

Southeast Asia from the Corner of 18th & K Streets

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Governance in ASEAN: The Next Generation

ERNEST BOWER

Ernest Z. Bower is the senior adviser and director of the Southeast Asia Program and Pacific Partners Programs at the Center for Strategic and International Studies in Washington, D.C.

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This week in Hanoi, the former head of Vietnam's state audit agency, Vu Dinh Hue, will be named the country's new finance minister. The message to Vietnam's state-owned enterprises and ministries with bloated budgets is clear: there is a new sheriff in town, and he has access to all the numbers. His marching orders from the Communist Party Central Committee appear to include stabilizing the macro economy and starting to clean house to ensure there are no more high-profile collapses of major state-owned companies like the shipbuilder Vinashin.

Vietnam's cabinet will shrink from 26 ministers to 22. Roughly two-thirds of the cabinet will be new ministers, most of whom are well prepared for their new roles as former deputy ministers or ministers in other ministries. While the dominant narrative is continuity of policy, the subplot is change, reform, and responsiveness.

What is happening in Vietnam is also taking place around Southeast Asia. ASEAN's governments are finding themselves in a new era. The days of the great leaders who forged nations with fast-developing economies from post-colonial, commodity-driven regimes are fading. The new reality is dominated by voters empowered by economic growth, with access to technology, increasingly urbanized, and demanding better governance from their political leaders.

Thailand's newly elected Parliament will confirm Yingluck Shinawatra as prime minister this week and a new cabinet will be chosen ahead of the

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birthday celebrations for Queen Sirikit on August 12. Real political change was enacted by Thailand's citizens at the ballot box on July 3. It is likely that Thais will watch the new government closely and judge it on results.

This is also the case in Singapore and Malaysia, where incumbent ruling parties were shocked by historic numbers of votes cast for opposition parties in elections held last May and in March 2008, respectively. The elections sent messages about responsiveness and the need to address voters' priorities. As a result, new Singaporean cabinet members say they will be more attentive to constituencies and hold "our ears to the ground," even to the point of reducing time spent outside of the country.

Malaysian prime minister Najib Razak, his UMNO party, and the Barisan Nasional ruling coalition felt the sting of perceived stagnation on political reforms in the recent Bersih 2.0 protests in Kuala Lumpur. Citizens demanding electoral reform are seeking more from the government, and national general elections must be held by early 2013.

Philippine president Benigno "Noy" Aquino III was literally conscripted to run for office by Filipinos hungry for political and economic reforms and fed up with rampant corruption. His platform was mandated by a wave of public disapproval of the previous Arroyo government. Aquino's historic approval ratings dipped after he was elected and did not rise again until he started to demonstrate some tangible evidence that his government would go after senior corrupt officials.

In Indonesia, there are legitimate concerns about the strength of relatively new and weak institutions ahead of the 2014 national elections. Indonesians perceive, perhaps rightly, that some former reformers, having been voted into office, have sought to slow the momentum of the reform movement to protect their interests and consolidate gains. Champions of good governance such as former finance minister Sri Mulyani Indrawati were apparently chased out of office—and even out of the country—by forces resisting change. The quintessential question for Indonesian democracy is whether the country's leaders are watching these trends and what messages voters will send at the ballot box in three years.

Governance trends in ASEAN are not linear and they cannot be applied generally across borders. Witness the horrible case of Burma, whose governance is consistently considered among the world's worst. However, ASEAN's growing middle class, now estimated at nearly 100 million strong, is

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making its voice heard. That trend is one that is strengthening ASEAN itself.

Indonesia, as the chair of ASEAN, exemplified the grouping's new confidence during the recent ASEAN Regional Forum in Bali by not turning away from tabling sensitive issues such as maritime security in the South China Sea, governance in Burma, and North Korea's nuclear intentions. As ASEAN's members strengthen their governance, ASEAN becomes stronger and more stable. This fact augurs well for the development of new ASEAN-based regional security and economic architecture.

The United States should recognize that governance trends in ASEAN have not been imported. They were born, were engendered, and will be protected by citizens of each country. Supporting those trends humbly—is there any other option after the debacle of the destructive partisanship displayed in Washington over the debt ceiling debate during the last two weeks?—will make good foreign policy and support U.S. interests in the region and Asia generally.

ASEAN's governance models are evolving. That fact is illuminated by the case of Vietnam's newly minted finance minister. He will have a bright political future if he can rein in inflation and enact effective controls while “corporatizing” his country's massive state-owned enterprises. However, if he cannot make those changes, he is not likely to be in the cabinet at the end of the government's five-year term.

This commentary was published earlier on the CSIS Asia Policy Blog, cogitASIA. Be sure to [visit the blog](#), and subscribe via [email](#) or [RSS](#), to ensure you receive the most up-to-the-minute analysis of developments from the region.

The Week That Was



Leaders at the 18th ASEAN Regional Forum retreat session in Bali. At the ARF summit, participants agreed on guidelines for a code of conduct to resolve the South China Sea disputes. state.gov/img/11/44886/D30_600_1.jpg

ASEAN REGIONAL FORUM (ARF)

- **ARF meetings held in Bali.** Foreign ministers from 27 Asia-Pacific countries, including the 10 ASEAN member nations, the United States, and China, met in Bali, Indonesia, for the eighteenth ASEAN Regional Forum (ARF) meetings July 16–23. The participants drew up guidelines to develop a binding Code of Conduct to resolve the South China Sea disputes. Foreign Minister Marty Natalegawa of Indonesia said that “the region is safer now than before the meeting.”
- **Secretary of State Hillary Clinton joined the meetings,** maintaining her perfect attendance record for the series of ASEAN meetings that lead up to the annual ASEAN summit. Privately, ministers and senior officials noted a significant change in the tone and substance of the ARF meetings from more pro forma to substantive. Indonesia’s role as chair built on a strong performance by Vietnam last year. ASEAN is now seen as more focused on Asia’s priority issues, even those deemed sensitive. To underscore this point, the ARF dialogue this year tackled Burma, North Korea, and maritime security in the South China Sea.
- **Participants also appreciated the results of U.S.–China diplomatic efforts** to address issues and concerns, including the South China Sea, ahead of the ARF. Those efforts, as well as the ASEAN-China meetings moving toward a Code of Conduct, produced a cooperative narrative for this year’s meeting and laid the groundwork for substantive discussions by leaders at the East Asia Summit (EAS) in Bali in November.

EAST ASIA SUMMIT (EAS)

- **Del Rosario and Clinton support inclusion of maritime security on EAS agenda.** At the July 22–July 23 EAS ministerial meeting in Bali, Indonesia, Philippine foreign affairs secretary Albert del Rosario and U.S. secretary of state Hillary Clinton agreed that nonproliferation, disaster management, and maritime security should top the agenda at the sixth EAS leaders’ meeting in November. Secretary del Rosario also stressed that, despite opposition from China, the tensions in the South China Sea will be on the agenda.



U.S. secretary of state Hillary Clinton with Chinese foreign minister Yang Jiechi. The two leaders met in Bali on the sidelines of the 18th ASEAN Regional Forum meetings. flickr.com/photos/us-pacific-command/5965700952/

SOUTH CHINA SEA

- **China warns United States not to interfere in South China Sea dispute.** Chinese foreign minister Yang Jiechi warned U.S. secretary of state Hillary Clinton on July 22 not to interfere in the South China Sea territorial disputes, saying that China's territorial claims were not Washington's business. Earlier, Secretary Clinton had welcomed the agreement between China and Southeast Asian countries on guidelines to reduce tension in the sea. The two leaders met in Bali one day before the close of the ASEAN Regional Forum meetings. China also told the ARF participants that it would allow freedom of navigation through the South China Sea, a position that assumes Chinese sovereignty over those waters. One-third to one-half of world trade tonnage passes through the South China Sea.

- **U.S. and Indonesia urge follow-up by China and ASEAN countries on South China Sea resolution guidelines.** On July 24, four days after China and the ASEAN countries signed an agreement on a preliminary set of guidelines to address the South China Sea dispute, U.S. secretary of state Hillary Clinton and Indonesian foreign minister Marty Natalegawa called for the agreement to be followed up with concrete action. Secretary Clinton urged ASEAN and China to quickly draw up an actual Code of Conduct that would prevent conflict in the disputed maritime region. The ASEAN-China agreement is an eight-point document that expresses intent to move to specific implementing guidelines, but does not define the guidelines or bind countries to them.

APEC/TPP

- **Clinton lays out U.S. economic agenda for Asia.** Secretary of State Hillary Clinton called on Asian governments to compete fairly in international markets in a speech in Hong Kong on July 25. Clinton urged the governments to protect intellectual property rights and not to provide unfair advantages to state-owned enterprises. She also voiced her support for furthering regional economic integration through groupings such as the Asia-Pacific Economic Cooperation (APEC) forum. The United States will host the APEC leaders' summit in Hawaii in November. Clinton's speech underlines U.S. intentions to focus regional economic integration efforts through APEC and the Trans-Pacific Partnership (TPP), while employing the East Asia Summit as the primary political and security regional architecture.

THAILAND

- **Thailand's Election Commission approves new Parliament.** Crown Prince Maha Vajiralongkorn officially opened Thailand's new Parliament on August 1. The 500-seat lower house convened the next day to elect the House Speaker and two deputies. The ruling Puea Thai Party unanimously voted for Sansak Kiartsuranon as House Speaker and Parliament president and for Charoen Chankomol and Wisut Chainaroon as first and second deputy House Speakers respectively. The House is expected to formally choose Yingluck Shinawatra as prime minister by early next week. A new cabinet is expected to be announced ahead of the celebration of Her Majesty the Queen's birthday on August 12.

- **Thailand's Crown Prince to pay \$28.4 million bond to release private jet seized in Germany.** On July 31, Crown Prince Vajiralongkorn pledged to pay Germany \$28.4 million from his personal funds to secure the release of his private jet. German authorities confiscated the plane, which was passing through Munich, to try and force Thailand to pay an outstanding debt of \$43.4 million claimed by a German construction firm. The Thai government refused, claiming the jet is the personal property of the Crown Prince. The pledge is intended to maintain a good relationship between Thailand and Germany.

VIETNAM

- **Vietnam selects new leaders.** Vietnam's new National Assembly, which was elected in May, began its first session on July 21 and appointed the country's new leadership lineup. Nguyen Tan Dung was elected to a second term as prime minister, Nguyen Sinh Hung became the new chairman of the increasingly assertive National Assembly, and Truong Tan Sang, formerly a member of the Standing Committee of the Communist Party and its number two leader, was chosen as president. Prime Minister Dung's election suggests the government will continue its pro-growth economic policies and continue to welcome foreign investment. In addition, the National Assembly named new chairs for key committees. A new cabinet will be announced this week in Hanoi. For detailed CSIS analysis of Vietnam's new leadership and its implications, see CSIS Southeast Asia Program director Ernie Bower's [post](#) on our Asian affairs blog, *cogitASIA*.

- **Confirmation of new U.S. ambassador to Vietnam remains on hold.** Senator Mary Landrieu joined Senator Marco Rubio in placing a hold on the confirmation of Deputy Assistant Secretary of State David Shear



The Thai parliament building in Bangkok. Thailand's Parliament reopened on July 25, and Yingluck Shinawatra was sworn in as prime minister. flickr.com/photos/triblondon/417530984/



Vietnam's prime minister Nguyen Tan Dung. The National Assembly elected him to a second term in July. flickr.com/photos/worldeconomicforum/4673677768/

as ambassador to Vietnam. Senator Richard Lugar had initially placed the hold from April 15 to May 17. The hold is due to Senate frustration that U.S. consular officials have held up the cases of 16 U.S. families who are unable to bring home their adopted Vietnamese children. A bilateral U.S.-Vietnamese adoption treaty expired in 2008. Critics say the State Department's handling of these children has been inconsistent and ineffective.

- **Vietnamese priest rearrested despite poor health.** Vietnamese authorities imprisoned Catholic priest and democracy activist Nguyen Van Ly on July 25. Ly had been sentenced to eight years in prison in 2007 for antigovernment propaganda, but was released in March 2010 due to ill health. He suffered a series of strokes in 2009 and is said to have a brain tumor. Ly has continued to call for multiparty elections. The United States and a number of human rights organizations have called for Ly's release.

- **Former South Vietnamese prime minister dies at age 81.** Nguyen Cao Ky, who served as prime minister of South Vietnam from 1965 to 1967 and as vice president until 1971, died in Malaysia on July 23 at the age of 81. Ky fled to the United States after Communist forces overran Saigon in 1975 and remained an outspoken anti-Communist campaigner for decades. He became the first former South Vietnamese official to revisit unified Vietnam in 2004 and abandoned his anti-Communist rhetoric in favor of a message of reconciliation.

BURMA

- **Aung San Suu Kyi holds meeting with government minister.** Aung San Suu Kyi met with Labor Minister Aung Mye Thein on July 25 in her first contact with a minister of the new government. Both participants described the dialogue as "positive" and agreed to meet again. Observers hope that the meeting indicates a softening of the government's position toward the opposition leader. In another promising sign, on July 26 several leading Burmese papers were permitted to carry front-page photographs of Suu Kyi for the first time in years.

- **Burma preparing to chair ASEAN in 2014.** Burma has established a 20-person committee led by Foreign Affairs Minister Wunna Maung Lwin to head preparations for its possible chairmanship of ASEAN in 2014. Burma petitioned to assume the 2014 chair at the ASEAN summit in May, but the group decided to put off a decision. On the sidelines of the ARF meetings, held July 16-23, Indonesian foreign minister Marty Natalegawa

Burmese opposition leader Aung San Suu Kyi, who held her first meeting with a minister of the new government on July 25.
flickr.com/photos/ennor/170495535/



said that the other member states are watching Burma's domestic politics and have not yet reached a decision. The United States has indicated that unless major political reforms are enacted, it will view Burma's chairmanship in 2014 as unworkable.

- **Report links foreign investment in natural resources to conflict.**

The Burma Environmental Working Group, an umbrella organization of Burmese NGOs, [released a report](#) on July 25 linking rising foreign investment in Burma's natural resources, especially hydropower, to the government's conflict with the country's minorities. The report singles out China, India, and Thailand as significant investors and cites recent fighting between Burma's military and the Kachin independence forces as an example. It urges a halt to current and future foreign investment until measures are taken to ensure sustainable development and fair participation in the projects by the country's ethnic minorities.

AUSTRALIA

- **AUSMIN to be held in San Francisco in September.** The annual Australia-United States Ministerial Meeting (AUSMIN) will be held in San Francisco in September this year. The meeting will mark the 60th anniversary of the U.S.-Australia security alliance. At the meeting, the United States may announce plans to increase its military presence at Australian defense facilities. Australian minister for defense Stephen Smith met with U.S. secretary of defense Leon Panetta in Washington, D.C., on July 27 to discuss the issue.

- **Australia's carbon tax may cost coal industry \$8.7 billion.** According to a report by Wood Mackenzie Ltd., a consultancy, Prime Minister Julia Gillard's planned carbon tax could reduce the value of Australia's coal industry by a total of US\$8.7 billion. The tax will affect different companies differently, with firms involved in gassy underground mining such as Caledon Resources hit hardest. Prime Minister Gillard plans to charge mining companies an initial US\$25 per ton of carbon dioxide emissions beginning in July 2012 before moving to an emissions trading system by 2015. Click [here](#) to read the highlights from the report.

- **NEW ZEALAND**

- **Prime Minister John Key meets President Obama in Washington.** Prime Minister John Key visited Washington, D.C., July 21-22, where he met with U.S. president Barack Obama. Their talks covered Afghanistan,

Coal mines in Australia. A report by Wood Mackenzie Ltd. warns that Prime Minister Gillard's carbon tax will hurt Australia's coal industry. flickr.com/photos/skytruth/4322736136/





U.S. president Barack Obama and New Zealand prime minister John Key. Prime Minister Key visited Washington, D.C., where he met with President Obama and attended the launch of CSIS's Pacific Partners Initiative. flickr.com/photos/us_embassy_newzealand/5964372379/

economic issues, and the Trans-Pacific Partnership trade negotiations. Key said that he got everything he wanted out of his visit and referred to the United States as a “strategic partner.”

- **CSIS launches Pacific Partners Initiative.** CSIS convened a high-level policy discussion with Prime Minister John Key at Blair House while he was in Washington, which culminated in the launch of CSIS's Pacific Partnership Initiative on July 22. Former U.S. national security advisor Brent Scowcroft chaired the session. The initiative is the first forum by a Washington-based think tank to provide a sustained high-level policy focus on Australia, New Zealand, and the Pacific Island countries. It will be led by Ernest Bower, CSIS senior adviser for Southeast Asia, and Michael Green, CSIS senior adviser and Japan Chair and former National Security Council senior director for Asia. For more information on the initiative, please click [here](#). You can also visit our new [Facebook](#) page for the Pacific Partners initiative. (Existing Twitter link seems dead; will look into this later)

- **U.S. Marines to visit New Zealand.** The United States has accepted an invitation for U.S. Marines to visit New Zealand for the first time in 25 years. The move is a symbolic “thank you” for New Zealand's support for the United States during World War II. U.S. Marines first landed in New Zealand to fight to protect the country 75 years ago.

- **New Zealand growth accelerating despite sluggish global economy.** Westpac, an Australian bank, predicted that New Zealand's economy will continue growing despite the sluggish global economy. The bank predicted that low interest rates, high commodity prices, a strong New Zealand dollar, and increasing consumer confidence will help boost economic growth in New Zealand. The report noted that the Christchurch earthquakes caused less economic disruption than was originally assumed.

MALAYSIA

- **Malaysia's prime minister faces political pressure; may call elections in 2013.** In response to criticism following Malaysia's crackdown on the July 9 Bersih rally, which called for fair elections, Prime Minister Najib Razak warned in a speech on July 27 that the country was under threat from the “colonization of the mind. Malaysia's Electoral Commission insisted that Malaysia's voting system was transparent, although it is “seriously considering” a longer campaign period. The aftermath of the Bersih rally and the upcoming trial of Anwar Ibrahim on August 8 are both placing pressure on Najib to call general elections by early 2013.

- **Australia and Malaysia sign “refugee-swap” deal.** Australia and Malaysia signed a “refugee-swap” agreement on July 25. Over the next four years, Australia will send 800 asylum seekers to Malaysia in return for taking 4,000 others from Malaysia. Australia hopes the deal will stem the flow of refugees to its shores. Although rights groups in both countries opposed the agreement, Malaysia’s Home minister Hishamuddin Hussein promised that Malaysia would treat asylum seekers according to the standards of the United Nations Refugee Convention.

- **Malaysian Anti-Corruption Commission (MACC) suspends officers over suicide scandal.** The MACC suspended three of its officers after a Royal Commission of Inquiry (RCI) accused them of driving Teoh Beng Hock, an aide to an opposition member of Parliament, to commit suicide in July 2009. The commission concluded that Teoh killed himself after “aggressive, relentless, oppressive, and unscrupulous interrogation” over an alleged graft case. The incident has sparked controversy about the agency’s heavy-handed tactics, and Prime Minister Najib Razak said that it should not use its power “arbitrarily.” You can read the full RCI commission report [here](#).

MEKONG DELTA

- **Hillary Clinton leads Lower Mekong Initiative Ministerial Meeting in Bali.** U.S. secretary of state Hillary Clinton chaired the Third Lower Mekong-U.S. Ministerial Meeting in Bali, Indonesia, on July 22. The meeting involved the four Lower Mekong countries—Cambodia, Laos, Thailand, and Vietnam. The participants agreed on the U.S. initiative to invite more partners, including Japan, the Republic of Korea, Australia, New Zealand, the European Union, and the Asian Development Bank, to join the Friends of the Lower Mekong (FLM) group.

- **Clinton praises Laos for suspending Xayaburi dam construction.** U.S. secretary of state Hillary Clinton praised Laos for suspending the \$3.5 billion construction of the controversial Xayaburi dam across the Mekong River, lauding the country for taking a “forward-leaning position” on the issue. Despite its hopes that revenue from the project would boost the country’s economy, the government halted the project pending an expert review on the environmental impact of the dam.

- **GE wins contract to supply wind farm in Vietnam’s Mekong Delta.** GE Energy announced on July 21 that it won a contract to supply 10 wind turbines to Vietnamese developer Cong Ly Company, which is building the first wind farm in Vietnam’s Mekong Delta. The Bac Lieu Wind Farm project, which is located on the southern edge of the Mekong Delta, will



Wind turbines. GE Energy will supply 10 wind turbines to the first Vietnamese wind farm on the Mekong Delta. flickr.com/photos/

have a generation capacity of 16 megawatts when it is completed early next year. The project will help Vietnam diversify its renewable energy supplies away from hydropower, which provides almost 36 percent of the country's electricity.

- **Japan pledges more than \$5 billion to Mekong nations.** Japan announced at the fourth meeting of the foreign ministers of the Mekong countries and Japan on July 21 that it will provide more than US\$5 billion to the Mekong nations over three years to implement projects within the Mekong-Japan cooperation framework. Japan's foreign minister Tateaki Matsumoto chaired the meeting, which was attended by the foreign ministers of Vietnam, Cambodia, Laos, Burma, and Thailand

PHILIPPINES

- **Aquino stands firm on corruption and South China Sea in State of the Nation address.** In his second State of the Nation address on July 26, President Aquino pledged to continue his "personal" fight against corruption. He cited his anticorruption campaign and his efforts to reduce government spending as the main causes for the Philippines' recent economic growth and debt ratings increases. He also said that "we will defend what is ours" in the disputed Reed Bank in the South China Sea. See CSIS's detailed analysis of President Aquino's State of the Nation address [here](#).
- **Congress bans enforced disappearances as Human Rights Watch says abuses continue.** The Philippine Senate approved a bill on July 26 banning "enforced disappearances." The military has drawn international condemnation in the past for abducting and secretly imprisoning left-wing activists and journalists. The Aquino administration has promised to end the practice, along with extrajudicial killings; however, a recent Human Rights Watch report alleges the abuses have continued.
- **Increasing inflation and trade deficit lead to negative economic outlook.** According to the National Statistical Coordination Board, the Philippine economy grew by 4.9 percent in the first two quarters of 2011, down from 8.4 percent in the same period in 2010. This decrease is due to rising inflation, a worsening trade deficit, and reduced government spending. The World Bank predicts that economic growth in the second half of the year will increase slightly.

Video: Douglas Ramage on the Future of Indonesian Reform

By Aaron L. Connelly

Douglas Ramage, who now advises AusAID but was for many years the Asia Foundation's chief representative in Jakarta, was at CSIS on Friday to speak about governance challenges in Indonesia. Ramage is one of the most eloquent and insightful analysts of Indonesian politics, and we were happy to host him. Below, he explains that Indonesia has made great democratic gains over the past decade, but faces challenges to the consolidation of those gains:



To view, click [here](#) to continue on to the CSIS Asia Policy Blog, cogitASIA. Be sure to [visit the blog](#), or subscribe via email or RSS, to ensure you receive the most up-to-the-minute analysis of developments from the region.

INDONESIA

- **Indonesia and the United States hold second joint commission meeting.**

Indonesian foreign minister Marty Natalegawa and U.S. secretary of state Hillary Clinton cochaired the second meeting of the U.S.-Indonesia Joint Commission in Bali on July 24. They reviewed the work by six joint commission working groups in the areas of democracy and civil society, education, climate and environment, trade and investment, security, and energy. The commission is responsible for implementing the U.S.-Indonesia Comprehensive Partnership, which aims to improve bilateral U.S.-Indonesian cooperation. Click [here](#) to read the text of the joint statement released after the meeting.



U.S. secretary of state Hillary Clinton with Indonesian foreign minister Marty Natalegawa at the second meeting of the U.S.-Indonesia Joint Commission in Bali. state.gov/img/11/44888/D30_600_1.jpg

- **President Yudhoyono pledges subsidy cuts to boost infrastructure spending.** President Susilo Bambang Yudhoyono pledged on July 25 to boost spending on infrastructure next year using money saved by cutting subsidies for various programs, including fuel and electricity. The president will explain the new policy in detail during his budget speech on August 17. Economists argue that Indonesia's spending on subsidies has weakened its budget, limiting the government's capacity to spend on infrastructure development.

- **Jakarta's international airport to be upgraded.** Jakarta's Soekarno-Hatta International Airport will be upgraded at a cost of \$1.37 billion. Herry Bhakti Gumay, director-general of aviation transportation at Indonesia's Ministry of Transportation, said that construction will start in 2012 and that Soekarno-Hatta will become a "world-class airport" by 2014. The project includes renovating the terminals and improving the automated transportation system linking the terminals and hotels.

SINGAPORE

- **Monetary Authority of Singapore warns of risks to growth.** Monetary Authority of Singapore (MAS) managing director Ravi Menon forecast at a press conference on July 21 that Singapore's inflation rate for the year would be between 4 and 5 percent, up from previous estimates of 3 to 4 percent. He also predicted that Singapore's economy would expand by 5 to 7 percent this year. In its annual report, released on the same day, the MAS warned of risks from the Eurozone debt crisis and rising inflation in Asia. You can read Menon's speech [here](#). The MAS annual report is available at [this link](#).

- **Chinese vice premier visits Singapore.** China's vice premier Wang Qishan visited Singapore July 26 to July 28 to cochair the Eighth Joint Council for Bilateral Cooperation with Singapore's deputy prime minister Teo Chee Hean. The joint council meetings are held annually to improve bilateral cooperation. The two leaders also held meetings to discuss Sino-Singaporean cooperation in the Chinese cities of Suzhou and Tianjin.

BRUNEI DARUSSALAM

- **International Monetary Fund "highly positive" about Brunei's economy.** The International Monetary Fund's annual report on Brunei was bullish about the country's economy, predicting 3.1 percent GDP growth in 2011. The IMF noted the positive impact of new oil and gas findings and rising



Philippine naval ships in a joint exercise with U.S. Navy ships. ASEAN naval chiefs held their first formal talks in Hanoi and pledged to increase cooperation in light of tensions with China. flickr.com/photos/us-pacific-command/4436109299/

oil prices and praised Brunei's financial sector reforms and its slashing of corporate taxes. However, the report stressed the need to implement economic diversification initiatives to foster long-term economic sustainability. You can read the IMF's public information notice about Brunei's economy [here](#).

ASEAN

- **ASEAN navies seek closer ties.** Southeast Asian naval chiefs held their first formal talks in Hanoi, Vietnam, on July 27. The commander of the Philippine Navy, Vice Admiral Alexander Pama, said the forum was held to "enhance collaboration and cooperation among the ASEAN navies." The participants pledged to increase cooperation amid regional concern about China's increasingly assertive activities in the South China Sea.

CAMBODIA

- **Cambodian PM calls for Thai-Cambodian border withdrawals, three-party talks.** Prime Minister Hun Sen at a press conference on July 22 suggested that Thai and Cambodian armies simultaneously withdraw from the demilitarized zone along their border in accordance with the recent International Court of Justice ruling on disputed territory around the Preah Vihear temple. He said that Cambodia was ready to hold tripartite talks with Thailand and Indonesia and that he looked forward to working with incoming Thai prime minister Yingluck Shinawatra.

LAOS

- **Thailand and Laos agree to cooperate to fight cross-border crime.** Thai and Lao authorities met on July 22 to discuss cross-border problems, including drug and human trafficking, smuggling, and illegal logging. The two sides agreed to cooperate in fighting crime, including the use of joint patrols along their border. Laos also granted permission for Thai authorities to arrest Lao citizens involved in illegal logging on the Thai side of the border and requested that illegal immigrants be prosecuted and repatriated to Laos as quickly as possible.

PAPUA NEW GUINEA (PNG)

- **Sorcery behind half the murders in PNG.** PNG police estimated that about half of all murders in the country are related to sorcery. The National Capital District Metropolitan Commander, Joseph Tondop, called for specific laws to tackle sorcery-related killings, and the government is currently looking to strengthen existing laws.

- **United Nations Special Envoy for Burma Vijay Nambiar to visit Washington.** Vijay Nambiar, the UN Special Envoy for Burma, will visit Washington, D.C. While in Washington, Nambiar, who is also chief of staff to UN Secretary-General Ban Ki-Moon, will hold consultations with U.S. government and congressional officials.
- **The Cloister with Harry Thomas.** The Honorable Harry K. Thomas, U.S. ambassador to the Philippines, will speak at a Cloister briefing at CSIS on August 12. The Cloister is a series of high-level, private, off-the-record meetings following Chatham House rules that give senior statesmen and policymakers the opportunity to discuss a range of policy options, challenges, and new initiatives with top experts. The meetings are by invitation only. For more details, please contact southeastasiaprogram@csis.org.
- **ASEAN Economic Ministers' Meeting in Manado.** The 43rd ASEAN Economic Ministers' Meeting will be held in Manado, Indonesia, from August 9 to 13. Eighteen countries—the 10 ASEAN countries and their 8 dialogue partners, including China and the United States—will participate in the meetings.
- **Banyan Tree Leadership Forum featuring Sri Mulyani Indrawati.** In September, CSIS will host Sri Mulyani Indrawati for a policy speech on trends in governance, finance, and trade in Southeast Asia. Sri Mulyani, who is one of three managing directors at the World Bank, was formerly Indonesia's finance minister. The speech is part of the Banyan Tree Leadership Forum series; the forum is the premier Washington venue for Southeast Asian and U.S. leaders to share their views on vital issues affecting regional and bilateral relations. Further details of the event will be available soon; please e-mail southeastasiaprogram@csis.org to find out more.
- **AUSMIN to be held in San Francisco in September.** The annual Australia-United States Ministerial (AUSMIN) will convene in San Francisco in September. This year's meeting is of particular significance, as it will mark the 60th anniversary of the ANZUS Treaty. The United States is considering increasing its military presence in Australian defense facilities, and these plans could be revealed at the San Francisco meeting.
- **APEC SOM III and related meetings to be held in San Francisco.** The third APEC Senior Officials Meetings (SOM III) will be held in San Francisco from September 11 to September 26, 2011. The meetings will



Looking Ahead

involve working group and committee meetings, public-private forums, and a high-level meeting of transport and energy ministers. The SOM meetings, which are the main meetings of APEC aside from the APEC summit, are attended by 1,000-1,500 delegates from APEC member countries.

- **The Cloister and SAIS book launch with Thant Myint-U.** On September 28, Thant Minh-U, a Burmese writer and historian, will speak at a Cloister briefing at CSIS. The next day, Thant will launch his new book, *Where China meets India: Burma and the New Crossroads of Asia*, at the Johns Hopkins School of Advanced International Studies (SAIS). The book launch will take place at the Bernstein-Offit Building, Room 500, 1717 Massachusetts Ave., N.W., Washington, D.C., from 5:30 to 7:30 p.m. Further details will be available soon.

SOUTHEAST ASIA FROM THE CORNER OF 18TH & K STREETS

CSIS Southeast Asia Program contributors:

Ernest Bower, Senior Adviser and Director

Lie Nathanael Santoso, Intern Scholar

Kheng Swe Lim, Intern Scholar

Greg Poling, Intern Scholar

Rizal Siddik, Intern Scholar

Alexander Vagg, Intern Scholar

Ian Saccomanno, Intern Scholar

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