

Southeast Asia from the Corner of 18th & K Streets

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President Obama Should Invite Myanmar's
President to Visit the Pentagon

MURRAY HIEBERT

Murray Hiebert is senior fellow and deputy director of the Sumitro Chair for Southeast Asia Studies at the Center for Strategic and International Studies in Washington, D.C.

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When Myanmar president Thein Sein visits Washington next week, President Barack Obama should arrange for him to make a trip to the Pentagon. Myanmar is a key member of ASEAN, wedged like a keystone between China, India, and Southeast Asia. This strategic value means that the United States shares with Myanmar an interest in professionalizing that country's military.

Thein Sein, a retired, and by most accounts clean and honest, general-turned-reformer would feel comfortable interacting with senior U.S. military officers and Secretary of Defense Chuck Hagel. U.S. officers could reinforce the administration's thinking about what more Myanmar needs to do to achieve full normalization of relations and restore military-to-military ties between Myanmar and the United States.

Washington has taken tentative steps to engage the Myanmar military since Thein Sein launched his reforms two years ago. Last October, several uniformed military officers, including Lt. Gen. Francis Wiercinski, the commanding general of the U.S. Army in the Pacific, participated in a two-day human rights dialogue in Naypyidaw along with Myanmar military officers. Wiercinski was the first U.S. military officer to visit the country in 25 years.

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U.S. Army Maj. Kathleen Flocke, a family practice doctor, gives a Thai girl an eye exam during a joint health engagement as part of Cobra Gold 2013. For the first time, officers from Myanmar observed two exercises during Cobra Gold, including one on military medicine. <http://www.flickr.com/photos/usasoc/8489485598/>

In February, two Myanmar military officers attended the Cobra Gold military exercises in Thailand, along with soldiers from the United States and 20 other countries, and were allowed to observe two events focused on humanitarian aid and military medicine.

These limited exchanges have set off protests from some human rights groups and members of Congress who think the administration is moving too quickly to normalize relations with those who mounted a brutal crackdown against pro-democracy protestors in 1988, fought with the country's ethnic minorities for five decades, and ravaged the economy during 50 years of misrule. They say the United States needs to be realistic about the extent to which it is possible to influence an army that continues to commit human rights violations, particularly in minority areas.

Others argue that in light of the opening the military has given Thein Sein's quasi-civilian government, the United States ought to step up careful engagement to ensure that the military recognizes the benefits of not seizing power again. They support limited exchanges and training in such areas as human rights, rule of law, democracy, and transparency to help professionalize the military. They hope these encounters would provide opportunities for U.S. officials to tease out what the Myanmar military is looking for in a defense relationship.

Those supporting careful and sequenced military engagement say the United States could work with Myanmar's neighbors to engage the long-isolated military in such forums as the annual Shangri-la Dialogue in Singapore and the biannual ASEAN Defense Ministers' Meeting Plus. The U.S. Pacific Command might also invite some Myanmar officers for exchanges at its Asia-Pacific Center for Security Studies in Hawaii.

More U.S. engagement with the Myanmar military has the solid support of opposition leader Aung San Suu Kyi and the 1988 generation of student leaders who believe this exposure will help officers learn about the benefits of reform. Engaging the military is not a reward for past atrocities and abuses. Instead, it is recognition that if the military is not engaged and reformed, it could remain an obstacle rather than part of the solution to Myanmar's daunting challenges. Importantly, the military's role in the 2015 national elections could determine the future of political and

President Obama Should Invite Myanmar's President to Visit the Pentagon *(continued)*

economic reform. The question is whether the United States should refuse to engage and roll the proverbial dice, or engage and try to support good decision making by Myanmar's military leaders.

Myanmar military officers regularly tell U.S. official and private visitors that they want to expand their foreign contacts beyond China. This provides the United States with a valuable short-term window—a year or two—to influence the military before the government gets too bogged down in tackling the country's problems, which already appears to be getting more difficult. If the United States does not use this opportunity, other actors undoubtedly will step up to fill this space.



President Barack Obama and his Myanmar counterpart, Thein Sein, meet during the former's November 2012 visit to Myanmar. Thein Sein will meet with Obama again on May 20 during his first visit to Washington. <http://commons.wikimedia.org/wiki/File:Obama-thein-sein.jpg>

The United States should move forward with prudence and clear expectations about its military engagement with Myanmar. This would give encouragement to officers who want to follow the example of the Indonesian military, which gradually eased out of politics after the toppling of President Suharto in 1998. Exchanges could help the military recognize that there will be no real political solution to the country's ethnic conflicts until the government considers increased power- and resource-sharing.

Many believe it is much too early to consider a resumption of U.S. International Military Education and Training (IMET) assistance to Myanmar. But one-off exchanges and training courses on subjects such as the rules of war, how to treat civilians, civil-military relations, human rights, peacekeeping, and professionalizing the military could be a good place to start. U.S. military medical experts might explore beginning exchanges or research on how to address drug-resistant malaria, which is a growing health threat in remote areas along Myanmar's northern and western borders with China and Thailand.

Some of these exchanges and training exercises could be done in partnership with countries that do not face the same political sensitivities that Washington does in dealing with Myanmar's military. For starters,



countries in the region like Australia, Indonesia, and Thailand might be ideal partners for launching exchanges with the long-isolated military.

The United States might also explore Track 2 engagement that could include U.S. and Myanmar officers along with representatives of U.S. and third-country think tanks, academics, nongovernmental organizations, and human rights groups.

Reforming the military will take time. Likely, it will require an entire generation for the old guard to move out. But it is important for the United States to start engaging the next generation of officers now. The incentive of expanded ties with the United States and Asian neighbors could help prompt the next generation of military leaders to work to improve their human rights performance.

When China's then-vice premier Xi Jinping visited Washington early last year, he was given a grand welcome and high-level meetings at the Pentagon. Some analysts say this may be a factor in the slight improvement in military-to-military ties between the United States and China since Xi became Communist Party chief and president earlier this year.

A similar invitation should be extended to Thein Sein and his defense minister when they come to Washington. Senior U.S. military officials could speak soldier to soldier about what changes Washington is looking for before it blesses a resumption of full military-to-military relations with Myanmar. An action-for-action road map could be presented about things like the need for increased respect for human rights in conflict areas and progress in moving from cease-fires to political settlements in minority areas. Concrete benchmarks would help Myanmar understand exactly what it needs to do before the U.S. military considers joint military exercises or the resumption of IMET. ■

The Biweekly Update

MALAYSIA

- **Ruling coalition wins elections with smallest margin in history.**

Malaysia's ruling coalition, Barisan Nasional, won the country's May 5 national elections with its smallest margin of parliamentary seats ever, losing the popular vote for the first time. BN won 133 out of 222 seats, down from the 140 seats it won in 2008. The opposition Pakatan Rakyat coalition increased its parliamentary representation to 89 seats. The ruling coalition did, however, increase its control of state assemblies by one, to 10 out of 13 states. The election was the most contested in Malaysian history, with a record turnout of 80 percent.

- **Thousands protest election results despite government ban.** Around 50,000 people ignored a government ban to attend a May 8 opposition rally at a stadium in Kelana Jaya, Selangor State, protesting the results of Malaysia's May 5 elections. No arrests have been made, but Selangor police chief Hisan Hamzah said on May 10 that police found 28 opposition leaders to have violated Malaysia's Sedition Act. The Institute for Democracy and Economic Affairs and the Centre for Public Policy Studies, two independent election observers, [reported on May 8](#) that the polls were only partially free and not fair.



Opposition supporters at a post-election rally in Kelana Jaya, Selangor State. Around 50,000 people attended the rally to protest the governing coalition's narrow victory in May 5 national elections. <http://www.flickr.com/photos/prachatai/8721667093/>

- **Concerns over animal cruelty after government kills nearly 100,000 macaques.** Malaysian authorities killed more than 97,000 macaques in 2012, according to the Department of Wildlife and National Parks, sparking animal cruelty concerns from activists and citizens. Animal rights groups, including the Malaysian Animal Welfare Society, have collected evidence that the killings were inhumane, according to a May 8 *Los Angeles Times* report. Macaques are regularly killed and sometimes chemically castrated as part of pest control programs in urban areas of Malaysia because they often scatter trash and damage rooftops and lampposts.

MYANMAR

- **United States extends Myanmar sanctions, lifts visa ban.** The United States lifted a long-standing ban on visas for Myanmar military leaders on May 2 and extended for another year sanctions prohibiting U.S. firms from doing business with entities in Myanmar deemed to have participated in repression during the previous military junta. The lifting of the visa ban makes hundreds of former Myanmar military leaders and business partners, along with their families eligible for travel to the United States. Rights groups praised the decision to extend sanctions, though many U.S.



Anti-Muslim violence in the central town of Okkan killed two in late April. <http://www.flickr.com/photos/jasontabarias/4089734466/>

businesses argue they should be lifted following similar moves by the European Union and Australia.

- **Thein Sein to make first official U.S. visit.** President Thein Sein will visit Washington on May 20–21 at the invitation of President Barack Obama. The visit, the first by a Myanmar leader since 1966, will include meetings with Obama at the White House on May 20 and with members of Congress. Thein Sein will also attend a reception cohosted by the U.S. Chamber of Commerce and the U.S.-ASEAN Business Council. Officials in both capitals are closely monitoring a cyclone that is expected to make landfall in Bangladesh on May 16, affecting western Myanmar and potentially disrupting Thein Sein's visit.
- **Anti-Muslim violence kills two, destroys hundreds of homes in central Myanmar.** Anti-Muslim violence erupted in the central Myanmar town of Okkan, about 70 miles north of Yangon, on April 30, with Buddhist gangs killing two people and destroying hundreds of homes, shops, and mosques. The violence allegedly started after a Muslim woman knocked away a young monk's alms bowl, breaking its cover. The latest violence highlights continued sectarian tensions in Myanmar and follows deadly clashes in the town of Meiktila in March, which left some 40 people dead.
- **Government revokes former political prisoner's amnesty.** Myanmar officials revoked the amnesty of former political prisoner Nay Myo Zin on May 7, after sentencing him to three months in prison for defaming police officers. Nay Myo Zin allegedly told a group of farmers that police involved in land disputes with them had accepted bribes. He will now have to serve six years of his previously commuted sentence. He was granted amnesty in 2012 as part of a mass release of political prisoners, and the reversal of that decision is the first since Myanmar's civilian government came to power in 2011.
- **Minister of finance replaces powerful head of investment commission.** Myanmar officials announced May 8 that Finance Minister Win Shein had replaced Soe Thane as chairman of the Myanmar Investment Commission. The announcement came as a surprise to many international business leaders and experts who view Soe Thane as a key reformer in President Thein's administration. Soe Thane will continue to oversee economic matters as a minister in the prime minister's office, but the impact his removal will have on investment policy is uncertain. Win Shein is also widely seen as an economic reformer.

INDONESIA

- **Indonesia to buy tanks, armored cars from Germany.** Indonesia will buy 104 used Leopard II tanks and 50 armored carriers from German industrial group Rheinmetall AG. Germany confirmed the sale on May 8 but did not disclose the price of the equipment. Indonesian military officials said in late 2012 that the initial agreement, which was for 130 tanks, would cost \$280 million. The deal follows an announcement earlier in 2013 that Indonesia would buy more than a dozen Russian Sukhoi fighter jets and missile-equipped patrol ships. It is the latest development in Indonesia's drive to modernize its military.
- **Chevron contractor sentenced to jail over bioremediation project.** The Jakarta anticorruption court on May 8 sentenced Ricksy Prematuri, director of Chevron contractor Green Planet, to five years in jail for his alleged role in a botched oil field remediation project in Duri Riau, Sumatra, that cost state coffers \$23.4 million. Four Chevron managers and another contractor remain on trial over similar allegations. The ruling and pending trials cast further uncertainty over Indonesia's regulatory and investment environment, particularly after a court decision late last year to dismantle oil and gas regulator BP Migas.
- **Anti-terror squad faces off with militants suspected in plot to bomb Myanmar embassy.** Detachment 88, Indonesia's elite anti-terror police squad, engaged in a nine-hour shoot-out with suspected terrorists on May 8 that left 7 militants dead and 17 arrested. The suspects are being investigated for plotting to bomb Myanmar's embassy in Indonesia in retaliation for Yangon's treatment of the Muslim Rohingya community. Detachment 88 on May 11 also arrested four men suspected of robbing banks to fund militant activities.
- **Japanese lender to buy stake in major Indonesian bank.** Sumitomo Mitsui Financial Corporation, Japan's third-largest lender, agreed on May 8 to buy 40 percent of Indonesia's seventh-largest bank, PT Bank Tabungan Pensiunan Nasional, for roughly \$1.5 billion. The Japanese company will buy 24 percent of the Indonesian bank for \$937 million and then raise its stake to 40 percent once it receives regulatory approval. The bid is the Japanese lender's largest purchase of a foreign financial firm.
- **Indonesian economic growth slows to lowest rate in two years.** Indonesia's economic growth slowed to 6.02 percent between January and April from a year earlier, the slowest rate in over two years, as sluggish exports and government spending countered gains in consumption



A Chevron gas station in Indonesia. Chevron has warned Indonesia that the sentencing of Green Planet director Ricksy Prematuri to five years in jail may force the company to reduce its future investment in the country. http://upload.wikimedia.org/wikipedia/commons/b/be/A_Chevron_in_Chilliwack.jpg



and investment. The slowdown suggests that Indonesian growth for 2013 will drop to 6.3 percent, well short of the government's 6.8 percent target. Slowing growth will make it more difficult for the government to implement a plan to reduce costly fuel subsidies amid increased currency pressure.

PHILIPPINES

- **Aquino allies lead Senate tally in midterm elections.** Candidates from the “Team Pinoy” six-party coalition led by President Benigno Aquino’s Liberal Party appeared to have won 9 of 12 contested Senate seats as midterm polls closed on May 15. Their victory gives Aquino allies a majority in both houses of Congress for the first time and provides the president added clout to pursue his reform agenda in the three remaining years of his administration. The polls also saw ousted former president Joseph Estrada elected mayor of Manila and former president Gloria Macapagal-Arroyo reelected to the House of Representatives despite her continued detention on corruption charges.
- **UN, World Bank provide technical assistance for Mindanao peace process.** The World Bank and the United Nations launched a \$7 million technical assistance program on April 29 to provide support for the peace process in the southern Philippines and the establishment of a new autonomous Moro region in Mindanao. The program, awkwardly called the Facility for Advisory Support for Transition Capacities, will be implemented in 2016 and is aimed at helping the Philippine government and the Moro Islamic Liberation Front address key issues such as governance, justice, and security.
- **Philippines gets S&P investment rating upgrade.** Ratings agency Standard & Poor’s (S&P) announced on May 2 that it had followed Fitch in raising the Philippines’ credit rating from BB+ to BBB-, the lowest investment grade. The upgrade reflects a “strengthening external profile, moderating inflation, and the government’s declining reliance on foreign currency debt,” according to S&P credit analyst Agost Benard. The outlook for the rating is “stable,” which means that it will likely remain the same over the short term.
- **Philippines to open bidding for new warships, seeks jet fighters from South Korea.** Defense Undersecretary Fernando Manalo said April 29 that the Philippines will earmark about \$438 million for the purchase of two new frigates through a public bidding. South Korea, Spain, and Singapore, along with a number of other countries, will participate in the bidding, according to Manalo. He also said that the Philippine government has been negotiating the acquisition of 12 jet fighters from Seoul.

- **Philippines to buy rice from Vietnam for typhoon season.** The Philippines' National Food Authority announced on April 30 that it has decided to import more than 200,000 tons of milled rice from Vietnam instead of from its usual supplier, Thailand, in preparation for the start of typhoon season in July. Vietnam's Southern Food Corporation offered the best price—25 percent broken rice grade at \$459.75 per ton—according to National Food Authority administrator Orlan Calayag. Vietnam and Thailand submitted bids to provide rice during a government-to-government tender on April 3.



Vietnamese rice bags. The Philippines will purchase rice from Vietnam, rather than Thailand, in preparation for typhoon season. <http://www.flickr.com/photos/walsh02/1127327850/>

VIETNAM

- **Communist Party Central Committee holds plenum, promotes new members to Politburo.** The Central Committee of the Communist Party of Vietnam held its seventh plenum from May 2 to May 11, focused on proposed amendments to the 1992 constitution, ways to boost economic growth, and the country's complicated relations with China. Committee members also discussed ways to improve and strengthen the party, to combat climate change, and to protect the environment and natural resources. The plenum saw two new members promoted to the Politburo—the party's highest decision-making body—including Nguyen Thien Nhan, its first U.S.-educated member, and Nguyen Thi Kim Ngan, its second woman.
- **Vietnam culls almost 10,000 swifts due to bird flu.** Local newspaper *Dan Tri* reported on April 25 that authorities in central Vietnam have culled nearly 10,000 swifts at a facility in Ninh Thuan Province after samples from dead birds tested positive for the H5N1 influenza virus. Experts and farmers have criticized the ongoing culling, pointing out its potential cost to farmers and arguing that more time is needed to examine the mechanism by which the virus spreads. Vietnam confirmed its most recent death from the virus on April 22.
- **Gay sitcom becomes Internet sensation.** Vietnam's first sitcom focused on gay characters, *My Best Gay Friend*, has garnered more than one million views per episode on YouTube. The show is written and directed by 21-year-old film student Huynh Nguyen Dang Khoa and chronicles the lives of young gay, lesbian, and transgender characters in Ho Chi Minh City. Khoa also stars in the show. There are no plans to broadcast the series on television because it is too sensitive and does not appeal to networks or their advertisers, according to Khoa.



Vietnamese poster warns about the H5N1 virus. Authorities in central Vietnam have culled about 10,000 swifts after dead birds tested positive for the virus. <http://www.flickr.com/photos/joegatling/2510413793/>



- **Central bank imports gold to bolster official reserves.** The State Bank of Vietnam released an online statement on May 6 saying that it will import gold to make up for a reduction in reserves due to sales to local commercial banks. The bank did not give full details of the transaction, but said that the purchases were equivalent to the amount it has sold at recent auctions. The bank sold nearly 14 tons of gold in 13 auctions held between March 28 and May 3. The central bank in October ordered lenders to stop taking gold deposits from customers starting June 30.
- **Vietnam, Cambodia boost maritime security cooperation.** Vietnam's Maritime Police Department and Cambodia's National Committee for Maritime Security agreed to cooperate on sea patrols in the Gulf of Thailand during a bilateral conference in Ho Chi Minh City on April 29. The two countries agreed to send one ship each to jointly patrol the gulf, initially once a year and increasing to two to four times annually. The two sides will sign an official agreement on joint patrols in September.

THAILAND

- **China, Thailand agree on trade target during foreign minister visit.** China and Thailand agreed to increase annual bilateral trade to \$100 billion by 2015 during a May 1 visit to Bangkok by newly appointed Chinese foreign minister Wang Yi. Bilateral trade between Thailand and China totaled nearly \$70 billion in 2012. Wang and Thai officials also discussed the South China Sea disputes. Wang said China is committed to resolving the disputes through negotiation, but gave no indication of when Beijing would be willing to enter long-delayed talks on a code of conduct. After Thailand, Wang visited Indonesia, Brunei, and Singapore.
- **Thousands of red-shirts rally against Constitutional Court.** Several thousand pro-government "red-shirt" protestors demonstrated in front of the National Assembly and the Constitutional Court on May 8 to demand the removal of the court's nine judges. Radio Broadcasters for Democracy, a faction of the "red-shirt" movement, led the demonstrations. Protest leader Charnchaiya submitted a petition to the Assembly during the demonstration, demanding the judges' removal. Approximately 2,700 police were deployed to the protest to maintain law and order.
- **Investigative unit clears soldiers of legal responsibility in 2010 violence.** The chief of Thailand's Department of Special Investigation, Tarit Pengdith, announced on May 1 that military officers ordered to crack down on "red-shirt" protesters during political violence in April and May 2010 were not responsible for subsequent civilian deaths. Tarit said the soldiers were protected by Section 70 of Thailand's criminal code, which states



Flags fly at a 2010 red-shirt protest. Eighty-five civilians and six soldiers were killed, and more than 2,100 injured, during the protests. <http://www.flickr.com/photos/billrini/4585944855/>

that those acting on orders from commanding officers are immune from prosecution. Meanwhile, the Department of Special Investigation on May 14 charged former prime minister Abhisit Vejjajiva and his then deputy, Suthep Thaugsuban, with the murder of a 14-year-old boy killed during the 2010 violence.

SINGAPORE

- **Singapore's first liquefied natural gas terminal begins operations.** Singapore's first liquefied natural gas terminal began commercial operations on May 7, marking an important step toward the city-state's goal of becoming a regional gas hub. Government minister S. Iswaran said that the terminal will help Singapore achieve energy diversification and contribute to the city-state's growth by catalyzing business and job opportunities. Singapore decided to build the two-tank plant on Jurong Island in 2006 and the government has committed \$1.37 billion of funding.
- **Singapore launches national dengue prevention campaign as cases expected to hit record.** Prime Minister Lee Hsien Loong on April 28 called for a national campaign against dengue fever, a tropical disease transmitted by the *Aedes* mosquito. The number of dengue infections in Singapore is expected to reach up to 23,000 cases in 2013, exceeding the 2005 record of 14,000. There were 510 cases reported in the city-state during the week of April 14—the most reported in a week since the 2005 outbreak.
- **Coroner's inquiry opens into U.S. engineer's death.** A coroner's inquiry into the death of U.S. engineer Shane Todd opened in a Singapore court on May 13. Lawyers representing Singapore provided evidence that Todd had left suicide notes for family and friends and had visited suicide- and depression-related Web sites a few days before his death. They also released a U.S. Federal Bureau of Investigation report that found no evidence Todd's computer was tampered with. Todd was found dead in his Singapore apartment in June 2012, apparently from suicide, but his parents argue he was murdered because of his work for Singapore's Institute of Microelectronics.
- **Rate-fixing probe reveals weaknesses in Southeast Asia's currency management.** Singapore's probe into cases of currency rate manipulation has revealed weaknesses in Southeast Asia's currency management, according to a May 7 Reuters report. Mukesh Kumar Chhaganlal, a former employee of Swiss bank UBS who is suing the company for wrongful termination, said he warned his manager in 2012, months before his dismissal, that the exchange rates set for the Indonesian rupiah against



A poster in Singapore warns of the danger of dengue fever. The number of dengue cases may rise up to 23,000 in 2013, exceeding the previous record set in 2005. <http://www.flickr.com/photos/rooymans/3493630510/>



the U.S. dollar were unrealistic. The rate-fixing problems began in 2001 when Singaporean bankers created a market for foreign investors and companies to speculate on the value of the rupiah after Indonesia's central bank banned its transfer to non-Indonesian residents.

CAMBODIA

- **National Assembly passes fire prevention bill.** Cambodia's National Assembly unanimously passed a fire prevention bill on May 6 to strengthen public safety and crack down on corruption. The bill levies harsh punishments against firefighters who refuse to put out fires without a bribe, increases jail terms for arsonists, and grants local authorities greater control over the selection of municipal and provincial officials overseeing fire safety. The bill comes after several recent deadly blazes, including one that killed eight people in December 2012 in the northern town of Siem Reap.
- **Growth of exports to the United States slows, tourism spikes.** Recent figures from the U.S. Department of Commerce show that the growth of Cambodian exports to the United States slowed during the first quarter of 2013. Exports rose just .02 percent from a year earlier, to \$695 million, likely owing to the continued slow economic recovery in the United States. Tourism to Cambodia, meanwhile, continues to boom, with registered arrivals to the country growing by nearly 20 percent in February compared to a year earlier. Tourism accounts for nearly 10 percent of Cambodia's GDP and 8 percent of its jobs.



A fisherman on the Se San River. Construction of a controversial dam on the river began in April and threatens fish populations in the Mekong Basin. <http://www.flickr.com/photos/ethancrowley/8722182990/>

- **Controversial dam construction begins.** Work began in late April on a controversial hydropower dam on the Se San River, a major tributary of the Mekong, in northeast Cambodia, according to a May 7 Voice of America report. Experts warn that the project could reduce the fish population of the Mekong Basin by more than 9 percent, significantly impacting the

livelihoods of millions of Cambodians who depend on freshwater fish as their main protein source. The dam is an \$800 million joint Cambodian-Chinese-Vietnamese project and is expected to be completed in five years.

LAOS

- **Laos named best tourist destination for 2013.** The European Council on Tourism and Trade on May 6 named Laos the “World’s Best Tourist Destination” for 2013. The council cited sustainable tourism, the preservation of historical sites, and the positive impact of tourism on local communities among its reasons for the award. Some critics question whether Laos is doing enough to promote sustainable tourism and protect historical sites. Tourism is a growing industry in Laos, with international visitors to Laos increasing 22 percent in 2012.
- **Laos to miss unexploded ordnance removal target.** The director of Laos’s National Regulatory Authority, Phoukhieo Chanthasomboun, said on May 2 that the government will likely miss its target of reducing the number of unexploded ordnance in the country by half by 2015. The munitions removal project is part of Laos’s 2010-2015 Millennium Development Goals. Many observers say a lack of funds is the biggest impediment to progress; international donors gave just \$30 million of the \$50 million needed in 2012. Ordnance explosions injured 56 people in Laos in 2012, down from several hundred a year in recent years.
- **Government pledges greater efforts to fight human trafficking.** Chinese and Lao officials met in Vientiane in early May for a two-day summit to combat cross-border human trafficking. The meeting, the second of its kind in recent months, was convened to draft a bilateral agreement to prevent and address trafficking between the two countries. Lao victims are often smuggled into China to work, while Laos serves as a transit point for Chinese victims trafficked to other countries in Southeast Asia.



Luang Prabang, a popular tourist destination in Laos. The European Council on Tourism and Trade recently named Laos the “World’s Best Tourist Destination” for 2013. <http://www.flickr.com/photos/exotissimo/6258938777/>

SOUTH CHINA SEA

- **Manila apologizes for shooting of Taiwanese fisherman.** Philippine president Benigno Aquino on May 15 conveyed his “deep regret and apology” to Taipei regarding the killing of a Taiwanese fisherman by the Philippine Coast Guard. Hung Shih-cheng, 65, was shot dead in the Bashi Strait separating Taiwan and the Philippines on May 9. The Philippine Coast Guard claims Hung’s boat tried to ram one of its vessels. Taipei has



recalled its envoy to Manila and suspended the hiring of Filipino workers. Taiwanese president Ma Ying-jeou is demanding that Manila offer a formal apology and compensation for Hung's family, apprehend the killer, and launch fisheries talks.

- **China sends largest fishing fleet to Spratly Islands; Philippines considers boosting troop levels.** The state-run *China Daily* reported on May 7 that Beijing has sent its largest-ever fishing fleet to the Spratly Islands. The flotilla of 30 fishing vessels left China's southern province of Hainan on May 6 for a 40-day trip to the Spratlys. In response, Philippine Armed Forces spokesman Brig. Gen. Domingo Tutaan Jr. said on May 8 that officials are considering the deployment of additional ships to reinforce Philippine forces in the Spratlys.
- **Husky Energy assembling gas project in the South China Sea.** Canada's Husky Energy announced on May 7 that it is beginning to assemble its Liwan offshore natural platform in the South China Sea. The platform is 85 percent complete and is currently being moved to Hong Kong for the last stages of its construction. Natural gas is expected to start flowing from the project by the end of 2013 or by early 2014, according to the company's CEO. China's Liwan gas field lies in undisputed waters in the northern South China Sea.

ASEAN

- **ASEAN defense ministers set up new cooperative bodies.** Defense ministers from ASEAN's 10 member states agreed to establish several vehicles for regional defense coordination during the annual ASEAN Defense Ministers' Meeting in Brunei on May 7. Ministers set up the ASEAN Defense Industry Collaboration, the ASEAN Defense Establishments and Civil Society Organizations' Cooperation on Non-Traditional Security, and the ASEAN Peacekeeping Centers Network. They also reaffirmed their commitment to work actively with China to pursue a code of conduct for the South China Sea.
- **Press freedom report cites improvements in Myanmar, regression in Thailand.** Freedom House launched its 2013 Freedom of the Press report on May 1, with most of Southeast Asia showing little change from a year earlier. Myanmar, however, registered the survey's largest improvement as a result of the release of imprisoned bloggers and video journalists, as well as the public's increased access to information. Thailand, on the other hand, saw its rating fall from "partly free" to "not free" due to heightened use of cybercrime laws and a trend in aggressive enforcement of lèse-majesté laws.

TIMOR-LESTE

- **Timor-Leste challenges gas treaty, accuses Australia of spying.** Timor-Leste has begun arbitration proceedings against Australia in the hopes of having a 2006 treaty that stipulates equal sharing of revenue from the disputed Greater Sunrise oil and gas field declared invalid, Australian attorney-general Mark Dryfus said on May 4. Timor-Leste claims that the treaty negotiations were not fair because of Australian spying in 2004. The dispute started with the failure of Timor-Leste and Australia's Woodside Petroleum to agree on the location of a liquefied natural gas processing plant.
- **Inquiry into decades-old killing of Australian journalists stalls.** A war-crimes investigation into the 1975 killing in Timor-Leste of five Australian journalists, known as the "Balibo Five," appears to have stalled, according to a May 6 *Sydney Morning Herald* report. A key witness in the case is feared dead and the Australian Federal Police are facing challenges obtaining witnesses and evidence from authorities in Timor-Leste. Australia launched the war-crimes probe on September 9, 2009.



The Timor Sea separating Timor-Leste and Australia. Timor-Leste has begun arbitration proceedings seeking to declare a treaty governing revenue sharing in disputed waters invalid. <http://www.flickr.com/photos/storrao/3717980165/>

MEKONG RIVER

- **Report finds Mekong region has lost a third of forest cover.** The World Wildlife Fund issued a report on May 2 that found that Greater Mekong countries have lost nearly one-third of their forest cover since 1973. Using satellite imagery, the group estimates that Cambodia has lost 22 percent of its 1973 forest cover, Laos and Myanmar 24 percent, and Thailand and Vietnam 43 percent. The report found that continuous loss of forest area will have a major impact on species diversity and livelihoods in the region if recent trends continue. ■



The Mekong region has lost one-third of its forest cover since 1973, according to a May 2 World Wildlife Fund report. http://www.flickr.com/photos/wm_archiv/3927412136/

Looking Ahead

- **Lecture on the prevention of mangrove loss.** Resources for the Future will host a lecture on May 20 with Duke University's Brian Murray on his recent study of the extent to which the establishment of protected areas can reduce mangrove loss in Indonesia. Murray's findings have direct implications for the sustainability and cost-effectiveness of biodiversity and "blue carbon"-related climate policies in Indonesia. The event will be held from 12:00 p.m. to 1:00 p.m. in Room 563C, Resources for the Future, 1616 P St., NW. Please RSVP to Khadija Hill by [e-mail](#) or by phone at (202) 328-5174 no later than May 18.
- **Chief of Naval Operations on the U.S. rebalance to the Asia Pacific.** The Center for a New American Security will host a discussion on May 21 with Chief of Naval Operations Adm. Jonathan W. Greenert. The event, titled "Asia-Pacific Rebalance: Strengthening Regional Maritime Security and Partnerships," will take place at 5:45 p.m. at the Willard InterContinental Hotel's Crystal Room, 1401 Pennsylvania Ave., NW. Please [RSVP here](#) or by phone at (202) 292-4196.
- **Launch of CSIS India-ASEAN report.** The Sumitro Chair for Southeast Asia Studies and the Wadhvani Chair in U.S.-India Policy Studies will hold a launch event on June 3 for their most recent report, Enhancing India-ASEAN Connectivity. Ted Osius, senior State Department fellow in the CSIS Sumitro and Wadhvani Chairs and lead author of the report, will present its executive summary and key recommendations. The full report will be released later in June. The launch event will take place from 10:30 a.m. to 12:00 p.m. in the Fourth Floor Conference Room at CSIS, 1800 K St., NW.
- **Annual CSIS South China Sea conference.** The Sumitro Chair for Southeast Asia Studies at CSIS will host its third annual South China Sea conference on June 5-6. The event will feature speeches by congressional and senior administration officials and remarks and discussion by an all-star lineup of South China Sea experts, including representatives from China, Japan, the Philippines, and Vietnam. It will take place in the B1 Conference Center at CSIS, 1800 K St., NW. Registration is not yet open, but details will follow.
- **Center for a New American Security annual conference.** The Center for a New American Security will host its annual conference on June 12 focused on national security issues facing the United States. Participants on a series of panels will cover a range of security topics, including "The Future Rebalancing to Asia: A Conversation with Former State Department and National Security Council Asia Hands." The conference will take place from 8:30 a.m. to 5:30 p.m. at the Willard InterContinental Hotel, 1401 Pennsylvania Ave., NW. More information is [available here](#). ■

SOUTHEAST ASIA FROM THE CORNER OF 18TH & K STREETS

CSIS Sumitro Chair for Southeast Asia Studies contributors:

Ernest Bower, Senior Adviser and Chair
Murray Hiebert, Senior Fellow and Deputy Director
Gregory Poling, Research Associate
Kathleen Rustici, Research Associate
Jennifer Frentasia, Researcher
Phoebe De Padua, Researcher
Amy Killian, Researcher
Jeremiah Magpile, Researcher
Christina Beasley, Researcher

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