the EU have imposed economic sanctions on key Russian economic sectors – particularly the financial sector – and corporations, leading to the plunging value of the Russian ruble.

Different interests and approaches between Russia and the US and EU with regards to the war on terror in Syria keep their relations at a distance. Russia, together with Iran, is supportive of Bashar al-Assad's regime while the US and Europe are more supportive of moderate opposition groups in Syria.

Russia's Pivot to Asia

Within this context, Russia is convinced that expanding its strategic and economic space in Asia is the core foreign policy agenda for it to compensate for its troubled relations with Europe and the US and to reaffirm Russia's global role.

China is its most important Asian partner. But Russia is also interested in diversifying its cooperation and partnership with Asia through strengthening ties with Japan, India, South Korea, and Southeast Asian countries.

The Russia-ASEAN Dialogue Partnership has been remarkably enhanced since 1996. Next

year, will mark its 20th anniversary. Both sides will organize a Commemorative Summit setting a new direction to deepen and widen the bilateral partnership.

Cambodia is pursuing a foreign policy of neutrality, non-alliance, and multilateralism. Strategic diversification is the key approach to strengthen Cambodia's position on the international stage.

Gaining Momentum

As a small country, it is necessary for Cambodia to build good, strong and comprehensive partnerships with all major powers, such as China, the US, India, Japan, and Russia.

So far, Cambodia has quite successfully strengthened ties with these major powers – except with the US due to the differences in democratic values and human rights issues.

Bilateral relations with Russia will gain momentum, especially in economic and security cooperation.

Cambodia is interested in expanding the international market for its agricultural and textile products. Russia is a potentially lucrative market.

Cambodia wishes to see more support from Russia in the energy sector. Although nuclear energy remains a long-term vision, Cambodia may need to start investing in human resources development in this sector and Russia is a potential partner in capacity building and technology transfer.

The Khmer Times, 29 November 2015

Labour Migration: An Emerging Development Challenge for Cambodia

With an estimated 300,000 young Cambodians entering the labour market every year, the Cambodian government faces a great challenge to equip these young people with the required skills to meet the needs of the labour market, facilitate their mobility, and provide them with job-matching services. The domestic labour market does not generate enough employment opportunities and provides relatively low wages compared to the neighbouring countries. Thus, Cambodian workers are pushed and pulled to migrate to other countries to look for job opportunities and higher incomes.

Out-flow migration helps reduce the mounting pressure falling upon the government to provide sufficient job opportunities for its growing young workforce. Cross-border migration is the coping strategy for some Cambodian workers to support their livelihood and family although there are certain risks and uncertainty along the migration process and journey. Due to the lack of skills, most Cambodian workers are employed in labour-intensive industries.

The outflow of Cambodian migrant labour workers to regional countries, particularly Thailand and Malaysia, is a relatively new phenomenon in the region. Only in the early 2000s did labour migration start to become one of the key issues for both research and project activities in Cambodia. According to various research findings, Cambodian migrants choose to migrate to other countries as a “short-term coping strategy” to overcome economic difficulties. The push factors accounting for Cambodian outbound labour migration include poverty, high unemployment, and low incomes, indebtedness, landlessness, lack of access to natural resources, and natural disasters.

Driven by these push factors, Cambodia is rapidly emerging as a new source of labour supply of unskilled and low skilled workers for Southeast Asia. There are about one million Cambodians working abroad. Thailand and Malaysia are the two main destinations. The occupations of these migrant workers concentrate on labour-intensive industry and services such as manual laborers, factory workers, fishery sector, domestic helpers, agricultural workers, and low skilled service workers.

Irregular migration is the core issue faced by Cambodian migrant workers seeking opportunities abroad, given its convenience and lower cost. The main causes of irregular migration are the lack of information and skills, chronic poverty, and the lengthy, expensive legal recruitment process. The majority of irregular migrants face serious labor and sexual abuses. In turn, migration does not really help their households to overcome poverty. The most common problems are non-payment or underpayment of wages, confinement to the workplace, poor working conditions, long hours, physical violence, and communication problems due to language barriers.

Irregular migration mainly stems from the lack of institutional tools and resources, international cooperation, legal framework, and intervention mechanisms to protect the workers' rights and promote the welfare of migrants. Irregular migration constitutes a significant part of Cambodian migrant workers especially in Thailand. Irregular migrants are more vulnerable to human rights violation and labor abuses. Such an environment prompts the government, in cooperation with international organizations, to develop comprehensive migration governance focusing on migration data collection and analysis, policy design and implementation, institutional capacity building, inter-ministerial coordination, and international cooperation.

The migration-related issues for Cambodia centre on weak institutions for migration management, a poor protection mechanism for migrant workers, weak inter-ministerial coordination and multi-partnerships, lack of transparency and accountability in the recruitment process of the migrant workers, high costs of sending the migrant workers, bureaucracy and corruption related to passports and work visas, lack of a standard work contract between the migrant workers and employers, and inadequate pre-training of migrant workers.

Poor communication and mismanagement of remittances is another challenge for migrant workers. According to the study by International Organization for Migration (IOM), it was found that the lack of information and understanding among the Cambodian migrants and their families in managing the remittances lessens the effectiveness of poverty reduction. Remittances are mainly transferred through informal channels and used to meet a household's basic needs, in particular healthcare and food, rather than invested in a small family business.

In 2005, the Royal Government of Cambodia created an inter-ministerial working group with functional participation by the Ministry of Foreign Affairs and International Cooperation, the Ministry of Interior, the Ministry of Labour and Vocational Training, and the Cabinet of the Council of Ministers. This working group focused on matters related to Cambodian migrant workers in other countries. Some inputs from civil society groups and international organizations were incorporated into the national migration policy.

It took five years for the government to issue some relatively detailed policy issues and recommendations. In 2010, in cooperation with the International Labour Organization (ILO), the Cambodian government issued a policy paper dealing with Cambodian cross-border migration and migrant workers going to other countries. The policy focuses on three pillars: governance of labour migration, protection and empowerment of migrant workers, and harnessing labour migration for development.

The revised migration policy 2015-2018, which was issued in early 2015, also emphasizes these three pillars of migration management and governance with elaboration on the measures and action plans.

The revised migration policy provides holistic approaches for managing migration. The next phase of migration policy development needs to re-emphasize the productivity and reintegration aspects for returning migrants, as in the next few years, Cambodia will face a huge challenge due to such migrants. A social and economic reintegration program needs to be developed to assist them, and public funds should be created to finance small business plans of entrepreneurial returning migrants.

Labor migration is a key development issue for Cambodia. Without proper institutions and mechanisms, migration will create more challenges and troubles for the Cambodian society and long-term socio-economic development. With effective national and international institutions, and international cooperation, migration is potentially a source of development and regional community building.

CISS Commentaries No. 8, 30 November 2015

Cambodia in 2015: Achievements and Challenges

The year 2015 has been a year of mixed fortunes. The country maintained a relatively high economic growth rate of about 7 percent, largely due to the expansion of garment manufacturing, construction and services.

And foreign policy gained new momentum through enhanced relationships with major powers.

But tensions between the two main political parties – the Cambodian People’s Party (CPP) and the opposition Cambodia National Rescue Party (CNRP) – pose serious challenges to economic development.

The poverty rate has been reduced to 14 percent, down from 53.2 percent in 2004. Millions of people have moved out of extreme poverty. According to the United Nations, Cambodia has achieved all of its Millennium Development Goal targets, most notably in maternal health, infant mortality and literacy. Education and electoral reform have also seen some concrete improvements.

The government also issued a significant new economic policy called the Cambodia Industrial Development Plan 2015–2025. This policy aims to develop agro-industry, small- and medium-sized enterprises, skilled labor and human resources, transport and logistics, as well as to reduce electricity prices while expanding coverage and strengthening the reliability of electricity supply.

On the foreign policy front, Cambodia has actively diversified its core strategic partners. The Cambodia–US bilateral relationship has been constrained by differences on democracy and human rights, but Cambodia has cemented its ties with other major powers such as China, Japan, India and Russia.

In September, Indian Vice President Mohammad Hamid Ansari visited Cambodia to boost ties. The two countries signed memorandums of understanding on tourism and infrastructure development, and on health and the empowerment of women.

Hamid Ansari confirmed the importance of India–Cambodia ties and stressed the need to increase bilateral trade and investment. He stated that ‘geographically, Cambodia lies at the heart of ASEAN. For us in India, our relationship with Cambodia is a key element of our engagement with ASEAN.’

“Despite extremely cordial political relations and the diverse areas of cooperation, our bilateral trade and investments remain much below its potential,” he said.

“As part of our initiatives, the government has recently set up a special purpose vehicle to attract Indian investments into Cambodia and other CLMV countries. We hope to launch this new

initiative soon,” he added.

In October, during the summit between Cambodian Prime Minister Hun Sen and Chinese President Xi Jinping in Beijing, China reaffirmed its commitment to strengthen ties with Cambodia and stressed their strategic importance. He said China was ready to work with Cambodia to expand bilateral strategic cooperation and forge an unbreakable community of shared destiny.

China pledged to import 100,000 tons of rice from Cambodia annually beginning next year, construct a hospital in Tbong Khmum Province and give Cambodia a \$157 million grant – most of which would go the construction of an 83-hectare national stadium in the capital, which will host the 2023 Southeast Asia Games.

And at the Cambodia–Japan summit last month, Japanese Prime Minister Shinzo Abe committed to a 17 billion Yen (about \$137 million) loan for the development of National Highway 5 and promised to deepen bilateral relations.

Most remarkably, Russian Prime Minister Dmitry Medvedev visited Cambodia last month, marking a significant milestone in the bilateral relationship. The last visit from a senior Russian official was when then Russian foreign minister Eduard Shevardnadze visited Cambodia in 1986.

During Medvedev’s visit, the two countries signed 10 bilateral agreements and memorandums of understanding, including cooperation on money laundering, civilian nuclear energy, health, air transport, investment and countering terrorism.

But domestic political tensions have cast a dark cloud over these successes.

The prospects for Cambodia’s continued political development are highly uncertain after tensions between the CPP and the CNRP re-emerged last month. Political bashing between the two parties has damaged hard-earned political trust.

The prospect of reaching a political resolution at this stage is slim. The trust gap between the leaders of the two parties has been widening over the past three months. And there is no direct channel of communication between them.

To make matters worse, international diplomatic pressures have had little impact on the government.

Given our political culture, the most viable solution for our political woes would be to restore trust and personal ties between Prime Minister Hun Sen and the opposition leader Sam Rainsy and revive, nourish, and sustain the “culture of dialogue” between the two main parties.

Finding a way to do this will be a major challenge for Cambodia in 2016.

The Khmer Times, 3 December 2015

Cambodia's Olive Branch for Thailand

The Cambodian-Thai relationship has been fluctuating since 2008, when Thai nationalists stirred up border tensions between the two countries over the territory surrounding the Preah Vihear temple.

The tension led to a series of armed confrontations. On October 3, 2008, troops from both sides exchanged fire near the temple. The armed clashes took place constantly through that month and again in April 2009, January 2010, April 2010, February 2011, and from April to May in 2011.

On February 9, 2011, Prime Minister Hun Sen called for urgent intervention from a third party to prevent an escalation of armed conflict.

“There will be no more bilateral talks, and all negotiations will be overseen by the third party,” he said.

On April 28, 2011, Cambodia filed a request for interpretation of a 1962 judgment, as well as a request for an indication of provisional measures, with the International Court of Justice.

On November 11, 2013, the International Court of Justice unanimously declared that the Judgment of 15 June 1962 decided that Cambodia had sovereignty over the whole territory of the surrounds of Preah Vihear. Thailand was obliged to withdraw from that territory, including all its military or police forces and other guards or keepers who were stationed there.

Weeks after the military coup in Thailand in May 2014, about a quarter million Cambodian workers were either deported or fled Thailand back to Cambodia. It was a serious human disaster given there were no humanitarian measures and assistance in place to support the returning migrants at the time.

Relations were stabilized after intensive shuttle diplomacy between the two countries. In late October last year, Thai Prime Minister General Prayuth Chan-ocha visited Cambodia. It was an ice-breaking visit to build bilateral trust and cooperation.

The two-day state visit by Mr. Hun Sen to Bangkok from last Friday marked another significant turning point in cementing bilateral relations between the two neighbours, although there are still thorny issues –especially relating to Cambodian migrant workers in Thailand.

Promoting cooperation on cross border trade, investment, tourism, labour migration, and energy were the main agenda of Mr. Hun Sen's visit. Both sides agreed to triple bilateral trade from \$5 billion now to \$15 billion in the next five years. To realize this goal, both countries need to invest more in infrastructure development and connections along the border.

Both countries will organize a friendship football match soon to celebrate their 50th anniversary of diplomatic ties. In September 2011, Cambodia hosted a similar football game for the leaders

and supporters of the Thai Red Shirts, a movement supporting former Thai Prime Minister Thaksin Shinawatra who is a close friend of PM Hun Sen.

Cambodia pursues a pragmatic and realistic foreign policy approach towards Thailand. As Thailand is going through an uncertain power transition, it really needs understanding and support from neighbouring countries to have peaceful power transition and a smooth return to democracy.

Since the 2006 coup, Thailand has faced political instability and uncertainty, which has adversely impacted on the Thai economy and its international image and role.

A nation proud of its past as the only country in Southeast Asia that was not colonized by any Western powers, a role model of democracy in the Mekong region, and a successful economic development country, Thailand is struggling to maintain its identity. Yet the next phase of Thai future is highly uncertain.

Thai national unity is being threatened by deep political polarization. Finding a stable equilibrium of power among the political parties, the military, and the monarchy is essential for Thai future.

Understanding the complex domestic politics of Thailand, Cambodia is willing to maintain and strengthen its friendship between the two governments and their peoples. Both countries share the view that through the deepening of economic and cultural ties, political and strategic trust will be enhanced.

The Khmer Times, 20 December 2015

Political Tensions Are Hampering Development

Cambodia has done rather well on economic development and poverty reduction with an average annual GDP growth rate of 7 percent over the last decade but it scores low on political reforms and institutional building. Corruption, economic inequality, social injustice, and environmental degradation are some of the symptoms of bad governance.

Moreover, the ongoing political tensions between the two main political parties – the Cambodian People’s Party (CPP) and the Cambodia National Rescue Party (CNRP) – has hindered the progress of economic reform. Domestic and foreign investors are becoming more cautious in investing or expanding their investment in the Kingdom.

The “Culture of Dialogue” initiated in July 2014 by the two parties has ebbed and flowed over time. The political tensions that erupted in November have marred the process of political reconciliation between the two parties. The lack of political trust has become the key stumbling block in having any effective dialogue between the two parties.

The brief meeting between Sar Kheng, vice president of the CPP, and Kem Sokha, acting president of the CNRP, early this month was a significant step to restore political trust and reinvigorate the culture of dialogue between the two parties. However, there is no breakthrough yet in normalizing the relationship between the two parties.

Unless there is an effective mechanism to reduce political tensions and build political trust between the two parties, Cambodia’s political outlook remains uncertain. Cambodia may face a new round of political and social instability. Hence confidence building measures and preventive diplomacy are required.

The political tension has slowed down reform progress. Key national issues such as corruption and the depletion of natural resources have not been effectively addressed. Cambodia was ranked 160 out of 177 countries by Transparency International and ranked 134 in the World Bank’s “Ease of Doing Business” report in 2014.

Economic inequality between urban and rural areas is widening. Poverty rates in rural areas remain high. Rural poverty leads to high levels of internal and cross border labour migration, which in turn generates more social problems such as human trafficking and labour exploitation.

Deforestation, land confiscation, forced evictions and labour disputes are other development issues and challenges. The study by the local nongovernmental organization Licadho shows that more than a half million people have been affected by land acquisitions by powerful individuals since 2000.

The government needs to speed up robust reform of public institutions, particularly in anti-graft and sustainable management of national resources. Both parties need to work together to resolve development challenges and social issues.

Restoring sincere and open political dialogue and consultation, building political trust and confidence, and creating joint working groups between the two parties are essential for long-term peace, stability and development. A favourable political environment helps speed up reform progress to deliver concrete results for the people. Political leaders and bureaucrats need to put national interests above party and group interests. Political parties need to gradually move from an absolute zero-sum game to a relative positive-sum game through trust building mechanisms.

To develop the country, Cambodia needs to develop strong political leadership with long-term vision, to give values to non-partisan technocrats, to professional diplomats, and invest in innovation and entrepreneurship.

The Khmer Times, 28 December 2015

Competing for the Youth Vote Require Real Reform

Cambodia is entering a new phase of political uncertainty after the eruption of political tension between the two main political parties – the ruling Cambodian People’s Party (CPP) and the opposition Cambodia National Rescue Party (CNRP) late last year.

As local and national elections are approaching, competition for power between the CPP and CNRP is intensifying. The 2018 election will be the most competitive race between the two political forces to date. It is still too early to predict who will win, as the election results will be very much defined by the votes cast by young voters. In 2014, 30 percent of the population was aged between 15 and 29 years old and this will increase to 40 percent in 2020.

The party likely to win the next election needs to have a convincing and realistic strategy to win the heart of young voters. Political leaders must change their behaviour and approach to youths.

Cambodian politics is also very much shaped by historical memories, cultural values, economic conditions, social transformations, external factors and foreign intervention.

After the collapse of the Khmer Empire in the early 14th century, when the Khmer King abandoned Angkor and moved to Phnom Penh, Cambodia experienced more than five centuries of foreign intervention, colonialism and occupation. The lack of national unity was the root cause of national weaknesses and humiliation.

In more recent times, Cambodia went through three decades of civil war, lasting from early 1970s to late 1990s. Only after 1998, was Cambodia able to unite the whole country under one legitimate government after the remaining Khmer Rouge forces were completely disintegrated and reintegrated into the Royal Cambodian Armed Forces.

However, the power struggle and competition between different political parties and factions remains acute. Due to lack of trust and weak institutions, Cambodia’s political culture is prone to conflict and instability. Zero sum games and the survival of the fittest characterize how the parties behave.

It was expected that political reconciliation under the “culture of dialogue” between the CPP and CNRP would transform their power struggle from a negative-sum game into a positive-sum game in which all political parties could co-exist and benefit.

Yet the political detente was unfortunately short-lived due to the lack of substance and working mechanisms to sustain and nurture political trust. Mutual personal attacks and deep distrust between the leaders of the two parties were the main factor derailing the dialogue.

To revive and sustain political dialogue and trust building, both parties need to focus on

institutional reforms, nation building and democratic consolidation. Such process of political trust building is the foundation of long-term peace and stability in the country. The two main political parties need to take leadership roles and be role models for other smaller political parties.

Some of the issues and challenges faced are political polarization and the widening gap between state and society. The speed of social change far surpasses state reforms. Political leaders need to adjust their way of thinking, behaviour, and approach so that they can meet the aspirations and needs of young people.

The state should largely perceive civil society as a mirror rather than as smoke. Civil society plays a critical role in shaping public opinion, monitoring public policy, keeping political leaders and public authorities in check and providing social services. State-society interactions are crucial in democratic consolidation.

Garnering political support for the upcoming commune election in 2017 and national election in 2018 is the focus of political parties. The key issues are poverty, corruption, social injustice, land disputes, economic inequality, depletion of natural resources (particularly deforestation) and territorial sovereignty.

So far, the ruling CPP has not effectively implemented the reform agenda as set out in its national development strategy. Corruption and social injustices remain serious. Public dissatisfaction is on the rise, particularly with regard to weak public institutions. The poor are starting to ask more questions about the “unjustifiable wealth” of some rich politicians and government officials.

It is a massive challenge for the ruling party to speed up reforms and deliver concrete results for the upcoming elections. The symptoms of bad governance are clear. Now, leaders need to decide whether to undergo simple treatment or surgery.

As society is changing so rapidly, adaptive, service-oriented and transformative political leadership is required. Political leaders need to understand both existing and emerging social problems and needs, develop the necessary mechanisms and mobilize energy and resources to solve them.

The Khmer Times, 17 January 2016

Kerry Arrives at Perfect Time to Strengthen Cambodia-US Ties

US Secretary of State John Kerry starts his two-day visit to Cambodia today with the objective of further strengthening bilateral relations. Mr. Kerry will meet Prime Minister Hun Sen, Foreign Minister Hor Namhong, and informally exchange views with leaders from the opposition Cambodia National Rescue Party and representatives of civil society.

While bilateral economic and defence cooperation have been smoothly and gradually enhanced, political and diplomatic relations have been strained since 2013 due to different approaches towards balancing between peace and development, and democracy and human rights.

Mr. Hun Sen's administration prioritizes peace and development while gradually promoting democracy and human rights. The Cambodian government is well aware of the importance of democracy in promoting long-term peace and development in the country, but believes the process should be gradual.

The US is persistent on promoting democracy and human rights in Cambodia. However, the US may need to be a bit more patient and try to optimize existing democratic space to further strengthen the capacity building of civil society and support human resource development.

The visit takes place amid domestic political tensions in Cambodia, rising uncertainty about regional security – especially in the South and East China seas – and emerging terrorist threats posed by Islamic State in Southeast Asia.

In such a complex interdependent world, international cooperation is required more than ever to address shared global issues and challenges. Countries, regardless of their size and power, have a role to play in maintaining peace and order. Cambodia-US relations should be understood and strengthened within the framework of global and regional cooperation and collective leadership to address regional and global problems.

As a small country, Cambodia strictly pursues a neutral and independent foreign policy. Building close ties or having proximate strategic partnership with all major powers is Cambodia's core strategy. Balancing its external relations between China and the US is a challenge, but it is achievable if the US is more open and understanding of Cambodia's position and needs.

To survive in the complex international system and evolving multipolar world order, Cambodia has no choice but to be friends with every country. Cambodia defines its national interest mainly from the economic development angle. Cambodia welcomes support and assistance from all major powers who are willing to help Cambodia develop.

Through the understanding of each other's needs and strategic conclusion, Cambodia and the

US can overcome the trust deficit and work together to maintain regional peace and stability, promote equitable development, and build a pluralistic and harmonious society.

Economic cooperation and integration should be made the priority. Technology and innovation are the main sources of US diplomacy.

Cambodia needs US assistance to gradually move up the development ladder from labour-intensive industry to more value-added manufacturing and services.

Economic development defines Cambodia's foreign policy. The most viable way to effectively engage Cambodia is through economic means. To gain influence in Cambodia as well as in Southeast Asia, the US needs to deepen economic integration in addition to increasing the presence of its military.

The US-led Trans-Pacific Partnership (TPP) is a welcome move but it needs to be more inclusive. China and other countries in the Asia-Pacific region should be included in this new gold standard regional trade arrangement.

If the US truly promotes the rise of all countries, it must further lend its support to less developed countries in the region, particularly in the Mekong sub-region, in order to narrow the development gap in ASEAN. Upgrading the Lower Mekong Initiative, which was initiated by the US in 2009, is critical to regional development and connectivity.

Blessed with a demographic dividend, Cambodia has great potential to develop its economy and consolidate democratic values and institutions. More than 30 percent of the population is between 15 and 29 years old. A window of opportunity for the US and other development partners awaits if they want to tap into this generation.

The US has comparative strategic advantages in Cambodia given that most the Cambodian students and young leaders are inspired by the US values of freedom and democracy. If the US continues to invest more in educational and cultural exchanges, it will build a strong foundation by projecting its soft power in the Kingdom and beyond.

The Khmer Times, 24 January 2016

Cambodia Embarks on E-Government

Early this month Prime Minister Hun Sen stated that his administration was moving toward e-government, praising the efforts made by the Ministry of Commerce, under the leadership of Minister Sun Chanthol to make services like commercial registration available online. He also urged all ministries to use social media to reach out to a wider audience, and encouraged all ministries to set up Facebook pages, given the popularity of Facebook in Cambodia.

However, e-government is a relatively new concept in the Kingdom. Many policymakers at both the national and local levels have not been trained to use information technology to deliver public services. Implementing e-government services requires sufficient knowledge, infrastructure and manpower.

E-government strategies use the Internet to deliver information and services to citizens. E-government also provides a platform for interactions between the public sector and the private sector, and can build trust between the state and society.

In 2000, Cambodia created the National ICT Development Authority (NiDA) and the Government Administrative Information System (GAIS) with the aim of generating revenue. GAIS has four flagship programs: an electronic approval system, real estate registration, resident registration, and vehicle registration. However, NiDA and GAIS fall short of promoting transparency and accountability.

If the government wishes to promote e-government, a national strategy has to be established, along with the development of infrastructure and human resources. Some of the main elements of e-government are publication and information sharing, dissemination of government policy, online delivery of public services, and bringing e-government to local communities.

Public institutions need to simplify their policy agendas and implementation strategies in order to better communicate with the public. Government services need to be made available online. The Ministry of Commerce may be a role model in promoting this. Social media provides convenient access for the public to receive information and provide feedback. The government should encourage citizens to submit feedback and complaints online, and take all feedback seriously.

Since more than 70 percent of Cambodians live in rural areas access to online government services is a core challenge. Developing and implementing e-government services at the local level is necessary and the government must invest in building information and communication technology (ICT) in the rural areas. Investing in ICT infrastructure in rural areas helps bridge the digital divide. The government and development partners also need to promote e-literacy in these areas.

Successful e-government requires political commitment and leadership. The government needs to create a focal point for e-government innovation, planning and oversight. Intra- and inter-

agency coordination must be strengthened to reform public policy in response to the public complaints and feedback. Policies need to be streamlined and reviewed and electronic mechanisms need to be developed to mitigate or resolve social needs and problems.

Consultation and partnership among public agencies, the private sector, non-governmental organizations, and local communities, are critical in crafting meaningful reforms and implementing e-government. The government needs to take a leading role in promoting the involvement of a wide range of stakeholders as well as inclusive dialogue in designing e-government strategy.

Trust across government agencies, between government agencies and businesses, NGOs, and citizens is another factor determining the success of e-government. Trust building requires privacy – protecting personal information the government collects about individuals – as well as security to protect e-government sites from cyber-attacks and misuse.

The Khmer Times, 25 February 2016

Institutional Reforms or Leadership Change?

A Cabinet reshuffle is expected this year after Prime Minister Hun Sen warned that if there were no quick and effective reforms, several cabinet ministers would be removed. The Ministry of Transport and Ministry of Agriculture have been rated as the lowest performers, but other ministries require systematic reforms as well. Ministers are being given a clear choice: institutional reforms or leadership change.

Rating and ranking the performance of government ministries is a welcome move. However, two sets of questions arise: what kind of institutions and/or mechanisms should be developed to objectively and scientifically evaluate ministries and what criteria, benchmark, and elements should be used to make assessments?

Public opinion obviously matters. The recipients of public services are well aware of the shortcomings and weaknesses of public institutions. If the government is willing to deepen reforms, it needs to establish an institutionalized feedback and complaint system.

Feedback and complaint forms should be made available and conveniently accessible to local communities. A more institutionalized and systematic online feedback system needs to be created in addition to the existing and proliferating Facebook pages.

However, sceptics and critics question and doubt the effectiveness of public sector reforms since the state institutions have become complex networks of group and family interests. Internal power competition, nepotism and corruption have become more sophisticated and difficult to tackle.

Mr. Hun Sen has warned and alerted ministers about the need to reform several times, but no concrete reforms have been implemented. After the “watershed election” in 2013, in his remarks at the first Cabinet meeting on September 25, 2013, he urged his newly appointed ministers to practice self-criticism. “Look at yourself in the mirror, take a bath, and rub off dirt from your body, if there is any... We must change or we will fail... We must change our attitude, way of thinking and action in delivering on our election promises,” he firmly stated.

Time is running out for the ruling Cambodian People’s Party (CPP) to accelerate reforms and leadership change. The symptoms of bad governance are clear. It is now up to the prime minister, who needs to face the hard truth, whether to have “simple treatment” or “surgery” for his administration.

“Surgery” is a painful process. However, even though it involves risks and comes with a certain level of uncertainty, it is a necessary process to get to the roots of the problem. Mr. Hun Sen has enough confidence, political support, and popular support to decisively reshuffle Cabinet ministers and deeply reform the public sector.

Strong leadership is required to deliver results-oriented reforms. Bureaucratic capacity is

needed to effectively implement a reform agenda. Meritocracy is vital to recruit qualified staff to do the job.

Reforms should not only aim to win elections but also to build a legacy for future generations. Transparent, accountable, responsive and accountable state institutions are fundamental to sustainable peace and development.

While Prime Minister Hun Sen has been recognized as the main architect of peace building in Cambodia, particularly through his win-win policy of neutralizing the remnants of the Khmer Rouge, he falls short of promoting good governance in the Kingdom.

In the final phase of his political leadership and stewardship – how long he will stay in power depends on people’s choice and his own will – he has shown his commitment to implement necessary reforms to strengthen state institutions.

A Cabinet reshuffle will mark the new beginning of public-sector reform. It should be followed by bureaucratic reforms that ensure meritocracy takes hold. Now is the time to be serious.

The Khmer Times, 7 March 2016

Critical Time Ahead for the Ruling CPP

The race for political power in Cambodia has gained steam as the elections are approaching. The Cambodian People's Party (CPP) and the Cambodia National Rescue Party (CNRP) are the two key competitors in the race.

The CPP is facing mounting challenges after the watershed election in 2013, which ceded 22 seats to the opposition CNRP. To maintain its power base is an uphill struggle for the ruling CPP, given its reform path was quite rocky and the speed of reform has been slow.

The development gap between the rich and the poor, between the urban and rural areas, keeps widening. The poor feel left behind. Such developments result in the increasing popularity and power base of the opposition CNRP in rural areas, the political stronghold of the CPP.

The CPP has carried out reforms at both national and sub-national levels. A Cabinet reshuffle is underway to put more pressure on government ministers to deepen reforms and deliver results. In early March, Prime Minister Hun Sen warned that several ministers would be removed for their shortcomings in leadership and result-based reforms.

Mr. Hun Sen has urged his cabinet to respond to the complaints and comments made by the public on his Facebook page. In response, some ministries have set up a small team to follow up on comments on the Prime Minister's Facebook page and act accordingly.

However, such an online feedback system is not inclusive, given the majority of the poor do not have access to the Internet. To be more inclusive and representative, this feedback system needs to be made conveniently available to local communities.

The Ministry of Education, Ministry of Commerce and Ministry of Environment have gained public recognition compared with other ministries, given their remarkable achievements in reforms over the last two years. Other government ministries have relatively low public trust and confidence.

It is therefore necessary to thoroughly and systematically reform the low performing government ministries and agencies. Mr. Hun Sen hinted that he planned to systematically and comprehensively rate and rank public institutions and agencies in order to encourage them to compete and achieve a better performance.

If the reforms are successfully implemented, the CPP will have a high chance of winning the upcoming elections – the commune election in 2017 and the general election in 2018. But if the reforms fail, the future of the CPP is highly uncertain.

Recognizing the important role of youth in shaping the political landscape in the Kingdom, the CPP has taken a proactive approach to reach out to the youth in different ways and by different means.

The Union of Youth Federation of Cambodia, led by Hun Many, the youngest son of Mr. Hun

Sen and also a Member of Parliament from the CPP, has mobilized and energized significant networks of youth leaders. However, young people are very emotional and their political views and position are not constant.

Labour disputes and farmers' discontent are the two main development issues that require holistic resolution. Although the number of labour strikes and protests has been reduced, their root causes have not been comprehensively addressed.

The issues related to the minimum wage, labour standards and labour productivity remain at the core of the trilateral dialogue among the trade unions, employers and government agencies.

Agriculture is the main sector of the economy. More than 75 percent of the Cambodian people live in rural areas. While the urban economy has risen in the past decades, rural development has been left far behind.

Although Cambodia has enjoyed more than 7 percent GDP growth in the past three decades, the livelihood and standard of living of farmers in rural areas has not improved a great deal. Drastic internal and cross-border migration clearly reflects the lack of opportunities in rural areas and the development gap.

On external relations and diplomacy, the CPP has racked up a significant score. The CPP has started to diversify and intensify its relations with countries from Asia to Europe, North America and Oceania. The visit of CPP leaders to Laos last weekend and Vietnam later this month signifies a new momentum in the CPP's foreign policy.

But, in such an uncertain and fast changing world, Cambodia needs to redefine its national interests, adapt itself to a new environment and strengthen institutional capacity and leadership in diplomacy and foreign affairs.

What Cambodia needs to do next is to effectively link foreign policy with inclusive and sustainable socio-economic development and identity building.

The Khmer Times, 18 March 2016

Mixed Views on Cabinet Reshuffle

Last Friday, Prime Minister Hun Sen revealed his much-anticipated new Cabinet members – five ministers were shifted to helm other ministries, while two deputy prime ministers and one minister were set to retire.

The reshuffle is regarded as a big move by the long-ruling Cambodian People’s Party with the hope that it can regain public trust and confidence after the watershed election in 2013.

Two ministries that will undergo critical reforms are the Ministry of Foreign Affairs and International Cooperation, which will be led by Prak Sokhon, and the Ministry of Public Works and Transport, which will be led by Sun Chanthol. These two promising candidates have earned public trust and confidence based on their past performance.

Local observers welcomed the Cabinet reshuffle but with reservations. Some local analysts have even expressed their disappointment that PM Hun Sen is not bold enough to dismiss low-performing Cabinet ministers.

Mr. Hun Sen tends to use “carrot” more than “stick” to deal with his loyal Cabinet members. Decision-making based on loyalty and emotion detracts from his reform path and efforts, which in turn harms his administration’s credibility in ratcheting up results-oriented reforms.

Low-performing ministries include the Agriculture, Public Works and Transport and Health. The ministers of these three ministries have been left, however, generally unscathed.

According to the letter submitted by PM Hun Sen to the National Assembly, outgoing Agriculture Minister Ouk Rabun is nominated to be the Minister of Rural Development and the outgoing Transport Minister Tram Iv Tek is nominated to be the Minister of Posts and Telecommunications.

There is no change in leadership at the Ministry of Health.

This sets a not-so-good precedent for future Cabinet reshuffles and public administration reforms. To stay and play safe, Cabinet ministers tend to focus more on strengthening personal ties and loyalty with the prime minister than delivering genuine public service to the people.

To accommodate diverse interest groups and power seekers, government institutions have been expanded through the establishment of new ministries, agencies and authorities, some which have overlapping duties and responsibilities.

Public governance and administrative reforms in Cambodia converge towards “big bureaucratic machines,” which are doomed to be a fading fashion within the context of dynamic regional integration and increasing competition.

In reality, Cambodia does not need so many ministries. The government should reverse the

trend and start merging ministries and authorities that have overlapping or similar responsibilities and promote one-stop services. Otherwise, bureaucratic capacity will remain very low.

Meritocracy is the foundation of public governance. The appointment of public servants needs to be based on talent, performance, and achievement instead of nepotism and loyalty. Meritocracy is a powerful vehicle to incentivize people to do their best and reach their fullest potential.

Singapore offers an important lesson here. Its founding father, Lee Kuan Yew, said: “if you want Singapore to succeed...you must have a system that enables the best man and the most suitable [person] to go into the job that needs them”

Comparing the government to a human body, it has a big belly with a tiny head and skinny legs. By nature, such a body is unhealthy. The big belly refers to bureaucracy, head refers to research and development capacity, and legs refer to the private sector and civil society.

To sustain progress, Cambodia must enlarge its head: investing more in research and development and reduce its belly by merging government ministries and agencies. It should also add muscle to its legs by supporting and empowering the private sector and civil society.

The Khmer Times, 21 March 2016

The Trade Union Law Will Be Passed Amid Controversy

The controversial draft Trade Union Law will be discussed and approved by the National Assembly this week, notwithstanding criticism from some labour unions, employers and human rights groups.

The opposition Cambodia National Rescue Party (CNRP) will likely vote against the bill, given its political stand with the trade unions.

Labour disputes and unstable industrial relations are key impediments to industrial development. The lack of inclusive consultation among relevant stakeholders in the process of drafting the Trade Union Law limits the effectiveness of the legislation.

The unions claim that their rights and freedom are restricted under the law. The critiques expressed their concern that the draft law falls short of protecting the rights of workers and their unions. There are many vague provisions in the draft law, which could potentially be easily abused by the government and employers.

The trade unions are unlawful if they are “contrary to public order,” to “cause trouble with the only objective of being of service to a political tendency,” or to “bring about a traffic jam.” Such provisions are prone to arbitrary or politically motivated interpretations by the courts, according to a March 2015 Human Rights Watch report.

The \$5.5 billion garment industry, which employs about 700,000 workers and accounts for 54 percent of total exports, is facing mounting challenges and pressure to raise the working standards and minimum wage of the workers.

Last week representatives from the Garment Manufacturers’ Association of Cambodia (GMAC) and the Cambodian Federation of Employers and Business Associations (CAMFEBA) underscored the economic loss of prevalent strikes in the garment industry.

Although the number of labour strikes has dropped in the last two years, the root causes of the disputes have not been holistically addressed. The lack of inclusive consultation and effective mechanisms to settle labour disputes constrains the Kingdom’s industrial development.

The politicization of labour disputes, the lack of transparency, accountability and social responsibility of the state and private institutions, and the decentralization of the labor movement, make the mitigation of labour disputes even more difficult.

Labour disputes have become more complex and tense since the late 1990s, along with a drastic increase in garment factories in Cambodia. The politicization of the labor disputes further complicates the process of finding solutions to the problems.

The draft Trade Union Law has been the subject of dialogue among trade unions, government agencies, employers' associations and the International Labour Organization (ILO) since 2008.

The government started to push the draft law in 2014 in the aftermath of the general election in July 2013 and amid surging labour protests. In November 2015, the Cabinet adopted the draft law and sent it to the National Assembly for discussion and approval.

The draft law aims to govern unions and their activities, manage employer organizations, settle labour disputes and promote productive industrial relations.

Labour disputes mainly derive from lay-offs without proper compensation, indecent working conditions and disagreements over the minimum wage.

The issue of a minimum wage has been the core of tensions between employees and employers. The minimum wage is set to increase to \$140 in 2016, which is \$12 more than the present \$128. But union leaders demand that the minimum wage rise to \$160.

To resolve the minimum wage issue, the government plans to create a law on the minimum wage in order to have steady and manageable increases. The government has also imposed more legal restrictions on labour strikes and protests so foreign investors have more confidence to invest.

According to the latest figures by the Ministry of Labour and Vocational Training, there were 336 cases of strikes in 2015, a mere decrease of 2 percent from the year before.

The government faces a dilemma of assuring labour force contentment without squeezing employers' profit margins and making Cambodian industry uncompetitive. Constructive and stable industrial relations are vital to industrial development.

The Khmer Times, 3 April 2016

Implementing Industrial Development Policy

Cambodian politics is getting unpredictable and ugly. If the trend is not reversed, the Kingdom's economic outlook will not be good.

In the last six months, personal attacks and political blame games have brought about political risks, if not yet decay, to the Kingdom.

Cambodian scholars are calling for constructive dialogue among political leaders on national issues, particularly economic policy.

Sim Vireak, in his opinion piece published by the Cambodian Institute for Strategic Studies, rightly points out that it is time for “Cambodian politicians to lead Cambodian public discussion to a new level of debate to be based on policy alternatives instead of endless destructive criticism and emotional and personal attacks.”

As Cambodia becomes a lower middle-income country with the per capita income slightly more than \$1,000, a more robust economic development strategy is required. The government introduced an industrial development policy last year with the vision to transform Cambodia from a labour-intensive industry to a skill-driven industry by 2025.

The policy aims to promote sustainable and inclusive high economic growth through enhancing production and export capacity and diversifying the sources of growth, focusing on the manufacturing sector, agro-industry and small and medium-sized enterprises.

By 2018 the government plans to reduce the price of electricity, develop integrated and effective logistical systems, strengthen labour productivity and skills development and transform Sihanouk province into a multi-purpose special economic zone.

Different government ministries are tasked to coordinate and work together to realize these goals. However, many government agencies have yet to develop their own action plans to implement the industrial development policy.

The Cabinet reshuffle approved by the National Assembly this week is expected to speed up institutional reforms. But critiques observe that it is just “cosmetic”, which does not have much impact on the efficiency and effectiveness of the public institutions.

The core challenges ahead in implementing the industrial policy is the lack of leadership, coordination and effective decision-making. Other obstacles include industrial infrastructure, a lack of skilled labour, financing and labour disputes and industrial relations.

It is expected that the number of strikes and protests will be reduced after enforcing the Trade Union Law, which was passed by the National Assembly early this week. Yet labor disputes and industrial relations tensions will remain high given the law has been strongly criticized by the labour unions.

Human resources development and skills transformation need time. As a matter of fact, it would take at least another 10 years to see the results of educational reform. Education is a long-term investment.

Confucius said: “If your plan is for one year, plant rice. If your plan is for 10 years, plant trees. If your plan is for 100 years, educate children.”

Under the leadership of Hang Chuon Naron, educational reforms have gained new steam with relatively clear vision and action plans covering early childhood education, primary education, secondary education and technical education, higher education and non-formal education.

Vocational training and technical skill development are the core strategy of human resource development in response to the labour market demand. In the context of regional economic integration, Cambodia has great potential to become one of the main suppliers of parts and components to multinational corporations in the region.

Cambodia needs to attract more foreign direct investments to develop industrial infrastructure such as the electricity supply, special economic zones, industrial zones, economic corridors or gateways and modern transport and logistics systems.

In order to attract and invite foreign investment, the government institutions have to be clean, efficient and business-friendly. According to the World Bank’s report on “the ease of doing business”, Cambodia ranks 127, second lowest in Southeast Asia after Lao PDR.

The Khmer Times, 7 April 2016

Cambodia is Hedging, not Bandwagoning

A competition for power and rivalry between China, the resident power, and the United States, the Pacific power, is rising, creating a new wave of strategic and security uncertainties and tensions across the Asia-Pacific.

Small Southeast Asian countries are under mounting pressure and adjusting or readjusting their position.

Cambodia is walking a tight rope, forging a careful balancing act, trying to diversify its strategic partnerships with all major powers. But having a stable and balanced relationship becomes even more difficult given the intensifying competition for power and the increasing tension over security in the region.

Cambodia's international image has been damaged by the widespread perception that the Kingdom is the client state or proxy of China, particularly after the failure to issue the 45th ASEAN Foreign Ministers' joint statement in 2012 when Cambodia was the chair of ASEAN. The accusation is not fair and just. It does not reflect the realities on the ground.

Some scholars argue that Cambodia chooses to bandwagon with China and that economic interest is the main driving force for this. But, if we observe more carefully, Cambodia is pursuing a pragmatic foreign policy – not putting all its eggs in one basket.

Learning from its past, Cambodia is now wise enough not to become trapped in major power politics. Cambodia was a victim of the Cold War, resulting in three decades of civil war.

The Kingdom's constitution clearly states that Cambodia adopts a policy of permanent neutrality, non-alignment and peaceful co-existence. In practice, Cambodia promotes a multipolar world, supports global and regional institutions and actively engages in building regional architecture.

ASEAN is regarded as the cornerstone of Cambodia's foreign policy. ASEAN is the shield for Cambodia to ward off adverse impacts caused by major power plays. ASEAN assists the neutrality and independence of Cambodia.

Last week's visits by a top diplomat from China and a senior diplomat from the US reflected Cambodia's dynamic strategic engagement with both powers.

At the bilateral meeting between Amy Searight, the US Deputy Assistant Secretary of Defence for South and Southeast Asia, and Secretary of State of Défense Ministry Neang Phat on April 20, the US expressed its willingness and commitment to strengthen defence and security ties between the two countries, particularly with Cambodia's maritime security.

Cambodia welcomes the US role in Asia. Cambodia wishes to see more US support in economic development, capacity building, defence capability enhancement, disaster relief and

humanitarian assistance. The role of the US in the region is vital to maintaining long-term peace and stability.

But the US should treat Southeast Asian countries and ASEAN as an independent entity, not a function of the US's China strategy.

A day later, China's Foreign Minister Wang Yi paid a two-day visit to Cambodia, meeting his counterpart Foreign Minister Prak Sokhon, paying courtesy calls on His Majesty King Norodom Sihamony, Prime Minister Hun Sen and Deputy Prime Minister Hor Nam Hong.

At a press briefing, Cambodia and China praised the fast advancement of bilateral ties and expressed their commitment to maintaining momentum to deepen their comprehensive strategic partnerships. Both countries are working closely to effectively implement the "Belt and Road" initiative, Lancang-Mekong Cooperation and promote the China-ASEAN partnership.

On the South China Sea issue, both countries want a peaceful settlement of the differences and urge claimant states to effectively implement the Declaration of the Conduct of Parties and work towards the early realization of the Code of Conduct.

China has successfully convinced Cambodia not to support the arbitration case submitted by the Philippines to the Permanent Court of Arbitration at The Hague over the Philippines' maritime dispute with China over the South China Sea. The Philippines has worked hard to convince other ASEAN member states to support the court's decision to be delivered in June.

The South China Sea dispute is a very complex regional security issue, given that it has many stakeholders in the second most important sea-borne trading route in the world. The South China Sea has become the visible platform of the competition for power between China and the US.

Cambodia is not a claimant state. But as a responsible member of ASEAN, Cambodia always stands with ASEAN to promote strategic trust, contain the escalation of tensions through regional dialogue and cooperation. Any militarization in the disputed South China Sea is counter-productive to trust building efforts.

To effectively pursue a neutral and independent foreign policy, Cambodia needs to adopt a hedging strategy, particularly through strategic diversification and the strengthening of regional architecture, which is the embodiment of multiple regional and sub-regional cooperation mechanisms.

The Khmer Times, 25 April 2016

Cambodian Politics Needs Fixing

Cambodia is entering a new phase of political tension and uncertainty. The political outlook is relatively bleak as a political storm is gathering on the horizon.

Cambodian politics is very much shaped by historical memories, cultural values, economic conditions, social transformations, external factors and foreign intervention.

After the collapse of the Khmer Empire, Cambodia experienced more than five centuries of foreign intervention, colonialism and occupation. The lack of national unity was the single root cause of national weaknesses and humiliation.

Thanks to a win-win policy in 1998 mastered by Prime Minister Hun Sen, Cambodia has been able to unite the whole country under one legitimate government. But Cambodian politics have been personalized too much. Political institutions have not been effectively strengthened.

Due to the serious lack of political trust and weak state institutions, Cambodian politics is prone to conflict, violence and instability. A survival of the fittest strategy pretty much characterizes Cambodia's political culture.

It was expected that political reconciliation under the "culture of dialogue" between the Cambodian People's Party (CPP) and the Cambodia National Rescue Party (CNRP) would transform their power struggle from a negative-sum game into a positive-sum game in which all political parties co-exist and work together to serve common national interests.

However, the political détente was unfortunately short-lived due to the lack of substance and working mechanisms to sustain and nurture political trust. Mutual personal attacks and deep distrust between the leaders of the two parties were the main factor in derailing the dialogue process.

Episodes of political intimidation have led to views that the division between the two main political forces is enlarging. There is zero trust between the leaders of the two main political parties.

Some local and international observers have raised concerns that democracy and the rule of law are significantly regressing. They call for political solutions.

To revive and sustain political dialogue and trust building, both parties need to focus on institutional reforms, nation building and democratic consolidation.

The process of political trust building is the foundation of long-term peace and stability in the country.

The key challenge facing Cambodia is how to have a peaceful and smooth power transition, taking into account the past experiences of violence.

The core question is therefore how Cambodia can move from the political culture of revenge and violence to a political culture of peace and dialogue.

Regardless of the democratic backwardness, democratic values will prevail. No forces are powerful enough to stop the hard-earned multi-party political system and democracy in this Kingdom.

Free, fair and inclusive democratic elections are the backbone of long-term peace and stability. There is no peace without justice and genuine democratic elections.

After embracing the values of democracy for more than two decades, Cambodians are well aware of their rights and duties as citizens in a democratic governance system.

The young people will not tolerate any intentions or acts that derail the democratic path towards long-term peace and development.

As local and national elections are approaching, competition for power between the CPP and CNRP is intensifying. The 2018 election will be the most competitive race between the two political forces to date.

It is still too early to predict who will win, as the election results will be very much defined by the votes cast by young voters.

More than 30 percent of the population is aged between 15 and 29 and the percentage will increase to 40 percent in 2020. Such a demographic factor forces political leaders to transform their leadership style and communication strategy.

The young people are looking for their role model(s). Leaders need to lead by example. A democratic, servant and transformative type of leadership is required.

The party likely to win the next election needs to have a convincing and realistic strategy to win the hearts of young voters.

The two main political parties need to take co-leadership roles in maintaining peace and stability, and be the role models for other smaller political parties.

Some of the issues and challenges faced are increasing political polarization and the expanding trust deficit between the state and society. The speed of social change far surpasses that of state institutional reforms.

Political leaders need to adjust their way of thinking, behavior and approach so they can meet the aspirations and needs of the young.

The key issues for the upcoming local and national elections are poverty, corruption, social injustice, land disputes, economic inequality, depletion of natural resources (particularly deforestation) and territorial sovereignty.

As society is changing so rapidly, adaptive political leadership is required. Political leaders need to understand both the existing and emerging social problems and needs, based on which necessary mechanisms and tools are developed and energy and resources are mobilized to resolve those problems and needs.

The Khmer Times, 27 April 2016

Cambodia-Vietnam Ties

Vietnamese President Tran Dai Quang wrapped up his first trip to Cambodia, after Laos, yesterday. His trip marked a milestone in deepening and widening bilateral relations between the two countries.

During his two-day visit to Phnom Penh, President Quang met with King Norodom Sihamoni and exchanged views with National Assembly President Heng Samrin, Senate President Say Chhum and Prime Minister Hun Sen.

The leaders of both countries reaffirmed their commitment to nurture traditional friendship between the two countries, deepen comprehensive strategic partnership and cooperate more closely at the international platforms to peacefully address international issues.

Vietnam and Cambodia share common foreign policy objectives, which are the enhancement of regional and sub-regional institutions in maintaining regional peace and stability, harnessing regional integration and transforming regional dynamics into a source of state reforms and national development.

Both countries also advocate for a multipolar world order in which more than one or two global powers work together to maintain international order. More roles and responsibilities should be given to the emerging economies. More emphasis should be given to global governance and regional institutions.

However, in practice these two countries are taking a slightly different approach. Vietnam is heavily hedging against China through the strengthening of economic and defense ties with the US, Japan and India. Cambodia, on the other hand, heavily depends on China for economic interests.

Cambodia and Vietnam have different approaches towards the disputes in the South China Sea. Cambodia, as a non-claimant state, is reluctant to promote the South China Sea agenda at the international forums.

Cambodia is not interested in seeing the South China Sea disputes dominate regional architecture and harm a good overall relationship between China and Asean relations.

Such strategic divergence between the two countries creates a certain level of distrust and tension. Moreover, domestic political dynamics and nationalism in Cambodia potentially pose a serious threat to the future of the bilateral relationship.

Government-to-government, party-to-party, business-to-business and military-to-military relations are well founded and progressing. But people-to-people ties need to be improved.

Educational and cultural exchanges between the two societies are therefore necessary to build a long-term and stable bilateral relationship.

Last month, the French and German embassies organized a series of events and roundtable discussions to share the experiences and lessons learned from France and Germany in bilateral reconciliation between the two former foes.

The French-German reconciliation shows that political will and leadership, open multi-stakeholders dialogue and inclusive participation are the critical mechanisms in promoting mutual understanding, trust and cooperation.

Economic interdependence particularly at the border areas, regional and sub-regional economic integration, cross-cultural conservations, civil society exchanges and dialogues, education and people mobility are the foundations of the French-German friendship.

Understanding history helps countries to move forward in terms of reconciliation. History gives light to the future; but don't let history dictate the future.

Frank, open and inclusive conversations between Cambodians and Vietnamese need to be encouraged to avoid unnecessary misperception and mutual distrust.

Vietnam should explore opportunities to work with different political groups in Cambodia to promote mutual understanding. Meanwhile, the political parties in Cambodia should refrain from using anti-Vietnamism to gain their popularity and votes. Only through dialogue trust can be built.

The remaining disputes between the two countries need to be managed and resolved based on mutual interests, bilateral negotiation, regional mechanism and the principles of international law.

To move forward, Cambodia and Vietnam need to overcome the differences through inclusive dialogue across sectors and actors, particularly invest more in promoting people-to-people ties.

Winning the hearts of politicians serves short-term interests. Winning the hearts of the people serves long-term interests.

The Khmer Times, 18 June 2016

Hun Sen and the South China Sea

P rime Minister Hun Sen, who appeared to be furious, slammed the Philippines on Monday over what he described as its unrealistic diplomatic efforts to convince Cambodia to support a ruling by the International Tribunal for the Law of the Sea at The Hague in the Netherlands, which is about to be issued.

The behaviour of the Philippines, he said, was an act of dividing Asean and using Cambodia to counter China.

“Cambodia will not be the puppet of any country,” he said.

The Philippines had walked out from bilateral negotiations with China and the dialogue mechanism between China and Asean. The Philippines also did not consult Asean before bringing its case to the international court, he added.

Mr. Hun Sen also perceives the arbitration as politically motivated. “The court ruling will not be fair,” he said.

“This is not about laws, it is totally about politics. I will not support any judgment by the court,” he said, adding that the case was a “political conspiracy between some countries and the court.”

In 2013, the Philippines brought the case on territorial disputes with China in the South China Sea to the International Court and claimed China’s territorial claims and activity in the South China Sea were contrary to international law. But China refused to participate in the case.

The tribunal is not going to adjudicate on the competing sovereignty claims, only on the maritime rights that are attached to those claims. The intention is to question the legal validity of China’s nine-dash lines, which cover almost 90 percent of the South China Sea.

It will also question China’s artificial islands in the disputed areas.

The ruling will create a new wave of tension in the region and seriously impact on the geopolitics of the Asia-Pacific region. Confrontations between China and the US are going to rise and Asean’s role and image will be further challenged and tested.

There will be increased pressure on Asean unity.

Prime Minister Hun Sen also laid out three approaches towards the South China Sea disputes.

First, the Declaration on the Conduct of Parties in the South China Sea (DOC) needs to be strictly observed and implemented. Second, Asean and China need to realize the Code of Conduct (COC).

Third, and most importantly, the disputes must be resolved by the direct claimant states.

He also noted that the COC is not an instrument to resolve sovereignty disputes. The direct claimants need to resolve the disputes by themselves, he said.

For instance, he added, China and Vietnam have effectively managed their territorial disputes, particularly on land boundary demarcation. Strong economic relations between China and Vietnam will prevent these two countries from having conflicts.

From now on, he said, Cambodia will not talk about the South China Sea disputes at any “inappropriate forums.”

External actors should not intervene into the disputes, he added.

“Please don’t add fuel to the fire, don’t take sides,” he insisted.

“The South China Sea disputes are not between Asean and China. They are between the direct claimant states,” he said. Asean does not have a mandate to resolve territorial disputes.

China and Asean share common interests and have a lot of room for cooperation.

In 2012, Cambodia as the chair of Asean was accused of siding with China in blocking the 45th Asean foreign ministers meeting in Phnom Penh from issuing a joint statement.

Again, at the China-Asean foreign ministers meeting last week in Kunming, Cambodia and Laos were accused of spoiling Asean’s united front against China.

PM Hun Sen has tried several times to defend and clarify Cambodia’s position on the South China Sea disputes, but failed to convince some other Asean friends.

“Cambodia is independent. Cambodia is not a puppet. Cambodia just wants justice,” he said, adding that the disputes need to be resolved peacefully.

He urged all parties directly concerned not to use force or threaten to use force and to strictly implement the DOC and work together to realize the COC.

He reiterated that the main reasons for Cambodia joining Asean in the late 1990s were the principles of non-interference, consensus-based decision-making, economic integration and development and diplomatic outreach to the region and the world at large.

The Khmer Times, 22 June 2016

Cambodia's Trade Deals

Cambodia has been a de-facto open and liberal free market economy since the mid-1990s simply because there are not much economic or industrial interests to protect.

Trade liberalization and openness are regarded as the keys towards economic development and poverty reduction.

To survive as a small economy, Cambodia has to be economically competitive and be able to integrate into the world economy. It needs to enlarge its export markets, attract foreign direct investment, improve production capacity and be part of global and regional value chains.

The evolution of regional mega trade arrangements, particularly the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP), ushers in a new momentum and dynamism in the Asia-Pacific.

The RCEP, with a combined GDP of \$23 trillion, aims to achieve a modern, comprehensive, high-quality and mutually beneficial economic partnership agreement among the 10 Asean member states and six Free Trade Agreement (FTA) partners of Asean.

RCEP, which is still in the negotiation process, also aims to create a liberal, facilitative and competitive investment environment and narrows development gaps in the region through technical cooperation and development assistance.

Sensitive issues in RCEP negotiations include the movement of people, investment liberalization in certain sectors and government procurement. One complicating factor is that not all participating countries have an FTA with their RCEP partners.

For example, there is no FTA between China and India, between China and Japan.

The TPP, with a combined GDP of \$28 trillion, aims to achieve extensive liberalization in trade in goods and services, investment, government procurement, non-tariff barriers and many other regulatory topics.

The TPP, which was concluded late last year, is a high-standard, comprehensive regional FTA that will boost trade and investment flows among the 12 member countries as well as integrate the region into a single manufacturing base and market.

Domestic politics in the US casts a long shadow over the TPP. Whether the US Congress will ratify the TPP is a matter of political debates. Both Donald Trump of the Republican Party and Hillary Clinton of the Democratic Party have publicly opposed the TPP in its current form.

Bernie Sanders from the Democratic Party calls TPP “disastrous” for America.

As a member of Asean and the RCEP, Cambodia prioritizes RCEP negotiations and other regional economic cooperation initiatives such as the Asean Economic Community and “One

Belt, One Road.”

Cambodia has not yet officially demonstrated its interest in joining TPP. Cambodia may need to consider joining the TPP given the fact that the US is the main export market of its products.

The opportunities from these mega trade agreements are market access, investment attraction, technology transfer and skills development and transformation. The challenges are legal and institutional reforms, production and export capacity.

Although Cambodia is a relatively liberal and open economy, trade and investment facilitation measures need much improvement. According to the OECD’s trade facilitation indicators, Cambodia’s trade facilitation performance ranks below the average of Asian countries.

The Cambodian government needs to, as suggested by the OECD, promote the involvement of the trade community, simplify and harmonize trade documents and promote the accountability and ethics policy of the customs structure and operation.

Another study by the World Bank argues that despite the government’s effort at introducing reforms to improve the investment climate, the business environment continues to hamper the competitiveness of firms in Cambodia.

The most severe constraints faced by firms include the cost of electricity, corruption and anti-competitive practices and transport and logistics.

Without urgently addressing the rampant and systematic corruption issues and strengthening and cleaning up state institutions, promoting innovation and enabling the private sector to better operate, Cambodia will lose its competitiveness and, consequently, it will be left behind.

Cambodia needs to have skilled labour, well-functioning transport, logistics, finance, communications and other business and professional services to move up the value chain.

Political leadership is the foundation of economic development. A healthy and productive partnership among the state, markets and society will produce holistic solutions to the challenges and issues deriving from globalization and regionalization.

Regional economic integration unleashes new opportunities, but it needs to remain open and inclusive. High-standard and high-quality mega-regional trade agreements help regional countries to move forward with more vigour.

With the improvement of strategic trust and deepening economic integration in the Asia-Pacific, RCEP and TPP will be able to converge into an integrated Asia-Pacific wide regional trade arrangement to accommodate both the first and second largest global economic powers – the US and China.

The Khmer Times, 8 July 2016

Kem Ley's Last Journey

Confucius once said: “Gentlemen of morality and learning will always encounter hardships, but they persevere; men of low character always crumble when faced with difficulties.”

The late Kem Ley was one of the most prominent Cambodian public intellectuals and political analysts, daring to speak the truth, inspiring many young researchers and commentators. He was truly a legendary political critic – a daring, sharing and caring public intellectual.

Some have called him a “national hero” or a “fighter for the freedom of expression.” Some have called his death an awakening force. His intellectual wisdom and inspirations have spread across the realms of the Kingdom.

Dr. Kem was also an advocate for social justice. There is no peace without justice.

His ideas resonated well with the concerns and pressing issues society is facing. His critical mind tackled the social, development and political issues in the country. He informed policymakers and other stakeholders on the diagnosis that required serious treatment or/and urgent operation.

Ten of thousands of mourners from all walks of life have paid their last respects to him and hundreds of thousands of mourners attended his funeral procession from the capital Phnom Penh to his hometown in Takeo province after 14 days of religious rites at the capital's Wat Chas.

While his thoughts had far-flung impacts on social and political changes, his leadership style deserved attention too.

Leadership is about who you are and what you are passionate about. He wished to see reforms and positive change in the Kingdom through constructive policy debates and discussions.

From a very humble background, the late Dr. Kem struggled to obtain scholarships to pursue his post-graduate degrees in Thailand and Malaysia, majoring in public health and social sciences. He had worked at various institutions before becoming a freelance consultant and a well-known political and social analyst.

He believed in a bottom-up approach and people-friendly policy formulation. He enjoyed talking with young people about the importance of building a strong community and a vibrant society where youth are actively engaged in public politics to hold the government accountable.

Dr. Kem lived his life with a purpose and a vision. He knew that his words and acts would bring him danger, but his firm and unswerving vision and mission kept him going. His well-known phrase “wipe your tears and continue your journey” has become the source of motivation for many.

A great leader also needs to be a sincere public servant. Dr. Kem devoted his life to serving the public interest through conducting research on social and development issues, promoting policy and public dialogue and debate, and raising public awareness.

He had always put common social interests first and had become actively involved in social work.

A leader needs to be equipped with a capacity to change. He believed that change was a constant process needed to improve a society.

A leader needs to have the capacity to adapt and adjust to change. Reforms are necessary to keep pace with social and economic changes and transformations. The widening gap between state and society threatens sustainable peace and development.

The classic book of change in China posits that the universe is a realm of perpetual activity. It argues that “change has neither thought nor action, because it is in the state of absolute quiet and inactivity, and when acted on, it immediately penetrates all things.”

A leader must recognize and appreciate facts. Ignorance or neglect of facts leads to a disaster. He believes that scientific and objective research are the foundations for having the right policy agenda and action plan.

Dr. Ley’s working experiences and international exposure at different institutions – in the public sector, with NGOs and international organizations – had also shaped and enriched his leadership skills and intellectual wisdom.

He had advocated an evidence-based policy formulation. Public-private-people partnerships and transparency and accountability were the foundations of sustainable development, he said.

He also said a leader must earn respect. He believed that a good leader is a leader who is embedded with human dignity, integrity, and respect. Earning people’s respect and winning people’s hearts should be the core objective and mission of a leader, was his message.

The Khmer Times, 25 July 2016

Smart Diplomacy Needed

Cambodia has been the victim of great power politics. It has been widely accused of taking sides with China over the disputes in the South China Sea and destroying Asean's central role and unity.

Some senior diplomats and scholars from the region even question the relevance of Cambodian membership in Asean. These accusations seriously damage the international image of the Kingdom.

It is a diplomatic struggle for Cambodia to deal with these unjust external pressures. The government has frequently clarified its neutral position over the South China Sea disputes, but failed to convince some Asean member countries, although it had good and sincere intentions of not escalating regional tensions.

One of the main shortcomings of Cambodia's foreign policy is the lack of a smart diplomacy and communication strategy. Reactionary, sometimes emotionally driven, foreign policy is not healthy.

Cambodia needs to have a clear strategic vision with core values, sophisticated approaches, and deliverable action plans. And also collective leadership in foreign policy making is necessary.

More attention and investment in academic and policy research on geopolitics and foreign policy are vital to support the government in developing a pragmatic foreign policy, while standing firm on core values and principles.

National unity and evidence-based foreign policy articulation would help Cambodia to convert challenges into opportunities and transform external environments into a source of national strength.

Therefore, the two main political parties should resume the culture of dialogue and negotiation to promote political trust and confidence and find common ground to promote cooperation to deal with both national and international issues.

Political reconciliation and national unity determine the future of the country. Political leaders are held accountable for failing to unite political and social forces and make use of globalization and regional dynamics.

Smart diplomacy refers to the art of realizing national interests without hurting anyone or any country, a capacity to navigate through complex geopolitics and the power to attract and persuade others.

Cambodia's position in the South China Sea was too revealing, meaning it clearly appeared to be biased to China. That is why it is conveniently and easily targeted and manipulated by certain countries.

As a small and poor country, Cambodia is very vulnerable to great power politics.

Cambodia should adopt the “beauty of ambiguity” strategy on certain sensitive regional issues to avoid hurting any country or being trapped into great power politics.

Having said that, of course, it is difficult for a small country to stand neutral in the context of rising regional tensions and increasing pressures from major powers.

However, Cambodia could learn foreign policy experience from other small countries like Switzerland, New Zealand, and Singapore.

Cambodia’s national interests include sustainable development and inclusive growth, peace and stability and cultural identity.

Cambodia needs to consolidate democracy, social justice, and human rights since these are the foundations of long-term peace and development. International support in these fields should be further encouraged.

To implement smart diplomacy, Cambodia needs to invest more in nurturing smart and professional diplomats and think tankers and develop smart power consisting of hard and soft power.

As a small country, Cambodia needs to stand firm on rules-based international order. International laws and institutions best protect the interests of a small state. International rules and institutions can constrain the power of major countries and prevent them from taking coercive or aggressive acts.

Asean is the cornerstone of Cambodia’s foreign policy. Although Asean is not resilient enough to ward off the adverse impacts of great power politics, it has a critical role to play in promoting a habit of regional cooperation, trust and confidence building, and preventive diplomacy.

Cambodia needs to continue advocating for a multipolar world in which multiple major countries and regional institutions such as Asean are enabled and empowered to work together to build a new world order.

Diversifying strategic and economic partners would help Cambodia to better maintain its neutrality and benefits maximization.

The future generation of Cambodian leaders should have a long-term vision to become a role model in promoting democracy, rule of law, human rights and inclusive development in Asean.

The Khmer Times, 1 August 2016

Cambodia and Asean's Role

Asean celebrated its 49th birthday two days ago amid increasing global and regional uncertainties and the rising doubts over the central role of Asean in the region.

Asean has been under attack for its failure to reach a united front on the South China Sea disputes, the sovereignty disputes between China and four Asean members.

Regardless of the challenges and shortcomings, Asean has achieved remarkable results over the decades. Thanks to Asean, Southeast Asia has become more stable and peaceful after decades of conflicts and confrontation. Asean is the foundation of peace, stability and development in Southeast Asia and beyond.

Asean is resilient and will be able to navigate through the wave of uncertainties and tensions, particularly those caused by the rivalry between China and the US. All Asean members are fully aware that if they don't stick together they all hang separately.

On August 8, 1967, five foreign ministers from Southeast Asia officially announced the establishment of Asean, with the aim of promoting a peaceful and prosperous group of Southeast Asian nations through the deepening of regional cooperation, respecting justice and the rule of law and adhering to the United Nations Charter.

In 1971, Asean adopted a declaration on a Zone of Peace, Freedom and Neutrality to maintain and strengthen its neutrality in the power competition and rivalry between the United States and the former Soviet Union.

In 1976, Asean adopted a Treaty of Amity and Cooperation, which is the most important legally binding treaty in the region. The treaty lays out fundamental rules for international relations, including mutual respect for independence, sovereignty, equality, territorial integrity and national identity.

The signatory states to the treaty shall respect the right of every state to lead its national existence free from external interference, subversion or coercion. Non-interference in the internal affairs of one another, settlement of differences or disputes by peaceful means and renunciation of the threat or use of force are other principles of Asean.

As a small state, Cambodia is structurally constrained to have few foreign policy options either aligning with major powers or relying on international institutions. After gaining independence from France in 1953, Cambodia chose its own diplomatic path of permanent neutrality.

However, Cambodia succumbed to external pressures, failing to maintain its balance and falling into the Indochina War, becoming a victim of the Cold War.

The Paris Peace Agreement in 1991 opened a new chapter for the Kingdom to end decades of civil war and embrace the principles of democracy, human rights, the rule of law and a neutral

foreign policy as the foundations of national reconstruction.

The constitution clearly stipulates that “Cambodia shall be an independent, sovereign, peaceful, permanently neutral and non-aligned country.” To strengthen its neutral and non-aligned foreign policy, Cambodia needs strong regional ties and institutions. There is a political consensus among different political parties that Asean is the cornerstone of Cambodia’s foreign policy.

The spirit and principles of Asean, particularly equal relationships, non-interference and consensus-based decision making, are in line with Cambodia’s foreign policy interests and principles.

Asean promotes the habit of regional cooperation and collective leadership in regional institutional building to maintain peace and stability, enhance economic cooperation and integration and foster collective identity building.

Asean helps Cambodia protect its sovereignty and independence against its two big neighbors, which are historically perceived as a core traditional threat to the country.

Asean provides a strategic and diplomatic space for Cambodia to effectively engage with other countries and regions, develop the economy through regional cooperation and strengthen Cambodian cultural identity.

The future of Asean and that of Cambodia is intertwined. Cambodia will not be able to realize its vision to become a high-income country without a strong and relevant Asean.

To maintain its relevance, Asean needs to ensure that the spirits and principles of Asean are respected, particularly the Treaty of Amity and Cooperation that all Asean member states and dialogue partners of Asean are signatories to.

Asean needs to double its efforts in promoting an inclusive regional community building and a people-centered Asean to ensure that the people of Asean fairly benefit from regional projects.

The cost of having a development gap is high. A multi-tiered Asean is prone to regional instability and disintegration. Economic inequality leads to development disruption, political instability and social conflicts.

Asean needs to further assist the less developed members, especially in building the leadership and institutional capacity to reap the benefits of regional integration.

The Asean people need to be empowered and enabled to realize their potential in contributing to national development and regional community building.

Promoting multi-stakeholder partnership dialogues among the state, private sector and civil society is vital to an inclusive and open Asean.

The Khmer Times, 10 August 2016

Is it a political endgame?

Cambodia's future hangs in the balance. It is bound for political instability unless there is a quick political breakthrough based on win-win strategy.

A genuine political will to find a political settlement is critical at this stage.

After more than one year of political tension and bashing each other, the two main political parties – the ruling Cambodian People's Party (CPP) and the opposition Cambodia National Rescue Party (CNRP) – are at a crossroads, and they must choose either to talk or to use force and protests.

It is very likely there would be a political endgame in which both parties would play their last cards. However, this will be a lose-lose scenario and no one will emerge victorious.

A cycle of political revenge and violence will continue to haunt Cambodia.

The CNRP is left with only one last card, which is to hold a series of mass demonstrations, a similar strategy to the one it used after the general elections in 2013 to bargain for power.

The demonstrations will be more carefully and strategically crafted in coordination with the international political movement.

A people power base plus international diplomatic pressure are the two main instruments of the opposition in its power struggle.

The US, European Union, United Kingdom and Japan have shown their sympathies and support for the opposition and become more critical of the Cambodian government with regards to human rights and democracy issues.

The CNRP has effectively convinced the US and its allies to put more pressure on the Phnom Penh government, which has been in power for more than three decades.

The CNRP-planned street protests aim to force the ruling CPP to the negotiation table. But if that is not possible, the movement will transform itself into a political storm and a people movement to delegitimize the incumbent government.

The opposition is campaigning for a large international demonstration on October 23, the 25th anniversary of the Paris Peace Accords on Cambodia, to urge the international community to pressure the Cambodian government to respect fundamental freedoms, democracy, and human rights.

Media communication is also part of the CNRP's strategy in garnering international attention and support. Over the last few months, international media outlets have highlighted the ugly side of Cambodian politics.

The CPP is aware of the strengths, weaknesses and next moves of the CNRP. In response to the planned demonstration, Prime Minister Hun Sen has clearly and firmly urged the armed forces to curb and suppress street protests or any actions that potentially disturb public order and security.

Pre-emptive strikes have been applied by the CPP as its optimal strategy to prevent the protests from developing into large-scale people movements or revolution. Early intervention and preventive measures will be exercised.

The government is going to use all necessary measures and means, including force, to maintain the status quo in its own favour. The CPP will continue to apply its divide and conquer strategy to weaken its opponent.

The ruling elites share a strong view that the CNRP is a core threat to their survival, national security, and stability. Only the CPP can provide long-term peace and stability, and development to the people, they say.

Internal power competition and transition within the CPP are also a matter of concern. The CPP is planning to empower its young leaders to take more responsibility and leadership roles in the next cabinet reshuffle.

Meanwhile, the CPP is also strengthening its people power base, particularly in the rural areas. Mr. Hun Sen has been traveling to visit local people in provinces to convince them to stay confident and positive in his leadership.

On a diplomatic front, the CPP has forged a proximate strategic and economic partnership with China to counter the mounting pressures imposed by the US and its allies. China is regarded as the most important strategic partner.

Cambodia is at a critical juncture. Any political endgame will likely put Cambodia into a renewed state of high risks and uncertainties.

Only responsible political leadership and a win-win strategy can save Cambodia from political instability and turmoil.

It may be wishful thinking, but all political parties should put national interests above all else.

Cambodians have suffered enough. The young generation has big dreams. The most important role of the political leaders is to generate opportunities for everyone to realize his or her dreams and potential.

The Khmer Times, 15 September 2016

Cambodia's role with China

The world economy is entering a new phase of uncertainties, driven by rising nationalist populism and protectionism in different parts of the world.

The main advocates of global economic liberalization such as the United States and the United Kingdom have become more inward looking and protectionist.

One of the shortcomings of the neo-liberal economic system is the widening development gap or inequality because of unjust, unfair, unsustainable development.

Only a few people at the top enjoy the lion's share of the growth because the political and economic systems are not inclusive.

There is a need to look for an innovative development path based on a new economic model which is more inclusive, sustainable and people-centred.

China, the beneficiary of globalization, particularly after joining the World Trade Organization in 2001, is now the catalyst of an open economic global system.

In September 2013, China's president announced a Silk Road Economic Belt in Kazakhstan and in October in the same year, he unveiled the 21st Century Maritime Silk Road in Indonesia.

The two initiatives were integrated into a "One Belt, One Road" plan and later renamed the "Belt and Road Initiative" (BRI). The BRI constitutes the core element of Chinese President Xi Jinping's grand strategy and reflects China's efforts at deepening its reforms and opening up, as well as spearheading win-win cooperation ideal.

The BRI is believed to be able to play a critical role in enabling inclusive global growth and shaping a new global economic order by the promotion of an inclusive and open economic system in which every country can take part and share the benefits.

Cambodia was one of the first countries to express strong support for the "Belt and Road" initiative proposed by China three years ago. It was also one of the first countries to join the Asian Infrastructure Investment Bank (AIIB).

Cambodia's interests include getting international development assistance, especially from China, in infrastructure development, trade, investment flow and tourism. China is Cambodia's key strategic and development partner.

Over the past three years, Cambodia has received remarkable financial assistance from China in infrastructure development. The construction of the Sihanoukville Special Economic Zone is the main showcase of the projects under the "Belt and Road" initiative.

A progress report produced by the Renmin University of China this month showed significant progress had been made in terms of top-level design, policy coordination, infrastructure

connectivity, unimpeded trade, financial mobilization and people-to-people ties.

The BRI upholds the spirit of peace, cooperation, openness, inclusiveness, mutual learning and mutual benefit. It calls for all countries and regions along the “Belt and Road” to participate, to work and share benefits together in a bid to realize an inclusive and sustainable development.

The vision of the initiative has been crafted and elaborated on at length by China, but the understanding among key stakeholders – political leaders, entrepreneurs and civil society leaders in the countries and regions along the “Belt and Road” region – remains limited.

The initiative is part of China’s oriental wisdom and foreign policy vision of building a community of common destiny which incorporates mutual respect, mutual understanding, mutual trust, mutual support and mutual benefits.

Collective leadership is required to effectively implement this initiative. So far, China has taken a leading role in promoting and implementing the initiative, but as the old Chinese saying goes, “It takes more than one tree to make a forest,” and this is not sufficient.

Synergizing and synchronizing the initiative with global governance agenda, especially the UN Sustainable Development Goals, existing regional and sub-regional mechanisms and the national development strategy of the members and regions along the “Belt and Road” are the foundations of its long-term implementation.

With a clear vision, collective leadership, enhanced policy coordination and institutional harmonization, the BRI will generate more fruitful results.

Being an active member of the BRI and AIIB, Cambodia has expanded its economic development horizon. However, it needs to strengthen its leadership and governance to maximize the opportunities.

The Khmer Times, 28 September 2016

Xi Jinping's Visit to Cambodia

Chinese President Xi Jinping will pay a historic state visit to Cambodia this month to further deepen the bilateral comprehensive strategic partnership between the two countries, which was signed six years ago.

During his visit to Cambodia in 2009 as the vice-president of China, Mr. Xi stated:

“Furthering relations with Cambodia has long been China’s consistent policy.”

He called China-Cambodia relations “a good example of sincere cooperation between countries with different social systems.”

After years of tensions in the South China Sea, Cambodia has emerged to be the most reliable friend of China. Cambodia’s view and position on the South China Sea issue are welcomed by China.

Local and international observers share the view that Cambodia is now China’s closest ally in Southeast Asia and China is Cambodia’s most important strategic and development partner.

Cambodian leaders have praised China for the “unconditional” development aid and the role of China in socio-economic development.

Early this year, China committed \$600 million in aid to the Kingdom.

However, some Cambodian analysts have raised cautious optimism of Sino-Cambodian ties. In his recent commentary, Var Veasna, a senior research fellow at the Cambodian Institute for Strategic Studies, suggested that “Cambodia should be cautious when it comes to Chinese aid.”

China has provided more than \$3 billion in loans and grants to Cambodia since 1992.

In the last few years, Cambodia has received remarkable military and defence assistance from China, including military equipment, modern weapons, training and a soft loan to purchase 12 Chinese Harbin Z-9 helicopters.

The visit takes place amid political tensions and uncertainties in Cambodia. It may send a misleading signal to the opposition Cambodia National Rescue Party that China stands with the ruling Cambodian People’s Party to maintain peace and development.

Mr. Xi’s visit might be read as a warning signal to the US and its allies that China is here to stay, to protect the legitimacy of Hun Sen’s regime regardless of changing global geopolitics.

Cambodia has been under mounting pressure from the international community with regards to human rights abuses, democracy and justice issues.

The killing of well-known political analyst Kem Ley has drawn international attention and

criticism.

The UN's special rapporteur on human rights in Cambodia, Rhona Smith, said: "Without genuine conciliatory efforts by the two main political parties...the situation of human rights in Cambodia could well deteriorate further in the months ahead."

Human rights and democracy, of course, are not the main elements in China's foreign policy.

China strictly adheres to the principle of non-interference and firmly believes that each country has its own conditions for its own development path.

During the upcoming state visit, Mr. Xi will likely commit more development assistance to Cambodia, further promote bilateral trade and investment, deepen tourism cooperation and strengthen people-to-people ties.

Infrastructure development and regional connectivity will be likely on the agenda of the bilateral summit between Mr. Xi and Mr. Hun Sen.

China's two main regional initiatives, the "Belt and Road" and "Lancang-Mekong Cooperation Mechanism," will be highlighted as China is taking a leading role in promoting a community of shared destiny through forging win-win cooperation and promoting an open and inclusive international economic system.

Expanding the market for agricultural products is one of the core ingredients of Cambodia's foreign economic policy.

In 2010, the government set a vision to export one million tons of milled rice. But the rice policy failed due to the lack of capital and market information as well as poor coordination among relevant stakeholders.

China is an emerging market for Cambodian rice producers and exporters.

From next year, China will double its rice imports from Cambodia at 200,000 tons annually.

Deputy Prime Minister Hor Namhong last month urged China to speed up policy implementation in order to stabilize Cambodia's rice sector.

Amid the plummeting rice price, which led to a protest by farmers in Battambang province last month, Cambodia has turned to China for support.

Cambodia has requested \$300 million from China to support a rice subsidy scheme. Mr. Xi might positively respond to the request during his upcoming visit.

Tourism is the second-largest income generator after the garment industry. China is the largest source of tourist arrivals to Cambodia.

It is estimated that the number of Chinese tourists to Cambodia will hit one million this year and two million by 2020.

The Khmer Times, 7 October 2016

Cambodia Needs to Be Competitive

Logistics is regarded as an engine of growth, an enabler in facilitating international trade and investment. It drives economic development through the provision of quality and low cost of production and distribution of goods and services.

Logistics is generally referred to as the means and services to transfer goods to the end consumers at a competitive price. It includes transportation networks (land, rail, sea and air transport), distribution services (trucking, warehousing, materials handling, inventory, packaging, courier and postal services), linking Special Economic Zones, custom clearances and border reforms and other supporting services such as telecommunications and electricity.

After economic liberalization and the opening-up of Cambodia in the early 1990s, the logistics sector has been gradually developing. However, the sector remains much less competitive compared with neighbouring countries.

Transport analyst Banomyong Ruth from Bangkok's Thammasat University wrote in 2010 that Cambodia was lacking a reliable network of transportation, telecommunications, warehousing, trucking services and other supporting infrastructure.

High logistics "service-link" costs slowed the industrial and economic integration process in the country.

The logistics costs in Cambodia are higher than that of other Asean member countries, creating difficulties for Cambodian farmers and manufacturers in moving products to markets.

Cambodia's export costs are about 33 percent higher than Thailand and 30 percent higher than Vietnam.

A study by the World Bank on rice monitoring in 2014 showed that transport costs of rice in Cambodia was higher than that in neighbouring Thailand and Vietnam.

The transport cost of one ton of rice from a farmer to a rice miller was \$247 in Cambodia compared with \$126 in Thailand and \$122 in Vietnam.

The transport cost of one ton of rice from the miller to the port was \$43 in Cambodia compared with \$25 in Thailand and \$23 in Vietnam.

Cambodian exporters face challenges in supplying overseas customers and integrating themselves into regional production networks, the study by the World Bank illustrated.

The online data from the Cambodia Development Council shows that the transportation cost for a 20-foot container from Phnom Penh to Sihanoukville port costs about \$400 (including trucking, documentation fees, export clearance fees, loading charges, certificate of origin, toll fees, agency fees, VAT and miscellaneous charges).

The charge at the port is about \$350 and it takes about eight hours by road from Phnom Penh.

The export cost from Phnom Penh to Ho Chi Minh City in Vietnam is about \$880 for a 40-foot container and \$820 for a 20-foot container. These charges include the customs clearance fee in Cambodia, but exclude the charges at Vietnam's port.

It takes about 15 hours by road. Using the waterway, the export costs are slightly lower. It costs about \$800 for a 20-foot container from Phnom Penh Port to Cai Mep, including customs fees in Cambodia and Vietnam, although it takes about 36 hours by boat on the Mekong River.

To reduce transport costs, a study by the Asian Development in 2014 suggests Cambodia needs to develop efficient connectivity, which requires regionally coordinated investment in infrastructure such as cross-border roads and railroads, world-class ports and airports, telecommunications and a reliable and low-cost energy supply.

Located between Thailand and Vietnam, two main production hubs in the Mekong region, Cambodia has great potential to become an important part of regional production networks and logistics connectivity.

Road and rail connections would facilitate trade in goods and services.

Institutional and legal reforms have been underway to develop the logistics sector. Various laws have been adopted to facilitate investment in the logistics sector such as a law on concessions adopted in 2007, which aims to promote and facilitate the implementation of private financing for infrastructure development.

Liberalization in the development of the logistics sector is not sufficient. Good governance, political leadership, institutional reforms and coordination, capacity building and regional connectivity are needed to develop a competitive and seamless logistics sector.

Cambodia should consider establishing a national taskforce to work on logistics with the aim of coordinating ministries and agencies and promoting dialogue and partnerships among key stakeholders working in the logistics sector.

Human resources development and capacity building in logistics are critical for the effective implementation of a logistics policy.

International development partners and regional institutions should further assist Cambodia in capacity building in the logistics sector.

For instance, the more developed Asean members should assist the less-developed members in narrowing the logistics performance gap through human resources development and institutional reforms.

The Khmer Times, 27 November 2016

Cambodia and the Mekong Region

The Mekong region has drawn remarkable attention this year from regional stakeholders and international development partners alike.

A series of regional events have been organized to deepen regional cooperation and integration.

The first World Economic Forum on the Mekong Region was organized in Hanoi in October, right ahead of the 8th CLMV Summit (Cambodia, Laos, Myanmar, Vietnam) and the 7th ACMEC Summit (Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy).

Cambodia hosted the 9th CLV Development Triangle Summit (Cambodia, Laos, Vietnam) in November in Siem Reap.

“Regional integration” has become the core strategy of Cambodia’s foreign policy since it became a member of Asean in 1999. But with limited resources and capacity, Cambodia has not been able to play a leading role in Asean.

In the last few years, Cambodia has shown more commitment with a reinforced role in promoting regional integration, especially in the Mekong region, through various initiatives to accelerate functional cooperation.

Economic pragmatism is the core strategy of Cambodia’s foreign policy towards to region. It refers to the perception and behaviour of a state in aligning foreign policy with national economic development, transforming the international environment into a source of national growth and diversifying strategic partnerships based on economic calculations.

Shared development, sustainable development, inclusive growth, win-win cooperation and common destiny are the key words in implementing a foreign policy driven by economic pragmatism.

As a less developed economy in the region, Cambodia has pursued an outward-looking foreign policy, accompanied with strong interest in promoting and realizing a more inclusive regional community by effectively narrowing the regional development gap.

Linking regional integration with a national development agenda facilitates institutional harmonization, regional connectivity and poverty reduction. And harnessing and synergizing various regional cooperation initiatives will further bolster regional integration.

Cambodia perceives regional integration as a means to further advance its national interests. The Mekong region is the main gateway for Cambodia to reach out to the region and beyond.

Cambodia, being geopolitically sandwiched by two big historical rivals, has become more confident in engaging and strengthening ties with its neighbours thanks to enhanced political trust, which has been built and nurtured over the years.

The shared principles of non-interference, consultation and consensus, win-win cooperation and equality significantly contribute to trust building, which in turn leads to the enhancement of regional cooperation and integration.

Speaking at the first World Economic Forum on the Mekong in October, Prime Minister Hun Sen emphasized “maintaining regional peace and stability” and promoting “regional cooperation to address key bottlenecks to regional competitiveness” by investing more in infrastructure development, energy and digital connectivity and facilitating free and effective movement of trade and investments.

At the 8th CLMV Summit, he elaborated on physical connectivity through developing transport and energy infrastructure. He also called for magnifying “regional production bases and networks,” strengthening regional coordination agriculture development policy and enhancing regional cooperation on skills development.

At the 7th ACMEC Summit, he urged regional countries to review and develop a cooperation mechanism to better manage the flow of labour and to fight against human trafficking. A respect for labour rights, as well as social and financial services provided to migrant workers, needs to be promoted, he said.

He also suggested the Mekong countries strengthen cooperation in rice production and trade facilitation to improve the standards of living for farmers.

Creating an association of rice exporting countries is expected to strengthen the global position of the Mekong countries.

Infrastructure financing is one of the key challenges for the Mekong countries. Cambodia needs to rely on financial support from China, Japan and other development partners to finance its huge infrastructure needs.

Another challenge for the Mekong region is how to sustainably manage the Mekong River. The construction of hydropower dams along the main stream of the Mekong River, according to objective studies, directly threatens the livelihoods of millions of people.

To play a more relevant role in the Mekong region, Cambodia needs to aim for being a role model in sustainable development and liberal democracy in the region.

That is the vision and value that Cambodia should pursue.

The Khmer Times, 7 December 2016

Cambodia's Political Détente

After more than one year of political tension and strained relationships, the two main political parties, the ruling Cambodian People's Party (CPP) and the opposition Cambodia National Rescue Party (CNRP), have recently reached a political détente.

The opportunity for both parties to build a solid political bridge is now open. This window of opportunity may close anytime unless there is genuine political will and a concrete plan to move the dialogue forward in good faith.

The “culture of dialogue” between the two parties has resumed, although it remains murky and its future is not clear.

It is a new beginning perhaps for both parties to build trust and confidence, which are the foundations of political reconciliation and national unity.

Cambodian politics has been trapped in what some call “the disease of main actors,” and the loop of political violence and a zero-sum game. To get rid of this loop, Cambodia needs to have a resilient political system that can sustain political order.

The ruling party has used a “sticks and carrots” strategy and sometimes “divide and weaken” approach against its opponent. And the opposition party normally exerts both domestic and international pressure to challenge the establishment.

In a democratic society, different ideas and approaches are common. But those differences should not be allowed to breed political violence.

What are the main factors leading to such a political compromise?

National unity is the core of national strength. Unless national reconciliation and unity are realized, a nation is not able to maintain peace and stability, develop and prosper.

Both main political parties seem to have genuine political will in resuming political dialogue, promoting national reconciliation and enhancing Cambodia's role on the international stage. However, there is no clear mechanism or institution, at least at this point, to ensure the continuity of such dialogue.

Due to decades of political decay and instability, Cambodia has lagged behind its neighboring countries in terms of socio-economic development and international prestige. The opportunities lost are many if Cambodian society becomes more politically polarized.

Cambodians from all walks of life are tired of going through prolonged political tensions and conflicts. Cambodian youth aged from 15 to 30, which accounts for more than 30 percent of the population, are future-oriented and outward looking.

They wish to see a strong and responsible political leadership that can move the country forward

with a clear vision and a capacity to generate opportunities.

The international support and constructive intervention also count in enabling political dialogue between the two parties. The international community wishes to see political reconciliation in the Kingdom.

What are the repercussions? Such a political atmosphere will create a conducive environment for the commune elections in 2017 and general elections 2018.

After months of self-detainment at his opposition party's headquarters, Kem Sokha has emerged to be a tough leader equipped with a reconciliatory posture.

His popularity and political powerbase have increased largely thanks to his firm position, perseverance and patience.

Mr. Sokha is now the core counterpart of Prime Minister Hun Sen in a renewed "culture of dialogue" between the two parties.

The friction between Mr. Rainsy and Mr. Sokha may erupt unless a clear and stable power structure and decision-making mechanisms are developed. The leadership structure of the opposition CNRP is quite vulnerable to internal power struggles and external interventions.

The remaining question is whether opposition leader Sam Rainsy will be allowed to return to Cambodia to lead his party in the upcoming elections.

It seems at this moment that the likelihood of a royal pardon for him is really slim. He may not be given another opportunity like the one he received before the election in 2013.

Will the presence of Mr. Rainsy matter in the upcoming elections? Will the CNRP lose votes against the backdrop of the absence of its president? Will the elections be fair and inclusive? These will be the subjects of another round of political games.

Although there are many remaining questions and different speculation, the big picture is that the political dialogue is expected to develop a resilient political institution that can weather future political storms or turbulence.

The wishful thinking is that the dialogue will generate a common vision and a concrete roadmap to transform Cambodia into a role model of sustainable development and liberal democracy in the Mekong region.

The Khmer Times, 12 December 2016

Cambodia-Philippines Ties

After years of frayed relationships due to the deep differences over South China Sea issue, Cambodia and the Philippines have entered a new chapter of improved ties after the two-day state visit of President Rodrigo Duterte this week.

Both countries expressed their commitment to enhancing diplomatic, economic and security cooperation.

Four agreements were reached on tourism, cross-border crime which includes drug trafficking, labor protection and sports.

The Philippines will also offer 60 scholarships to Cambodian students and government officials next year.

There will also be more flights between the two countries to promote tourism. Last year, about 75,000 Filipinos visited Cambodia and about 2,500 Cambodian tourists went to the Philippines.

“We will focus on air connectivity. We would like to have a direct flight from Phnom Penh to the Philippines because right now we don’t have one,” said Philippine Tourism Secretary Wanda Teo.

Cooperation on agriculture is expected to gain new steam in the coming years. Technical cooperation on improving rice seeds as well as the development of 100 percent Filipino-owned rice warehouses in Cambodia will further push rice production and exports to the Philippines.

“Truly, I am humbled and honored your majesty. This is a reaffirmation of a long-standing friendship that augurs well for our bilateral relations,” Mr. Duterte told King Norodom Sihamoni.

“Ours is a friendship based on mutual respect and support. It is a friendship that can withstand the challenges of an evolving regional and international environment,” he added.

The visit also contributes to strengthening Asean community building. As the chair of Asean next year, the Philippines has a strong interest in advancing Asean integration and a central role in shaping the evolving regional architecture.

“As close neighbors, we have a common stake in keeping Asean strong, relevant and responsive. This is especially critical at this time when forces are shaping the regional architecture in East Asia,” Mr. Duterte said.

His strategic shift towards China and his firm stand against external interference, particularly from the United States, has drawn admiration and support from Prime Minister Hun Sen.

A mutual understanding had been forged after the informal bilateral meeting between the two leaders on the sidelines of the East Asia Summit in Vientiane in early September.

Mr. Hun Sen later publicly shared his views on Mr. Duterte.

He said: “I and the Philippine president understand each other” and “we have the same character.”

Mr. Duterte told the prime minister he was tired of interference in his country.

Authoritarian leadership styles and independent foreign policies with a firm position against external pressures are common traits of the two leaders. They also pursue a hedging strategy, which is regarded as the determinant of the survival of a small state.

Well-known Malaysian scholar Cheng-Chwee Kuik, an expert on hedging, argues that “the enduring uncertainty at the systemic level has compelled the states to hedge by pursuing contradictory, mutually counteracting transactions of ‘returns-maximizing’ and ‘risk-contingency’ options.”

“Well, I must tell you that Prime Minister Hun Sen has deep admiration for President Duterte,” Philippine Ambassador Christopher Montero was quoted as saying in the Philippine Star newspaper.

“He has expressed it publicly in the past. He sees in him an ally in terms of standing up against Western countries in so far as non-interference in internal affairs as far as the state is concerned.”

Their shared views on China as the most important economic partner, especially providing development aid without strings attached, also contributes to a strategic convergence between the two.

Although uncertainty remains, the improved relations between the Philippines, China and Cambodia creates a conducive environment for the region to reach a consensus on the South China Sea issue.

The realization of the Code of Conduct (COC) on the South China Sea is fundamental to confidence building, preventive diplomacy and conflict management.

It would be a milestone in the Asean-China partnership and a great achievement for the Philippines as the rotating chair of Asean if they could conclude the COC next year.

The Khmer Times, 16 December 2016

Hun Sen's Visit to Hanoi

At the invitation of Prime Minister Nguyen Xuan Phuc, Cambodian Prime Minister Hun Sen in Hanoi yesterday to kick off a two-day state visit to further deepen traditional ties between the two countries and their people.

His last official visit to Vietnam took place three years ago in late December 2013.

Mr. Hun Sen was accompanied by Deputy PM and Minister of National Defense General Tea Banh, Senior Minister and Minister of Foreign Affairs and International Cooperation Prak Sokhonn, Senior Minister and Chairman of Cambodia's National Border Committee Var Kim Hong, Minister of Cults and Religion Him Chhem, Minister of Rural Development Ouk Rabun, Minister of Commerce Pan Sorasak, Minister of Agriculture, Forestry and Fisheries Veng Sakhon as well as other high-ranking government officials.

As both countries are preparing to celebrate their 50th anniversary of diplomatic ties, more cooperation projects and activities are going to take place from early next year. The most remarkable event will be the inauguration of the Long Binh-Chrey Thom Bridge which will connect the two nations.

Cambodia-Vietnam relations have been shaken in recent years by the rising power and influence of China in the region. Cambodia has pivoted to China for economic and security interests, putting Vietnam in a difficult position with Cambodia over the South China Sea issue.

However, Vietnam remains optimistic that its relations with Cambodia will remain strong and firm regardless of geopolitical changes. One of Vietnam's core national interests is to ensure strong traditional ties with its two small immediate neighbors.

The challenges posed by power rivalry between China and the US in Southeast Asia have forced small countries to stick together and hedge against major powers for their long-term survival.

Vietnam has been striving to assert its leadership role in the Mekong region through the promotion of sub-regional cooperation and integration. The Cambodia-Laos-Vietnam development triangle is perhaps the platform for these countries to consolidate their relationship.

Recently the largest Vietnamese telecom corporation, Viettel, has introduced a free roaming service in the three countries to promote people-to-people ties as well as to lubricate business communications with the region.

Socio-cultural exchanges between the two countries will be further significantly strengthened to promote mutual understanding between the two peoples.

The "Vietnam threat" has been a much talked about subject in Cambodian politics. The opposition parties have accused the ruling CPP of being a puppet of Hanoi. And the

politicization of the perception of a “Vietnam threat” has gained new momentum since the last general election in 2013.

Border issues and Vietnamese immigrants in Cambodia are the two thorny, sensitive issues in Cambodian politics. The Cambodian government has been accused of ceding territory to Vietnam and allowing Vietnamese to migrate easily to the Kingdom.

Regardless of those accusations, political attacks and the rising political cost attached to them, Mr. Hun Sen seems to remain committed to maintaining his deep personal ties and traditional friendship with Vietnam.

He firmly believes that Cambodia will not be able to maintain peace and development unless it has good and stable relations with all its immediate neighbors.

The principles of mutual respect, mutual interest, equal partnership, peaceful co-existence and non-interference in domestic affairs have been the guiding principles of relations.

Addressing hundreds of Vietnamese veterans on December 27, 2013, Mr. Hun Sen said that he would never forget the sacrifices that Vietnamese people made to liberalize his country from the Khmer Rouge regime.

Being the fifth largest investor and third largest trading partner, Vietnam is no doubt an important economic partner for Cambodia.

The total investment capital from Vietnam is \$2.86 billion. The two-way trade volume topped \$3.37 billion in 2015 and \$2.38 billion by the end of October this year.

The trade volume between the two countries was expected to reach \$5 billion in 2015, but failed mainly due to market factors. Transport and logistics connectivity needs to be improved to facilitate trade and investment.

The Khmer Times, 21 December 2016

The Future for Cambodia

For the global community, 2016 was the unthinkable year. Brexit and Donald Trump's election victory have been shaking the world's systems and order. Terrorism has haunted many parts of the world.

No country is immune to terrorist threats. The world is going through a phase of populist nationalism, protectionism and extremism.

For Cambodia, 2016 has been a year of mixed output upset by the ebb and flow of the relationship between the two main political parties.

The emerging challenges relate to social and economic issues stemming from unsustainable natural resources management and corruption.

Social justice and freedom of speech is the main social issue as well. The killing of well known and well respected public intellectual Kem Ley, in which justice has not been found, has stirred public distrust of the justice system.

Domestic politics is ugly and messy with significant regression on human rights and democracy. Political parties are consolidating their position ahead of the commune elections next year and general elections in 2018.

The political compromise between the ruling Cambodian People's Party (CPP) and the opposition Cambodia National Rescue Party (CNRP), with the royal pardon of interim CNRP president Kem Sokha and the release of his subordinate, has created a new political environment more suited for political dialogue between the two main parties.

However, there is no sign of advancing and institutionalizing the political dialogue into a permanent mechanism to handle future political tensions and conflicts. It is perhaps just a temporary political modus operandi to test each other's stand.

The CPP is striving to gain political points through weakening the leadership and organizational structure of the CNRP and speeding up reforms to win the hearts of the people, which in turn will help secure its victory in the upcoming elections. The CPP has the political will to reform state institutions, but things are moving very slowly.

The CNRP is galvanizing its supporters at home and abroad by promising change and giving hope. Meanwhile, it also tries to inform the public that the leadership structure of the party remains strong and that the unity between party leader Sam Rainsy and Sokha is unbreakable.

The main agenda for the upcoming elections relates to social and economic issues such as rampant corruption, widening inequality, inefficient public services and justice-associated issues.

The people are concerned about factors directly affecting their livelihoods and well-being. They are looking for leaders who have clear policies, strategic action plans and leadership that delivers concrete results.

Specific issues of concern are decent wages for factory workers, decent incomes for farmers, social protection for the vulnerable and marginalized groups and prolonged action on deforestation.

Although there is political turbulence and tension, economic performance remains strong with a growth rate of about 7 percent, making Cambodia the second fastest growing economy in Asean after Myanmar.

However, the development gap between the rich and the poor, between urban and rural areas, is worrisome.

State institutions and political leadership are accountable for inclusive and sustainable development.

On the foreign policy front, Cambodia made some remarkable achievements.

The diplomatic highlights were the state visits of Laos Prime Minister Thongloun Sisoulith in June, Chinese President Xi Jinping in October and Philippine President Rodrigo Duterte in December.

Prime Minister Hun Sen made two state visits to Timor Leste in August and to Vietnam in December. Also, Cambodia hosted the 9th Summit of the Cambodia-Lao PDR-Vietnam Development Triangle and the 2nd Foreign Ministers Meeting of the Lancang-Mekong Cooperation group in December.

Cambodia's foreign policy has become more proactive and robust. Economic pragmatism and hedging are the core strategies for a small country.

To serve its national interests, which are defined in terms of economic development and poverty reduction, peace and stability and national identity and prestige, Cambodia is expanding and diversifying its strategic partners, deepening bilateral relations and strengthening multilateral institutions.

Living in an increasingly uncertain and competitive world, Cambodia needs leaders who know how to transform the international environment into a source of national development and who can effectively internalize national forces to grasp opportunities and deter risks and insecurity.

Looking ahead, Cambodia needs the right political chemistry to overcome the shortcomings and challenges and to generate opportunities for the people. National reconciliation and unity are the foundations of long-term peace and development.

The Khmer Times, 26 December 2016

REGIONAL

ISSUES

China's Reform Serves Global Future

As economies globalize, countries get more interconnected and interdependent. China is a core pillar sustaining the international system and global order, and promoting global development.

“The world needs China and China needs the world,” Chinese Premier Li Keqiang said Wednesday at the opening of a World Economic Forum in Tianjin.

“As a great economic and political power, China has a significant influence in changing the world of today, and will continue to have a tremendous role in strengthening our collective global future,” stated Professor Klaus Schwab, founder of the Davos-based World Economic Forum.

The success of China's reform benefits the world economy. However, there are challenges ahead as China takes on its reform path.

The road to global economic recovery remains bumpy. Chinese economy is facing downward pressures. There are fluctuations and deep-seated challenges.

To deal with emerging issues and challenges, the Chinese government has introduced policy measures to ensure its economic development trajectory will remain stable so that China's economy can avoid a hard landing.

Results oriented reform is the key to China's future.

“We will continue to carry out reforms in key areas of systemic importance with every determination to forge ahead and bear long-term interests in mind when addressing current problems,” stated Premier Li.

He highlighted major ongoing reforms designed to realize the Chinese dream. These reforms include structural readjustment in public and private sectors, strengthening state-market partnership, reform of state-owned enterprises, improving social equity and social safety nets, and promoting environmental protection.

State-market partnership

Recently the Chinese government successfully implemented business registration reform by removing restrictions, thus easing and reducing the cost of new business registration. Thus, new business registrations significantly increased.

The government supports private companies through reform of investment financing and logistics, promoting innovation and entrepreneurship, research and development, and human capital development.

Service sector development is a key priority of economic reform. Research and development is

fundamental to add value to Chinese products and services.

Rural-urban integration

As development disparity widens and the rural-urban divide deepens, China adopted a rural-urban integration strategic plan which includes building infrastructure connections between rural and urban areas and providing incentives to those companies to invest in less developed regions.

Green economy

Experiencing serious environmental issues caused by rapid industrialization and urbanization, China is taking measures to protect the environment. It is paying more attention to the quality of growth.

China promotes a green economy. It introduces structural readjustments and institutional innovation concerning energy conservation and environmental protection.

Premier Li asserted: “There is no turning back in China’s commitment to a sound eco-system. We have declared war on pollution and earnestly fulfilled international responsibilities.”

China also is taking concrete steps to tackle climate change by setting up environmental assessment and management systems, reducing CO2 emissions, and introducing low – carbon development.

Regional conflicts and Chinese commitment

Regarding regional tensions, China assures its Asian neighbours that it will firmly stick to a peaceful settlement of disputes.

“We need a win-win or all – win which ensures mutual benefits,” stated Premier Li.

“Only through this way can the world prosper and advance forward. China is resolute in following the path of peaceful development. China is the defender and a builder of the existing international system. China is dedicated to maintaining peace and stability,” he continued.

“Regional conflicts and hotspots should be solved peacefully and politically through dialogue. We start deepening our cooperation with our Asian neighbours, handle differences peacefully, and maintain good neighbourliness and friendship,” he added.

The Khmer Times, 11 September 2014

Security Threats for Southeast Asian Nations

Southeast Asia faces increasing security threats stemming from climate change, natural disasters, water-food-energy security, and international migration. Without effectively addressing these issues, ASEAN community building is just a dream. Therefore, collective leadership and partnership are needed to address these issues.

Climate change

Due to geography, poverty, and weak institutions, Southeast Asia is vulnerable to threats caused by climate change. Per the Intergovernmental Panel on Climate Change, climate change will impact the economies of Indonesia, the Philippines, Thailand, and Vietnam more than twice the global average.

Climate change leads to disruption of food production, extreme weather, increased frequency of natural disasters, water supply disruptions, migration, and public health problems.

Natural disasters

Southeast Asia is particularly vulnerable to natural disasters, such as typhoons, cyclones, volcanoes, earthquakes, tsunamis, flood, and drought. The region ranks high for multiple hazards. Since 2000, the region has been hit by a series of calamities — the 2004 Indian Ocean tsunami, the 2008 cyclone in Myanmar, the 2010 floods in Cambodia and Thailand, the 2010 eruption of Mount Merapi in Indonesia, the 2010 cyclone Giri in Myanmar, and, the 2013 Typhoon Haiyan in the Philippines. This seriously impacted millions of people and damaged infrastructure.

Food insecurity

Drought and floods are the clearest threats to food production. The hunger rate in Southeast Asia was 11% in 2013, down (from 31% two decades earlier).

The Mekong River Basin faces high water security risk. Population growth, increasing demand for water for farming, urbanization, hydropower dams, construction along the mainstream of the Mekong River, and climate change create new pressures on the River. About 20% of local people do not have safe drinking water.

Energy security

Energy demand has increased dramatically in the region. From 2011 to 2035, energy demand is to nearly double. Oil remains the dominant fuel, followed by gas and coal. In terms of access to electricity, 22% (134 million) of the total population of ASEAN still do not have access to electricity. Cambodia and Myanmar have the highest rates, with 66% and 51% respectively. Almost half of the region's population rely on wood or charcoal for cooking.

International migration

Southeast Asia is both a source and destination of international migration Cambodia, Indonesia,

Laos, Myanmar, and Vietnam are exporting countries for migrant workers. Singapore is the receiving country. Thailand and Malaysia are both exporting and receiving countries of migrant workers. It is estimated that 35% of workers in Singapore, or 1 million people, are foreigners. In Malaysia, there are twice as many – 2 million – or 16% of the total population. Thailand hosts more than 2 million migrant workers from Myanmar, Laos, and Cambodia.

The Khmer Times, 25 September 2014

Asean's Institutional Responses to Non-Traditional Security Threats

Southeast Asia is facing a plethora of non-traditional security threats. No country, regardless of its capability, could alone effectively address these security threats. It requires international cooperation and integrated institutional responses.

Asean has built its institutions through both the declarations of political will and commitment, and strategic action plans and community building blueprints. However, the key issue here is the capacity to implement. The Asean member states need to promote the responsibility to implementation of these regional cooperation mechanisms and policies.

Climate change

Climate change has drawn serious attention in the region since 2000s. Climate change is one of the core elements in realising the Asean Community. The meetings of the Asean Environment Ministers and the Asean Senior Officials on Environment are two key regional platforms to formulate, implement, and monitor regional policies and activities. The Asean Climate Change Initiative (ACCI) is a consultative platform to strengthen regional policy coordination and cooperation. The Asean Secretariat has coordinated related meetings and activities, and generated generic information and policy recommendations.

Disaster management

Asean adopted a series of agreements and declarations on disaster response and management such as the Asean Agreement on Trans-boundary Haze Pollution in 2002, the establishment of the Asean Committee on Disaster Management (ACDM) in 2003, the Declaration on Action to Strengthen Emergency Relief, Rehabilitation, Reconstruction Prevention in the Aftermath of the tsunami in 2004, the Asean Agreement on Disaster Management and Emergency Response and its work program 2010-2015, the Asean Leaders' Statement on Cooperation in Flood Prevention, Mitigation, Relief, Recovery, and Rehabilitation in 2011, the Asean Declaration on Enhancing Cooperation on Disaster Management in 2013.

The Asean Coordinating Center for Humanitarian Assistance on Disaster Management (AHA Center) was created in 2011 to promote cooperation between the Asean Member States and international organizations for disaster management and emergency response in the Asean region. Information sharing, capacity building, joint exercises, and resources mobilization constitute core activities of the center.

Food security

Food security has been high on the agenda in the Asean Community building process since the 1970s. The agreement on the Asean Food Security Reserve was adopted in 1979. Food security and agricultural trade facilitation are mentioned in the ASEAN Community Blueprints. The

Asean Integrated Food Security (AIFS) Framework and Strategic Plan of Action on Food Security (SPA-FS) was adopted in 2009 with the objective to enhance the international competitiveness of Asean's food and agriculture and forestry products as well as strengthen the food security arrangement in the region.

AIFS has four components namely food security, emergency and relief, sustainable food trade development and facilitation, the development of an integrated food security information system, and agricultural innovation and food production.

Water security

Water security has drawn the attention of the Asean leaders since 2000s. In 2002, the Asean Working Group on Water Resources Management (AWGWRM) was established together with the issuance of the Asean Long Term Strategic Plan for Water Resources Management in 2003. Two years later, the Asean Strategic Plan of Action on Water Resources Management was adopted in 2005.

The Strategic Plan focuses on four integrated elements of water management. It includes the access to safe, adequate and affordable water supply, hygiene and sanitation, the provision of sufficient water that will ensure food security for the region, the provision of sufficient water to spur and sustain the economies of the region, and the protection of the water environment to preserve flow regimes, biodiversity and cultural heritage as well as the mitigation of water-related hazards.

Energy security

The Asean Plan of Action for Energy Cooperation (APAEC) 2010-2015 was adopted in 2009 to promote energy efficiency and conservation, renewable energy, and coal and clean coal technology. The pillar of energy efficiency and conservation includes four strategic goals: (a) reducing regional energy intensity of at least 85 by 2015 based on 2005 level; (b) achieving higher end-use energy efficiency for all sectors through regulatory and market approaches; (c) enhancing institutional and human capacity emphasizing the development of energy efficiency technology and service providers in the Asean region; and (d) encouraging private sector participation.

International migration

Stated in the Asean Socio-Cultural Community blueprint, Asean member states agreed to intensify efforts to protect fundamental human rights, promote the welfare of and uphold human dignity of migrant workers. They also aim to facilitate data-sharing on matters related to migrant workers to enhance policies and programs concerning migrant workers in both sending and receiving states and strengthen policies and procedures in the sending state to facilitate aspects of migration workers, including recruitment, preparation for deployment overseas and protection of the migrant workers when abroad as well as repatriation and reintegration to the countries of origin.

The Khmer Times, 30 October 2014

Europe-Asia Summit: Partnership for Growth and Security

“**E**urope-Asia relations are today more relevant than ever. And this is not just a vague, general declaration of intentions. This is confirmed by the facts,” Jose Manuel Barroso, President of the European Commission, said of the Europe-Asia summit which concluded Friday in Milan.

Taking place once every two years, the Asia-Europe Meeting, or ASEM, is the most important platform to enhance inter-regional cooperation between Asia and Europe. It provides opportunities for members to exchange views, build strategic trust, determine common position, and build partnership.

ASEM is evolving into a pillar sustaining global order through substantial political interaction, action-oriented cooperation, economic integration, and global agenda shaping process.

In the joint statement issued last Friday, the leaders recommended: “ASEM should continue with tangible and result-oriented activities which would benefit the people of both regions and increase ASEM’s visibility and relevance.”

The Summit brought together leaders of 53 member countries. It accounts for over 60 percent of the world population, over 60 percent of the global trade, and more than half of the world’s Gross Domestic Product (GDP). Croatia and Kazakhstan are the latest members.

The Summit is a historic milestone in forging closer economic cooperation between the two regions. Participants look for synergies in addressing global issues such as climate change. The New Silk Road project is to play a critical role in linking Asia and Europe.

Economic interdependence between Asia and Europe is on the rise. The EU is one of the top trading partners of Asian countries with an annual average growth rate of trade of about 6 percent. For ASEAN, bilateral trade volume with the EU was 13.1 percent in 2012. The EU is a leading investor in Asia. In 2012, 21.4 percent of EU outward foreign direct investment went to Asia. The EU is a major provider of development assistance to Asia.

Over the years, the Summit agenda broadened to include people-to-people ties and international security issues in addition to economic and financial cooperation. Last week, the Summit focused on five key words: responsibility to implement, partnership, connectivity, sustainable growth, and security.

The Summit also addressed global security challenges stemming from the instability in the Middle East, Afghanistan and Ukraine, security threat posed by Islamic State in Iraq and Syria, Iran’s and North Korea’s nuclear programs, and the outbreak of Ebola in West Africa. It called for collective efforts in tackling these issues.

On the side-lines, there were several bilateral meetings between the members. Such meetings

help promote mutual understanding and trust building. Meetings between Russian President Vladimir Putin with his counterparts from Ukraine and Europe drew most media attention.

Cambodian Prime Minister Hun Sen also met his Thai counterpart Gen. Prayuth Chan-ocha to promote mutual understanding between the two countries. Both sides exchanged views on a wide range of issues including border demarcation, maritime disputes and energy cooperation, Cambodian migrant workers in Thailand, and trade and investment cooperation.

Gen. Prayuth is scheduled to visit Cambodia from Oct. 30-31 to further exchange views and promote bilateral cooperation. Both leaders need to invest more efforts in strengthening mutual understanding and exploring common grounds to resolve the bilateral issues based on mutual interests. Overlapping maritime claims in the Gulf of Thailand is the most complicated issue on the agenda.

The Khmer Times, 20 October 2014

Key Challenges Facing Asean

The 25th Asean Summit, which closed Thursday in Nay Pyi Taw, faced a key challenge: to realize the Asean Community by the end of 2015. Political commitment of the Member States is necessary while their institutional capacity is needed to put this commitment into practice.

At the opening address of the Summit, President Thein Sein stressed: “Asean needs to enhance institutional efficiency, procedural coherence, effective decision making and systematic monitoring, evaluating, reporting and follow up capacity.”

The Asean report assesses that roughly 80 percent of the Asean Community Blueprints has been achieved. The economic and social-cultural pillars earned higher scores than the political-security pillar. The remaining blueprints are more difficult to achieve. Hence, Asean needs to further accelerate its institutional reforms and strengthen the capacity of its member states.

Asean is still mainly driven by the elites, not the general people. The Asean poor are left behind or even marginalized. They become the victims of globalization and regional integration should there be a lack of appropriate social policy to help the poor to grow and benefit from the process.

The development gap remains wide although there is certain progress in implementing the Initiative of Asean Integration. Rural-urban divide is emerging and it is going to impact social harmony and political stability. Environmental degradation, in particular deforestation, is threatening the livelihood of the bottom millions as well as the whole regional ecosystem.

The democratic regress in Thailand has had an adverse impact on the democratization process and the respect of human rights in the whole region. It is a negative example for the region. Without quickly restoring democracy in the country, Thailand will potentially fall into long-term political turmoil, creating a wave of regional instability.

Under the Asean Economic Community pillar, trade and investment have been remarkably liberalized. Yet regional programs on Small and Medium Enterprises (SMEs) only produced modest results. Most SMEs have not prepared themselves to compete in the regional market or join in the regional production network.

That is due to the lack of financing, information and technical support, and government’s support.

Increasing strategic competition between the major powers put Asean into a difficult position in balancing its external relations. No country wishes to be forced to choose sides.

Maintaining the central role of Asean in shaping the evolving regional architecture and institutions is the core interest of the Asean Member States. In reality, Asean is facing tremendous challenges in maintaining such a role.

The South China Sea dispute is a case in point. Without cautiously approaching and managing

the dispute, Asean unity will be seriously tested. It thus needs to determine acceptable mechanisms and a comfortable speed to deal with the dispute. Working towards the early realization of the Code of Conduct is the best option, generating a win-win cooperation between China and Asean.

Looking ahead, Asean needs to continue focusing on the four Cs: Community, Consensus, Connectivity, and Centrality.

The Khmer Times, 13 November 2014

Revisit the US Rebalancing to Asia

The shifting of global strategic and economic centre of gravity to the Asia Pacific, brings huge opportunities, but also increasing uncertainties and unavoidable competition in the region.

The fast-rising power of China and the relatively declining power of the US, especially in economic terms, create a space for power competition and adjustment between the two countries.

Peace or conflict depends very much on two points: whether the US is flexible enough to adapt and adjust its position to such fast-paced regional power transformation; and on whether China projects its power along the peaceful development path.

Both the US and China must formulate a strategic vision based on common interests and shared responsibility. They need to work together to resolve emerging global and regional issues. The recent climate deal between the two countries was a critical step towards such working relationship.

Both countries need to go beyond balance of power or a strategy of equilibrium. They need to have a coherent approach to establish a new Asia Pacific order based on three interconnected pillars: strategic trust and security connectivity, economic integration and sustainable development, and people-to-people ties.

US leaders asserted their long term strategic intentions and interests in Asia. The then U.S. Secretary of State, Hillary Clinton, stated in 2010: “America’s future is linked to the future of the Asia-Pacific region; and the future of this region depends on America.”

Again in 2012, the then US Defence Secretary Leon Panetta declared that 60 percent of the US troops would be based in the Asia Pacific. He further assured: “In this century, the 21st century, the United States recognizes that our prosperity and our security depend even more on the Asia-Pacific region.”

In general, the US rebalancing towards Asia emphasizes strengthening of bilateral security alliances, forging a broad-based military presence, engaging regional multilateral institutions, expanding trade and investment, and advancing democracy and human rights.

But so far, the rebalancing has produced limited results. It was criticized for being slow in implementation and lacking economic and social substance. The Trans-Pacific Partnership negotiation is not going as smoothly as expected. More importantly, President Obama does not have much power to realize his foreign policy objectives. He is facing domestic political constraints as the Congress dominated by the Republicans.

Therefore, doubt is rising concerning the US commitment and capability in implementing its rebalancing strategy towards Asia. It is estimated that within the next two years of his

presidency, Obama will not deliver much, although he is doing his best to reassure the US allies and strategic partners in the Asia Pacific on the US commitment.

In his remarks at the APEC CEO Summit in Beijing in early November, Obama stated: “One country’s prosperity doesn’t have to come at the expense of another. If we work together and act together, strengthening the economic ties between our nations will benefit all of our nations.”

Speaking at the US-Asean Summit, he stressed: “Asean is the heart of Asia’s rapid growth [...] the United States is committed to strengthening Asean, both as an institution and as a community of nations bound by our shared interests and values.”

The US still has strong political and security role in the region. The regional countries welcome more active engagement of the US to maintain peace and stability in the Asia Pacific. However, the economic role of the US in Asia is going to decline in relation to that of China, which has already taken the regional economic leadership role. China is the top trading and development partner of many Asian countries. Beijing has poured more development assistance and loans into realizing the Silk Road and intraregional connectivity projects.

The Khmer Times, 24 November 2014

Vietnam: Between China and US

Vietnam's foreign policy faces an unprecedented challenge deriving from increasing competition among major powers. Striking a balance between China and the United States is the most difficult foreign policy task for Vietnam.

China is a big neighbour, an ideological ally, and biggest economic partner for Vietnam. In 2013, trade between China and Vietnam totalled \$50.21 billion and total Chinese investment capital reached over \$2.3 billion.

But the sovereignty dispute in the South China Sea is the most serious test in bilateral relations since normalization in 1991. Anti-Chinese feeling in Vietnam has grown over the years, putting more pressure on Hanoi to respond to Chinese actions in the South China Sea.

Vietnam started experiencing increasing security threats posed by the rising power and assertiveness of China after the installation of a Chinese oil rig in the disputed waters in May. Under such circumstances, Vietnam reinforced its bilateral relations with other major powers — US, Japan, India, and Russia.

The United States is the most important strategic partner for Vietnam to hedge against China. Over the last five years, driven by convergent strategic and economic interests, Vietnam's relations with Japan and the United States have developed rapidly.

In July 2013, Vietnam and the US upgraded their bilateral ties to a comprehensive partnership, signalling a significant development in their relations after diplomatic normalization in 1995. Washington policymakers view Vietnam as a promising partner in the Asia Pacific.

Bilateral trade volume between Vietnam and the US in 2013 was about US\$ 30 billion. Vietnam's decision to be part of the US-initiated Trans-Pacific Partnership (TPP) reflects its effort to diversify its economic partners, especially with the US, Japan, and Australia.

Next year will mark 20th anniversary of diplomatic relations between the two countries. It is expected that President Barack Obama will visit Hanoi to deepen US-Vietnamese comprehensive partnership. Expectations are high. The US is expected to do more to ensure regional peace and stability and to assist Vietnam in its hedging strategy against China.

Yet, for Vietnam, there is uncertainty associated with building closer ties with the US. Some Vietnamese policymakers are wary of the 'peace process,' which has been exercised by the US and its allies against socialism. Human rights and democratic values remain stumbling blocks in forging closer ties between the two countries.

Vietnam also tries to build mutual strategic trust and cooperation with China at all levels. In the recent crisis, the leaders from both countries conducted intensive shuttle diplomacy to build mutual understanding. A hotline was created to prevent miscommunication and

misunderstanding.

Party-to-party relationships and ideological harmony are the foundation of Sino-Vietnamese relations. It helps to overcome differences and forge closer ties between the two countries and peoples. Vietnam managed to effectively use this channel to reduce the recent tension in the South China Sea.

Vietnam is practicing hedging foreign policy towards major powers based on these guiding foreign policy principles: independence, diversification, multilateralism, international integration, and being a responsible stakeholder in the international community.

Vietnam is going to intensify comprehensive cooperation with both China and the United States. Different approaches and strategies will be applied to engage each major power.

Strengthening regional security and economic architecture centering on ASEAN would be the best way to socialize major powers and neutralize their competition.

To reinforce its strategic position in the region, Vietnam seeks a stronger regional role in ASEAN and a leadership role at the sub-regional cooperation level. Vietnam wants to replace the traditional role of Thailand — in ASEAN as well as in the Mekong Sub-region.

The Khmer Times, 1 December 2014

South Korea Asserts Regional Role

The Republic of Korea (ROK) is taking a proactive foreign policy towards its Southeast Asian neighbours to realize its vision of becoming a relevant middle power in the Asia Pacific. South Korea has an advantage, for it does not have serious strategic rivalry or competition with major powers in the region.

To gain middle power status, it needs to strengthen comprehensive strategic partnerships with regional countries and institutions. Economic and cultural tools are considered the foundations of the ROK's soft power.

In 1991, the ROK became the full dialogue partner of ASEAN. In 1997, the first ASEAN-ROK Summit was institutionalized to strengthen cooperation and partnership in a collective effort to address global and regional challenges, particularly to improve the state of regional economic recovery after the Asian Financial Crisis hit the region in late 1997.

In 2004, ASEAN and the ROK signed a Joint Declaration on Comprehensive Cooperation Partnership. And in the same year, the ROK acceded to the Treaty of Amity and Cooperation (TAC). In 2010, ASEAN-ROK relations were upgraded to a strategic partnership.

Trade and investment are the two most important cooperation areas. The ROK is now the fifth largest trading partner of ASEAN while ASEAN is the second largest trading partner of the ROK. The bilateral trade volume reached \$135 billion in 2013 and the mutual investment capital totalled \$4 billion as of 2013.

On the cultural front, the ROK has provided scholarships and training opportunities to ASEAN students, organized cultural events to promote mutual understanding and friendship, and developing future generation of leaders including the opinion leaders.

In their joint statement to commemorate the 25th anniversary of the ASEAN-ROK Dialogue Relations on 15 December 2014, the leaders from the ROK and ASEAN committed to build "solidarity and identity" as the "cognitive basis for friendship and cooperation". To realize this, cultural and people exchange need to be further promoted.

The ROK also supports social protection in ASEAN by promoting implementation of ASEAN Declaration on Strengthening Social Protection, and providing support and cooperation in the implementation of ASEAN Social Work Consortium Work Plan.

The ROK has also actively strengthened its bilateral relations with all ASEAN Member States. Such strong bilateral ties constitute the foundation of ROK-ASEAN strategic partnership.

Cambodian-South Korean ties have remarkably strengthened since the resumption of diplomatic relations in 1997. Last week's meeting between Prime Minister Hun Sen and President Park Geun-hye in Busan was another milestone in deepening bilateral friendship and

partnership.

South Korea plays a significant role in assisting Cambodia to realize its development strategy, to maintain high economic development, and accelerate poverty reduction. Cambodia really needs capital, knowledge, and technology from the ROK. Furthermore, the ROK can share its development experiences especially in the field of good governance.

Since the 2000's, the ROK has become a main development partner of Cambodia. The ROK has provided more than \$550 million of development assistance to the Kingdom to develop infrastructure, strengthen human capital and institutional capacity, and support small and medium enterprises. Cooperation in education, healthcare, and agriculture will be strengthened.

The ROK is one of the top investors in Cambodia, after China and Japan. The accumulated investment capital accounted for \$730 million as of 2013. The investment projects concentrate on the real estate industry, textile industry, tourism sector, and the financial market. Relatively cheap labour, liberal investment laws, and improving regional production chains and connectivity are the three main pull factors for Korean investors.

Moreover, the ROK is the most attractive destination for Cambodian migrant workers. Currently there are 35,000 Cambodians working in the ROK. Working conditions and employment benefits are relatively better than those in Thailand and Malaysia. During the meeting with President Park, Prime Minister Hun Sen requested that ROK to receive more Cambodian migrant workers.

The Khmer Times, 18 December 2014

The Greater Mekong Sub-region: An Emerging Asian Growth Centre

The Greater Mekong Sub-region is one of the most dynamic and fastest growth regions in the world. It is emerging as another growth centre in the Asia Pacific.

“The rich human and natural resource endowments of the Mekong region have made it a new frontier of Asian economic growth,” noted the Asian Development Bank.

The 5th Greater Mekong Sub-Region Summit, which concluded last weekend in Bangkok, signified another milestone in deepening Sub-regional economic integration. It is one of the cornerstones of foreign economic policy of the member countries: Cambodia, China (Yunan Province and Guangxi Zhuang Autonomous Region), Laos, Myanmar, Thailand, and Vietnam.

The summit reinforced the leader’s commitment to the program and its goals, assessing the past achievements and arising challenges, adopting a broad strategic direction for key initiatives, and endorsing the Regional Investment Framework Implementation Plan 2014-2018. This plan identifies 92 priority projects with the total cost of USD30.1 billion.

Hardware infrastructure connections such as roads and rails have improved over the years. The report by the Asian Development Bank highlighted the progress made in fostering physical connectivity in the Sub-region particularly the 4th International Mekong Bridge between Thailand and Lao PDR, the Noi Bai-Lao Cai Expressway in Vietnam, the construction of the Myawaddy to Kawkaik Road in Myanmar, and the Mekong Bridge at Neak Loeung in Cambodia to be completed in 2015.

Such infrastructure development projects will facilitate the flow of goods, services, and people in the region, contributing to the creation of a seamless cross-border cooperation and exchanges. It collectively, at least in principle, generates a common pool of regional economic resources and endowments, which in turn leads to joint development and shared prosperity. The next step would be to transform these transport corridors into economic corridors with the generation of robust trade, investment, and tourism activities.

But, persistent development issues confronting the region are weak public and private institutions, inequality, and environmental degradation. The gap between the rich and the poor within the Sub-region and at the national level across the Sub-region keeps widening. Deforestation, overfishing, and the construction of hydropower dams along the mainstream Mekong River are threatening the ecosystem and biodiversity of the Sub-region.

The regional group needs to double its efforts in bolstering cooperation in the areas of human resource development, institutional capacity building, good governance, democratic participation, social inclusiveness, social protection, and environmental protection. Under the theme: “Committed to Inclusive and Sustainable Development in the GMS”, the summit clearly

pinpointed the necessity to focus on the issues related to inclusiveness and sustainability.

To strengthen state capacity to implement the agreements and policy guidelines is a must. The development partners and more developed economies in the region need to double their support to the less developed economies in bridging the institutional capacity and leadership gaps. Otherwise, it is hard to implement the “3-C” formula of connectivity, competitiveness, and community.

There is a need for collective efforts to facilitate cross border exchanges and connectivity. New areas of cooperation should include eradication of corruption at the border checkpoints, decentralization, enhancing the capacity and accountability of the local governments, and encouraging people’s participation in local development projects especially along the border areas.

The Sub-region with a population of more than 320 million and with a combined GDP of more than \$1 trillion definitely is an attractive destination for investors from the region and beyond. Sub-regional integration plays a crucial and complementary role in broader East Asian Community building. The Asian Development Bank and China play key role in funding the GMS connectivity projects.

China is going to invest more in deepening economic and cultural ties and interdependence with countries in the Sub-region as part of its effort to realize its economic belt vision or a new Silk Road project.

The Khmer Times, 22 December 2014

Asean Needs Political Trust and Social Capital

Malaysia, the current Asean rotating chair, is under time pressure to speed up the Asean Community building process, which was to conclude at the end of this year. Malaysia also needs to develop the vision and concrete action plans for the post-2015 Asean community.

Progress has been made. Yet it is painstakingly slow and uneven. More attention and efforts have been given to the Asean Economic Community (AEC) compared to the other two pillars: the political security community and social cultural community. Thus, the region is facing political trust deficit and weak social capital.

Nationalism and protectionism, driven by certain political groups or parties in some countries, inhibit regional cooperation and integration. Domestic politics are stuck in power politics and narrowly calculated national interests. Political leadership is not attached to the Asean community spirit.

Asean needs to create platforms to promote dialogues to transform social and political dynamics at the regional, national, and local levels. An enabling environment must be provided to support the participation from the public and private sectors.

Political and business leaders need more information and institutional support to allow them to move beyond their national boundary and embrace collective regional political identity and share common regional development vision.

Asean needs new thinking and approaches to build regional social capital. It must work towards an inclusive and sustainable regional development. Social innovation and entrepreneurship are the means towards building a people-centred community. The promotion of social justice and welfare, the respect of human rights and dignity, and good governance need more attention and actions.

Concerning promotion of political trust, Asean should promote inclusive dialogues among political parties and groups in the region. Asean related information and understanding are fundamental to build a region-wide political consensus.

More investment is required to develop Asean oriented political leadership. If it is not possible for this generation, there must be such plans for the next generation of leadership. The Asean university network and think tanks should develop training programs to equip the young leaders with the Asean value and identity.

The people of Asean must be empowered to direct the regional community building towards their interests. The ultimate goals of Asean are to serve its people, assist them to realise their potentials, and supports them in adapting to changes.

Asean must deepen its institutional reform to meet the expectations from its people. It needs be

more effective in solving regional issues and more assertive in protecting the interests of its member countries from the external threats. Unity and continuing reforms are the precondition for this regional institution to raise its regional and global role and image.

The Malaysian chair should create more venues for the people of Asean to exercise their roles and be part of the Asean community building process. The future of Asean is in the hands of its people. It is time for the regional leaders to work together towards a people-cantered Asean.

Asean is not perfect. But there are no other better regional institutions or mechanisms that can protect the interests of the Asean people. There is a need for genuine political commitment and leadership to make Asean more representative and responsive to the needs and aspirations to its people.

The Khmer Times, 27 January 2015

Russia Looks East to Counter West

Since early 2014, Russia has been under mounting pressure due to its interference in the Ukraine crisis and the annexation of Crimea. The sanctions imposed by the West-US and its European allies hit hard Russia's ailing economic performance and outlook.

At home, Putin is confronted with increasing domestic challenges. The death of the outspoken opposition leader, Boris Nemtsov, who was the main Putin opponent, sent a political shockwave. The assassination may fuel domestic political polarization and destabilize domestic politics. Mr. Nemtsov was due to lead a mass protest on Russia's economic crisis and the war in Ukraine before he was shot dead last Friday in the centre of Moscow, a mere 180 meters away from the Kremlin Wall.

To counter the sanctions from the West, Russia looks to the East by deepening its strategic and economic ties particularly with China and Southeast Asian countries. Energy cooperation with China is the most important strategy. In May 2014, Russia and China reached a \$400 billion gas deal, and in November the same year both sides reached a second deal worth slightly less than \$400 billion.

Russia and China are natural allies at least for now. They share greater mutual strategic interests in collectively shaping new global order. Economic and military ties have been remarkably enhanced since last year, and cooperation in the Arctic will be another significant milestone in the bilateral partnership.

Russia became a full dialogue partner of Asean in 1996. In 2011, together with the US, Russia became a member of the East Asia Summit. However, Russia has not shown strong engagement with Asean in comparison with other major powers like the US and China.

Russia's foreign policy towards Asean has gained new momentum since the Ukraine crisis. Amid the souring relations with the West, Russia has taken a proactive approach towards Asean. One of Russia's interests is to neutralize Asean's stand on the Ukraine conflict and the Russian annexation of Crimea.

Russia does not wish to see Asean-led multilateral institutions such as the Asean Regional Forum (ARF), East Asia Summit (EAS), and Asean Defence Ministers Meeting Plus (ADMM Plus) become the platform attacking or criticizing Russia with regards to the Ukraine conflict.

In early February, Russian Deputy Foreign Minister Ignor V. Morgulov visited the Asean Secretariat in Jakarta to forge closer ties between Russia and Asean. At the meeting with Asean Secretary General Le Luong Minh, both sides agreed to develop the new plan of action for 2016-2020 to deepen bilateral partnership and annual commitment to the Asean-Russia Dialogue Partnership Financial Fund. Russia also expressed its support to strengthen Asean's centrality in shaping regional architecture.

Bilateral relations with Asean member countries have also accelerated. Vietnam and Singapore have strong ties with Russia in terms of investment and trade. Now Russia is looking to deepen its bilateral partnership with Cambodia as well.

The new momentum will start after the visit of the Cambodian Foreign Minister Hor Namhong to Russia from March 2 to March 4. Both countries are going to sign four documents: (a) trade, economics, scientific and technical cooperation, (b) tourism cooperation and joint action 2015-2017, (c) the agreement on the promotion and protection of investment, and (d) cooperation on the prevention of illegal unreported and unregulated fishing of living marine resources.

Asean welcomes the active role of Russia in the Asia Pacific. Russia has successfully expanded its strategic and economic space in East Asia, while facing increasing challenges from the West. Yet whether the leadership in Kremlin is able to maintain such momentum and have the resources to implement its pivot to the East remains to be seen.

The Khmer Times, 1 March 2015

Claimants' Position in the South China Sea

The South China Sea dispute is a trigger for future Asia-Pacific conflicts, which have grave repercussion on regional peace and stability. It requires an innovative approach to manage the crisis and prevent the conflict.

Existing bilateral and multilateral dialogs between claimant states, and between China and Asean significantly, contribute to trust and confidence building between claimants. However, they are not effective in managing crisis and preventing conflict.

The tensions are driven by different claims over the sovereignty over islands, reefs, and rocks in the disputed South China Sea, competing to get access to mineral resources, and strategic competition between China and the United States in the region.

To find a solution to the dispute, one needs to understand the different positions and approaches of the claimant states, including Brunei, China, Malaysia, the Philippines, and Vietnam. These countries have not reached common positions and approaches in resolving the dispute.

Brunei is the smallest, but one of the richest, countries in Southeast Asia. Its economy relies on the energy sector. About the dispute, Brunei adopts a low-key approach, merely calling for dialogue and peaceful negotiation.

Assuming chairmanship of Asean in 2012, Brunei managed to avoid unnecessary tensions between China and other Southeast Asian claimants. It helped facilitate dialogues between China and Asean on the South China Sea on the Code of Conduct.

China has become more assertive in its claims. It has invested in expanding reclamation construction work on the islets (Johnson South Reef and Gaven Reef) to prove effective occupation of the body of water under the nine-dash line. This covers more than 80 percent of the South China Sea. China also has rapidly modernized its blue water navy forces.

China insists on using bilateral mechanisms to address the dispute. In the meantime, it maintains multilateral dialogue with Asean on the legally binding Code of Conduct (COC) although the speed of negotiation is very slow.

Malaysia, like Brunei, takes a “play it safe” approach towards the dispute. Quiet diplomacy and consultation with China and the Asean Member States have been conducted by Malaysia to build trust and mutual understanding.

As the chair of Asean this year, Malaysia hopes to come to a conclusion on the Code of Conduct on the South China Sea. However, it is difficult for all countries to come to a consensus, and Malaysia does not wish for relationships with any countries, in particular China, to turn sour.

The Philippines is the most vocal and emotional claimant. President Benigno Aquino openly criticised China, proactively multilateralising the dispute. They encourage the intervention of

the US and Japan to counterbalance China, and pressure other Asean member states to stand united against China.

Moreover, the Philippines uses legal measures to resolve the territorial dispute with China. In early 2013, the Philippines instituted arbitral proceedings against China under Annex VII to the United Nations Convention on the Law of the Sea. However, China did not accept the arbitration.

Vietnam pursues both bilateral and multilateral approaches with regard to the dispute. On one hand, it tries to maintain and strengthen bilateral dialogues with China to promote mutual trust, manage crisis, and prevent conflict. On the other hand, it tries to create a collective and concerted strategic deterrence against China by strengthening strategic and defence ties with the US, Japan, Russia, and India.

Vietnam prioritizes the conclusion of the legally binding Code of Conduct on the South China Sea. It also relies on a self-help approach by investing more in defence sector. It recently purchased six Kilo-Class submarines and other military equipment from Russia.

To manage and resolve the dispute, claimants must work closely together to find a common ground and a holistic approach. The possible breakthrough is the realisation of the Code of Conduct to restraint claimants from taking destabilising actions or changing the status-quo.

The Khmer Times, 19 March 2015

Remembering Lee Kuan Yew

The founding father of Singapore, Lee Kuan Yew, passed away Monday at the age of 91. It was a great loss for Singapore and Asia.

He dedicated his whole life to Singapore, having once said: “I have no regrets. I have spent my life, so much of it, building up this country. There’s nothing more than I need to do. At the end of the day, what have I got? A successful Singapore. What I have given up? My life.”

One of Asia’s Most Respected Leaders

Lee Kuan Yew was one of Asia’s most respected political leaders.

His political thoughts and governance approach remain alive and appealing to many Asians, especially with regards to good governance. He was the champion of Asian values and truly was one of the legendary political leaders of Asia.

His great achievements are undeniable. During 31 years as Prime Minister of Singapore, he transformed Singapore from a poor city-state into one of the most dynamic and prosperous countries in the world. Singapore’s per capita income has increased by 100 times, from about \$500 in mid-1960s to more than \$55,000 today.

He co-founded the People’s Action Party in 1954 and became the first Prime Minister of Singapore in 1959, when Singapore gained self-rule from colonial ruler Great Britain.

He led the newly-born Singapore, which separated from Malaysia in 1965. He stepped down in 1990 and held an advisory role to the cabinet until 2011. His legacy of clean, efficient, and accountable governance is what he has left behind for the future generation of Singaporeans.

Stern with Opponents

Lee Kuan Yew adopted a stern approach to his opponents.

In response to criticism from democracy advocates and human rights groups for his iron fist approach towards the opposition leaders, he said in 2010: “I’m not saying that everything I did was right, but everything I did was for an honorable purpose. I had to do some nasty things, locking fellows up without trial.”

Referring to how history will judge him, Singapore’s leader added: “Close the coffin, then decide.”

On foreign policy, Lee Kuan Yew pursued a pragmatic approach, not ideological.

As a small country, Singapore has no other choice but to integrate itself into the region and the world and seize opportunities that come with changing circumstances and external conditions.

Widespread Appreciation

Leaders around the world have expressed their condolences and praised Lee Kuan Yew's leadership and legacy.

Chinese President Xi Jinping described him as “a strategist and politician respected widely in the international community, ” calling his death a “loss to the international community.”

Indian Prime Minister Narendra Modi regarded Lee Kuan Yew as “a far-sighted statesman and a lion among leaders.”

Japanese Prime Minister Shinzo Abe called him “a great Asian leader who laid the foundation for the prosperity of Singapore today.”

The Indonesian Government issued a statement: “Under his leadership, Singapore has succeeded in transforming itself into a major economic hub for the Asian region and stands in equal footing to other developed nations of the world.”

Malaysian Prime Minister Najib Razak stated, “His achievements were great, and his legacy is assured.”

Cambodian Prime Minister Hun Sen stated: “Lee Kuan Yew was not only the founder of Singapore, but also the co-founder of the Association of Southeast Asian Nations.”

He added: “In his whole life, if we observe, he worked until his death.”

US President Barack Obama expressed that Lee Kuan Yew was “a true giant of history who will be remembered for generations to come as the father of modern Singapore and as one the great strategists of Asian affairs.”

Former British Prime Minister Tony Blair said: “That Singapore is today a prosperous, secure and successful country is a monument to his decades of remarkable public service.”

The UN Secretary General Ban Ki-moon said: “Lee Kuan Yew was a legendary figure in Asia, widely respected for his strong leadership and statesmanship. During his three decades in office, he helped Singapore to transition from a developing country to one of the most developed in the world, transforming it into a thriving international business hub.”

Australia's Prime Minister Tony Abbott stated: “Here in Australia and beyond, leaders sought and learned from his wise counsel.”

Former Australian Prime Minister Kevin Rudd said: “Lee Kuan Yew was a rare statesman, both in Asia and the world, who always saw the big picture and we shall miss his counsel.”

Lee Kuan Yew's political thoughts and governance strategy remain alive and relevant in guiding the future of Singapore as well as Asia.

The Khmer Times, 24 March 2015

India: From “Looking East” to “Acting East”

After coming into power last May, Indian Prime Minister Narendra Modi has reshaped and emboldened India’s foreign policy to become more proactive and pragmatic. Modi’s ambition is for India to become a pillar providing peace, security, and prosperity in the Indo-Pacific region.

India’s bilateral relations with all major powers have been advancing since, particularly with the US, China, and Japan. Bilateral partnerships with Southeast Asian countries have gained new momentum.

At the India-Asean Summit last November, Modi revamped India’s “Look East Policy” to “Act East Policy”. India has shown stronger interest and commitment in deepening economic relations and building closer strategic and security ties with Southeast Asia.

“Asean lies at the core of India’s Act East Policy and at the center of our dream of an Asian century,” Indian External Affairs Minister Sushma Swaraj said last month at the Delhi Dialogue VII. “Since the launch of our Look East Policy in the early 1990s, we have matured from being Sectoral Dialogue Partners to being Strategic Partners.”

Road and Port Links between India and Asean

Infrastructure developments and links between India and mainland Southeast Asia have improved, particularly under the framework of the Mekong-India Economic Corridor and India-Myanmar-Thailand Trilateral Highway.

In addition, India financed and constructed the \$120 million Sittwe Port in Myanmar as part of the Kaladan Multi-modal Transit Transport network.

Economic Cooperation and “Made in India” Campaign

Deepening regional economic integration and connectivity between India and Asean serves India’s economic development strategy and its trade promotion policy. The “Made in India” strategy is the core economic policy initiated by Modi.

Asean, with its population of more than 600 million and a total GDP hovering around \$3 trillion, is a potential market for Indian products and services.

In 2014, bilateral trade volume was around \$80 billion. It is expected to reach \$100 billion this year, and \$200 billion by 2022.

Investment flows between India and Asean have increased over the years. Asean investments in India over the last eight years amount to \$27.9 billion while Indian investments in Asean reached \$32.4 billion.

Freedom of the Seas

India proactively promotes a maritime doctrine called “Indo-Pacific Security.” Here India intends to expand its maritime power in both the Indian and Pacific Oceans. Strengthening security and strategic ties with Japan, US, Australia, and Asean underline this new doctrine.

Maritime security cooperation is a core element in building strategic partnerships between India and Asean.

India intends to play a more active role, through both bilateral and multilateral dialogues and mechanisms, to maintain freedom of navigation in both the Indian and Pacific Oceans.

Regarding India’s position in the South China Sea, Shri Anil Wadhwa, Secretary of India’s Ministry of External Affairs, stated last year: “Our position has always been that India stands for freedom of navigation on the high seas.

We would like to ensure that all countries in the region adhere to the international conventions on the Law of the Sea in this issue.”

Ways Forward

Under the current leadership, India has shown greater commitment to engage Southeast Asia and the Asia Pacific. Bilateral ties with Asean constitutes significant factors in realizing India’s regional power projection guided by the Indo Pacific doctrine.

India and Asean need to work together to further deepen their strategic partnership. Meanwhile, they should also consider working together to realize the United Nations Development Goals focusing on eradicating poverty, addressing inequality, tackling climate change, achieving more sustainable lifestyles, building strong, inclusive and resilient economies, and promoting peaceful societies and strong institutions.

The Khmer Times, 7 April 2015

Asian and African Leaders Seek Inclusive World Economic Order

The Asian-African Conference, which has taken place all week in Bandung, Indonesia, marks another major milestone in strengthening of ties between Asian and African countries and peoples.

In 1955, 29 countries from Asia and Africa, many of them newly independent, gathered in Bandung to strengthen their sovereignty, independence, and neutrality. The movement was later transformed into a Non-Aligned Movement to counter threats posed by the Cold War. Cambodia was a founding member of the movement.

In the last 60 years, regional and global circumstances have changed significantly. The Conference, a bridge linking Asia and Africa, has been reformed to address emerging issues confronting both regions and beyond.

The agenda of the Asian-African Conference, or Bandung Conference, has broadened. In the Declaration on the New Asian-African Strategic Partnership in 2005, cooperation covers three broad areas of partnership: political solidarity, economic cooperation, and socio-cultural relations.

This year is a special year. It marks the 60th anniversary of the Asian-African Conference and 10th anniversary of the New Asian-African Strategic Partnership. Delegates from 109 Asian and African countries, 16 observer countries, and 25 international organizations were invited to the meeting to commemorate.

At the conference, leaders called for restructuring the global order to be more inclusive and just. They stressed the importance of strengthening global norms with an emphasis on self-determination, equality, and non-intervention.

Speaking at the conference, the Indonesian host, President Joko Widodo, urged for the reconfiguration of the global economic order. He stated: “It’s imperative that we build a new international order that is open to new emerging economic powers.”

China: 1+1>2

Chinese President Xi Jinping called for “a new type of international relations.”

“The deepening cooperation of Asian and African countries could generate a ‘one plus one is more than two’ effect [...] we need to deepen regional and cross-regional cooperation and promote liberalization of trade and investment.” Xi added.

Cambodian Prime Minister Hun Sen stressed the principles of self-determination and non-interference as foundations of international peace, stability, and development. He added that it

is necessary to transform South-South cooperation into “a potential instrument of sustainable development and global prosperity.”

South Africa’s Deputy President Cyril Ramaphosa urged for deepening economic cooperation between the two continents in the new era of global trade.

“Today our people are reaffirming a commitment made in 1955 and again in 2005 with the Asian-African strategic partnership that recognized the urgency to promote economic development in Asia and Africa,” stated Ramaphosa.

1955 Ideals Still Relevant

From the standpoint of the developing world, the Bandung spirit, which refers to the 10 principles of the 1955 Bandung Conference, remains relevant in contemporary world affairs.

The new directions of the conference reflect a commitment of Asian and African leaders to restructure an existing unfair world economic order mainly shaped by developed economies.

Leaders demand a more inclusive global economic system that is more open to the developing world. Trade, investment, infrastructure development, and sustainable development are four core areas of future cooperation between these two rising continents.

How far the Bandung spirit and the struggle to restructure the world economic order can be concretized depends on political will and capacity of conference member countries. They need to build an inclusive political and economic structure at home while promoting such norm abroad. People-centered regional integration and economic development deserve more attention at the conference.

China and India may need to take stronger leadership role in the group’s commitment and development agenda. China’s “Belt and Road” initiative, the establishment of the Asian Infrastructure Investment Bank, and BRICS New Development Bank can serve as core financial instruments to develop infrastructure and economic corridors between the two continents.

The Khmer Times, 23 April 2015

Can Asean Community Be Realized This Year?

The two-day 26th Asean Summit kicked off in Kuala Lumpur amid high expectations as well as mounting challenges and pressures. The core question is whether Asean can achieve its community by the end of this year.

Some regional observers of Asean affairs have argued that the Asean Community is just an aspiration. It cannot be realized by the end of this year due to the implementation gap of the Asean Community Blueprints and the lack of people's participation.

So far, the implementation of the Asean economic community blueprint has gained more momentum and achieved more than the other two blueprints: the Asean political security community and Asean socio-cultural blueprints.

Asean for People

Asean remains far from its people. The majority of the Asean peoples cannot relate Asean to their lives given Asean has been mainly driven by the elites. It is therefore necessary to promote a "Social Asean" in which human rights, social justice, people empowerment and economic inclusiveness are respected.

The South China Sea dispute remains a thorny and complex issue confronting the whole region. The dispute potentially threatens the unity of Asean, so it has to be managed cautiously and appropriately.

Trust and confidence measures need to be sustained and enhanced.

Under the Malaysian chairmanship, it is striving to speed up dialogue and negotiation on the Code of Conduct (COC) on the South China Sea.

However, there is no timeframe for COC, pending on consensus among the Asean member states and China.

Observers are not optimistic about the early conclusion of the COC due to the lack of consensus between Asean member states on the issue and increasing Chinese influence in the region.

Asean and China

Chinese assertive behavior and external intervention by some major powers in the issue further complicate the prospect of having a breakthrough in managing the disputes and tensions in the South China Sea.

However, all Asean member countries share a firm consensus that the South China Sea dispute should not forestall other areas of cooperation and regional community process. More importantly, it should not disrupt a hard-earned strategic partnership between Asean and China.

In other areas of cooperation, Malaysian chair focuses on eight areas: Establishing the Asean

Community, developing the Asean Community's Post-2015 Vision, steering Asean closer to the peoples, strengthening the development of the Small and Medium Enterprises (SMEs), expanding intra-Asean trade and investment, strengthening Asean's institutions, promoting regional peace and security through moderation, and enhancing Asean's role as a global player.

The Asean leaders are expected to adopt three documents at the 26th Asean Summit: the Kuala Lumpur Declaration on People-Oriented and People-Centered Asean, the Langkawi Declaration on the Global Movement of Moderates, and Asean Declaration On Institutionalising the Resilience of Asean and Its Communities and People to Disasters and Climate Change.

The Race is On

Asean is running a marathon without an end. Asean must keep improving its institutions and engaging external actors should it remain a driving force in shaping the evolving regional architecture and play relevant role on the global stage.

Looking ahead, Asean needs to accelerate comprehensive implementation of the Asean blueprints and the post-2015 Asean vision through strengthening multi-partnership, multi-stakeholdership, and multi-ownership.

The Asean leaders need to find the ways and means to bring about positive change to the livelihood and wellbeing of their 625 million people. The Asean civil society groups and youth associations should be further empowered to pursue a course of "Social Asean."

The Khmer Times, 26 April 2015

Russia Reaches Out to Southeast Asia

Russia is holding its largest military fair in a park near Moscow this week. Cambodia's Defence Minister Tea Banh is attending the event.

Deepening ties with Asia gives Russia a leg up in its uphill struggle against mounting economic and diplomatic pressures from the US and EU for its aggression in Ukraine.

Russia regards East Asia as a key strategic and economic space. It has embarked on a more proactive diplomatic offensive under its Eastward, or pivot to Asia, strategy. Trade, investment, energy, and defense cooperation are core areas of the strategy.

More importantly, Southeast Asia is an emerging market for Russia's arms sales.

"Russia has quite a large experience in military and technical cooperation with certain Southeast Asian states, such as Vietnam, Malaysia and Indonesia," Russian Deputy Defence Minister Anatoly Antonov stated at the recent Shangri-La Dialogue. "This cooperation has good prospects, considering that Russian armaments are both well-known in the region and constitute the basis for the pool of military hardware in some states like Vietnam, Laos and Cambodia."

Russia is the main supplier of military hardware to Vietnam and Indonesia. Thailand is the latest country in Southeast Asia to show interest in purchasing Russian weapons, as Bangkok's relations worsens with the US, its traditional supplier.

Russia exported armaments and military hardware worth more than \$15 billion in 2014. This year, Russia has already signed new contracts worth about \$14 billion.

Team up with China

The ongoing diplomatic tensions between China and the US, particularly with regards to the disputes in the South China Sea, provides an opportunity for Russia to build closer ties with China.

Russia views China as the most important strategic and economic partner in Asia, although they do not really share the same dream. The Russia-China axis, at least for now, significantly challenges US interests and influences Asian geopolitics.

Cambodia Welcomes Russian Role

Cambodia's foreign policy centres on self-reliance, international cooperation, and diversification of strategic partners. Cambodia welcomes Russia's renewed engagement and active role in East Asia. For instance, Cambodia played a significant role in bringing Russia to the East Asia Summit in 2011, the region's most important security summit is attended by the heads of government or state from 18 Asia Pacific countries.

"In terms of politics, Russia and Cambodia, as before, share the same vision of major global

and regional issues,” Russia’s ambassador to Cambodia, Dmitry Tsvetkov, wrote last year. “We carry on an open, sincere and constructive dialogue on the whole range of the agenda of international relations.”

Russia Needs to Overcome Shortcomings

Russia’s Eastward policy lacks clear vision and resources, leading to slow implementation of the policy and action plans. From Asean’s point of view, Russia needs to implement the Eastward policy.

The multilateral institutional architecture of Asia is in the making, and Russia wants to be an influential voice in its development. However, Russia has yet to show its leadership to become a multilateral player.

Russia needs to initiate more ideas to strengthen regional security architecture. Vladimir Putin’s failure to attend the East Asia Summit last November in Myanmar reflected a lack of serious commitment and dedication. This November, Putin should try to attend the East Asia Summit in Malaysia as part of Russian aspirations to play a greater role in East Asia.

The Khmer Times, 16 June 2015

Thai Politics Look Bleak

Thai politics remains murky after one year of the military junta. The prospect of a quick return to democracy is bleak. Political struggle continues to rise.

Prime Minister Prayuth Chan-ocha intends to hold on to power longer than expected.

“If the people want me to stay, they must find a way for me to stay, then I will and I can,” Prayuth told reporters early this month. “But everyone must find a way to protect me from both outside the country and within the country.”

Such a move will worsen the political situation, annihilate public trust and damage international confidence on Thailand, resulting in a highly unpredictable political outlook.

“Thailand could be stuck in a climate of uncertainty in which the military fiercely protects the status quo,” says Pavin Chachavalpongpun, associate professor at Kyoto University. “The situation will throw Thailand into jeopardy, with negative implications for the region.”

Political reconciliation and democracy were expected after a short interregnum through the military intervention. Instead the junta has led the Kingdom towards democratic regression and political alienation.

The martial law which was imposed two days before the coup on May 22 of last year was revoked on March 22 and replaced with Article 44 of the interim constitution. Critics have raised concerns that the Article paves the way for absolute power in the hands of Prayuth.

“As Article 44 engenders more opposition and resistance, still more power and greater enforcement will be needed – this is a recipe for growing confrontation and turmoil,” explains Thitinan Pongsudhirak, an associate professor at Chulalongkorn University.

The controversial newly drafted constitution, produced by the junta-appointed Constitution Drafting Committee, is being questioned by political parties and the public with regards to the core principles of representative democracy.

Those questions are amendments from the first-past-the-post voting system to a proportional representation system; the conferring of power to extra-parliamentary bodies such as the Senate and independent organisations; and the nomination and election of a prime minister by an independent body, not necessarily from a political party or parliament.

Such provisions aim to weaken the power of political parties and politicians. A loose coalition government created after the election will not threaten the power of the ruling elites, the military and monarch networks. Thaksin networks, or Pheu Thai Party, have been perceived as the core threat to the ruling elites.

Due to increasing criticism and pressure from different political groups and civil society, the

Cabinet and the National Council for Peace and Order agreed earlier this week to hold a constitutional referendum. There are some key questions: What if the draft constitution fails in referendum? How long will it take to draft a new constitution? When will the elections be held?

Thai Deputy Prime Minister Visanu Kruea-ngarm has suggested four options.

First, it will set up a new National Reform Council and a new Constitution Drafting Committee to draft a new charter. Second, it will form a panel to draft a new draft without setting up a new National Reform Council. Third, it will assign the National Legislative Assembly to craft the new draft. Fourth, it will assign one organization or more to choose a previous charter for reconsideration.

Whatever options it takes, the junta must ensure that political inclusiveness and democratic representation prevail. Political impartiality is critical in drafting the constitution. Otherwise, it will not result in a stable and equitable political system.

If the junta still pursues its strategy of uprooting Thaksin's networks and weakening political parties, it will fail in promoting national reconciliation and restoring a genuine democracy. For instance, the legal manoeuvring against the two former Thai prime ministers, Somchai Wongsawat and Yingluck Shinawatra are counterproductive to national reconciliation.

If the trend is not reversed and power not returned to the people, the political crisis and upheaval will re-emerge, which in turn will adversely affect socio-economic development. And Thailand's role in the region and the world will further drop.

Democracy works when there are strong political parties with clear vision, political will, and capabilities to deliver results. Thai political parties, learning from past shortcomings, must strengthen their institutions to best serve the interests of the people. Transparency and accountability are key principles that need to be observed.

Thai society has long embraced the value of democracy. They have passed the litmus test of being patient and tolerant. They will stand up to restore democracy and demand their rights and freedom.

Thailand will face another wave of political turbulence or even a political tsunami unless the junta realises the aspirations of the people and effectively implements the road map to democracy.

The Khmer Times, 18 June 2015

Behind the Historic Visit of Vietnam's Leader to Washington

Vietnam-US bilateral ties have rapidly developed in the past five years after the US introduced its rebalancing strategy towards Asia in 2009. The re-emergence of regional security tensions in the South China Sea in 2010s further strengthened their relationship.

Both countries do not share common values. Vietnam is a socialist country and US is a democratic country. But they share common strategic interests. Vietnam is striving to diversify its strategic partners. It wants to reach strategic partnership agreements with all the five permanent members of the United Nations Security Council – China, France, Russia, UK, and US.

Simmering Tensions

Tensions between Vietnam and China over the territorial disputes in the South China Sea, particularly last year's oil rig crisis, have pushed Vietnam to strengthen ties with the US.

The US's rebalancing strategy towards Asia focuses on strengthening military alliances, deepening Trans-Pacific economic cooperation, supporting Asean regional institutions, and promoting democracy and human rights.

The US is shifting its Navy forces from the Atlantic to the Pacific to maintain peace and security in Asia and, more importantly, to check the rising power of China. Sixty percent of US Navy forces will be based in the Asia Pacific by 2020.

Strategic Convergence

The South China Sea dispute is a strategic window of opportunity for the US to intervene and claim its regional hegemonic role.

Chinese actions in the South China Sea have alarmed the US and its regional allies. The US is concerned that the movement of its fleets in the region will be restricted.

“The United States has a national interest in freedom of navigation, open access to Asia's maritime commons and respect for international law in the South China Sea,” then-US Secretary of State Hillary Clinton stated in 2010 at the Asian Regional Forum in Vietnam.

Last June, US Defense Secretary Ashton Carter protested against China's land reclamation in the disputed Spratly islands.

“There should be an immediate and lasting halt to land reclamation by all claimants,” Mr. Carter said. “We also oppose any further militarization of disputed features.”

However, China defended that its land reclamation was “legitimate, justified, and reasonable.”

Both the US and Vietnam share common security concerns about China's assertive behavior in the South China Sea, which they regard as a threat to regional peace and stability.

Vietnam-US Strategic Partnership

In July 2013, Hanoi and Washington signed a comprehensive partnership agreement covering political, economic, science and technology, and defense cooperation. Yet human rights and democracy remain key stumbling blocks in their relationship.

In the last three years, there were high level visits between the two countries. Bilateral strategic trust has been enhanced. Concrete action plans were developed to implement the partnership agreement.

Vietnam joined the US-led negotiation on Trans-Pacific Partnership (TPP) in order to reduce its economic dependence on China.

The US has become Vietnam's important trading partner and source of foreign direct investment. Bilateral trade volume reached \$35 billion last year. By the end of last year, the US had invested nearly \$11 billion in Vietnam.

Vietnam's Party Chief Visits the US

From Monday through Thursday, Vietnam's General Secretary Nguyen Phu Trong is taking part in a historically significant state visit to Washington.

This is the first time a General Secretary of the Communist Party of Vietnam has visited the US

The visit is a significant turning point in Vietnamese Communist Party's foreign policy towards US, and is widely believed to be a counterbalance measure against China.

Deepening Partnership

The visit deepens the comprehensive partnership between the two countries and prepares ground for reaching a strategic partnership.

Secretary General Trong is scheduled to meet US President Barack Obama, exchange views with the representatives from the Departments of Commerce and Agriculture, and talk to the House of Representatives and Senate. He will also meet local business leaders and members of the Vietnamese community in the US.

The Khmer Times, 6 July 2015

India Implements “Act East” Policy with Asean

The Asean-India partnership has been remarkably strengthened after President Narendra Modi introduced India’s “Act East Policy” last year. This aims to concretize the “Look East Policy” initiated two decades ago.

India’s foreign policy towards Southeast Asia is driven by increasingly complex regional interdependence and dynamism. India wishes to grasp benefits from the realization of Asean community by the end of this year. Deepening regional integration generates more opportunities for India and Asean to grow together in a wider Asian community.

India’s Regional Role

India has the second largest population in the world, after China, with a population of 1.25 billion. India has a growing and young population, with more than half of its population under the age of 25. By 2030, India will become the world’s most populous nation.

India has been enjoying high economic performance, with an average growth rate of 7.2 percent for the past five years. According to the International Monetary Fund (IMF), India is expected to have a GDP growth rate of 7.5 percent for 2015 and 2016, which will make it the world’s fastest growing large economy.

Regional countries will benefit from India’s growing economic power and potentials. With a GDP of US\$1.8 billion, India, the world’s fourth largest economy, is certainly a valuable economic partner of Asean.

India has played an important role in maintaining peace and stability in the region. Non-traditional security cooperation takes the centre stage of the bilateral cooperation.

ASEAN-India economic ties

India and Asean signed the Framework Agreement on Comprehensive Economic Cooperation in 2004, reached a trade agreement on goods in August 2009, and concluded an agreement on investment and trade in services this month.

India and Asean are moving from intra-regional trade facilitation in goods to the creation of regional production networks through the promotion of trade in services and investment cooperation.

The economies of India and Asean are complementary. India has comparative advantages in information technology, medical tourism, education, and space technology while Asean is strong in the energy sector, automobile industry, and financial services.

India is promoting scientific and technology transfer and encouraging Asean’s private sector to capitalize on India’s “Make in India” policy by exporting their raw materials, parts and components to the Indian markets.

Asean-India Security Cooperation

International terrorism, trafficking in humans and drugs, disaster relief and humanitarian assistance, piracy, and cyber security are key areas of security cooperation between India and Asean.

Strategic cooperation, especially maritime security cooperation, has been advanced to meet new realities and challenges in the Indo-Pacific region. It is also driven by India's ambition to play a greater global role as a trading nation and stabilizing force.

Recent maritime cooperation activities include the signing of a memorandum of understanding on defence cooperation and coast guard cooperation between India and Vietnam in May. Last month, India's navy made a rare port visit to Thailand and Cambodia to bolster bilateral defence cooperation.

Asean-India Dialogue Forum

India continues its constructive role to contribute to regional peace, stability and prosperity through active participation in various Asean-led mechanisms such as Asean Regional Forum, Asean Defence Ministers' Meeting Plus, and expanded Asean Maritime Forum, and East Asia Summit.

Asean has encouraged India to timely conclude the negotiations for a modern, comprehensive, high-quality and mutually beneficial Regional Comprehensive Economic Partnership (RCEP) by end of this year. RCEP is going to be the world's largest trading region, accounting for 25 percent of the world economy.

Plan of Action

Last month, at the Asean-India Joint Cooperation Committee Meeting, both sides assessed the implementation of a 2010-2015 Plan of Action, which includes political security, economic and socio-cultural cooperation.

Asean and India are formulating a new Plan of Action for the next five-year period from 2016 to 2020. Next month, in Kuala Lumpur, this will be adopted by the Ministers of Foreign Affairs of Asean and India.

The new Plan will include new measures to deepen the partnership between India and Asean – from strategic, security, economic and socio-cultural dimensions.

The Khmer Times, 13 July 2015

In Search of Asia-Pacific Security Architecture

Experts and officials from East Asia gathered in Phnom Penh recently to discuss regional security issues, challenges, and policy responses. The meeting was presided over by Cambodia's foreign minister Hor Namhong.

Cambodia stressed the complexity of transnational crimes such as international terrorism, radicalism, and drug trafficking, and urged regional countries to strengthen regional cooperation to address these security issues.

“These criminal acts are gravely affecting the whole world, including many countries in our region,” Mr. Hor Namhong stated in his opening remarks.

Several competing concept papers are being discussed under the framework of East Asia Summit: China's New Asian Security Concept, Indonesia's Indo-Pacific Treaty, and India's Concept Paper on Asia-Pacific Security Architecture.

Russia, together with China and Brunei, also proposed a set of principles to strengthen security cooperation in the Asia Pacific region.

These proposals, which were initiated a few years ago, share a common vision, which is to maintain peace and security in the Asia Pacific region. Yet, they have slightly different emphases and approaches.

China's New Asian Security Concept

China advocates security concept based on common, comprehensive, cooperative, and sustainable security, and provides more public security goods through regional cooperation on traditional and non-traditional security issues.

“We cannot just have security for one or a few countries while leaving the rest insecure,” stated Chinese President Xi Jinping in May 2014. “A military alliance which is targeted at a third party is not conducive to common regional security.”

Indonesia's Indo-Pacific Security Concept

Indonesia's proposal aims to strengthen connections between the Pacific and Indian Oceans. It focuses on mutual trust and confidence, commitment to peaceful settlement of disputes, and a dynamic equilibrium.

“A ‘pacific’ Indo-Pacific region requires a new paradigm in the region's inter-state relations,” said then-Foreign Minister Marty Natalegawa in May 2013.

It is crucial to “promote a concept of security that is all encompassing, underscoring that security is a common good.”

India's Asia Pacific Security Concept

India has taken proactive approach in its “Act East Policy.” Linking the Indian and Pacific Oceans is the focus of India’s foreign policy. India wishes to be a “net security provider” in the Asia Pacific.

Recognising the central role of Asean in driving regional security cooperation, triangle relationships among China, India, and the United States are the cornerstone of peace and stability in the region.

“Shared power, if it works for all parties, will be at the heart of Asia’s emerging security architecture. And that, I believe, warrants following this triangle closely,” Subrahmanyam Jaishankar, foreign secretary of India’s Ministry of External Affairs, said last month.

Asean-Centric Regional Security Architecture

Asean has been thriving to assert its regional role to shape regional security architecture in the Asia Pacific region.

Under Asean’s leadership, several regional security institutions have been established to enhance strategic trust and confidence, strengthen regional cooperation, and most importantly to promote common regional identity and rules-based interstate relations.

However, Asean’s unity and autonomy have been tested by regional security tensions and events.

Different positions and approaches among the Asean member countries with regards to the South China Sea dispute are construed as a main threat to Asean’s unity and solidarity.

“The South China Sea is also a litmus test of Asean’s centrality due to its significant impacts on the credibility of Asean-led norms and mechanisms that are at the core of the regional security architecture,” said Asean Secretary-General Le Luong Minh in June.

Asean’s Security Relevance

For Asean to stay relevant in security matters, it needs to provide security assurance to its member states. For instance, the failure of Asean in preventing Cambodia-Thailand border conflict in 2011 forced Cambodia to find an alternative security provider.

The ongoing border tensions between Cambodia and Vietnam is another regional security flashpoint that deserves regional attention and engagement from Asean.

Asean must strengthen its regional security role by adding preventive diplomacy and conflict resolution to the existing confidence building measures.

The Khmer Times, 4 August 2015

With an Eye on China, Vietnam and Japan Move Closer

Vietnam's General Secretary Nguyen Phu Trong visited Japan last week amid increasing regional security tensions, particularly in the South and East China Seas. Vietnam is exercising a hedging foreign policy against China by strengthening its strategic partnership with major powers, particularly the US and Japan.

Vietnam and Japan have convergent strategic interests. Territorial disputes in the East China Sea, nationalism, and historical antagonism have put Japan at loggerheads with China. Diplomatic and political tensions between the two countries will not recede anytime soon.

Japan under the leadership of Prime Minister Shinzo Abe has embarked on a more proactive and assertive foreign policy and security strategy in the Asia Pacific region. Despite public criticism and discontent, Abe's administration is reinterpreting Article 9 of Japan's Constitution, also known as the "Pacifist Constitution." This will enable Japan to send its military forces abroad.

This enhanced strategic partnership between Vietnam and Japan aims to develop the economies as well as to implement a collective hedging or even deterrent foreign policy against a more assertive China. They both believe China challenges and threatens the regional security order and status-quo.

"It is very significant that we shared grave concerns over continuous unilateral actions to change the status quo and increase tensions in the South China Sea, which includes large-scale land reclamation and building of outposts," Prime Minister Abe said, implicitly referring to China.

Vietnam Diversifies Its Ties

It was Trong's first visit to Japan since he became General Secretary of the Communist Party of Vietnam in 2011. As general secretary, Trong controls Vietnam's two most powerful policymaking bodies. His predecessor, Nong Duc Manh, visited Japan in 2009.

From the Vietnamese perspective, the visit reflects its foreign policy of independence, self-reliance, diversification and multilateralism, and active international integration by deepening partnerships with all major powers.

The Japan visit connects the two economies, enhances political trust and promotes cooperation on issues of common concern. Notably, Japan commits to support Vietnam in strengthening maritime capacity.

Since establishing diplomatic relations in 1973, especially after the end of the Cold War, Vietnam and Japan have overcome past obstacles and have advanced their relations.

Cooperation developed rapidly after the establishment of a strategic partnership in 2009, which was later upgraded to an “extensive strategic partnership” in 2014. Mutual trust has been reinforced through high-level visits and regular contacts between leaders of the two countries.

Economic Ties

Japan has been the largest provider of Official Development Assistance to Vietnam over the last 20 years. In 2015, Japan pledged a record high of \$3 billion. Since 1992, Japanese aid to Vietnam adds up to \$20 billion.

Aid focuses on infrastructure development, improving the investment environment, poverty reduction, education, health, urban development, and environment.

As of April, Japan is the second largest investor, after South Korea, in Vietnam with 2,661 investment projects, accounting for \$37.7 billion. On trade, Japan is the fourth largest trading partner of Vietnam after China, US, and South Korea. In 2014, bilateral trade volume reached \$28 billion and is expected to hit \$30 billion this year.

Vietnam regards Japan as a key development partner in realizing its industrialisation strategy through doubling investment in such priority sector as: electronics, energy, automobile, and agro-industry.

Moreover, the realization of the ASEAN Economic Community by the end of this year and the conclusion of negotiations on the Trans-Pacific Partnership and the Regional Comprehensive Economic Partnership will open up new opportunities for both countries to scale up trade and investment opportunities.

Defence Ties

As far as security and defence cooperation is concerned, Japan wants to support Vietnam in maritime security and safety at sea, capacity building in peacekeeping operations, cybersecurity, international terrorism, and transnational crimes.

In 2014, Japan granted Vietnam six patrol boats for monitoring the body of water the Vietnamese call the East Sea and the Chinese call the South China Sea. Japan also is interested in helping Vietnam strengthen law enforcement where Vietnam and China have overlapping claims. This year, Japan pledged \$1.7 billion of maritime security aid to Vietnam.

The Khmer Times, 20 September 2015

China, US Work on Relationship

Last week's summit between Chinese President Xi Jinping and US President Barack Obama in Washington was a significant milestone in promoting strategic trust and advancing bilateral relations between the two major powers.

US-China ties are the anchor of regional peace and development. Both countries are readjusting their perception of, and approach to, each other. Cooperation and competition lie at the core of their relationship.

How do these two countries manage their differences and competition?

The exchange of rhetoric between the two leaders is forward-looking and quite accommodating. But words need to be followed by actions.

“To work with the United States to build the new model of major-country relationship without conflict, without confrontation, with mutual respect and win-win cooperation is a priority in China's foreign policy,” stated President Xi.

However, there is no concrete path yet towards a new type of major powers' relations. While the US recognizes the significant role of China on the international stage, it is doubtful of China's global power projection, particularly in the Asia-Pacific region.

China's assertive behaviour in the South China Sea, such as massive land reclamation and the potential militarization, have alarmed the US, which is concerned about the freedom of navigation and over-flight in the region.

Climate Change

The most important bilateral agreement was on climate change. Both leaders expressed their strong commitment to addressing climate change and working to build a global partnership to ensure the success of the upcoming summit on climate change in Paris later this year.

“The two presidents also reaffirm their determination to move ahead decisively to implement domestic climate policies, to strengthen bilateral coordination and cooperation, and to promote sustainable development and the transition to green, low-carbon, and climate-resilient economies,” stated the US-China joint presidential statement on climate change.

Economic Cyber-Espionage

Economic cyber-espionage has been the most sensitive issue between the two countries over the past four years after China was accused of conducting cyber-theft of intellectual property of American corporations for commercial benefit or advantages.

China has pledged to crackdown on hackers who steal commercial secrets.

Although there is no concrete binding bilateral agreement, both countries reached a common

understanding and agreed on certain common norms and an appropriate code of conduct in cyberspace.

“We’ve agreed that neither the US or the Chinese government will conduct or knowingly support cyber-enabled theft of intellectual property, including trade secrets or other confidential business information for commercial advantage,” said Mr. Obama.

Nuclear Fears

North Korea’s nuclear program is threatening regional peace and stability with the country planning to conduct its fourth nuclear test early next month.

Regardless of international sanctions and pressure, North Korea continues developing its nuclear program, expanding its nuclear arsenal and long-range ballistic missiles.

China is the main ally and supplier of food and fuel to North Korea but recently it has modified its position and strategy. China is tilting towards South Korea and gradually away from North Korea.

Mr. Xi paid a state visit to South Korea instead of North Korea. Mr. Xi has not met North Korean leader Kim Jong-un since he assumed office in November, 2012. It is not in China’s interest to see its immediate neighbour possessing nuclear weapons. China and the US share common understanding and interest in denuclearizing North Korea.

But the question is how? Denuclearization cannot be done through regime change. North Korea needs security guarantee and economic support to maintain its regime survival.

“We reaffirm our commitment to realize the complete and verifiable denuclearization of the Korean Peninsula in peaceful way. And we oppose any action that might cause tension in the Korean Peninsula or violate U.N. Security Council resolution,” Mr. Xi said at a media conference.

South China Sea

China and the US have different views on the disputes in the South China Sea. It is a long-term issue so it requires a long-term vision, commitment, and solution.

Although the US is not a direct claimant in the disputes, its national interest is at stake when freedom of navigation is threatened.

“I conveyed to President Xi our significant concerns over land reclamation, construction and the militarization of disputed areas, which makes it harder for countries in the region to resolve disagreements peacefully,” said Mr. Obama.

China affirmed that it would uphold and respect the freedom of navigation and over-flight in accordance with international law, would not militarize the disputed body of water.

“Relevant construction activities that China is undertaking in the Nansha Islands do not target or impact any country, and China does not intend to pursue militarization,” Mr. Xi responded. Nansha is the Chinese term for the disputed Spratly Islands.

Fixing Troubled U.S.-Thailand Relations

Thailand is the US's oldest ally in Asia. Both countries signed the Treaty of Amity and Cooperation in 1833. Thailand, an economic hub with geostrategic significance in the Mekong region, is America's closest ally in the region.

However, their relations have been troubled by shifts in Thai domestic politics, particularly since the military coup in 2006.

Relations were restored for a short while in 2012 after the general elections in 2011. Thai Prime Minister Yingluck Shinawatra visited the US in September 2012 and President Barack Obama visited Thailand in November to celebrate the anniversary of 180 years of diplomatic relations, and to chart a way for advancing their strategic partnership.

However, the coup on May 22 last year against the democratically elected civilian government prompted a U-turn in US-Thai relations. The US suspended more than \$4.7 million in security-related assistance to Thailand after the coup and scaled down joint military exercises including Cobra Gold, Asia's largest annual multinational military exercise hosted by Thailand, in February.

Since the coup, the US has consistently demanded a quick return to democracy in the Kingdom.

In January 2015, the US Assistant Secretary of State for East Asian and Pacific Affairs Daniel Russel visited Bangkok to raise US concerns over the political situation after the coup, especially with regard to judicial issues, civilian freedom, human rights, and democracy.

Under mounting diplomatic pressure from the US, the Thai junta took the initiative to boost ties with China and other major powers including India and Russia.

Prime Minister Prayut Chan-o-cha met Chinese Premier Li Keqiang in Bangkok last December. China has extended development assistance to Thailand in two key areas: the \$12 billion railway project and the purchase of about two million tons of rice and 200,000 tons of rubber from Thailand.

In July, Thailand deported more than 100 Uighurs – a Muslim ethnic minority – to China, and decided to purchase three submarines from China.

Prime Minister Prayut has also been reaching out to Russia. In April, he met his Russian counterpart, Primer Minister Dmitry Medvedev.

Both sides signed 10 memorandums of understanding. It was the first time in 25 years that a Russian Prime Minister visited Thailand. The visit was a critical turning point in bilateral relations between Thailand and Russia.

Afraid of losing Thailand to its main challenging powers and strategic competitors, the US has

readjusted its position and approach toward Thailand. Last month, the US sent its ambassador to Thailand 10 months after the post became vacant.

The new US Ambassador, Glyn Townsend Davies, said: “I look forward to getting to know, listening to, and learning from people throughout the Kingdom. Through them, I hope to understand Thailand’s rich traditions and culture. My goal is to deepen understanding between our people and to work together to enhance our mutual security and prosperity.”

On the sidelines of the 70th UN General Assembly in New York last month, President Obama and Prime Minister Prayut shook hands and had a brief, friendly conversation.

Although the meeting was not substantial, it was symbolically significant for the Thai regime, providing a sense of legitimacy. It illustrated the US’ willingness to change its approach and restore strong ties with Thailand. Prime Minister Prayut is expected to visit the US early next year.

The US will likely be softening its approach towards Thailand through innovative ways to restore political trust. Defence and security dialogues and cooperation will be largely restored but not fully normalized. The US-led Cobra Gold, involving some 30 countries, will be scaled up next year.

Due to domestic political issues, Thailand missed the opportunity of being part of the US-led Trans-Pacific Partnership, the world’s largest trading block, which encompasses 40 percent of world trade. That was a serious economic setback for Thailand.

In the past few months, there have been signs of improving US-Thailand relations. There will be more focus on military and defence cooperation. However, to completely restore and enhance comprehensive bilateral ties, Thailand first needs to restore democracy.

The Khmer Times, 14 October 2015

Vietnam In Search of Pragmatic Foreign Policy

Vietnam is preparing for the 12th National Party Congress to be held early next year. Foreign policy will be one of the core issues for discussion given the increasing complexity of regional security and competition by major powers.

Vietnam has gone a long way in conceptualizing and adjusting its foreign policy after the *doi moi* (renovation) in 1986. It has gradually turned from a foreign policy heavily structured in ideological considerations to a foreign policy model based on national interests and pragmatism. Vietnam has adopted a foreign policy of multilateral diversification, independence, non-alignment and hedging against major powers.

The key concern for Vietnam is to avoid being trapped in the politics of major powers and becoming a pawn in their strategic games. Meanwhile, how to transform such regional security and strategic issues and challenges into a source of national security and socio-economic development is another core objective of Vietnam's foreign policy. Economic development constitutes the core element of national security and regime legitimacy.

Multilateral Diplomacy

Vietnam has actively participated in promoting and strengthening multilateral institutions, particularly the United Nations and Asean. Asean has become the cornerstone of Vietnam's foreign policy since it became a member in 1995. In his remarks at the UN Summit last month in New York, President Truong Tan Sang emphasized the role of Asean in maintaining regional peace and stability.

To date, Vietnam has established diplomatic ties with 186 nations and is an active member of more than 70 international organizations. Vietnam was elected to be the non-permanent member of the United Nations Security Council for the 2008-2009 term, and successfully chaired Asean in 1998 and 2010. It has also chaired other important international forums such as the Francophonie [French-speaking countries] in 1997, the Asia-Europe Summit in 2005, the Asia Pacific Economic Cooperation (APEC) Summit in 2006 and the Assembly of the Inter-Parliamentary Union (IPU) this year. It will be chairing another APEC Summit in 2017. So far Vietnam has concluded strategic partnerships with 14 countries. It aims to expand its bilateral strategic partnership with other key partners in the coming years. More importantly, Vietnam will upgrade its strategic partnership with the US in the near future. It is part of a robust and dynamic strategic diversification as well as balancing act.

Foreign Economic Policy

Vietnam's foreign economic policy has gained even more achievements. Vietnam has attracted over \$250 billion of foreign direct investment, and is one of the few countries to participate in all important economic links in the region, including the Trans-Pacific Partnership Agreement (TPP) and the Regional Comprehensive Economic Partnership (RCEP).

Vietnam will continue to focus on multilateral diplomacy through active participation in international institutions. Recently, Vietnam has sent its peacekeeping forces for the first time to conflict zones in Africa under the UN framework. Vietnam is striving to get elected into the UN Economic and Social Council (ECOSOC) for the 2016-2018 term, and non-permanent member of the UN Security Council for the 2020-2021 term.

On the foreign economic policy front, Vietnam will accelerate reforms and opening-up to attract more foreign direct investment, expand trading relations, and deepen international integration. Vietnam is going to play a more important role in the regional production network and global supply chain but it needs to invest more in institutional reform and technological innovation.

Challenges

The main challenge for Vietnam is to maintain an international environment favourable for economic development, national security and regime legitimacy. Balancing relations with China and the US is the most challenging task for Vietnamese leaders. The dispute with China in the South China Sea is the top external security threat to the country.

The border dispute with Cambodia is another potential destabilizing factor. Domestic political changes in Cambodia will seriously impact bilateral relations between the two countries. Vietnam needs to develop a comprehensive strategy to engage and strengthen ties with Cambodia, and be more sensitive to the rising nationalism in the Kingdom.

To play a more important role in multilateral institutions, Vietnam needs to develop its own soft power, which includes economic and cultural power, diplomatic persuasion power, and universal human values.

The widening socio-economic gap is another challenge for Vietnam's foreign policy. Vietnam needs to revise its development strategy to further link foreign direct investment and international trade with poverty reduction, and inclusive and sustainable development.

The Khmer Times, 19 October 2015

Shifting Towards People-Centred Asean

The Asean Economic Community will be realized, at least in principle, by the end of this year. Asean's successes will be highlighted, especially in maintaining peace and stability in the region, in promoting a single market and production base, and strengthening regional unity within diversity.

However, Asean still faces huge challenges ahead. Asean's unity and centrality is vulnerable to a major power conflict brewing in the Asia-Pacific. Development and institutional capacity gaps between the member states remain wide, people's participation in regional community building is limited, human rights violations remain high, and environmental degradation is getting worsening.

Acknowledging these challenges, Asean leaders adopted the Kuala Lumpur Declaration on a people-oriented, people-centered Asean in April to show collective political will and commitment to put the people first in regional community building.

Political Security

Democracy, rule of law and good governance, social justice, and human rights are regarded as the main elements or values for promoting and sustaining peace and security in the region.

However, some ASEAN member states are reluctant or not willing to implement these norms. Due to the strict principle of non-interference, ASEAN is not able to effectively enforce these norms upon its members.

ASEAN, therefore, needs to be more innovative and flexible in engaging its member states in promoting and implanting these norms in their societies.

The people of ASEAN are experiencing highly unpredictable geopolitics. The region is vulnerable to and shaped by China-US power competition and rivalry. China and the US had a military faceoff last week after the US sent its destroyer within 12 nautical miles of China's artificial island in the South China Sea. In response to the US "provocative acts," China conducted live-fire exercises in the area.

To survive and stay relevant, ASEAN needs to consolidate its unity and diplomatic competence in managing regional disputes and mediating the China-US rivalry. Otherwise, ASEAN people will be prone to conflict or even war in a worst-case scenario.

Economic Inclusiveness

ASEAN strives to promote an integrated, stable, prosperous and cohesive regional economy, which encompasses all sectors of society. Yet many women in the region have not been empowered to grasp the benefits and be the co-drivers of economic development. Youth unemployment remains high in some countries, including Cambodia, Myanmar and Laos.

Small and medium-sized enterprises are facing difficulties in getting access to finance, market information, and technology. Some are not able to survive regional competition.

ASEAN needs to further link regional economic integration and development with poverty reduction. Supporting small and medium-sized enterprises, nurturing social entrepreneurs, and empowering women are critical to pro-poor development. ASEAN needs to invest more in social welfare, social protection, and social safety nets.

Socio-Cultural Development

Awareness of ASEAN is very low amongst its own people. ASEAN remains an elites-driven and a market-steered organization.

The rights of women, children, youth, elderly persons, migrant workers, indigenous communities, the disabled, ethnic minority groups, and vulnerable and marginalized groups have not been fully promoted and protected.

Intra-regional migration, human and drug trafficking, haze, and mismanagement of the Mekong River are some of the trans-boundary issues faced. Sovereignty, non-interference, and nationalism prevent countries from having a shared responsibility in managing these problems.

Social Innovation

To build a truly people-centered organization, ASEAN needs to put the people at the centre of the three intertwining pillars: political security, economic development, and socio-cultural development.

ASEAN should add social innovation to its post-2015 community-building agenda. Social innovation provides novel and useful solutions to the pressing social problems and needs. Social innovators are the leaders who provide innovative solutions to social problems, impact social changes, and promote social resilience.

Social innovation involves three main stakeholders: the public sector, the private sector, and citizens. ASEAN needs to build a working partnership among these actors to impact changes and deliver the results that would benefit the people of ASEAN.

The Khmer Times, 12 November 2015

Asean Sets Ambitious Goals for Next Decade

ASEAN has gone a long way in its efforts to build a regional community. Established in 1967, ASEAN has successfully navigated Cold War politics and become an important regional actor in maintaining peace and stability, while facilitating regional cooperation for economic development and poverty reduction.

Last weekend's ASEAN Summit and related summits in Kuala Lumpur were testimony of the achievements of regional cooperation and the pride of ASEAN.

Under the theme "Our People, Our Community, Our Vision," ASEAN's focus this year is to promote a people-centered regional community. The summit marked a historic signing of the Kuala Lumpur Declaration on the Establishment of the ASEAN Community, and adopted the "Kuala Lumpur Declaration on ASEAN 2025: Forging Ahead Together."

"This is about how we build upon and deepen the integration process to realize a rules-based, people-oriented, people-centered ASEAN Community in which we seek to narrow the development gap. It is ambitious documents – but ambition is part of our heritage," stated Prime Minister Najib Razak. ASEAN is "ready to take its place on the world stage as a new force in the Asia-Pacific and beyond."

Prime Minister Hun Sen stressed that "from 2016 onwards, ASEAN will become an influential community in the regional and global arena, which is the result of decades of our collective aspiration and tireless efforts."

However, there are huge challenges ahead. For ASEAN to stay relevant in fast-changing regional and global geopolitics, it needs to keep reforming and improving its political, economic and social institutions, and diplomatic competency.

ASEAN has set out ambitious blueprints to chart regional community building for the coming decade. The ASEAN 2025 aims to realize an inclusive, cohesive and resilient community in a peaceful, stable, sustainable, integrated and dynamic region, where the people enjoy higher quality of life and the benefits of community-building.

Political Security Pillar

This pillar envisages a rules-based, people-oriented, people-centered community, which is bounded by fundamental principles, shared values and norms, where people are entitled to human rights, fundamental freedoms and social justice, and embrace the values of tolerance and moderation.

The pillar aims to build an outward-looking community, while deepening cooperation with external partners, strengthening ASEAN centrality, and being a responsible and constructive global stakeholder.

Economic Pillar

This pillar aims to build a highly integrated and cohesive regional economy that sustains high economic growth, and a competitive, innovative and dynamic community that fosters robust productivity growth.

The pillar emphasizes a resilient, inclusive, people-oriented and people-centered community through the enhancement of connectivity and sectoral cooperation that engender quality growth, and promotes a global ASEAN that fosters a more systematic and coherent approach to external economic relations.

Socio-Cultural Pillar

This pillar focuses on building a committed, participative and socially responsible community for the benefit of the people. Inclusive community is the principle that promotes high quality of life, equal access to opportunity, and the protection of human rights.

ASEAN aims to build a dynamic and harmonious community with an emphasis on common identity, sustainability, and a resilient community with the capacity and capability to adapt and respond to risks and vulnerabilities.

Challenges and Prospects

ASEAN Secretary General Le Luong Minh said: “Implementation of the ASEAN community 2015 and the ASEAN community vision 2025 will see a much bigger workload. That is why strengthening the ASEAN institution is very important, so that it is capable of delivering commitments in the next phase of ASEAN community consolidation.”

The ASEAN Secretariat and ASEAN member states need to strengthen institutional capacity and human resources in formulating and implementing the ASEAN blueprints, enhance coordination among different stakeholders at national and regional levels, and raise public awareness and support from stakeholders.

Development gaps between the member states remain a key issue in ASEAN community building. “We must accept that ASEAN is still facing a number of major challenges, which requires us to intensify and broaden our collective efforts to narrow the development gap between old and new member states,” stated Prime Minister Hun Sen.

Other challenges facing ASEAN are the integration of the regional community roadmap and blueprints into national development agenda. Member states, particularly the less developed countries, need to mobilize resources to implement the blueprints particularly in infrastructure development.

ASEAN’s external challenges primarily stem from China-US power competition and rivalry. The dispute in the South China Sea, which has become the strategic playground between China and the US, is testing and challenging ASEAN unity and capacity in managing the disputes.

However, Professor Amitav Acharya from the American University argues that “if unity holds and it scales back its ambitions, ASEAN can survive and play an effective role in managing great-power competition, at least in Southeast Asia.”

“Predictions of ASEAN’s marginalization have all proven to be exaggerated. It emerged stronger because it stepped up its act to cope with new strategic developments. Changing course now would compromise ASEAN’s inner strength,” he added.

The Khmer Times, 22 November 2015

Mekong Region: Asia's New Growth Center and Strategic Frontier

The Mekong countries of Cambodia, Laos, Myanmar, Thailand, and Vietnam are emerging to be not only the new growth center but also a new strategic frontier in Asia.

With a population of around 240 million and a combined GDP of \$664 billion, the Mekong region has geopolitical significance and economic weight. It is located at the junction of the enormous emerging markets of Asia and their combined population of about 3.3 billion.

Myanmar's landmark election and the likelihood of a peaceful and smooth power transition have drawn more international attention and interest to the Mekong region as a whole. Myanmar is expected to be a key regional actor and now possibly a catalyst of regional peace, democracy, and development.

Major powers have been actively engaging with the Mekong countries through various ways and means. For China, the region is perceived as its most important strategic backyard and as a traditional sphere of influence. China has strong political, economic and cultural interests in its Mekong neighbours.

However, China is concerned that its regional interests are being challenged by the US. From the South China Sea to the Mekong River, China perceives the US to be its main strategic competitor. China is also sceptical of the US Lower Mekong Initiative.

In November 2014, at the 17th China-ASEAN Summit in Myanmar, Chinese Premier Li Keqiang proposed setting a mechanism to deepen ties between China and other Mekong countries. A year later, last month, the first foreign ministers meeting took place to announce the establishment of the Lancang-Mekong Cooperation (LMC) group. A China-Mekong Leaders Meeting is set to take place next year.

The LMC is part of China's efforts to deepen and widen its comprehensive partnership with the Mekong countries. The LMC has five prioritized areas of cooperation, including water resources management, agricultural cooperation, and poverty alleviation.

China is interested in linking its "One Belt, One Road" initiative – essentially a grand plan to revive the ancient Silk Road linking China with Europe – with the LMC. Therefore, infrastructure connectivity will be the core area of regional cooperation.

"Its best advantage is that it can help countries in the Indochina Peninsula develop fast, which will also be good for ASEAN's development. The area is included in the "One Belt and One Road" and this mechanism is one part of the combination of "One Belt and One Road" and local development strategies," said Chinese Foreign Minister Wang Yi as quoted in Chinese media.

India, Japan, the US, and South Korea have their own Mekong initiative. Their main objectives are to promote regional economic development and poverty reduction and protect the environment, particularly water resources management. The US and Japan are also interested in keeping China in check.

India became more active in the Mekong region in 2000 under the Mekong-Ganga Cooperation (MGC) initiative, which covers tourism, culture, education, transport and communication.

Due to resource constraints, India has not substantially invested in connecting the region through the improvement of either hard or soft infrastructure. The most visible project is the Transnational Highway connecting India with Myanmar and on to Thailand, Cambodia, Laos, and Vietnam.

Japan reached out to the Mekong countries in 2007 through the Japan-Mekong Regional Partnership Program. In 2008, the first meeting of foreign ministers was convened and in 2009, the first Mekong-Japan Summit was held.

At this year's summit, the leaders from Japan and the Mekong countries adopted the "New Tokyo Strategy 2015" to further cement their strategic and economic ties.

Japan has committed \$110 billion to support Mekong countries over the next five years. The strategy focuses on the industrial infrastructure development, industrial human resource development, and the "Green Mekong" program.

The US initiated its Lower Mekong Initiative (LMI) in 2009, prioritizing agriculture food security, connectivity, education, energy security, water security, environmental issues, and public health.

The US approach is to strengthen public institutions, empower civil society, promote social justice and human rights and support sustainable and inclusive development.

South Korea started engaging with the Mekong region in 2011. The foreign ministers from South Korea and the Mekong countries adopted the Mekong-Korea Comprehensive Partnership for Mutual Prosperity with an emphasis on connectivity, sustainable development, and people-oriented development.

The Mekong-Korea Plan of Action (2014-2017) prioritizes six areas: infrastructure, information technology, green growth, water resources development, agriculture and rural development, and human resources development.

Clearly, the Mekong region is becoming the new centre of regional economic and strategic gravity. Being part of such dynamic region, Cambodia will benefit from the projects initiated and supported by major powers. However, Cambodia needs to be pragmatic and realistic in balancing its external relations with major powers.

The Khmer Times, 11 December 2015

China is intensifying its “One Belt, One Road” Initiative

The revival of China ushers in a new era of regional and inter-regional connectivity. China has invested in infrastructure in the region and beyond to gradually realize its global power by connecting economic with strategic, political, cultural interests.

In 2013, President Xi Jinping initiated “One Belt, One Road” (OBOR), which consists of the land-based Silk Road and the maritime Silk Road, connecting the continents of Asia, Europe, and Africa. It is estimated that OBOR will benefit 4.4 billion people, which accounts for about 63 percent of the global population.

To implement OBOR, China has created China-ASEAN Maritime Cooperation Fund valued at RMB 3 billion in 2011, contributed \$40 billion to the Silk Road Fund in 2014, and established the Asian Infrastructure Investment Bank (AIIB), which was formally launched in late this year.

OBOR is the hallmark of Mr. Xi’s vision of building a community with common destiny which features on four principles: 1) the need to make sure that all countries respect one another and treat each other as equals; 2) the need to seek win-win cooperation and common development; 3) the need to pursue common, comprehensive, cooperative and sustainable security; and 4) the need to ensure inclusiveness and mutual learning among civilizations.

China is interested in promoting trade and investment, tourism and people-to-people ties, and diversifying and securing the supply routes of energy and raw materials. OBOR is instrumental in deepening economic cooperation and integration in Asia and beyond. To sustain economic development, China needs to accelerate its opening-up strategy through the enlargement of economic, strategic and cultural linkages with global growth centres. China’s own successful development is linked to the economic growth of others.

OBOR is also a strategy to compete with the US-led Trans-Pacific Partnership (TPP), which consists of 12 Pacific Rim countries, and the Transatlantic Trade and Investment Partnership (TTIP), which is a proposed free trade agreement between the European Union and the US.

ASEAN leaders adopted a Master Plan on ASEAN Connectivity (MPAC) in 2010, which focuses on infrastructure connectivity, institutional connectivity, and people-to-people connectivity. However, ASEAN has limited financial resources and capacity to implement MPAC.

China is one of the core development partners of ASEAN in deepening regional economic integration and community building. China is the largest trading of ASEAN and the main source of funding in infrastructure development. China’s OBOR compliments well with MPAC given it also prioritizes infrastructure development, trade and investment promotion, and cultural ties. ASEAN is the core partner of China in realizing OBOR. In the post-2015, ASEAN needs to

develop strategic action plans to integrate MPAC with OBOR.

Financing infrastructure development is the main development challenge for Cambodia. To increase its competitiveness and to grasp the benefits from ASEAN economic community, Cambodia needs to double its efforts to attract foreign direct investment, to expand export capacity, to strengthen institutional capacity, and to develop human resources.

OBOR presents a great opportunity for Cambodia to get access to financial resources and technical expertise in developing and connecting its roads, rails, and ports with the region.

Detailed infrastructure development projects under OBOR are being studied and developed. So far China has developed special economic zone, airport, seaport, hydropower plants, and highways in the Kingdom. At the national conference co-organized by the Chinese Embassy to Cambodia and the Royal University of Phnom Penh this month, Deputy Prime Minister Sok An underscored the significance of OBOR in developing Cambodia's infrastructure which constitutes a critical part of the industrial policy.

The Khmer Times, 30 December 2015

Narrowing Development Gap in ASEAN

The ASEAN Economic Community (AEC) came into effect on December 31, 2015 with the objective of creating a single market and production base, an economically competitive region, equitable development, and a regional economy that is globally integrated.

However, there remain obstacles to achieve the goals set out in the AEC blueprint. Less developed economies do not have the institutional capacity and human resources to fully reap the benefits generated from regional integration. Economic inequality between member states is an impediment to realizing an inclusive and people-centered ASEAN. A two-tiered ASEAN is vulnerable to crisis and instability. Inequality is the cause of political and social ills, which in turn leads to social and political upheavals.

Cambodia, Laos, Myanmar, and Vietnam (CLMV) are the least developed members of ASEAN. Hard and soft infrastructure gaps, income gaps, and the digital divide are key indicators of asymmetrical development in ASEAN. Institutional capacity, human resources, and physical infrastructure are some of the key challenges the CLMV countries face in their regional integration. The lack of financial resources and divergent interests are also the main obstacles to narrowing development gaps in ASEAN.

The private sector, particularly small and medium-sized enterprises (SMEs), in these countries face difficulties in exporting their products and services to the region due to the lack of market information, export capacity, and non-tariff trade barriers. Promotion of social protection, particularly the establishment of mechanisms to care for the most vulnerable groups, such as the people with disabilities, women and children, is crucial to narrowing the gaps. Institutional capacity, resource limitations, and governance and accountability, need to be holistically addressed.

ASEAN is going to revitalize and energize the Initiative for ASEAN Integration Work Plan III to narrow the development gap within the region. It will target areas where the development gap is acute, particularly strengthening the capacity to implement regional commitments towards ASEAN economic integration.

The more developed ASEAN member states are willing to further support CLMV in technical support on standards and conformity assessment, harmonization of standards and technical regulations, human-resource development, and enhancement of competitiveness and local production capacity of SMEs.

ASEAN, in cooperation with its dialogue partners, also focuses on strengthening the ability of civil servants to deliver reforms as well as their capacity to promote market-oriented agricultural development and facilitate sub-regional and regional market integration.

Cross-border migration is an emerging development challenge for the CLMV countries as these countries send migrant workers to the more developed countries in ASEAN. CLMV countries

need more technical support in promoting safe migration. There are many cases of human rights violations and human trafficking associated with intra-regional migration.

ASEAN needs to enforce regional measures to protect the rights and dignity of migrant workers, and transform cross-border migration into a source of national and regional development.

Collective action through the promotion of collaboration and coordination between and among ASEAN member states is critical to intensifying regional integration. Resource mobilization and coordination in narrowing development gaps needs new momentum. National focal points should be created to address equitable development.

To have seamless regional economic integration, CLMV countries on their part need to hasten and broaden policy reforms and institutional building in promoting trade facilitation and investment attraction, public-private-civil society partnership, and inclusive growth.

Cambodia always puts narrowing the development gap at the forefront of its regional economic integration policy. By getting external technical and financial support and deepening internal regulatory and policy reforms, Cambodia can catch up with other ASEAN member countries.

The Khmer Times, 18 January 2016

Challenges Await New Vietnamese Leadership

The 12th Party Congress of Vietnam has finally elected top leaders and members of the politburo after years of power struggle between Prime Minister Nguyen Tan Dung and General Secretary Nguyen Phu Trong, making a breakthrough in maintaining unity within the Vietnamese Communist Party, which has suffered disunity and division as a result of unprecedented internal fighting between its two factions.

Mr. Trong was re-elected under special condition as Secretary General. According to local media, he will stay in power for one more year to oversee and ensure a smooth power transition within the party and the government.

Mr. Tran Dai Quang was elected President, Mr. Nguyen Xuan Phuc was elected Prime Minister, and Mrs. Nguyen Thi Kim Ngan was elected Speaker of the Parliament. The number of politburo members, the highest decision making body of the party, has increased from 16 to 19. Among them, three are female.

The challenges for the new leadership include sustaining robust economic reforms and international integration, strengthening good governance, and reducing economic inequality and social injustice.

Vietnam has seen about 5.5% GDP growth over the last five years. While the poverty rate in the country was reduced from 29% in 2002 to about 5% in 2015. In 2015, per capita income reached \$2,200, making Vietnam a middle-income country.

However, Vietnam needs to deepen reforms to overcome a middle-income trap. It requires gradual transition from labour-intensive and resource-based industry toward a more productivity-driven growth trajectory and a knowledge-based economy.

A study by McKinsey & Company suggests that Vietnam should address investor concerns about inflation, currency stability, and rising interest rates; strengthen productivity and growth-enablers to enhance competitiveness; develop a coordinated, industry-specific government growth agenda and improve government performance to deliver growth agenda.

In addition, Vietnam still faces mounting social and environmental issues and challenges. More measures and resources are required to improve nutrition for the children particularly in rural areas and protect the environment. Solid waste, water pollution, urban pollution, and deforestation are key environmental issues.

Ethnic minority groups and communities in remote areas are marginalized. Inequality and poverty of vulnerable groups, particularly women and children in rural areas, are main development challenges. Ethnic minority households make up half of the nation's total poor households, with their average income equalling only one-sixth of the rest of the country's.

Vietnam needs to develop a holistic social protection policy to support vulnerable groups and ethnic minorities. An inclusive growth and sustainable development model is required to address social and environmental issues.

Insofar as foreign policy, there should be no change in terms of strategy and approach. Vietnam always errs on the side of independence, self-reliance, diversification and multilateralization of relations.

According to Foreign Minister Pham Binh Minh, who was recently voted into the politburo, Vietnam has reached strategic partnership agreements with 15 countries and comprehensive partnership with 10 others.

Such diverse partnerships help Vietnam to build political and strategic trust as well as foster cooperation in trade and investment, defence and security, social and cultural ties. Such partnerships help Vietnam strengthen its leverage on the international stage and deal with challenges concerning territorial sovereignty.

The key challenge for Vietnam is to forge a stable balance of its relations between China and the US. Some foreign observers argue that Mr. Trong is closer to China than Mr. Dung, who is believed to have closer relations with the US. Therefore, the new leadership of Vietnam will shift in China's favour.

To understand Vietnam's foreign policy, we need to look from the angle of a complex interdependence and strategic diversification. More importantly, we need to understand the dynamics of domestic politics. As nationalism in Vietnam is on the rise, Vietnamese leaders will be firm or even more assertive on its maritime claims in the South China Sea. In that case, tension between Vietnam and China in the South China Sea will heighten.

The Khmer Times, 28 January 2016

Pathways to a People-Centred ASEAN

Over the last 49 years, ASEAN has achieved remarkable results in maintaining peace and stability, promoting the habit of regional cooperation and creating a set of shared norms, and developing the regional economy. ASEAN is now the 7th largest economy in the world with a total GDP of \$2.6 trillion and a population of more than 622 million. It is forecasted that by 2050 ASEAN will become the 4th largest world economy after China, the United States, and India.

ASEAN has gone a long way to go in its community-building process. The Bangkok Declaration in 1967 sets direction for regional cooperation through the acceleration of economic growth, social progress and cultural development, and promotion of regional peace and stability.

The ASEAN Vision 2020, adopted in 1997, projects ASEAN to be “a concert of Southeast Asian nations, outward looking, living in peace, stability and prosperity, bonded together in partnership in dynamic development and in a community of caring societies.”

The Bali Concord II adopted in 2003 aims to develop an ASEAN Community based on three pillars: a political and security community, economic community, and socio-cultural community. In 2007, ASEAN leaders agreed to accelerate the establishment of an ASEAN Community by 2015. In 2014, ASEAN aimed to build “a politically cohesive, economically integrated, socially responsible, and truly people-oriented, people-centered and rules-based ASEAN.”

In 2015, the ASEAN leaders adopted the declaration “ASEAN 2025: Forging Ahead Together” to reinforce the vision of ASEAN to build a rules-based, people-oriented, people-centered ASEAN Community, where the people enjoy human rights and fundamental freedom, higher quality of life and the benefits of community building.

What should we do to realize a truly people-centered ASEAN? First, the political system needs to be reformed to allow and empower people to participate more effectively in national development and regional community agenda. Participatory regionalism should be the guiding philosophy while strengthening democratic institutions and good governance should be embedded into regional and national institutional building and connectivity.

Second, ASEAN needs to invest much more in education and human resource development. Confucius said: “If your plan is for a year, plant rice. If your plan is for 10 years, plant trees. If your plan is for 100 years, educate children.” Education determines the future of ASEAN. For ASEAN to be more competitive and to reap the benefits from inclusive regional economic integration, human capital is required.

Third, more collective efforts and investments are needed to narrow the development gaps between the member states. The Mekong countries, particularly Cambodia, Laos and Myanmar,

need more financial and technical support from more developed ASEAN members and dialogue partners in infrastructure development and connectivity, institutional capacity building, and human resources development.

Fourth, ASEAN needs to invest more in social innovation. ASEAN and its dialogue partners should allocate funding to support social innovation in the region. Social innovation provides novel and useful solutions to pressing social problems and needs. Social innovators are those who provide innovative solutions to social problems, impact social changes, and promote social resilience.

Fifth, ASEAN needs to develop regional social protection mechanism or institution in charge of protecting the wellbeing and dignity of the ASEAN people particularly intra-regional migrants and refugees. Human mobility in the region has significantly increased over the years. While ASEAN promotes skilled labor movement, the reality is that the movement of unskilled and low skilled migrant workers is the core concern and they need to be protected.

Sixth, ASEAN is rich in historical and cultural heritage. Preservation of this heritage is critical to regional community building. Diversity is an asset of regional resilience and it is also the main catalyst or driver of innovation and development. ASEAN should establish its own funding resources to help preserve its heritage and promote cultural and arts exchanges.

Seventh, public-private-people partnership is vital to promote a resilient and people-centered ASEAN. ASEAN needs to develop effective channel of communication or mechanism to promote dialogue and consultation among different stakeholders on the issues relating to regional integration and community building.

It is still a long way to go for ASEAN to realize a people-centered regional community. We need to have a common pathway and action plan to implement regional policy agenda centring on people's interests and needs.

The Khmer Times, 8 February 2016

The Future of ASEAN: Challenges and Opportunities

Next year will mark the 50th anniversary of ASEAN, which has done remarkable achievements in maintaining peace and stability in the region, promoting regional economic development, and has become one of the main regional actors in shaping the evolving regional architecture in the Asia-Pacific.

Will ASEAN remain an active and relevant actor on the international stage? Will ASEAN become a global actor in the next fifty years? With cautious optimism, regional observers hold that ASEAN will remain relevant with the conditions that ASEAN strengthens its institutions and leadership, promotes public-private-people partnership for sustainable and inclusive development, and protects democratic values and human rights.

ASEAN is facing emerging strategic and security challenges stemming from major powers competition. Will ASEAN stay relevant and resilient in adapting to changing global and regional environment? ASEAN's unity and centrality is therefore vital to the survival and relevance of ASEAN.

An emerging multipolar World Order is under construction. Major power politics will define the nature, rules, and norms of this evolving new World Order and largely determine the regional architecture in the Asia-Pacific. China and US are believed to be the two main actors in the Asia-Pacific while India, Russia, Japan, Australia, and Indonesia are emerging to play more significant roles in the region. ASEAN needs to know how to collectively manoeuvre major power relationship.

The long-lasting key issues and constraints of promoting an integrated ASEAN are the strict interpretation and implementation of national sovereignty and non-interference principles, the lack of implementation of regional policy agenda, and weak democratic institutions in some member states of ASEAN. Hence, ASEAN needs to speed up institutional reforms at both regional and national levels and promote constructive engagement.

National interests and threat perception define state's foreign policy and are the catalyst for regional cooperation. The ASEAN member states share common national interests, which are peace and economic development. They focus on regional economic integration and connectivity, identity construction, and build a community of opportunities and a people-centered ASEAN.

ASEAN's shared threat perception focuses on non-traditional security issues such as climate change, maritime security, water resources security, terrorism and extremism, natural disasters, and pandemic diseases. The convergence of shared national interests and threat perception helps unify ASEAN. Regional cooperation and partnership are vital to address common regional issues and to realize common regional interests.

The main root causes of future regional insecurity derive from climate change, resources insecurity, and natural disasters. ASEAN member states must address these issues effectively or lose legitimacy and popular support. In the worst-case scenario, these issues will lead to regional conflicts and tensions. Moreover, major power competition may lead to a fragmented ASEAN. The optimistic scenario is that ASEAN is resilient, can mitigate the differences and promote institutionalized regime, and has capacity to harness technology to address non-traditional security issues.

Governance, political leadership, and social networks are crucial in promoting a people-centered ASEAN. Corruption, lack of transparency, lack of people's participation, weak public institutions, and weak social networks are some of the main issues and challenges in the region. ASEAN needs to develop regional network of knowledge, regional network of policy enforcement or policy implementation, and regional governance index.

Inter-governmental organizations are not flexible enough in addressing emerging complex social, economic, and political issues. A network approach of regional cooperation and integration therefore performs better in solving pressing social needs and issues. Social normative dimension of governance and regional community building is essential. We need to move from stakeholders' approach to rights-holders approach to enhance participatory regionalism.

The roles of private sector and civil society groups are vital to a people-centered ASEAN. So far, the private sector and civil society have not been invited to effectively get involved in regional community building. A networked ASEAN plus inclusive consultative mechanism are required to promote participatory regionalism. ASEAN should aim to become a hybrid of networked and inter-governmental regional institution. The concept of a responsible ASEAN should be promoted to accelerate the implementation of regional policy agenda.

The core issues for ASEAN in the next five decades are related to people movement and labour mobility, technological innovation and capacity to harness technology, education and skills development, climate change, natural disasters, and racial or religious fundamentalism. The political map of Southeast Asia may be changed if there is no effective policy and mechanism in place to promote multiculturalism and social harmony.

In terms of economic development, the ASEAN member states need to radically reform their fiscal policy to collect more taxes and revenues to fund education, skills development, and research and innovation. There are six imperatives for ASEAN to work on in the next decade: connectivity and innovation, regulatory cooperation and coherence, human capital investment and labour mobility, social protection, social innovation, and building a community of shared destiny and a community of opportunities.

Socio-cultural pillar deserves more attention and investment if ASEAN wishes to realize its people-centered community. ASEAN needs to double its efforts in narrowing the development gaps, giving more opportunities to the less developed countries, promoting good governance, strengthening democratic institutions, reviewing the ASEAN Charter and genuinely implementing the charter, promoting ASEAN identity, branding ASEAN on global stage, and preserving and promoting cultural and historical heritages of ASEAN.

The future of ASEAN hangs in the balance of its external relations with major powers, the promotion of regional unity and solidarity, the advancement of continued and robust institutional reforms, the promotion of good governance and democratic consolidation, environmental protection, the preservation of cultural and historical heritages and diversity, and human resources development.

CISS Commentary, 10 February 2016

Managing the Mekong River for All

The Mekong River and its related resources are natural assets of mainland Southeast Asia, supporting the livelihoods and food security of more than 60 million people. The Mekong River Basin is the largest inland fishery in the world and the main source of soil nutrients in a region where about 60 percent of the population relies on agriculture.

Hydropower dams and climate change are threatening the ecosystem and biodiversity of the river, as well as the economic and social wellbeing and living standards of millions of people. The dams degrade the river's rich biodiversity, disrupt fish migration cycles, and trap nutrient-rich sediments.

Due to increasing energy demand, Laos has constructed two hydropower dams on the main stem of the Mekong River – the \$3.5 billion Xayaburi dam and the \$300 million Don Sahong dam. These two dams adversely impact Cambodia and Vietnam, which are the two downstream countries. Vietnam's Mekong Delta is home to 20 million people and constitutes 90 percent of Vietnam's rice exports. The dams will have serious effects on the biodiversity of Cambodia's Tonle Sap Lake, which has a large wetland supporting the livelihoods of more than 2 million people.

The Mekong Sub-region is one of the least developed and most vulnerable regions in Southeast Asia. Addressing the impacts and challenges caused by the construction of hydropower dams and climate change is critical to poverty reduction and sustainable development in the region. Furthermore, sustainable and inclusive management of the river helps prevent tension and conflicts over water resources between riparian countries.

The Mekong River Commission (MRC) was founded in 1995 with the aims of ensuring that the Mekong is developed in the most efficient manner, one that mutually benefits all member countries and minimizes harmful effects on people and the environment in the Lower Mekong Basin. Cambodia, Lao PDR, Thailand, and Vietnam are the four members of the MRC, Myanmar and China are its two dialogue partners. However, the MRC has not effectively managed the trans-boundary water resources due to the lack of legally binding agreements. As a result, it is necessary to strengthen its enforcement role.

Various regional initiatives in the Mekong Sub-region include the ADB's Greater Mekong Sub-region (GMS) program, the ASEAN Mekong Basin Development Cooperation (AMBDC), and the Initiative for ASEAN Integration (IAI) focus on development and poverty reduction by investing in infrastructure development, agriculture, human resources and energy. They also aim to protect the environment, and promote tourism, trade and investment.

As ASEAN is moving towards a people-centered community of opportunities, it needs to foremost address poverty issues. Mismanagement of the Mekong River has severe adverse repercussions on millions of people whose livelihoods depend on the river. Development

without participation from the local communities leads to poor development. Economic inequality and social exclusion are the two main root causes of social and political ills, which in turn leads to social and political upheavals.

Managing trans-boundary water resources is difficult due to the lack of legally binding regional instruments and sincere political will of the riparian countries to forge a collective identity through collective interest. There is a need to strengthen regional institutions. Strong partnerships between ASEAN and the MRC are vital to enhance regional cooperation on Mekong River management.

It needs to be emphasized that trans-boundary water resources management is one of the core issues of ASEAN. Without effective mechanisms and sufficient resources to address the impacts caused by hydropower dams and climate change, people living in the Mekong River Basin cannot escape poverty. Tensions and conflicts over Mekong water resources will threaten regional security and development.

ASEAN and its dialogue partners need to show more commitment and efforts in assisting the people in the Mekong Sub-region in dealing with and adapting to changing water flows, nutrient flows, food insecurity, environmental degradation, and climate change. More financial and technical support is required to assist local communities to become more socially and ecologically resilient. Building a mutually supportive community in the Mekong River Basin is essential for sustainable and inclusive development.

The Khmer Times, 10 February 2016

ASEAN and US Enter “Watershed Year” After Summit

The two-day summit between leaders from ASEAN and the US in Rancho Mirage, California marks a “watershed year” for ASEAN and the US, heralding a new era of enhanced partnership. The first day of the summit focused on trade and economic issues, and the second day concentrated on maritime security issues and the disputes in the South China Sea.

The US and ASEAN are working closely to ensure that ASEAN remains central to the evolving regional architecture and takes a leadership role in building a new regional order. US President Barack Obama told his ASEAN counterparts that they had a “shared vision of a regional order where international rules and norms, including freedom of navigation” are adhered to.

In the joint statement, or Sunnylands Declaration, the US and ASEAN reaffirmed their respect and support for “ASEAN Centrality and ASEAN-led mechanisms in the evolving regional architecture of the Asia-Pacific,” and promotion of “a rules-based regional and international order.”

A wide range of global and regional issues were discussed, including maritime security, economic cooperation and integration, climate change, anti-terrorism, human rights and democracy, inclusive and sustainable development, cyber security, and people-centered ASEAN.

Economic and maritime security issues took centre stage at the Summit. “Economic growth that is inclusive, creating opportunity for all; mutual security and the peaceful resolution of disputes; human dignity, including respect for human rights and development that is sustainable – that is our vision,” Mr. Obama added.

The US is ASEAN’s fourth-largest trading partner with bilateral trade volume totalling up to \$220 billion last year. US companies have invested over \$226 billion in ASEAN while ASEAN countries invested over \$24 billion in the US as of 2014.

Innovation and entrepreneurship, and regional free trade arrangement are the core areas of economic cooperation and integration. Maritime security cooperation particularly the freedom of navigation in the South China Sea is the core issue in security cooperation.

The US has been pressing the claimant states particularly China to halt construction of the artificial islands and avoid militarization of the disputed areas.

Vietnam and the Philippines called for the US intervention in preventing China from militarizing the South China Sea. Malaysia held the position that both China and the US should not take actions that further complicate the disputes.

“We all agree the principles of freedom of navigation should be respected. We all believe that

the countries concerned should not exacerbate tension in that area and when we talk about demilitarization, it also applies to China and the US,” Malaysian Prime Minister Najib Razak told the New Strait Times.

The Sunnylands Declaration, although it does not directly refer to China and the South China Sea, has two long paragraphs on maritime security in the region that send a clear message.

It emphasizes “peaceful resolution of disputes, including full respect for legal and diplomatic processes, without resorting to the threat or use of force in accordance with universally recognized principles of international law and the 1982 United Nations Convention of the Law of the Sea.”

The leaders expressed their “shared commitment to maintain peace, security and stability in the region, ensuring maritime security and safety, including the rights of freedom of navigation and overflight and other lawful uses of the seas, and unimpeded lawful maritime commerce as described in the 1982 UN Convention on the Law of the Sea as well as non-militarization and self-restraint in the conduct of activities.”

The Khmer Times, 17 February 2016

Mekong River Governance and ASEAN Community Building

The Mekong River Basin is the biggest inland fishery in the world. Sustainable governance of the Mekong River is vital to ASEAN Community building, given that the Mekong River basin is the lifeline of more than 60 million people. The river is the source of food security and livelihoods.

Hydropower dams and climate change are threatening the livelihoods of millions of people. The dams degrade the river's rich biodiversity, disrupt fish migration cycles, and trap nutrient-rich sediments.

Laos has constructed two hydropower dams on the mainstream of the Mekong River, namely Xayaburi Dam and Don Sahong Dam. These two dams may lead to the “dominos” of construction of another nine proposed dams. It is argued that “in the race to develop hydropower on the Mekong River, those who will lose out are the communities and the ecosystem. It is a loss that the region cannot afford”.¹

The dams adversely impact Cambodia and Vietnam, which are the two downstream countries. Vietnam's Mekong Delta is home to 20 million people and constitutes 90% of Vietnam's rice export. The dams will have serious effects on the biodiversity and ecosystem of Cambodia's Tonle Sap Lake, which is a large wetland that supports the livelihoods of about two million people, of which 60 percent are involved in agriculture.

The dams affect the fishery sector in the lower Mekong Basin, which is valued at about \$17 billion a year, accounting for 3% of the combined GDP of Vietnam, Cambodia, Laos, and Thailand.² Food security in the Mekong Delta will be seriously hit. Nguyen Ngoc Tran, former Deputy Chairman of the National Committee of Science and Technology said that mainstream hydropower projects on the Mekong River caused a loss of \$231 million in seafood and agriculture output to the Mekong Delta.³

The Mekong Sub-region is the poorest and most vulnerable region in Southeast Asia.

¹ Bangkok Post, Right way forward for the Mekong River. 5 March 2016. Available at <http://www.bangkokpost.com/opinion/opinion/886688/right-way-forward-for-the-mekong-river>

² Luke Hunt, What is the value of the Mekong River? The Diplomat 4 January 2016. <http://thediplomat.com/2016/01/what-is-the-value-of-the-mekong-river/>

³ Vietnamnet. Hydropower dams cause \$231 million in damage to Mekong Delta. 6 March 2016. Available at <http://english.vietnamnet.vn/fms/environment/152083/hydropower-dams-cause-231-mln-in-damage-to-mekong-delta.html>

Cambodia, Laos, Myanmar, and Vietnam are relatively new members of ASEAN and less developed when compared with the other members of the Association. The development gap and socio-economic inequality are the core issues in ASEAN Community building.

Developing the Mekong Sub-region and assisting CLMV countries (Cambodia, Lao PDR, Myanmar, and Vietnam) in addressing the impacts and challenges caused by climate change and hydropower dams is critical to an inclusive regional integration. The Mekong countries need financial and technical support from the more developed ASEAN members, ASEAN's dialogue partners, and other international donor institutions.

The Mekong River Commission (MRC), which was founded in 1995, aims to ensure that the river is developed in the most efficient manner that benefits all member countries and minimizes harmful effects on people and the environment. Cambodia, Lao PDR, Thailand, and Vietnam are the four members of MRC, Myanmar and China are the dialogue partners of MRC. However, MRC has not effectively managed the trans-boundary water resources due to the lack of legally binding agreements. It is therefore necessary to strengthen the enforcement role of MRC.

ASEAN-MRC Cooperation

In addition to MRC, there are various regional initiatives relating to economic integration in the Mekong Sub-region, among them are the ADB's Greater Mekong Sub-region (GMS) program, the ASEAN Mekong Basin Development Cooperation (AMBDC) and the Initiative for ASEAN Integration (IAI). These initiatives mainly focus on infrastructure development, energy, trade, investment, agriculture, forestry and minerals, tourism, science and technology, and human resources development.

As ASEAN is moving towards a people-centered community and a community of opportunities, it needs first and foremost to address poverty issues and development gaps. Mismanagement of the Mekong River has severe adverse repercussions on millions of people whose livelihoods depend very much on the river. Development without considering the interests of the people will lead to widening disparity, social and political ills, which in turn lead to social and political conflicts.

Due to strong considerations of national sovereignty and interests, and the lack of legally binding regional instruments, it is difficult to manage trans-boundary water resources. There is a need to strengthen the institutional capacity especially with regards to the implementation of policy blueprints of MRC and ASEAN. Strong partnership between ASEAN and other sub-regional mechanisms or institutions is vital to deepened regional cooperation and integration.

In 2010, former Secretary General of ASEAN, Dr. Surin Pitsuwan said "we wish to expand our collaboration by taking a comprehensive approach to making our regional growth balanced and efficient, which could not be achieved individually but collectively. Working in partnership with the MRC countries would add a new dimension to regional development that ASEAN

thrives on.”⁴

However, over the past five years’ institutional cooperation and partnership between ASEAN and MRC have not been strengthened and the results of cooperation are limited due to the lack of political will, leadership, and resource mobilization from both institutions.

The Mekong River management should be regarded as one of the core issues of ASEAN. Without effective mechanisms and efficient resources to address the impacts caused by hydropower dams and climate change, the people living in the Mekong River Basin cannot escape from poverty, which in turn results in a widening development gap within the region. The tensions and conflicts over the Mekong’s resources may threaten regional security and development.

ASEAN’s dialogue partners need to show more commitment and support in assisting the people of the Mekong Sub-region in dealing with and adapting to changing water and nutrient flow, food scarcity and insecurity, environmental degradation, and climate change. Institutional cooperation and partnership between ASEAN and MRC is critical in promoting the sustainable development of trans-boundary water resources and narrow the development gap in the region.

CISS Commentary 11 March 2016

⁴ Mekong River Commission, News and Events, 4 April 2010, <http://www.mrcmekong.org/news-and-events/news/asean-mrc-to-boost-cooperation-on-mekong-issues/>

China's Effectiveness in Mekong Diplomacy a Lesson for South China Sea

The first Lancang-Mekong Cooperation Leaders' Meeting under the theme "Shared River-Shared Future" kicked off yesterday in Sanya, Hainan province, amid increasing tensions in the South China Sea and the controversy over the management of Mekong River water resources.

Chinese Premier Li Keqiang chaired the meeting, which was attended by Thai Prime Minister Prayut Chan-o-cha, Cambodian Prime Minister Hun Sen, Lao Prime Minister Thongsing Thammavong, Vice President of Myanmar Sai Mauk Kham, and Vietnamese Deputy Prime Minister Pham Binh Minh.

The Lancang-Mekong Cooperation (LMC) mechanism signifies "a natural result of our existing cooperation, and will take full advantage of our close geographic proximity, traditional friendship and complementary economies," Premier Li said during the meeting.

China initiated the Lancang-Mekong Cooperation (LMC) framework in November 2014 at the 17th China-ASEAN Summit. LMC was officially launched a year after, focusing on five areas of cooperation including connectivity, production capacity, cross-border economic cooperation, water resources management, and social, cultural and people-to-people exchanges.

The LMC is generally regarded as an important sub-regional mechanism to reinforce ASEAN-China strategic partnership and well complement China's Belt and Road initiative.

Cambodia believes that the LMC helps foster its economic and social development through infrastructure development and connectivity, production capacity, cross-border trade and investment, and sustainable management of the trans-boundary water resources.

Cambodia welcomes China's decision to discharge water from Jinghong Hydropower station in Yunan province to downstream countries for emergency use from March 15 to April 10. The act is seen as a goodwill gesture from China to help downstream countries to deal with drought.

"The discharge of water into [the] Mekong River proves again the good cooperation on water resource management between the Mekong countries and China, which is an important part of the Mekong-Lancang River cooperation mechanism," said a press release from Cambodia's Ministry of Foreign Affairs last week.

Although there are positive developments between China and other Mekong countries, China needs to do much more to build its global image as "peaceful development" and a "responsible global power". China needs to share more information and data about the Mekong River in the dry season with the downstream countries. China should consider joining the Mekong River Commission and strengthen the institutional capacity and enforcement of this organization.

China needs to work much harder to build strategic trust with other Southeast Asian countries

that are claimants of territory in the South China Sea, particularly Vietnam and the Philippines.

The final decision of the Permanent Court of Arbitration, expected in a few months, with regards to the case submitted by the Philippines on its maritime dispute with China in the South China Sea will spark a new round of tensions between China and the Philippines.

Furthermore, the ongoing diplomatic spat between China and Indonesia deriving from the confrontation between a Chinese coastguard ship and an Indonesian vessel in the South China Sea last weekend stirs a new wave of uneasy relationships between the two countries, adding on to the already complex regional security environment and risks.

Enjoying strong economic and political ties with China, Indonesia has rarely criticized China over its activities in the South China Sea. Indonesia is not a party to the South China Sea dispute. But the recent incident has sparked a strong reaction from Indonesia – calling it a violation of the sovereignty of Indonesia’s waters.

China, on the other hand, claims that the incident took place in “traditional Chinese fishing grounds.” Chinese Foreign Ministry spokeswoman Hua Chunying said the Chinese vessel was “attacked and harassed” by an armed Indonesian vessel.

China may need to readjust its foreign policy approach towards Southeast Asia, particularly in regard to the South China Sea disputes. Clearly, China’s approach towards to the Mekong countries is more effective than its approach towards the South China Sea.

The Khmer Times, 24 March 2016

ASEAN's Cautious Optimism

At Monday's regional conference on Cambodia and ASEAN organized by the Cambodian Institute for Cooperation and Peace with the support from the Konrad-Adenauer Foundation from Germany, local and international experts praised the achievements of ASEAN over the past five decades but also raised the shortcomings and challenges facing the 10-member group.

They say ASEAN is at critical time of rising global and regional uncertainty and tensions and economic slowdown. To stay relevant, the bloc must speed up political and economic reforms, strengthen bureaucratic capacity and leadership, and further empower the people.

Visionary collective political leadership with "political will" and "political courage" are required to realize regional integration and community building, said Rene Gradwohl, the country representative of the Konrad-Adenauer-Stiftung Foundation.

The chairman and chief executive of Malaysia's Institute for Strategic and International Studies, Tan Sri Rastam Mohd Isa, said: "ASEAN should be more ambitious." He added the group should stick to gradual integration rather than aim at building a "supranational institution".

Former ASEAN secretary-general Ong Keng Yong says the bloc has enjoyed extraordinary progress since its founding almost half a century ago, but a lack of trust among its diverse membership remains a challenge in implementing the ASEAN Economic Community (AEC) – which aims to reduce trade barriers, from duties to the movement of labour and breaking down borders.

The AEC, which came into being this year, would effectively create a common market of 630 million people.

With a young and rapidly growing population and rising middle class, ASEAN's own consumers will play a significant role in driving the regional economy, Mr. Ong said.

But the head of the economics unit at the Cambodia Development Research Institute, Hing Vuthy, said the Kingdom's private sector was not yet effectively involved in regional integration and some companies were not fully aware of the AEC and its opportunities and challenges.

"The majority of enterprises are neither fully aware of the challenges the AEC will present nor prepared to capitalize on concomitant opportunities," he said.

The gap between development levels among ASEAN countries also requires attention, he said, both from the richer members and from the group's dialogue partners, which include China, the EU and the US.

Laos is ASEAN's chairman this year and Yong Chanthalangsy, a Lao ambassador to the UN and now director-general of the Institute of Foreign Affairs, said two important documents

would be drawn up under Vientiane's leadership.

The first will be the third work plan of the Initiative for ASEAN Integration to narrow the development gaps and the second, a post-2015 master plan to boost ASEAN connectivity, which will incorporate China's plans for the new Silk Road – “One Belt, One Road” – and its Asian Infrastructure Investment Bank, of which Cambodia was a founding member.

Other major challenges for ASEAN are to maintain its central role in building regional architecture, and the test posed by the major powers, mainly China and the US.

The group also faces a tough job in achieving its goal of a people-centered grouping, said Termsak Chalermpanupap, visiting research fellow at the ASEAN Studies Center of the Singapore-based ISEAS-Yusof Isak.

This would crucially require consolidating democratic governance, people's participation, social innovation and social entrepreneurship, he said. And to build a strong AEC it is important for regional leaders to implement political and economic reforms.

As ASEAN is the cornerstone of its foreign policy, Cambodia must show stronger commitment and leadership in strengthening ASEAN's institutions and unity, deepening national legal and institutional reforms in line with the ASEAN blueprints and policies and promoting ASEAN's identity and standing on the international stage.

The Khmer Times, 29 March 2016

Vietnam After 30 years of Doi Moi

This year marks the 30th anniversary of Doi Moi (Renovation) in Vietnam. The communist party is reforming its national development strategy in order to stay economically competitive, socially inclusive and politically stable.

Vietnam aims to become a modern industrialized country by 2020. A World Bank report states that Vietnam is a “development success story.” Thirty years of political and economic reforms have transformed the country from one of the poorest, with per capita income of about \$100, to lower middle income status in a quarter of a century with per capita income of about \$2,100 by the end of 2015.

The poverty rate has dropped drastically from more than 50 percent in the early 1990s to the present 3 percent. Access to education, healthcare and infrastructure has improved significantly. Almost all households have electricity, while more than 75 percent of households get access to clean water and modern sanitation.

In terms of foreign policy, Vietnam has diplomatic relations with 186 nations, been an active member of more than 70 international organizations and has signed 14 strategic partnership agreements and three comprehensive partnership agreements. Vietnam’s foreign policy has shifted from ideologically driven to a pragmatic approach. Multi-lateralization, diversification, self-determination, self-reliance and international integration are the core strategies.

Maintaining a stable balance in its external relations with China and the US is the main challenge for Vietnam. ASEAN is regarded as a shield to ward off adverse impacts caused by major powers’ competition and rivalry.

Last weekend, the National Assembly approved three new deputy prime ministers and 18 ministers. New Prime Minister Nguyen Xuan Phuc is expected to restore collective and consensus-based leadership, veering away from the approach adopted by the lame duck Prime Minister Nguyen Tan Dung, which gave focus to assertive and concentrated leadership.

At last week’s Vietnam Forum organized by ISEAS Yusof Ishak Institute with financial support from Konrad-Adenauer-Stiftung in Singapore, international scholars acknowledged the achievements by the Vietnamese Community Party in steering the country towards stability and prosperity.

Nguyen Hai Hong, a visiting research fellow at the Asia-Pacific Centre for the Responsibility to Protect, argued that the reasons the communist party is able to maintain its legitimacy and authoritarian regime are the capacity to maintain public trust through reforms and economic development, effectively restrict opposition forces at home and constrain pressures from “hostile forces” abroad.

However, there are no official national opinion polls conducted on public trust and confidence.

So the actual degree of public trust in the government remains unknown. The resilience of the communist party depends on how it can build public trust, work effectively with independent civil society, maintain unity within the party and manage external political pressures.

Vietnam is facing huge challenges ahead in dealing with the middle-income trap. Adam Forde, Professorial Fellow at the Victoria Institute of Strategic Economic Studies, said: “Vietnam cannot transition through middle income status without political change, driven by political reform that makes policy matter.”

Political reform is vital to long-term socio-economic development. Political reform does not mean regime change or the introduction of multiparty political system.

Konstantin Wacker, Assistant Professor at Gutenberg-University Mainz said that to maintain its economic performance and competitiveness Vietnam needs to invest more in social and technical innovation, human capital and skills development. “As Vietnam develops and the potential of structural change depletes, productivity aspects become more important to avoid the middle-income trap,” he said.

Vietnam needs to “learn from incremental reforms and revise policy going forward.

The Khmer Times, 17 April 2016

Japan's Resurgent Role

Starting in early 2013 under the leadership of Prime Minister Shinzo Abe, Japan has critically reformed its foreign policy to assert the country's regional role in the region and the world at large.

While Japan's resurgent role in Asia is generally welcomed by many Asian countries, differing public opinions in Japan with regards to the expansion of Japan's international security role need to be observed.

The two thorny issues which carry political weight are the controversy over the reinterpretation of the peaceful article 9 and Japan's military commitment and engagement abroad.

"Whether Japan declines, re-emerges as a great power, or ends up somewhere in between will depend not on the words and deeds of its leaders, but on the willingness of the Japanese people to face their country's problems," wrote Tobias Harris in Foreign Policy magazine.

Mr. Abe has scored significant diplomatic points in the region. He is the first Japanese Prime Minister who has visited all 10 ASEAN member countries within his first year in office. It clearly shows Japan's firm commitment to ASEAN and Southeast Asia.

Japan has also paid close attention the Mekong sub-region. During his recent visit to Thailand, Foreign Minister Fumio Kishida committed development assistance of \$7 billion within three years to the lower Mekong countries.

"Japan would like to work the countries in the Mekong region to create a framework to support efforts by the Mekong countries in a detailed manner, on a region-by-region basis or on a theme-by-theme basis," stated Mr. Kishida in his speech in Bangkok.

On the South China Sea disputes, Mr. Kishida emphasized a rules-based regional order and the early conclusion of the Code of Conduct. "We must establish a regional order whereby the principle of the rule of law is truly upheld and practiced," he said.

Japanese-Indian relations have been remarkably deepened over the last three years, from trade and investment to security cooperation. The leaders of both countries agreed late last year to transform the Japan-India Special Strategic and Global Partnership into a deep, broad-based and action-oriented partnership.

While Japan has effectively cemented close ties with many Asian countries, Japan is facing mounting challenges in forging close ties with South Korea and normalizing ties with China, due to complex and long-lasting unresolved historical issues, nationalism, territorial disputes and the differences in regional strategic and security calculation and approach.

Efforts have been taken to deal with remaining historical issues and trust building.

In December last year, Japan and South Korea reached a landmark agreement on “comfort women.” They announced that they had “resolved finally and irreversibly” the comfort women issue, the legacy of World War II.

But the politicians from the opposition party in South Korea rejected the agreement. The victory of the opposition party in the South Korean parliamentary election last month may strain bilateral ties over the comfort women issue.

Early this week, Foreign Minister Kishida met with Premier Li Keqiang, State Councilor Yang Jiechi and Foreign Minister Wang Yi in Beijing to pave the way for future cooperation. It was a positive step towards mutual trust and confidence building.

The upcoming summit between President Xi Jinping and Prime Minister Shinzo Abe, expected to take place on the sidelines of the G20 leaders meeting in Hangzhou this September, will symbolically mark a new beginning in Sino-Japanese relations.

Cooperation and competition will continue to characterize China-Japan relations.

Japan’s robust diplomacy is in response to fast changing regional geopolitics largely driven by the rising power and influence of China. The continuity and change of such foreign policy will depend pretty much on domestic political dynamics in Japan.

The South China Sea and the Mekong region are the two important platforms for major powers to compete to gain strategic and economic benefits. Japan will continue to play its role in these two fronts for its own economic and security interests and long-term survival.

Japan needs to show more commitment and efforts in promoting multilateral institutions, particularly supporting an ASEAN-centric regional order and assisting ASEAN in narrowing the development gap.

The Khmer Times, 6 May 2016

Turning Point for the Philippines

The Philippine elections have drawn quite significant international media attention given it was one of the most divisive elections in the country's modern history. Political rhetoric during the election campaigns was relatively aggressive.

Rodrigo Duterte, a self-described socialist, was elected president and Leni Roberto, a social-democratic legislator, was elected vice-president. These two leaders are going to structurally transform the economic development model into a social economy which give emphasis on people-oriented and people-centred development approach.

The election results culminated in an era of a new type of political leadership with quite a radical mindset to change the status quo and transform the political norms in the country.

The voters are interested in seeing change. They expect the new government to carry out dynamic political and economic reforms, promoting inclusive growth and improving social justice.

Over the past decade, the Philippines has enjoyed high economic growth. The Aquino administration has set a foundation for economic development and political stability. However, the low-income population has not enjoyed the fruits of growth. Economic and social inequality is the major development problem, which result in a geographical disparity in the country.

Acknowledging the widening development gap, the government has taken certain measures to address it by investing more in education, healthcare, and a social protection program. Yet the results are limited.

The future leadership aims to address two important issues: corruption and crime. The President-elect promised that he would fight against corruption and crime. The results will be known within six months after he assumes his office.

Mr. Duterte has a proven track record of running a militant anti-crime campaign in Mindanao, where he was mayor of Davao city for 25 years. But it is less certain whether he can effectively deal with rampant corruption.

To reduce and eradicate corruption, strong political leadership is required, and it needs to start from the top. He needs to prove that he is clean to set a role model for others to follow. Fighting corruption is done not by words, but by actions.

Under the new leadership, decentralization will gain new steam, particularly in fiscal decentralization, in which local government is delegated more power to generate and use local revenues.

On foreign policy, the new administration will likely become more inward looking. National interest will be strongly defined in terms of socio-economic development. The Philippines will

be less active in regional and international affairs.

The new leaders will adopt a slightly different approach from the previous Aquino administration in dealing with China. Bilateral ties with China will be improved. This Philippine administration will not push the territorial disputes in the South China Sea as hard.

Of course, the main challenges remain. Nationalism and anti-Chinese sentiment are high. The decision by the international court in The Hague will test the resilience of Chinese-Philippine ties.

China is quite confident that there is an opportunity to restore and cement the relationship with the new leadership through an economic charm offensive.

“China hopes the Philippines’ new government can work in the same direction with China, properly handle our differences and get bilateral ties back on track with concrete actions,” said Chinese Foreign Ministry spokesman Lu Kang.

But the US government will treat the upcoming Philippine government more cautiously. State Department spokesman Elizabeth Trudeau stated: “We look forward to working and congratulating the winner. Washington respects the choice of the Philippine people. We gladly work with the leader they have selected.”

Asean countries are watching the political development in the Philippines very closely, particularly with regards to the Philippines’ position in the South China Sea and its role in Asean community building.

Asean will mark its 50th anniversary next year under the Philippine chairmanship. So, for the new leadership it is critical to maintain the momentum of the Asean community building process and the central role of Asean in shaping the evolving regional architecture.

There is a certain level of uncertainty and risk associated with power transition. Mely Caballero-Anthony wrote in an RSIS commentary recently that: “Vital to its success and security is a successful and peaceful transition of its leadership.”

The Khmer Times, 15 May 2016

The ASEAN-China Relationship at 25

This year marks 25th anniversary of the China-Asean dialogue partnership. Over the past two decades, China has successfully implemented its regional economic integration policy, particularly through the implementation of the China-Asean Free Trade Agreement (CAFTA) adopted in 2010.

Since 2009, China has become the world's leading exporter, surpassing the United States in 2007 and Germany in 2009. China's trade with Asean countries has increased from \$39.5 billion in 2000 to \$450 billion in 2015 – making China the leading trading partner of Asean.

By 2020, the bilateral trade volume is expected to reach \$1 trillion. China is also a main source of foreign direct investment to Asean after the European Union, the US and Japan.

China has become a key regional development partner and development assistance provider, especially in narrowing the development gaps between the member states of Asean. Cambodia, Laos, Myanmar and Vietnam have greatly benefitted from China's growing economic prowess.

The introduction of new initiatives such as One Belt One Road (OBOR) and the Asian Infrastructure Investment Bank (AIIB) further boosts China-Asean economic integration through intra-regional infrastructure connectivity, trade and investment facilitation, tourism promotion and educational and cultural exchanges.

Both China and Asean stand to benefit from deepening regional economic integration and connectivity. China is unable to successfully project its global power and role unless Southeast Asia is stable, integrated and developed.

Since the early 1990s, China has benignly approached Southeast Asia through deepening economic ties, development cooperation and cultural diplomacy. During the Asian financial crisis in 1997, China did not depreciate its currency; instead, China helped regional countries to cope with the crisis through both economic and financial measures.

China has also actively engaged in developing trust-based and rules-based regional cooperation.

In 1997, the first Asean-China Summit issued a joint statement highlighting a 21st century-oriented partnership of good neighbourliness and mutual trust. In 2003, China acceded to the Treaty of Amity and Cooperation to further ensure the peaceful development of China with its neighbours and started to implement a comprehensive strategic partnership between China and Asean.

China is also active in strengthening regional security institutions such as the Asean Regional Forum and the Asean Defence Ministers Meeting Plus. Here, non-traditional security cooperation is the principle area of cooperation between China and its Southeast Asian neighbours.

China has supported regional countries in capacity building and collectively addressing human security issues such as natural disaster relief and humanitarian assistance, transnational crimes and pandemic diseases.

The principle impediment to a deeper relationship between China and Asean is the unresolved complex sovereignty disputes in the South China Sea involving China and four Asean claimant states, Brunei, the Philippines, Malaysia and Vietnam.

China and Asean share a commitment to not allow tensions in the South China Sea to adversely affect their hard-earned bilateral strategic partnership. But they still need to do more to adjust to the new and dynamic regional security landscape. Of crucial importance is the development of a strategic dividend, which includes trust, confidence, mutual respect and mutual interests.

The conclusion of the Code of Conduct (COC) over the South China Sea will significantly contribute to confidence building measures and preventive diplomacy.

Both Asean and China need to adjust their strategic position and threat perception. A rising China is not a threat to Asean and a united and integrated Asean does not threaten China's interests.

Through the development and improvement of the Asean-centered regional institutions, the enhancement of strategic transparency and the maintaining of frank and sincere consultation and negotiation at both bilateral and multilateral levels, China and Asean can enhance their strategic dividend.

Otherwise, the region will remain strategically divided, which is in nobody's interest.

China and Asean need to work together to harmonize regional and sub-regional initiatives such as linking the China-Asean strategic partnership and CAFTA with OBOR, and connect regional initiatives with sub-regional cooperation frameworks, particularly the Lancang-Mekong Cooperation (LMC) and Greater Mekong Sub-Regional Cooperation (GMS).

China needs to invest much more in strengthening people-to-people ties across sectors from government to the private sector and civil society groups. Educational and cultural exchanges are vital to promote the image of China as a "peaceful development."

Assuming global power status, China needs to bear more responsibility in promoting a rules-based international order and advance its soft power projection to attract international support and win peoples' heart.

The Khmer Times, 18 May 2016

New Start for US-Vietnam

A three-day state visit by United States President Barack Obama to Hanoi and Ho Chi Minh City this week added new momentum to deepening bilateral ties between the US and Vietnam.

Mr. Obama exchanged views with his counterpart, President Tran Dai Quang, Prime Minister Nguyen Xuan Phuc, President of the National Assembly Nguyen Thi Kim Ngan and Secretary General Nguyen Phu Trong.

He also met representatives from civil society groups, young leaders and people from the private sector.

After more than two decades of diplomatic normalization, US-Vietnam bilateral relations advanced to a comprehensive partnership in 2013. It has been a remarkable process in reconciliation and partnership building.

Strategic trust and confidence have been significantly restored and deepened over the years. The US has supported Vietnam in strengthening its maritime security capabilities and civilian nuclear energy. The US also supports Vietnam's efforts in dealing with humanitarian assistance and disaster relief and contributing to the UN peacekeeping operations.

At present the US is Vietnam's largest export market. Bilateral trade volume tops \$45 billion. The US's foreign direct investment in Vietnam accounted for \$1.5 billion. More than 80,000 Vietnamese students are pursuing their studies in the US and more than 13,000 Vietnamese are members of the Young Southeast Asia Leaders Initiative (YSEALI) initiated by President Obama.

In a joint statement, both sides committed to work together to advance their comprehensive partnership through strengthening political and diplomatic ties, advancing economic ties, deepening people-to-people ties, enhancing security and defense cooperation, promoting human rights and legal reform and addressing regional and global challenges.

On the South China Sea, both countries expressed serious concerns over recent developments in the area that have caused tensions, eroded trust and threatened peace, security and stability.

Both countries recognized the imperative of upholding the freedom of navigation and overflight and unimpeded lawful commerce in the South China Sea, called for non-militarization and self-restraint in addressing disputes, reaffirmed shared commitments under the Sunnylands Declaration and committed to working closely with other Asean partners in implementing that declaration.

On the Mekong River, the US expressed its commitment to supporting cooperation among the members of the Mekong River Commission (MRC) and between MRC members and other regional mechanisms in using, managing and developing trans-boundary water resources in an

effective and sustainable manner.

The US has lifted a 50-year-old arms embargo on Vietnam, allowing Vietnam to purchase weapons from the US based on a case by case basis. President Obama clarified that such move does not aim to counter China, but to assist Vietnam in modernizing its defences. It marked a complete normalization of bilateral relations.

Vietnam asserted that it would ratify the US-sponsored Trans-Pacific Partnership (TPP) by July. Vietnam is believed to mostly benefit from the TPP, a large regional trade agreement encompassing nearly 40 percent of the world's GDP. Compared with other regional trade agreements, the TPP provides higher labour, environmental and intellectual property standards.

Vietnam is regarded as an important strategic partner of the US in Southeast Asia, particularly in the Mekong region. Vietnam assumes an important leadership role in promoting regional and sub-regional cooperation and integration.

The only constraint in realizing the full potential of the bilateral comprehensive partnership is the differences between the two countries with regards to human rights and fundamental freedom. The US has criticized Vietnam for violating human rights and abusing fundamental freedom.

The US-Vietnam bilateral partnership continues to evolve in a positive direction. However, it will not lead towards a security alliance or firm strategic alignment since Vietnam is pursuing its foreign policy of independence, self-reliance and non-alignment or non-alliance.

The Khmer Times, 24 May 2016

China's Charm Offensive in the Mekong

The Mekong region is the new growth centre of Asia as it is located at the junction of two Asian economic powers, China and India. The region is also an emerging strategic frontier in Southeast Asia.

There are five competitive initiatives: Mekong-Ganga in 2000 by India, the Japan-Mekong Regional Partnership in 2007 by Japan, the Lower Mekong Initiative in 2009 by the US, Mekong-Korea Comprehensive Partnership for Mutual Prosperity in 2011 by South Korea, and Lancang-Mekong Cooperation by China in 2015.

The Lancang-Mekong Cooperation (LMC) focuses on three pillars and five areas of cooperation. The three pillars are the same as the Asean community blueprints, which consists of political security, economic and social-cultural blueprints.

The five areas of cooperation are connectivity, production capacity, cross-border economic cooperation, water resources management and agriculture and poverty reduction.

LMC principally adheres to the spirit of “openness and inclusiveness” – complementing the existing regional and sub-regional cooperation mechanisms such as the Greater Mekong Sub-region, Asean-Mekong Basin Development Cooperation and the Mekong River Commission.

LMC complements China's “One Belt, One Road” initiative, especially in infrastructure development and connectivity, and narrows the development gaps within Asean. The Mekong countries are expected to benefit from the early harvest projects, which include water resources management, poverty alleviation, public health, infrastructure, science and technology and personnel exchanges.

LMC orients towards pragmatic cooperation, multi-participation, and project-based partnerships. It aims to mobilize resources from the public and private sectors to implement the projects.

LMC promotes cross-border economies, strengthens production capacity cooperation, maximizes comparative advantages and builds cross-border industrial clusters and chains through the construction of industrial parks. Industrial zones are vital to regional production capacity cooperation.

China has supported four industrial zones in the region – the Long Jiang Industrial Park in Vietnam, the Saysettha Comprehensive Development Zone in Laos, the Cambodia Sihanoukville Special Economic Zone and the Thai-Chinese Rayong Industrial Zone.

Production capacity is one the core areas of the LMC. It lays out specific areas of cooperation such as electric power, power grids, cars, metallurgy, production of building materials, supporting industries, light industry, textiles, medical equipment, information, communications, rail transport, water transport, air transport, equipment manufacturing,

renewable energy, agriculture and agricultural and aqua-cultural processing.

The main challenge for the LMC is sustainable water resources management. The differences and conflicts of interest between the upstream and downstream countries over the construction of controversial hydropower dams along the mainstream of the Mekong River have restrained regional cooperation.

To reduce mutual suspicion and tension, China is willing to share more data relating to quantity and quality of water, particularly in the dry season. To show its responsibility as an upstream country, China decided to discharge water from the Jinghong hydro power station to the Mekong River to assist downstream countries to mitigate severe droughts.

The LMC is China's strategic attempt to strengthen its presence and influence in the Mekong region. China arguably aims to keep the US out of the region, which is believed to be China's traditional sphere of influence and core strategic backyard.

China's charm offensive aims to neutralize the non-claimant states in the South China Sea sovereignty disputes, which in turn prevent Asean from taking a united position against China's core interests in the region.

The Mekong countries generally perceive China as an opportunity and a driving force for economic development and poverty reduction.

The Khmer Times, 30 May 2016

Region Needs a United Front

As expected, the United States and China engaged in a war of words again last weekend at the Shangri-La dialogue in Singapore, an annual security conference organized by the London-based Institute for International and Strategic Studies (IISS).

The US is normally given a privilege to speak at the first plenary session. The US Secretary of Defence Ashton Carter reiterated the US commitment in Asia by calling for a strengthening of an inclusive “principled security network” in which every country can contribute to maintaining regional peace and stability.

Mr. Carter harshly warned China over its strategic intentions and ongoing activities in the South China Sea.

“China’s actions in the South China Sea are isolating it, at a time when the entire region is coming together and networking,” he said. “China could end up erecting a Great Wall of self-isolation,” he added.

The US also urged China to respect the upcoming ruling by the UN Arbitral Tribunal with regards to the South China Sea case submitted by the Philippines but boycotted by China.

“The United States views the upcoming ruling by the UN Arbitral Tribunal on the South China Sea as an opportunity for China and the rest of the region to recommit to a principled future, to renewed diplomacy and to lowering tensions, rather than raising them,” stated Mr. Carter.

Speaking at the fourth plenary session yesterday, Deputy Chief of the Joint Staff Department of China’s Central Military Commission, Admiral Sun Jianguo, calmly responded, stating “the Asia Pacific countries should refuse the Cold War mentality.”

“China isn’t out to stir trouble, but neither is China scared of trouble,” Admiral Sun said. “China will not stand for its sovereign rights to be trampled on.”

“The South China Sea’s freedom of navigation hasn’t been impeded because of the territorial disputes,” he added. “We stress peaceful negotiations through legitimate means in resolving any disputes.

“In fact, China is open, inclusive and a responsible country, it is a participator and constructor and contributor to the current international system,” Admiral Sun said. “We are not isolated and we will not be isolated in the future.”

The US-China confrontation has caused a strategic dilemma for regional countries, particularly small countries in Southeast Asia. Southeast Asian states are facing an uphill struggle to maintain unity and the central role of Asean.

Two of the claimants to territory in the South China Sea, the Philippines and Vietnam, have built strong defence and military ties with the US and Japan as part of their deterrence strategy

against an increasingly assertive and powerful China.

Singapore, Malaysia and Indonesia have shown varying levels of support to the US presence in the region in maintaining peace and stability.

“The US presence has pre-eminent power globally and in this region for the last seven decades, has provided conditions for stability. It has always been here, and it’s here for the foreseeable future and will continue to be a global power,” said Singaporean Defence Minister Dr Ng Eng Hen last week.

However, Cambodia and Laos, which are regarded as natural allies of China, have been reluctant to push the agenda on the South China Sea simply because their economic dependence on China is relatively high.

Similarly, Brunei, Myanmar, and Thailand are not interested in allowing the disputes in the South China Sea to dominate Asean-China relations and regional security architecture. They wish to see a smooth dialogue among the claimants and between China and Asean on the Code on Conduct over the South China Sea.

In his keynote address at the Shangri-La dialogue on Friday, Thai Prime Minister Prayut Chan-o-cha gave emphasis to the implementation of the Declaration on the Conduct on the South China Sea (DOC) and an early conclusion of the Code of Conduct (COC).

He said “the claimant states must take every opportunity and use every platform and should have the political will to resolve this issue.”

However, the China-US rivalry will continue to evolve in a more confrontational and unpredictable trend. The South China Sea is the most apparent ground for these two powers to compete and confront each other.

Historically, global power transitions go through war and violence. If it remains the case for the US and China, then the Asia-Pacific will face high security risks. Southeast Asian countries will be further pulled towards these two camps.

A survival strategy for Southeast Asian countries is to ensure that Asean stays united and is enabled to strengthen its regional role in promoting trust-based, norms-based and rules-based international order.

Asean needs to get its house in order first before proving its regional security relevance.

The Khmer Times, 6 June 2016

Vietnam to Tighten Its Ties

The new leaders of Vietnam have taken a proactive approach strengthening bilateral ties with Cambodia and Laos.

It marks a new momentum in Vietnam's diplomacy towards its smaller neighbours, traditional friends of Vietnam.

Last month, newly appointed Minister of Public Security To Lam visited Cambodia to strengthen security cooperation, particularly in fighting organized and transnational crimes, smuggling, and drug trafficking.

The security agencies of both countries also signed a supplementary document for the 2016 cooperation plan.

Early this month, newly appointed Defence Minister General Ngo Xuan Lich made his first overseas trip to Cambodia to cement defence ties between the two countries.

Defence ministers of both countries exchanged views on the regional security outlook and committed to concretizing the annual action plan of bilateral defence cooperation for 2016, which was signed in December last year.

This year alone, 1,500 Cambodian military personnel will be trained in Vietnam. Vietnam will also support building military infrastructure, particularly military camps across the Kingdom.

More importantly, the newly appointed President of Vietnam, Tran Dai Quang, is scheduled to make his first overseas trip to Laos and Cambodia this month to deepen the bilateral comprehensive partnership with Vietnam's immediate neighbours.

The visits clearly signal Vietnam's interest in claiming its regional role, particularly in Indochina. Vietnam and Cambodia are consolidating their bilateral relations with the slogan "Good neighbours, traditional friendship, comprehensive cooperation, long-term stability."

Cambodia, which used to be under the influence of Vietnam from the late 1970s to the late 1980s, had started gradually shifting away from Vietnam towards China.

Although Cambodia is trying to balance its external relations with both China and Vietnam, the reality on the ground shows that China has secured stronger economic and political influence in the Kingdom.

The competition for power between Vietnam and China has intensified, especially since 2012 when Cambodia, the then rotating chair of Asean, failed to issue a joint statement due to the different views of the Asean member states on the South China Sea disputes, leaving Vietnam disappointed.

Since the end of the Cold War and the Paris Peace Agreement in 1991, Vietnam's influence on

Cambodia has gradually receded. The new Cambodian government established after the UN-supervised election started expanding diplomatic relations and international partnerships with the wider international community.

In the aftermath of the armed conflict in July 1997 between the royalist Funcinpec party and the Cambodian People's Party (CPP), Cambodia was under strong diplomatic and economic pressure from the West and Japan to quickly return to political reconciliation and the democratic path.

China started to pour millions of dollars in aid to court the CPP-led government. Since 1997, Sino-Cambodian relations have rapidly developed. Both countries reached a landmark comprehensive strategic partnership in 2010.

Since then, China has had strong leverage in Cambodia. China has become the top trading partner and foreign investor, and the largest aid donor to Cambodia.

Knowing that it is impossible to compete with China for influence in Cambodia on the economic front, Vietnam gives more emphasis to security and defence cooperation with Cambodia.

Vietnam has an advantage in building close defence and security ties with Cambodia due to historical connections, strategic trust, and social capital. Vietnam's security apparatus has maintained good and strong relations with its counterpart in Cambodia.

Strategic trust, close communication, mutual support and personal relationships are the foundation of the bilateral security cooperation and partnership.

China is catching up with Vietnam in building closer ties with Cambodia's defence sector. China is now Cambodia's largest donor of military aid, from providing military equipment to building military facilities and capacity building.

Vietnam is likely going to implement a multi-layered bilateral engagement across all sectors including different political actors. Exploring a constructive working relationship with the main opposition Cambodia National Rescue Party (CNRP) would help Vietnam maintain stable bilateral ties with Cambodia in the long run.

Future domestic political changes in Cambodia will pose challenges for Vietnam. If the opposition party wins the 2018 general election, the bilateral ties will be threatened, but not for long, as the CNRP should be able to build trust and a mechanism to stabilize the bilateral relations with Vietnam based on mutual interest and respect.

The completion of the land border demarcation, regulating and integrating Vietnamese migrants in Cambodia, maritime security cooperation, and maritime boundary demarcation are some of the main issues that need to be collectively addressed to pave the way for the future advancement of the bilateral relationship.

Vietnam will not stand quietly seeing the strong Chinese influence in its immediate neighbours. Through deepening the bilateral comprehensive relationship, particularly in defence and security cooperation, Vietnam believes it can maintain its presence and leverage to check the

rising influence of China in the Kingdom.

The Khmer Times, 13 June 2016

Brexit A Wake-up Call for ASEAN

Last week's referendum saw Britain voting to leave the European Union (EU), resulting in global shockwaves of uncertainty, high volatility in the currency and stock markets and a weakened EU, both regionally and globally.

Brexit adversely affects the EU's relationship with other countries and regions in the world. The economic slowdown in Europe will affect the world economy, including Asean, in terms of investment and trade flows. The EU is the world's largest economy with a nominal GDP of \$20.2 trillion for all 28 economies combined.

The EU is the top investor in Asean with average annual investment capital of about \$18 billion from 2006 to 2014. The EU is Asean's third largest trading partner after China and Japan, accounting for about 13 percent of Asean trade.

The EU's main exports to Asean are chemical products, machinery and transport equipment. The main imports from Asean to the EU are machinery and transport equipment, agricultural products as well as textiles and clothing.

After the Second World War, European countries came together to promote regional peace and cooperation. Economic cooperation was the key driving force of uniting Europe. In 1950, the European Coal and Steel Community was established to integrate Europe economically and politically. In 1957, the European Economic Community (EEC) was created. In 1993, the European Union was created and now, there are 28 members, including the United Kingdom.

Asean was created in 1967 with the initial aim to maintain regional peace and stability and counter the spread of communism in the region before gradually expanding to promote economic and cultural cooperation.

At the end of the Cold War, Asean enlarged its membership from six to the current 10. Now, these 10 members are working together to realize the three pillars of the Asean community, which include political security, economic cooperation and socio-cultural community.

While the EU moved towards the creation of a supra-national institution, Asean maintains its way of regional integration, which allows the members to maintain their national sovereignty and independence.

The Asean Way of regional integration is the combination of consensus-based decision making, non-interference, quiet diplomacy and voluntary compliance.

The Brexit vote proved that the force of nationalism is stronger than that of regionalism.

“There is a new brew in politics around the world. The growing appeal of nationalist politics, demagogues, and in some cases outright racism... A growing disaffection with the establishment. A weakening of trust and consensus in society, and of the centre in politics,” wrote the Deputy Prime Minister of Singapore, Tharman Shanmugaratnam, on his Facebook

page.

For the low-income working class, they don't feel they benefited from the regional integration process. Some are disappointed with the EU. Some believes that British sovereignty is being threatened and immigrants are posing security and employment challenges to local people.

If nationalism and xenophobia are either allowed or poised to dominate domestic politics and international affairs, the world will become less stable. The world will become more fragmented.

The global and regional governance institutions need to reform more urgently to ensure fair and just development. The widening gaps between the haves the have-nots, between the rich and the poor, give a lot of room for certain political leaders to manoeuvre to gain popular support and votes.

Although the Asean Way is quite obsolete within the context of deepening regional integration and community building, it remains critical to politically uniting Asean members, regardless of their size, wealth and power.

Asean should not aim to establish a supra-national institution. A gradual integration process with certainty is vital to the future of Asean.

“We go very incrementally and step by step. We did not go for full integration – making the entire Asean one economic or political unit. In that sense, we have room for adjustment,” said former Asean Secretary General Surin Pitsuwan in an interview with Nikkei Asian Review.

Asean should not force its members to agree on certain regional issues that harm their national economic interests, particularly in regards to the South China Sea disputes.

Economic interests will continue to be the main focus of making foreign policy in Southeast Asia. Asean needs to deliver economic results that are more inclusive than they currently are.

Asean needs to deliver and show concrete results to the people, otherwise its relevance will be questioned.

What Asean needs to do is to speed up its efforts in narrowing the development gaps within and between the member states. Asean needs to take concrete steps and action to ensure that the people are the main drivers and beneficiaries of regional integration.

The promotion of a caring, sharing and people-cantered Asean community can help reduce nationalism in the region and promote a sense of belonging to Asean.

The Khmer Times, 27 June 2016

Making Waves in the South China Sea

As expected, the International Arbitration Court has ruled in favor of the Philippines.

Last night (Asean time), the court declared that “although Chinese navigators and fishermen, as well as those from other states, had historically made use of the islands in the South China Sea, there was no evidence that China had historically exercised exclusive control over the waters or their resources.

“The tribunal concluded that there was no legal basis for China to claim historic rights to resources within the sea areas falling within the ‘nine-dash line’.”

China has long rejected the unilateral arbitration case submitted by the Philippines, saying it is “illegal” and “invalid.” China’s state-run Xinhua news agency called the ruling by the “law-abusing tribunal” an “ill-founded award.”

The Chinese government issued its own statement right after the release of the award by the court.

“China has territorial sovereignty and maritime rights and interests,” the statement says.

“China respects and upholds the freedom of navigation and over-flight enjoyed by all states under international law in the South China Sea.”

China is willing to “work with other coastal states and the international community to ensure the safety of and the unimpeded access to the international shipping lanes in the South China Sea,” the statement added.

So, what will be next?

Regional tensions are going to rise. It would be a mistake to calculate or assume that China will scale down its sovereign claims and activities in the South China Sea after the ruling.

Nationalism and the perception of an increasing security threat derived from the intervention of the US and its allies in the South China Sea will force China to be much more assertive.

China is going to strengthen its naval capabilities and speed up its activities in the South China Sea, including the construction and expansion of the artificial islands.

If necessary, China will convert these civilian outposts in the South China Sea into military bases.

The US and its allies may have calculated that their military presence in the region would deter and restrain China’s activities in the region and that the court ruling would force China to retreat from asserting sovereignty claims in the South China Sea.

They are wrong.

One of the factors shaping China's foreign policy strategy and approach relates to "the century of humiliation" which is used by Chinese policymakers to describe how China's global position was weakened by Western incursions that started with the Opium Wars in the 1840s.

China's Global Times warned the involvement of the US in the territorial disputes in the South China Sea could potentially lead to "military confrontation."

If the US and China cannot find common ground in approaching the disputes, conflicts will be hard to avoid.

Having said that, the possibility of having a military confrontation between the two major powers remains extremely low.

China and the US need to develop a functional mechanism to build trust and confidence and they need to promote an effective channel of communication to avoid misperceptions and miscalculations.

Deepening economic interdependence is not enough. China and the US must work together to strengthen military-to-military ties.

Both China and the US need to sincerely advocate and support the central role of Asean in sustaining the habit of regional cooperation, and more importantly in constructing an inclusive regional security architecture that can meet the needs of all countries.

In the upcoming Asean meetings, the Philippines should not force other Asean members to issue a joint statement to support the court ruling, given there is no consensus within Asean.

Otherwise Asean may face another fiasco similar to what happened in Phnom Penh in 2012.

The viable values of Asean are the adherence to the principles of non-interference and consensus-based decision-making.

Violating these two principles could lead to the destruction of Asean.

The Khmer Times, 13 July 2016

China-Asean Economic Ties

East Asia's economy is entering a new phase of uncertainties and challenges stemming from complex geopolitics, a weakened European Union (EU) after Brexit, domestic political unpredictability in the US and an economic slowdown in China.

To maintain economic dynamics, regional countries need to deepen and speed up social, economic and financial reforms. The region needs to continue promoting an open and inclusive regionalism.

Regional cooperation projects need to be inclusive, build on people-centered and people-oriented development models. The people across the region should fairly benefit from regional integration.

China is facing structural economic issues including production overcapacity – supply exceeds demand, high non-performing loans, particularly corporate debts, and social issues – gaps in education and health, and aging populations.

To concretize its community, Asean needs financial support, foreign direct investment (FDI) and extra-regional markets from key dialogue partners such as China.

The strength of Asean is based on the comprehensive strategic and economic partnerships that Asean has built with major economic powers in the region and beyond.

Asean has integrated itself into the global economy.

Asean's intra-regional trade accounts for only a quarter of Asean's total trade, meaning that Asean trades with other countries much more than within themselves.

Intra-Asean investment remains low. It reached \$24.4 billion in 2014 – accounting for 18 percent of total investment inflows into the region.

Therefore, to sustain economic growth, Asean needs to attract FDI from other countries and regions.

Asean has become the largest recipient of FDI in the developing world. The EU, US and Japan are the top investors in Southeast Asia.

Bilateral economic ties between China and Asean have expanded significantly over the past decade, particularly in trade and investment.

Since 2009, China has become the largest trading partner of Asean, while Asean is China's third-largest trading partner.

In 2010, the China-Asean Free Trade Agreement (CAFTA) came into force. In 2015, CAFTA was upgraded to include the service sector and promotion of capital flow.

Bilateral trade volume between China and Asean doubled between 2010 (\$232 billion) and 2015 (\$500 billion). Trade volume is expected to reach \$1 trillion by 2020.

In terms of FDI, China invested about \$120 billion in Asean, which is relatively low compared with bilateral trade volume. China's investments in Asean are expected to hit \$150 billion.

However, Asean has a huge trade deficit vis-à-vis China. In 2013, Asean registered a \$45 billion trade deficit with China.

Asean mainly exports agriculture products, raw materials and light industrial products to China. Asean imports high-value added goods from China, including machinery, electronics, chemical products, and consumer goods.

Chinese investments in Asean have relatively low spill-over effects on local economies compared with Japanese and South Korean investments. Chinese firms have little interactions with local firms, which results in a low transfer of knowledge and technology.

Moreover, some Chinese companies, particularly in the mining sector, have damaged local environments and caused certain social problems.

Chinese investment in Asean mainly concentrates on resource seeking and labor-intensive industry such as textiles in less-developed Asean economies. For developed markets like Singapore, Chinese FDI focuses on the services sector and smart technology.

Singapore continues to receive the lion's share of total FDI in the region. The city-state's attraction for foreign investors derives from good governance, human capital and well-developed infrastructure. Singapore is a gateway routing FDI into other locations in Asean.

China and Asean need to strengthen the linkages between trade liberalization and facilitation with poverty reduction, narrowing the development gap and promoting sustainable and inclusive growth.

Trade in services need to be further facilitated, particularly in the new economic sectors such as information and telecommunications, financial services, smart technology, healthcare, education and tourism.

Chinese investors need to have more interactions, joint ventures or partnerships with local firms in Asean to promote knowledge and technology transfers.

To integrate CAFTA with the newly established mechanisms such as the "Belt and Road" initiative, the Asian Infrastructure Investment Bank and the Lancang-Mekong Cooperation body requires collective efforts and leadership.

Under these frameworks, China and Asean need to work together to identify overlapping areas, priority areas, short-term, medium-term and long-term action plans, and new areas for future cooperation.

Knowledge transmission and people-to-people ties deserve more attention and efforts.

Innovation and knowledge-based economies are the sources of growth in the region.

Public-private-people partnerships need to be developed and strengthened to realize a sustainable and inclusive regional development.

The Khmer Times, 21 July 2016

How to Deal with Inequality?

Inequality is a global problem. The gap between the rich and the poor is widening and deepening in different parts of the world, mainly due to unfair and unjust industrialization and unsustainable development.

The cost of inequality is high. A recent study by the International Monetary Fund showed that elevated levels of inequality were harmful for the pace and sustainability of economic development.

Inequality has a dampening effect on poverty reduction, leading to a less inclusive society, causes political instability and entails large social costs. It also leads to the loss of public trust in government institutions.

“The inequality is cause and consequence of the failure of the political system, and it contributes to the instability of our economic system, which in turn contributes to increased inequality,” wrote Joseph Stiglitz in his book “The Price of Inequality”, in 2012.

Both the economic and political structures are the root causes of inequality. Stiglitz argues: “While there may be underlying economic forces at play, politics have shaped the market, and shaped it in ways that advantage the top at the expense of the rest.”

Economic restructuring at the global, regional, national and local levels is needed to promote inclusive growth, which generates opportunities for all segments of the population and distributes the benefits fairly across society.

Political and institutional reforms are vital to strengthening the performance of public institutions in delivering quality public services and ensuring equal opportunities for all.

A tri-sector partnership or a government-business-civil society partnership needs to be built and strengthened to promote social inclusion – a process by which efforts are made to ensure equal opportunities for all, regardless of their background and economic conditions, so that they can achieve their full potential in life.

It needs a “whole-of-government” approach to focus on promoting an inclusive society such as uplifting lower-income families, helping children from poor families overcome early disadvantages and realize their potential, and supporting the elderly and people with disabilities to do their part for society.

In Cambodia, the gap between the rich and the poor has been widened over the years, with those at the top grasping a lion’s share of growth while most the people are left behind.

There is no comprehensive study on the root causes and implications of inequality in Cambodia. The studies by the Asian Development Bank and the World Bank showed that there is a huge consumption gap between the households in urban areas and those in rural areas.

Although the poverty rate has been significantly reduced over the years from 47.8 percent in 2007 to 18.9 percent in 2012, the vulnerability to poverty remains high.

It means that a large population concentrates at the bottom of income distribution. The poverty rate will rise quickly if there are external shocks such as natural disasters or political instability or economic crisis.

Inequality, especially the development gap between urban and rural areas, in the Kingdom has led to a huge flow of internal and cross-border labour migration. The number of internal migrant workers is about one million and the number of cross-border migrant workers hit more than one million.

Thailand, South Korea and Malaysia are the main destinations of Cambodian migrant workers.

To reduce inequality, the government needs to urgently focus on pro-poor rural development. According to a study by the Asian Development Bank, the main rural development issues are insecurity in land tenure, low productivity in land and human capital, market failures and coordination issues, weak and underdeveloped rural infrastructure and financing for rural development.

Inclusive education and healthcare are the most important sectors in rural development. Increasing public investment in these two sectors is needed.

Social protection, including social safety nets and social insurance policies, need to be strengthened.

The government needs to effectively implement administrative and fiscal decentralization given it is an important governance strategy to empower and enable local governments and community in providing local solutions and collective leadership to local problems.

The Khmer Times, 15 August 2016

ASEAN is at a Crossroads

Regional strategic trust has been eroded. Regional tension is on the rise. Asean is at a crossroads as the region is entering a new phase of uncertainties with high security risks.

To survive, Asean needs to stay united and collectively develop its diplomatic stewardship to navigate through the waves of uncertainties and turbulences.

Asean is embarking on a new journey to strengthen its community building with Asean Community Vision 2025, which aims to build a rules-based, people-oriented, people-centered Asean, a consolidated Asean community and a dynamic, resilient and harmonious community.

However, Asean is facing mounting challenges and issues, which have been mainly caused by the rivalry between major powers, and unresolved and complex maritime disputes in the region.

The South China Sea dispute is a critical test for Asean. The core question is whether Asean can play its relevant role in shaping a regional cooperation framework and regional architecture, and creating a regional norm. Without handling the issue appropriately, Asean risks being further divided.

Asean is not and will not aim to become a supra-national regional entity, which the member states must largely surrender their sovereignty in favour of regional collective interests. Asean will remain a relatively loose regional organization.

The Asean way, which includes the principles of non-intervention, consensus-based decision-making and quiet diplomacy, has bound Asean members together. Of course, the implementation of the Asean way needs to be more flexible in response to new context and realities.

It is not surprising that Asean is not able to forge a united front in dealing with the South China Sea dispute. The diversity of Asean together with different national interests prevents Asean from taking a bold united stand on the issue.

Institutionally and principally, Asean does not have a mandate to resolve sovereignty disputes. Asean mainly has a convening power to provide a platform for dialogue and mediate the differences or disputes.

Diplomatic tensions between the Asean members have heightened over the years as a result of political projects to change the norm and principles of Asean. Some members are interested in inviting Asean to interfere in territorial disputes.

Cambodia used to approach Asean for intervention in 2011 when there was an armed conflict along the Cambodia-Thailand border, but Asean could not intervene due to consensus-based principle. Thailand at that time did not approve any intervention from Asean, although Indonesia, the then Asean chair, tried to mediate in the conflict.

The tensions in the South China Sea led to the fiasco in Phnom Penh in 2012 when Asean foreign ministers failed to issue their joint communiqué for the first time in 45 years. The Philippines tried to include the Scarborough Shoal stand-off with China in the joint statement.

A similar episode was repeated in the Lao capital Vientiane last month when there was a strong division among the members on whether to include some sort of reference to the ruling of the Permanent Court of Arbitration (PCA) in the joint communiqué. Fortunately, Asean could issue a joint statement after the Philippines agreed to withdraw its request.

The PCA's ruling is largely in favour of the Philippines over China. Vietnam and the Philippines openly support the ruling, while some other countries are relatively quiet and some are not supportive of any reference to the PCA's ruling given the fact it is not the Asean's norm to issue any joint statement in support of international court ruling.

Cambodia was the most vocal against the Philippines' request to include the PCA's ruling. Cambodia's position on the South China Sea is crystal clear – that the disputes should not be allowed to harm hard-earned good relations between Asean and China.

The disputes should be resolved through dialogue and negotiations between and among the claimants. And Asean and China need to work harder to conclude the Code of Conduct (COC).

The COC is expected to be a legally binding document that will manage or restrain the behaviour of the parties directly concerned. The COC needs to have an effective enforcement mechanism and disputes management or resolution mechanism. The COC should also include clear statements on the maintenance of the freedom of navigation.

A meaningful and substantial COC can save Asean from being further divided, restore trust and confidence between China and some Asean members, and promote regional peace and stability, which in turn leads to more opportunities for regional cooperation.

The South China Sea dispute is the main stumbling block between China and Asean. They need to closely work together to defuse tensions, while standing firm on an equal partnership based on mutual respect of interests.

They need to strengthen cooperation on sustainable development of the marine resources and coastal community development, scientific research, disaster relief, search and rescue and anti-piracy cooperation.

The future of Asean hangs in the balance. Asean needs to smartly manage the South China Sea dispute and find a stable equilibrium between geopolitical and geo-economic interests.

Although it is difficult to realize, as an association of small and medium-sized countries, Asean needs to advocate for and take concrete steps in promoting a rules-based regional order.

The Khmer Times, 25 August 2016

ASEAN's Economic Outlook

Although it is a work in progress, the Asean Economic Community has gained steam and attracted remarkable attention and interest from the international community, particularly foreign investors.

Asean's economy is projected to grow at 4.5 percent in 2016 and 4.8 percent in 2017. The region needs to deal with potential external and domestic risks or shocks to maintain its growth momentum.

Asean is growing faster than any other region in the world. Private consumption is believed to be the main driving force of future Asean economies. If the regional governments quickly harmonize regulations and liberalize the information technology sector, the digital economy has the potential to be the new driver of Asean's economy.

With a population of 625 million and a combined gross domestic product of \$2.43 trillion in 2015, Asean is one of the main global markets and economic powers.

Asean is the world's third largest labor force after China and India. By 2050, Asean is predicted to be the fourth largest world economy.

Asean regional economic integration is open and inclusive. Asean total mechanized trade hit \$2.28 trillion in 2015, of which intra-regional trade within Asean accounted for 24 percent.

China is Asean's largest trading partner, which accounts for 15.2 percent of total Asean trade, followed by Japan (10.5 percent), the EU (10 percent) and the US (9.3 percent).

The inflow of foreign direct investment (FDI) to Asean increased by 18.5 percent in 2015 and accounted for \$120 billion, while intra-Asean FDI remained stable at \$22.1 billion.

FDI concentrates on service sector and manufacturing.

According to the Asean Business Outlook Survey 2017 by the US Chamber of Commerce and AmCham Singapore, the top reasons Asean markets are more important for worldwide operations and revenues over the next two years are relatively high economic growth rate, a rise in the middle class, deepening regional integration and improvement in infrastructure.

The survey also looks at the main obstacles in regional economic integration particularly in areas of government administration.

The obstacles that need to be overcome or changed include corruption, transparency, good governance, non-tariff barriers to trade (excessive paperwork, discriminatory regulations), responsive regulatory regimes, labor mobility, standards of conformance and intellectual property rights.

Asean remains one of the most outward-looking economic regions in the world, although the

global economy is facing inward-looking political orientation with a raising trend of protectionism in Europe and America.

The Brexit decision in the UK and political rhetoric in the US election season have serious implications for the future of the neo-liberal global economic order.

However, for an open and liberal economic system to work and sustain, it necessarily requires good governance, just and fair industrialization and sustainable and inclusive development.

Otherwise, the development is not sustainable. The working class, the marginalized and the poor are left behind.

Asean is facing critical development gaps measured in terms of income distribution, education, healthcare, access to information technology and governance index. If the gap is not effectively and comprehensively addressed, Asean will not be able to realize its true community.

The study by the Organization for Economic Co-operation and Development suggests that Asean needs to further harmonize and synchronize regional initiatives and national agendas, reduce disparities in the region by assisting the less developed Asean members in their catching up phase, further integrate Asean into the world economy and strengthen monitoring and evaluation capacity of the regional blueprints.

Regulatory harmonization, institutional streamlining, seamless logistics development, good governance, sustainable and inclusive development, innovation, skills development and private sector development are the main areas of the regional economic cooperation agenda.

Asean needs to strengthen partnerships and promote a culture of shared responsibility between governments, the private sector and civil society to concretize regional agenda, which is more sustainable and inclusive.

Asean may also need to align its regional agenda with the United Nations Development Goals, which consist of 17 goals. An Asean-UN partnership or cooperation framework for sustainable development needs to be developed.

Asean will become one the top five world economic powers by the mid-21st century if it can effectively deal with the existing challenges and shortcomings, stand ready to address potential domestic and external risks and better harness multi-stakeholder partnerships for an inclusive, resilient and sustainable Asean community.

The Khmer Times, 29 August 2016

Can G20 Rescue the World?

The world is facing an economic slowdown, accelerating global climate change, growing violence and conflicts, rising inequality and resurging protectionism and inward-looking political leadership.

As global trade is growing slower and competition is intensifying, some countries have adopted or are tempted to opt for a weaker currency strategy to shore up their competitiveness.

And some other countries are planning to adopt more protectionist trade policies to protect their domestic enterprises and industries from losing out in an intense global competition.

The global growth rate has been modest, about three percent. Global economic health is getting weaker with increased uncertainty and risks.

The world needs a strong adaptive leadership and flexible institutions that can reinforce an open, inclusive, sustainable and resilient global economic system.

Strengthening inclusive global governance and implementing the United Nation's Sustainable Development Goals are the core missions of the global leaders.

Under the theme "Toward an Innovative, Invigorated, Interconnected and Inclusive World Economy," the G20 summit has kicked off in Hangzhou, the capital of China's Zhejiang province, with the aim of providing remedies to help world economic growth.

The G20 is an international forum of 20 economic powerhouses. The members include 19 countries from developed and emerging economies and the European Union.

From Southeast Asia, Indonesia is a member of the G20, while the chair of Asean and some other Asean members are normally invited to attend as honorary guests.

With two-thirds of the world's population, the G20 accounts for 85 percent of the world's GDP. It is truly an important global platform to address global issues and challenges.

Trade and investment openness, broad-based structural reforms especially in fiscal and monetary policies, technological innovation, financial inclusion, sustainable development, good governance, anti-corruption, connectivity, and inclusiveness are the main themes of this summit.

Innovative growth and the digital economy are expected to energize the future global economy.

As the world economy is facing ascending disparity and inequality, it is necessary and urgent to find a balance between productivity and efficiency-driven growth and fairness, justice and inclusiveness.

Global governance requires serious institutional reforms in order to ensure that everyone is enabled to benefit from global growth, not just a few countries or a minority of people at the

top. The interests of the bottom billions must be considered.

It is for the first time that the G20 has aligned its agenda with the UN's Sustainable Development Goals 2030. International partnerships for sustainable development need to be enhanced.

“The G20 for the first time puts development issues at the centre of the global macro policy framework this year,” China's President Xi Jinping said in a keynote speech at the opening ceremony of the Business 20 summit last Saturday.

On the eve of the summit, China and the United States both signed up to the Paris agreement on climate change, a global agreement to chart the course for post-2020 global cooperation against climate change.

The ratification marked a giant step in global collaborative efforts in dealing with climate change and promoting low-carbon growth. The US and China are the two largest world economic powers.

“With China and the United States making this historic step, we now have 26 countries which have ratified and 39 percent of global emissions accounted for, to be exact,” stated Ban Ki-Moon, the UN secretary-general.

“I urge all leaders, particularly G20 countries, to accelerate their domestic ratification processes so we can turn the aspirations of Paris into the transformative climate action the world so urgently needs,” Mr. Ban added.

Working in partnership with the UN and other international and regional organizations, the G20 plays an increasingly essential role in setting the global agenda, promoting global consensus, directing global leadership with a clear vision and mission and providing adaptive solutions to global problems.

Political rhetoric and diplomatic talks need to commensurate with actions. Responsibility to implement the global agenda issued by the G20 leaders is paramount to rescuing the world from economic uncertainty, unsustainable development and global disparity and inequality.

President Xi emphasized in his opening remarks of the G20 that there was a need to move from a crisis management approach to a “long-term governance” institutional building. G20 needs to “honour its commitment” with “strategic vision.” It needs to be action-oriented instead of a “talk shop.”

The Khmer Times, 5 September 2016

ASEAN and Being Connected

The Asean Summit and related summits have kicked off in Vientiane, the capital of Laos, with a mission to build a roadmap and action plans to implement the Asean community vision 2025.

Asean's vision is to realize a rules-based, people-oriented, people-centered community and a peaceful, stable and resilient community with a capacity to respond effectively to challenges.

Asean's core strategy is to remain an outward-looking region within a global community of nations, while maintaining Asean centrality.

To realize that vision, the Asean member states resolve to harmonize regional regulations, keep improving the institutional capacity of Asean, including a strengthened Asean Secretariat.

There are several important documents to be adopted by the Asean leaders at the summits. One of the most important regional roadmaps is the Asean connectivity plan 2025.

Seamless logistics is one the five core pillars of the connectivity plan. The other four pillars are sustainable infrastructure, digital innovation, regulatory excellence and people mobility.

Logistics is a strategic sector involving a wide range of subsectors and actors, including shippers, traders, public and private service providers, regional and national rules and institutions and transport and communications infrastructure.

Institutional reforms, particularly customs reforms, are key to improving logistics in Asean.

A study by the Asean Secretariat with support from USAID found that “more than 30 percent of the total export logistics costs are derived from institutional rules and regulations.”

It takes on average 22 to 23 days to clear paperwork for both exports and imports, the study showed.

The less developed economies in Asean need to develop a national strategic plan on logistics, invest more in logistics services and infrastructure.

Cambodia's logistics is relatively under-developed. The World Bank's study in 2014 found that the export costs in Cambodia are about 33 percent higher than Thailand and 30 percent higher than Vietnam.

According to the World Bank's Logistics Performance Index, Cambodia scored 2.7 out of 5 in 2014.

The index includes assessment of the efficiency of the clearance process, quality of trade and transport-related infrastructure, ease of arranging competitively priced shipments, competence and quality of logistics services, the ability to track and trace consignments and timeliness of shipments in reaching destinations within the scheduled or expected delivery time.

So, what should Asean do to strengthen its logistics capacity and realize its vision of achieving seamless logistics?

First, Asean needs to forge a common understanding on logistics, including definition, scope and the strategic importance of the sector in national development and regional integration.

Liberalizing the logistics sector is a politically complicated process. It requires a strong Asean consensus and domestic political support in each Asean member country.

There is a need to create an Asean working group on logistics to identify the challenges, issues and deficiencies of logistics in the region.

Meanwhile, Asean need to speed up institutional reforms and capacity building on logistics, which are critical to improving the logistics sectors, particularly for the less developed member countries.

Asean should establish an Asean logistics service hub to facilitate networking, information and knowledge sharing and coordinate capacity building programs.

More technical and financial support for the small and medium-sized logistics service enterprises is needed to assist them in regional and global competition in a more liberalized logistics environment.

International cooperation and multi-stakeholder partnerships for logistics development are fundamental to cementing the regional and national policy blueprints on logistics.

Cambodia considers logistics as one of the key sectors in sustaining its economic growth, better integrating itself with the region and the world and catching up with the more developed members of Asean.

But it does not have a concrete strategic action plan on logistics yet.

Cambodia needs to create a functional and effective national committee on logistics to develop a national master plan on logistics and coordinate related institutions from both the public and private sectors to provide quality and an efficient logistics service.

Hopefully, by the time the meetings in Laos finish, the 10 member countries of Asean will find ways to better connect the large community that stretches across our region.

The Khmer Times, 7 September 2016

China in Search of Soft Power

Although China has experienced remarkable economic growth over the last three decades, its global image has not strengthened in line with its global economic status.

China is an emerging global power and the leader of the developing world.

China is now the second-largest world economy after the United States and it is predicted that it will become the world's largest economy in the coming decade.

In the Asia-Pacific region, China's soft power is relatively lower than that of the US. The American values of freedom, democracy, and human rights have been deeply integrated into many societies in the region, particularly the millennial generation.

To project its national strength and global power, China needs to advance its civilization and expand and share its economic prowess.

Chinese leaders and scholars claim that China's foreign policy is not to seek control and hegemony, nor to export its model by military means. Instead, it is to accumulate its soft power through trade, investment and cultural exchanges.

China is developing its own global power projection path, which is different from the path exercised by the European colonial powers and the American hegemonic power.

Economic development and cultural heritage are the foundations of China's national strength. To build a civilization-state is China's long-term strategy.

Chinese leaders started emphasizing soft power as one of the core foreign policy tools in the late 2000s in which culture is regarded as the core of China's soft power.

Soft power is generally understood as the power to attract and convince others to act in your favour without using force, the threat to use force, coercion or monetary payment.

The report to the 17th National Congress of the Communist Party of China (CPC) in 2007 pointed out that "in the present era, culture has become a more and more important source of national cohesion and creativity and a factor of growing significance in the competition in overall national strength, and the Chinese people have an increasingly ardent desire for a richer cultural life."

Soft power was the key phrase at the sixth Plenary Session of the 16th Central Committee of the CPC in 2011. Moreover, at a national meeting on publicity and theoretical work in August 2013, President Xi Jinping said: "Fine traditional Chinese culture is a great strength of the Chinese nation and its most profound cultural soft power."

President Xi also introduced the Chinese dream to strengthen national unity and to share the opportunities with the world.

The Chinese dream has three layers. It enables the individuals to realize their personal dream, encourage every individual to work together as a community to realize a national dream and promote international win-win cooperation to build a global community of common destiny.

Professor Zhao Lei of the Institute for International Strategic Studies of the Party School of the CPC Central Committee defined the Chinese dream as “a dream of building China into a well-off society in an all-round way and rejuvenating the Chinese nation, a dream for everyone to make his own dream come true, a dream that the whole nation strives for, and a dream to show the world China’s commitment to making a greater contribution to the peace and development of mankind.”

China is in the early stage of developing and projecting its soft power. To persuade and convince other countries, China needs to have moral authority. Words must go with actions.

Chinese cultural values, ideas, and wisdoms are compatible with other cultures. They need to be further promoted and adapted to local cultures.

China has been criticized by some analysts for lacking concrete efforts and actions in contributing to the world.

China should assume a more responsible global leadership role. Some have urged Chinese development aid to have more transparency and accountability.

Chinese firms have been urged to implement corporate social responsibility, taking into consideration local community development and environmental protection.

The image of China will be improved if Chinese firms become more socially and environmentally accountable.

The Khmer Times, 4 October 2016

Xi Jinping's Foreign Policy Doctrine

Since assuming the top leadership position in 2012, President Xi Jinping has taken China to new heights in nation building, although his ambitious economic reforms fell short of producing the expected output.

He has significantly earned public trust in his anti-corruption campaign.

He has also remarkably strengthened his power base by reducing the decision-making authority of the Politburo and the State Council. It is predicted that his power will be further consolidated after the 19th Party Congress, which is going to take place next year.

Being tough on both domestic politics and foreign policy, he shows strong, decisive and visionary leadership. Some even call him “China’s most powerful leader in decades.”

Mr. Xi has crafted ambitious national development plans and adopted a more proactive foreign policy approach.

Concretizing national rejuvenation projects and strengthening China’s place in the world is his core mission.

To have an effective foreign policy, it depends very much on national conditions and strength. National interests define foreign policy objectives.

China’s top challenge now is how to maintain stability and attain high economic development that can generate employment opportunities for millions of graduates every year.

A stable and peaceful international environment and open and inclusive global economic and financial governance are therefore vital to China’s long-term development. So how does foreign policy serve these objectives?

“China will unswervingly take a peaceful path of development, maintain an international order with the purposes and principles of the UN Charter at the core, promote a new-type international relationship featuring cooperation and reciprocity and be committed to building a common destiny for mankind,” Mr. Xi said in April.

There are six precepts of Mr. Xi’s foreign policy doctrine.

First, realizing the Chinese Dream.

The Chinese Dream, a signature axiom of Mr. Xi, focuses on promoting collective effort and leadership to achieve “the great rejuvenation of the Chinese nation” as well as to enable the realization of the personal dream of every Chinese to have a happy, healthy and productive life.

“The people can attain happiness only when their country and nation thrive. China will thrive only when the world prospers,” stated Mr. Xi in June 2014.

Second, pursuing “peaceful development” and “win-win cooperation.”

The fast-rising power of China has generated a sense of threat and strategic challenge for some countries that have conflicting interests or strategic competition with China.

Some countries are afraid that China will transform its economic leverage into a dominant political and strategic sphere of influence. An increasing number of countries are economically dependent on China for their economic survival and prosperity.

Moreover, some countries perceive China’s rising military power and assertive activities in the South China Sea as a threat to regional peace and stability.

To counter such a “China threat” perception, Beijing has developed and promoted the concept of “peaceful development,” which is defined as development with its own efforts and by continuously implementing reform and innovation.

China is pursuing an opening-up policy and is open to learn from other countries. It works with the international community to realize “a harmonious world of durable peace and common prosperity,” which it calls “a path of scientific, independent, open, peaceful, cooperative and common development.”

Third, developing “a new model of major-power relations” to avoid “Thucydides Trap” – structural clashes and confrontations between the rising power and the ruling power.

It aims to manage complex bilateral relations between China and the United States. China is interested in expanding dialogues, promoting mutual trust, expanding cooperation and controlling disputes.

Equal power relationship, a mutual respect of each other’s core national interests and mutual learning and adjustment should be the rules of engagement between the two major powers.

Fourth, building a “community of common destiny.”

Countries should respect one another and treat each other as equals. A big country needs to shoulder greater responsibilities for world peace and development.

Inclusiveness and mutual learning among civilizations are the foundations of mutual trust and confidence building.

Countries should seek win-win cooperation and common development, and work together to realize common, comprehensive, cooperative and sustainable security.

Fifth, promoting good neighbourhood diplomacy.

Close neighbours are better than distant relatives. Neighbourhood diplomacy occupies the centre stage of China’s diplomacy.

The “Belt and Road” initiative is the key strategy in China’s neighbourhood diplomacy. It is believed to be the most important economic and cultural diplomacy and a strategic instrument to project China’s global power.

The initiative focuses on five cooperation areas including policy coordination, infrastructure connectivity, unimpeded trade, financial integration and people-to-people ties.

The establishment of the Asian Infrastructure Investment Bank and the Silk Road Fund plays a critical role in mobilizing financial resources to implement the projects on the initiative.

Sixth, developing a new security concept underpinning “common security” and “comprehensive security.”

Common security means respecting and ensuring the security of each and every country and comprehensive security encompasses both traditional and non-traditional security.

Security needs to be universal, equal and inclusive.

The Khmer Times, 12 October 2016

What Next for Thailand?

Thailand has gone through a dark decade of political turmoil and uncertainty after the military coup in 2006 that ousted then-Prime Minister Thaksin Shinawatra, who rapidly climbed up the power ladder with his brand of populist politics, which included pro-poor healthcare and agricultural reforms.

A power struggle then started between the so-called “Thaksin network” and the traditional elite establishment became acute in the early 2000s. The so-called “monarchy network,” including the military leaders, perceived the “Thaksin network” as an emerging threat to their power and interests.

In 2008, Mr. Thaksin was convicted and sentenced in absentia to two years in jail for abuse of power after fleeing Thailand. He has been living in self-imposed exile since 2006.

After the 2006 coup, Thai politics and society became deeply polarized. The color-coded political division between the red shirts and the yellow shirts posed a serious threat to national peace and stability.

The political party backed by the red-shirt movement, which largely consisted of supporters of Mr. Thaksin, and many say was funded by Mr. Thaksin, came to power in late 2011 after winning a general election. After Mr. Thaksin’s proxies, including his brother-in-law, became prime minister, Yingluck Shinawatra, Mr. Thaksin’s younger sister, was put at the helm.

But her reign ended after another coup in May 2014.

Last year, the ill-fated Ms. Yingluck was accused of negligence over her government’s rice subsidy scheme and last month she was fined up to \$1 billion. She called the judgment unfair and unjust.

The 2006 and 2014 coups were staged partly to diminish the electoral power of the “Thaksin network” and to marginalize his family and clique in the political game, and to also stop the violence between his supporters and those against him.

Although public and social order has been restored after the coup in 2014, political reconciliation remains far from reach. The lack of political trust and tolerance between the two main political opponents remains deep.

Social movements and freedom of speech in Thailand have been significantly restricted under the government led by General Prayut Chan-o-cha.

The passing of the much-revered King Bhumibol Aduljadej last week created a deep political hole in the Kingdom. The late king was the epicenter of the Thai political entity, the soul of the Thai nation and the pillar of national unity.

The legitimacy of the military government will be further questioned should there be a lack of

assurance that democracy will be restored and democratic elections are conducted.

Crown Prince Maha Vajiralongkorn is facing a daunting task ahead to maintain his late father's high moral authority, loyalty and charisma.

To fill the gap within the period of transition, the government announced that the head of the Privy Council, 96-year-old Prem Tinsulanonda, would temporarily assume the role as regent while waiting for the crown prince to formally succeed his late father.

Thai political analyst professor Pavin Chachavalpongpun wrote in the Washington Post on Friday that "as for Vajiralongkorn, the path ahead is clear. If he chooses to maintain his alliance with the military and refuses to work with democratic governments, his reign will be contested and may not survive.

"If he decides to go ahead with reform, placing the monarchical institution strictly within the constitutional framework, the chance of the monarchy becoming a viable institution is bright."

The future of Thailand depends on how the nation can move forward with national reconciliation and democratic consolidation.

The one-year mourning period may provide a strategic opportunity for political leaders to reflect and demonstrate genuine conciliatory political will and other measures.

National reconciliation is not possible unless there is a genuine political will to have an inclusive political dialogue to achieve win-win outcomes.

It is a critical period from now until the next general election. No one knows what will happen. Uncertainty remains high now.

The military regime will likely consolidate its power to ensure a smooth royal transition and play a role of political power broker.

The general elections expected to take place by the end of next year will likely be pushed further to 2018, depending on the speed of the election preparations.

Long-term political stability requires democratic consolidation and a fine and stable balance of power between the civilian political leaders and the network supporting the monarchy, which includes many of the top military leaders.

"Growth prospects, peace and stability will likely come about after the generals step aside in favour of civilian-led compromises that can return Thailand to popular rule," wrote Thitinan Pongsudhirak, director of the Institute of Security and International Studies in May 2016 in the Asian Nikkei Review.

The Thai social and economic ecosystem has proven to be quite resilient and able to wither the political storms and turbulence.

Thailand now needs the right political chemistry to advance the country.

The Khmer Times, 17 October 2016

Duterte the Game Changer

Domestic politics shape foreign policy. The personal values of political leaders do matter in the construction and reconstruction of foreign policy doctrine and strategy.

Gaining strong popular support from his war against drugs and corruption, Rodrigo Duterte won a landslide victory in the last general election in the Philippines.

Since then he has jolted the Asia-Pacific after he declared a military and economic “separation” from the United States during his four-day visit to Beijing last week.

Although he later clarified that “separation” did not mean severing ties with the US, his statement clearly implied that the Philippines is distancing itself from the US and leaning towards China.

Such an abrupt diplomatic and strategic shift significantly affects the geopolitical landscape in the Asia-Pacific. The Philippines has been the US’ closest ally in Southeast Asia after it gained independence in 1946.

The shift also undermines the US’ rebalancing or pivot strategy to Asia, which aims to maintain the balance of power in the Asia-Pacific.

From the Chinese point of view, the region would become more balanced and stable if the two US allies, the Philippines and Thailand, become more neutral and independent from the US.

The Philippines under the Benigno Aquino administration sought support from the US and Japan to counter-balance China in the South China Sea dispute, particularly after the Scarborough Shoal stand-off in 2012.

The Aquino administration also led the charge against China by bringing the case against China to The Hague-based Permanent Court of Arbitration (PCA) in 2013, which resulted in the ruling that was largely in favour of the Philippines.

China and the Philippines were engaged in a fierce diplomatic battle after the PCA ruling. The Philippines took immense diplomatic efforts to mobilize international support to delegitimize China’s nine-dash-line claim in the South China Sea.

However, things have changed. Mr. Duterte disregarded the court ruling and resorted to bilateral dialogue with China, while shelving the territorial disputes.

After winning a bonanza from China with \$24 billion in investment deals and loans, Mr. Duterte embarked on a three-day state visit to Japan early this week to further cement ties between the two countries, from an economic partnership to maritime security cooperation.

As the closest ally of the US in the Asia-Pacific, the strained relations between the Philippines and the US leaves Japan in an unsettled and delicate position.

Japan has strong interests in forging a closer partnership with the Philippines as well as with other Southeast Asian countries to secure a long-term Japanese presence and Japanese interests in the region.

Japanese Prime Minister Shinzo Abe has paid close attention to Southeast Asia. He managed to make five round trips to visit all 10 Asean member countries within one year after he assumed the premiership in December 2012.

As the largest trading partner, foreign investor and donor of the Philippines, Japan has weighty leverage over Mr. Duterte's administration.

Japan has supported the enhancement of the defence capability of the Philippines. Japan agreed to provide the Philippines with up to five TC-90 training jets and to build and hand over patrol vessels to give a boost to the country's maritime capacity.

Within the context of rising concern over the deteriorating ties between the Philippines and the US, Japan is expected to play a re-bridging role between Manila and Washington.

Japan, a middle and benign power, has a critical role to play in promoting regional strategic trust and cooperation.

The advantage for Japan is that it has gained political trust in the Philippines. Mr. Duterte has shown a positive gesture towards Japan and wishes to see Japan remain actively engaged in development and defence capacity building.

"The visit will be an opportunity for me to personally thank Japan for its preeminent and peerless role as the Philippines' development partner," Mr. Duterte said before departing for Japan.

He called the visit "a defining moment for a solid and strategic partnership" between the two countries. Building the partnership with Japan relies on "common aspirations and shared values of democracy, adherence to the rule of law and the peaceful settlement of disputes," he added.

"I have declared that I will pursue an independent foreign policy. I want, maybe in the next two years, my country free of the presence of foreign military troops. I want them out", he stated yesterday in Tokyo.

Although Mr. Duterte is emotional and unpredictable in foreign policy, he has quite a clear vision that under his leadership the Philippine aims to build economic alliances with all major Asian powers, especially China, Japan and South Korea.

He claims that the Philippines will pursue an independent foreign policy. Only time will tell.

The Khmer Times, 27 October 2016

Japan's Peace Efforts

After assuming the premiership in December 2012, Prime Minister Shinzo Abe and his administration took a critical step in reforming Japan's security and defence policy.

The changing global environment, and the particularly severe security environment in East Asia, has forced Japan to innovate its defence strategy.

Japan cannot secure its own peace and security by itself and the international community expects Japan to play a more proactive role for peace and stability in the world.

Japan played a critical role in the Cambodian peace process. It was the co-chair of the third committee of the Paris International Conference on Cambodia in July 1989 and hosted the Tokyo Conference on the Peace of Cambodia in June 1990.

Japan dispatched for the first time after the end of World War II its personnel to the UN Transitional Authority in Cambodia from September 1992 to September 1993, such as Japan Self-Defence Forces, civil police, ceasefire monitors and election observers.

In 2013, Japan launched the concept of "proactive contribution to peace," which aims to proactively contribute to securing peace, stability and prosperity of the region and the world based on the principle of international cooperation and rule of law.

The politically controversial legislation for peace and security was approved by the Japanese Diet in September 2015 and took effect in March 2016. The legislation is expected to enable seamless responses to any situations to secure the lives and peaceful livelihood of the Japanese people and enable Japan to contribute more actively to the peace and stability of the international community.

Under the new legislation, Japan is allowed to participate in a wider range of operations under UN peacekeeping operations, including the use of weapons for the defence of mandate, and participate, under certain conditions, in other internationally coordinated efforts for peace and stability outside UN Peacekeeping Operation framework.

The Self-Defence Forces will be able to provide necessary logistics support as well as search and rescue to armed forces of foreign countries, and will be allowed to use weapons to rescue Japanese nationals overseas given the consent of the territorial state and certain other conditions met.

The defence strategy has three basic features. First, there is continuity in Japan's basic posture and orientation in the past 70 years, including a peace-loving nation. Second, Japan continues to enhance the deterrence provided by the Japan-US alliance and deepened trust and cooperative relations with other partners.

Third, Japan is willing to exercise the right of collective self-defence provided the three new conditions are met.

The three new requirements for “use of force” as measures for self-defence are: (a) when an armed attack against Japan occurs or when an armed attack against a foreign country that is in close relationship with Japan occurs and as a result threatens Japan’s survival and poses a clear danger to fundamentally overturn people’s right to life, liberty and pursuit of happiness, (b) when there is no other appropriate means available to repel the attack and ensure Japan’s survival and protects its people, (c) the use of force is limited to the minimum extent necessary.

In terms of maritime security in the Asia-Pacific, Japan has remarkably strengthened its maritime capability. The number of major units and equipment for the Maritime Self-Defence Forces has increased relatively significantly.

On the South China Sea issue, Japan has taken a proactive approach. In the remarks at the Shangri-La Dialogue in 2014, Prime Minister Abe laid out three principles on the rule of law at sea.

First, states shall make and clarify their claims based on international law. Second, states shall not use force or coercion in trying to drive their claims. Third, states shall seek to settle disputes by peaceful means.

Japan will continue to cooperate closely with the US and other strategic partners in the effort to maintain peace and stability in the region. Japan has actively supported capacity building of the coastal states, especially the Philippines and Vietnam, as well as joint exercises with partners such as the US and the Philippines.

Asean is one of the strategic partners of Japan in implementing its robust defence and security policy. Japan expects Asean to play a leading role in promoting a rules-based and trust-driven regional order in East Asia and beyond.

Unity and consensus are therefore necessary to prove the security and strategic relevance of Asean.

While the probability of large-scale military conflict remains low, the security environment in East Asia has become more severe. Security challenges and destabilizing factors are too diverse and widespread for a single country to address alone.

International cooperation is the foundation of peace and stability.

The Khmer Times, 2 November 2016

World Order Under Stress

In a result that stunned the whole world, Donald Trump has been elected as the 45th President of the United States, defeating the more favoured Democrat nominee Hillary Clinton.

Mr. Trump's victory signified rising nationalist populism, not only in the US, but also in other parts of the world. It also challenges the liberal world order based on democratic values, economic openness and the rules-based international economic system.

From Brexit to Mr. Trump's victory, there is one thing in common, and that is the increasing frustration against the old establishment driven by political elites. Many wishes to see a different type of leadership and are hoping for change.

We are living in a highly unpredictable and uncertain world. We need to think the unthinkable and be prepared to adapt to unexpected changes. Those who can grasp the opportunities deriving from a crisis and uncertainty will remain competitive.

The bipolar world established after World War II was replaced by a unipolar world in which the US played a hegemonic power.

However, the US' power has been declining since the world economic crisis in 2008. Over the past decade, the rise of others such as China, India and Russia has challenged the global role of the US from economic to security domains.

We are now entering either a multipolar world or zero-polar world. Under the multipolar world, there are multiple actors and stakeholders working together to shape and construct global governance and order.

In a zero-polar world, there will be no country taking a global leadership role. The major powers will become more nationalist and inward looking. Selfish national interests and zero-sum games will dominate international politics.

If this happens the world will become fragmented and chaotic. Global uncertainties and risks are going to rise. No country will be willing and able to take a global leadership role to maintain world peace and order.

The US is great nation largely thanks to democratic pluralism, multiculturalism as well as an open and liberal globalization which has provided tremendous opportunities for Americans. It has successfully integrated itself into and largely benefitted from the rest of the world.

Now it is different. Mr. Trump seems to be opting for a more nationalistic, protectionist and inward-looking foreign policy. His populist political rhetoric will adversely affect the liberal order created by the US seven decades ago.

Mr. Trump lacks a robust foreign policy. He seems to mainly focus on populist domestic social and economic issues. Global issues such as climate change will not be addressed effectively

without a strong US leadership role.

It is predicted that the US' global role will further decline, which in turn will create a global power vacuum and a deep hole in global governance.

China, Japan, India and Russia are expected to fill the gap and play a more proactive role in maintaining global peace and order. However, these countries are still struggling with their own domestic issues.

In the Asia-Pacific region, the US has been the hub of regional peace and order. Since 2010, the US has introduced and implemented its “rebalance” or “pivot” to Asia to strengthen its alliance system, promote economic integration and deepen people-to-people ties.

President Barack Obama has had a strong interest in promoting the US' role in the Asia-Pacific. He has committed to strengthening an Asean-led regional architecture.

The US-led Trans-Pacific Partnership is a crucial US external economic policy towards Asia. However, it has an extremely low chance of ratification under the future administration.

Under Mr. Trump's leadership, the US will be less engaged in Asia. In such a scenario, China will gain more strategic advantages in leveraging its regional influence.

US allies in Asia will be forced to invest more in the defence sector in their collective deterrence strategy. Japan, South Korea and Australia will speed up their defence modernization.

The new world order as well as the Asia-Pacific order will go through critical tests, uncertain power diffusion and transition as well as a severe security environment.

As we live in a world with high uncertainty and risk, leaders need to be equipped with the capacity to think the unthinkable, have the courage to change and create a safe space for institutional innovation and transformative leadership.

It is a wake-up call for world leaders to reconstruct the world economy so it is more inclusive and sustainable. Unless fair and just industrialization, and social justice, are respected, the prospect of global disintegration and fragmentation will continue to haunt the world.

The Khmer Times, 16 November 2016

Japan and Electoral Reform in Cambodia

Japan's foreign policy, under the leadership of Prime Minister Shinzo Abe, has been more robust and assertive, through deep linkages between economic diplomacy and strategic and political interests.

Japan has also started implementing a values-based diplomacy by focusing on democracy and human rights.

Stating that “expanding support for countries that share strategic interests and the universal values of freedom and democracy with Japan is crucial in attaining a free, prosperous and stable international community with the goal of securing peace and stability in developing countries,” Japan's White Paper on Official Development Assistance in 2012, released in 2013, enshrined democracy support as a crucial principle of the country's foreign development support and engagement.

Cambodia is the first country Japan actively involves in democratization, particularly through electoral reform and institutional capacity building. The Cambodian government seems to trust Japan more than other countries in democratic reforms given shared understanding of Asian values.

Upon the request of Prime Minister Hun Sen in 2013, Japan positively and quickly responded with support to reform the electoral system by providing technical and financial assistance to the National Election Committee (NEC).

After the Paris Peace Agreement in 1991, Cambodians from different political and ideological orientations came together to reconstruct the war-torn country with the introduction of a liberal democratic political system.

Democracy is believed to be the foundation of peace, stability and development. However, democratization is a long, complex process. Democracy will fail if the people fail to understand and practice the core values of democracy.

Social cohesion, political consensus, institution building, responsible leadership, citizenship, people empowerment and public participation are indispensable elements in democratic consolidation.

Cambodian democracy remains fragile due to the lack of a strong and resilient democratic institution. Over-personalized politics, zero-sum political game, political polarization and irresponsible public manipulation have been threatening the very foundation of democracy.

Although five general elections had been organized since the UN-supervised 1993 election, Cambodia has grappled with post-election political crisis or deadlock.

Election irregularities were the main issues used by the losing parties to protest against the winning parties. Normally, power bargaining and sharing between political parties led to post-

election political reconciliation and settlement.

In the aftermath of the 2013 election, the power-sharing arrangement between the Cambodian People's Party and the Cambodia National Rescue Party was short-lived.

Deep political distrust between the two leaders of the two parties prevents the two parties from reaching any meaningful and fruitful political negotiation.

Uncertainty and risks are high ahead of the upcoming elections, which are predicted to be the most competitive race between the two main political rivals. There have been questions raised in relation to whether the upcoming elections will be fair and inclusive. The most puzzling question is whether a power transition, should there be any, would be peaceful.

The international community is pinning its hopes that through free, fair and inclusive elections, Cambodia will be able to maintain political stability and continue to prosper.

Japan and the European Union are the two main donors in electoral reforms. Japan supports the NEC in three areas: voter registration, the improvement of electoral procedures and the enforcement of voter awareness and education activities.

So far, the voter registration system has been smoothly carried out with a computerized system, with more than 74 percent of the electorate registered.

With the improvement of the organizational structure and technical system, the NEC will be able to perform much better than before. There will be no legitimate reason for any political party to protest the election results, so the post-election political crisis or deadlock will be avoided.

Should electoral reform in Cambodia prove to be a success story, Japan will continue expanding its values-based diplomacy to other parts of the world, like what Japan has done with regards to peacekeeping operations.

Personal interest and dedication to human rights and democracy by the former Japanese ambassador to Cambodia, Yuji Kumamaru, also contributes to promoting Japan's image and role in strengthening democracy in the Kingdom.

"Reforming the election system, along with the NEC demonstrating independence and neutrality, is a prerequisite for increasing trust and confidence of people and for all the political parties and candidates competing in the election freely and fairly," Mr. Kumamaru said on August 18.

"It is hardly necessary to point out that every step of the election processes needs to be as open and inclusive as possible," he added.

The Khmer Times, 21 November 2016

Trump and Foreign Policy

Having neither a portfolio in the government nor military, and against all the odds, Donald Trump was elected into the White House. Foreign policy reorientation is one of the priorities of President-elect Trump.

As a list of new cabinet members is being sorted out and set up, a new foreign policy team will play a critical role in positioning the US's place in the world.

Guided by the political dictum of "Make America Great Again" and "Putting America First," Mr. Trump seems to have the intention of reversing the US's foreign policy from outward looking to inward looking, from globalism to nationalism, and is expected to pursue American interests narrowly and unilaterally.

Across the world, there are many doubts, anxiety and criticism of Mr. Trump's foreign policy reorientation.

Thomas Wright, a Brookings Institution scholar, argues that Mr. Trump's world views are oriented towards "opposition to America's alliance relationships; opposition to free trade; and support for authoritarianism."

From Europe to Asia, leaders and observers alike are cautious of the future global role of the US. The American core values and ideals of liberalism, human rights and democracy are under unprecedented scrutiny.

EU president Jean Claude Juncker warned that Mr. Trump's election has placed America's relationship with Europe at risk. "The election of Trump poses the risk of upsetting intercontinental relations in their foundation and in their structure," he said.

Preliminary assumptions on Mr. Trump's foreign policy orientation have been made. First, economic nationalism or mercantilism will be the guiding principle of Mr. Trump's external economic policy, which aims to augment US economic power at the expense of national economic rivals.

Multilateral free trade arrangements such as the North American Free Trade Agreement (NAFTA) and the newly concluded Trans-Pacific Partnership (TPP) will be disrupted under Mr. Trump's administration.

Mr. Trump has repeatedly called NAFTA the "worst trade deal in history" and promised not to ratify a gold standard TPP, which is a signature foreign trade policy of President Barack Obama in the US' rebalance strategy towards Asia.

The economic tensions between the US and China are likely going to rise. Mr. Trump has coined China as "a currency manipulator" and "the greatest theft in the history of the world" and accused China of "raping" America.

In such an interconnected and interdependent world, economic protectionism and isolationism will generate a lose-lose scenario. The US economy will be critically hurt if it shuts its door and reverses its currently open and liberal economic system.

A US-China confrontation would be a disaster for the world.

“Turning his trade-bashing campaign talks into actual policies could dash any hope that the Asia-Pacific will finally have its much-wanted free trade deal,” said a commentary in China’s official Xinhua news agency on Friday.

Second, the alliance system, which was established after World War II with the aim of building a post-war international order under the leadership of the US as a hegemonic power, may wither under Mr. Trump’s rule.

It will be a long-term security and strategic cost for the US if it opts for destroying the alliance system.

Mr. Trump has called for the US treaty allies to pay more for the security umbrella provided by the US, otherwise he would consider withdrawing US troops.

If such a policy is translated into action, US allies from Europe to Asia will be forced to invest more in their defense modernization, which in turn may lead to a new arms race. Unnerved by Mr. Trump’s rhetoric, Japanese Prime Minister Shinzo Abe managed to make a trip to New York to meet Mr. Trump to seek clarification and assurance. After the meeting, Mr. Abe told reporters that the dialogue was “candid” and he hoped that “the relationship of trust” between the two countries will be maintained.

Third, the US will be focusing on bilateralism rather than multilateralism, less actively engaging in promoting and strengthening multilateral institutions, including upholding rules-based international order.

Bilahari Kausikan, Ambassador-At-Large at the Ministry of Foreign Affairs of Singapore, said: “The emphasis of a Trump administration’s Southeast Asia diplomacy will be more bilateral than regional.”

Global collective efforts in dealing with climate change will significantly slow down without strong support from the US. Mr. Trump has said that he would “cancel” the Paris climate agreement reached last year.

The wishful thinking on Mr. Trump’s foreign policy is that he would opt for a pragmatist and globalist foreign agenda.

“It is to be hoped that Mr. Trump’s election rhetoric will be substantially discounted with a more pragmatic policy agenda, including US engagement with Asean,” wrote Moe Thuzar, the lead researcher at the Asean Studies Center at the ISEAS-YusofIshak Institute.

The Khmer Times, 23 November 2016

About the Authors



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in track-two diplomacy in the region. Vannarith was honored a Young Global Leader by the World Economic Forum in 2013 and a World Cities Summit Young Leader in 2014. Vannarith received his PhD in Asia Pacific Studies from the Ritsumeikan Asia Pacific University, Masters in International Relations from the International University of Japan and Graduate Certificate in Leadership from the East West Center in Hawaii.

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