

## Southeast Asia from the Corner of 18th &amp; K Streets

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Engaging Myanmar's Military: Carpe Diem  
Part II

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As Myanmar seeks to shed its pariah status and reengages with the world, the country's military—its most powerful institution—has become a focal point for policymakers across Asia and in the West. Many countries, some at a faster pace than others, have moved to capitalize on Myanmar's opening and engage the military, called the Tatmadaw. The United States has been more cautious and risks missing a golden opportunity for strategically engaging Myanmar's armed forces.

The United Kingdom appears to be ahead of most western nations in reengaging the Tatmadaw. During President Thein Sein's visit to the United Kingdom in July, the British government announced it would resume military ties with Myanmar, beginning with plans to provide military training to 20 Myanmar officers in 2014. British defense secretary Philip Hammond said that reforming the Tatmadaw and sustaining the peace process will be key to Myanmar's stability.

Regional actors have responded to the Tatmadaw in different ways. Military ties between Myanmar and China, which benefitted from arms sales to the previous regime prior to 2010, never really took off due to suspicion on both sides. Beijing now appears keen on upgrading its relations with the Tatmadaw. In July, General Fan Changlong, a vice chairman of China's Central Military Commission, visited Naypyidaw,

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## Engaging Myanmar's Military: Carpe Diem Part II *(continued)*



*Captain Daniel Dusek gives a tour to Myanmar naval officers aboard the USS Bonhomme Richard in November 2012. <http://www.flickr.com/photos/usnavy/8203276102/>*

where he met with President Thein Sein and Senior General Min Aung Hlaing, commander in chief of Myanmar's armed forces, to discuss ways to enhance strategic ties between the two militaries.

Min Aung Hlaing, who was handpicked for his position by former strongman Than Shwe, is no stranger to Chinese military leaders. But he remains a little-known figure in the West. Potentially the **most powerful** actor in Myanmar politics, especially ahead of the 2015 presidential elections, Min Aung Hlaing has carefully managed his image and his position on issues, both at home and abroad. Much of what is known about him comes from his interactions with foreign officials outside Myanmar.

Since becoming commander in chief in March 2011, he has visited Vietnam, China, India, Russia, Thailand, and Singapore. After his appointment, Min Aung Hlaing **broke the decade-long tradition** of Myanmar commanders in chief making their first foreign trip to China. He opted instead to visit neighboring Vietnam, a country with longstanding historical tensions with China, in November 2011.

Russia, which has long provided weapons and training to Myanmar officers, looks poised to benefit from future arms deals and technical cooperation with the Tatmadaw. During his June 2013 trip to Russia, Min Aung Hlaing visited a fighter jet plant and discussed the prospect of resuming a joint nuclear research center in Myanmar in his meeting with Russian defense minister General Sergey Shoygu.

Military ties with India have also improved since 2010. Last year, Min Aung Hlaing officially visited India and met with Defense Minister A. K. Antony and other top officials. India pledged to expand training for Myanmar defense personnel as both sides seek to combat insurgent groups on their shared borders. In July, Myanmar Navy chief Vice Admiral Thet Swe met with his Indian counterpart, Admiral D. K. Joshi, to discuss strengthening bilateral navy-to-navy cooperation, signaling Naypyidaw's desire to take its military ties with India to the next level.

U.S.-Myanmar defense ties are still in a nascent stage, seemingly prompting Myanmar's military leaders to look to Russia and India to balance their country's new strategic stance. This means that Russia and India are well-positioned to take advantage of Myanmar's military opening to the outside world.

## Engaging Myanmar's Military: Carpe Diem Part II(*continued*)

The U.S. government recognizes the [benefits and challenges](#) that could come with engaging the Myanmar military. At the Shangri-La Dialogue in Singapore in 2012, then-secretary of defense Leon Panetta [said](#) the United States is open to improving military ties with Myanmar if it continues on its path toward democratic reforms. Secretary of Defense Chuck Hagel [met](#) briefly with his Myanmar counterpart, Lieutenant General Wai Lwin, on the sidelines of the ASEAN Defense Ministers' Meeting Plus in Brunei in August—the first bilateral meeting between the U.S. and Myanmar defense ministers in more than 20 years.

Much is still unknown about the generals in charge of the Tatmadaw, including Min Aung Hlaing. The military is no longer running the country on a day-to-day basis from Naypyidaw, but it still wields tremendous power behind the scenes. The Tatmadaw remains the real kingmaker in Myanmar and will play a determinative role in the years ahead on issues like constitutional reform, the peace process with ethnic minorities, and the 2015 elections, including whether opposition leader Aung San Suu Kyi will be allowed to run for the presidency.



*Secretary of Defense Chuck Hagel (left) meets with his Myanmar counterpart, Lieutenant General Wai Lwin (in green shirt), at the ASEAN Defense Ministers' Meeting Plus on August 28. <http://www.flickr.com/photos/68842444@N03/9616046914//>*

Myanmar's 2008 constitution guarantees representatives of the military 25 percent of the seats in the bicameral legislature and grants the commander in chief authority to unwind democratic reforms should he determine that political liberalization could lead to instability or national disintegration. This means the Tatmadaw holds the power to vote up or down any constitutional amendments, which require approval from three-fourths of the legislature.

U.S. ambassador Derek Mitchell announced last month that the United States will begin limited engagement with the Myanmar military on human rights, humanitarian issues, and officer professionalization. These are a good starting point, but there are other avenues the United States could pursue. Washington could propose cooperation on humanitarian assistance and disaster relief in a country that faces frequent devastating cyclones, floods, and other natural disasters. It could also explore cooperation in military medicine with a country that faces dangerous drug-resistant malaria and tuberculosis as well as dengue.

## Engaging Myanmar's Military: Carpe Diem Part II *(continued)*

The United States might also consider how it could pursue more trilateral cooperation with other countries. Indonesia would be of particular interest in this effort because Jakarta is eager to get more involved in promoting the Myanmar reform process and is recognized in Naypyidaw as a viable model to follow to professionalize, and depoliticize, the armed forces following decades of military rule.

Initiatives like these would likely find a receptive audience in Myanmar and would probably find support among lawmakers in Washington who are still skeptical about engaging an institution that has so long abused the country's population. To understand where the reform process in Myanmar is headed, it is critical for the United States to determine who's who in the Tatmadaw today, who likely will replace whom in the next round of promotions, and what the intentions and perceptions of the military are. This type of information is only available through increased contact and exposure between U.S. officials and the Myanmar armed forces.

While slow efforts to build mutual understanding are laudable in light of the Tatmadaw's despicable record, the United States has a narrow window of opportunity to establish a strategic foothold in Myanmar. Increasing military engagement with Myanmar will give U.S. policymakers a more informed view of the military, its commander in chief and his closest advisers, and who is likely to succeed them. The longer Washington stretches out engaging the military, the more likely Naypyidaw will be to hedge among several actors, potentially leaving Beijing the dominant influence in the military given China's proximity and economic presence in Myanmar. ■

## MYANMAR

- **U.S. military lawyers hold meeting in Naypyidaw.** The U.S. Defense Institute of International Legal Studies (DIILS) and members of the Myanmar armed forces cohosted a two-day legal affairs exchange in Naypyidaw on August 28. The exchange focused on international legal norms and practices in military affairs. DIILS is the United States' lead educational resource to help build partner legal capacities in the defense sector. U.S. ambassador to Myanmar Derek Mitchell said the exchange was an important step for both the United States and Myanmar to build mutual understanding on human rights.
- **Parliament considers amendment prohibiting noncitizens from politics.** Aye Maung of the Rakhine Nationalities Development Party proposed a constitutional amendment on August 26 that would ban noncitizens from forming political parties, running for public office, or voting in Myanmar elections. The move is seen as an attempt to make it more difficult for the minority Muslim Rohingya population to participate in politics. The current constitution allows Rohingya to participate in politics as long as they possess a government-issued temporary identification card.
- **Ruling party, military-appointed lawmakers battle over election commission bill.** Lawmakers with the ruling Union Solidarity and Development Party (USDP) engaged in a heated debate with military-appointed parliamentarians on August 23 over a bill that would allow Myanmar's election commission to strip lawmakers of their seats if they receive complaints from at least 1 percent of their constituents. Speaker of the parliament Shwe Mann and his fellow USDP lawmakers opposed the bill, saying 1 percent is not sufficient to warrant removal from office. The military representatives, meanwhile, joined President Thein Sein in calling for the bill to be discussed and passed.
- **Telecommunications bill passes parliament.** Myanmar's parliament passed a bill on August 27 that seeks to improve the country's telecommunications sector by allowing foreign companies to invest for a minimum of 5 years and a maximum of 20. Norway's Telenor and Qatar's Ooredoo became the first foreign companies to be granted mobile operating licenses in Myanmar on June 27. The country plans to extend landline coverage to 10 million citizens by 2014 and increase cellphone coverage to 80 percent of the population by 2015.





An All Nippon Airlines (ANA) Boeing 747-400. ANA is the first foreign company to invest in Myanmar's airline industry.  
<http://www.flickr.com/photos/29939317@N05/3956526737/>



U.S.-based Freeport McMoran's Grasberg mine in Papua Province. Until it begins construction on local smelters in Indonesia, Freeport faces a ban on exporting unprocessed minerals from the country.  
<http://www.flickr.com/photos/37777085@N08/3547850111/>

- **Buddhist mob torches Muslim homes in Sagaing District.** Around 1,000 Buddhists torched Muslim-owned homes and shops in northwestern Myanmar's Sagaing District on August 24. The unrest began following rumors that a Muslim man tried to sexually assault a young Buddhist woman in the village of Htan Gone. The rioters sang Myanmar's national anthem as they burned and destroyed about 42 homes and 15 shops in the village. There were no reported fatalities. Sectarian violence in the country has killed more than 250 people and displaced 140,000 others since 2011.
- **Japan's ANA invests in Myanmar airline.** Japan's largest carrier, All Nippon Airlines (ANA), announced on August 27 that it would pay \$25 million for a 49 percent stake in Myanmar's Asian Wings Airways. The deal makes ANA the first foreign company to invest in Myanmar's airline industry. ANA will also begin operating daily flights from Tokyo to Yangon starting September 30. Toshiaki Nonaka, director of strategic planning at ANA, says that the airline plans to continue expanding to other Asian nations in the foreseeable future.

#### INDONESIA

- **Government proposes amendments to mining export ban.** Industry Minister Muhammad Sulaeman Hidayat said on August 28 that several amendments have been proposed to a ban on the exportation of unprocessed minerals set to take effect in 2014. Under the new amendments, mining companies that already have local smelters under construction would be allowed to continue exporting unprocessed minerals but would face a progressive export duty. U.S.-based Freeport McMoran's and Newmont Mining's Indonesian operations would still be subject to the ban because, despite having signed agreements to do so, they have not begun construction of local smelters.
- **Jokowi doubles lead over strongest opponent in public survey.** Nearly a third of respondents to a national survey published by *Kompas* on August 27 said they would vote for Jakarta governor Joko "Jokowi" Widodo if he ran for Indonesia's president in 2014. A previous poll indicated Jokowi would receive about 18 percent support. The latest poll, which was performed in June, gives Jokowi more than double the support of his closest competitor, former general Prabowo Subianto, who received about 15 percent. Jokowi, a member of former president Megawati Sukarnoputri's political party, has not indicated whether he will run.
- **U.S. to sell eight Apache helicopters to Indonesia.** Secretary of Defense Chuck Hagel announced on August 26 that the United States has agreed on a \$500 million Foreign Military Sales Agreement to provide Indonesia

with eight AH-64 Apache combat helicopters. A delegation of Indonesian defense officials expressed interest in buying the helicopters after visiting a Boeing factory in Mesa, Arizona. The helicopters will allow Indonesia to conduct counterpiracy missions and other military operations that will significantly advance its military capabilities.

- **Quotas, price ceilings prevent cheap soybean imports.** Price ceilings and quotas on soybeans that were set by Indonesia's government in June to stabilize prices are now preventing the country from enjoying lower global prices, according to an August 26 *Wall Street Journal* report. Domestic traders are not allowed to sell soybeans above a certain price and companies are given quotas on how much they are allowed to import based on the proportion of locally produced soybeans they purchase. Global consumers pay about \$0.27 per pound for soybeans, while Indonesian consumers pay about \$0.35 cents per pound.
- **Bank Indonesia hikes benchmark interest to 7 percent.** Bank Indonesia announced on August 29 that it was increasing the benchmark lending rate by 50 basis points to 7 percent in an effort to bolster the slumping rupiah and restore market confidence. International investors who have become wary of Indonesia, especially considering its large current account deficit and unwillingness to make much-needed reforms, reacted positively to the rate increase.

## PHILIPPINES

- **Aquino vows to abolish pork barrel fund.** President Benigno Aquino announced on August 23 that he will abolish the Priority Development Assistance Fund, a highly controversial discretionary fund that provides Philippine lawmakers with money for small-scale development projects. His decision came amid large-scale demonstrations against misuse of the fund, popularly known as the pork barrel fund. Dozens of members of Congress have been accused of laundering funds through a scam run by businesswoman Janet Lim-Napoles, who surrendered to Philippine authorities on August 29. Aquino has tasked the Department of Justice and the Inter-Agency Anti-Graft Coordinating Council with investigating and prosecuting those involved.
- **Hagel visits Manila, pushes for increased U.S. military presence.** U.S. secretary of defense Chuck Hagel visited Manila on August 29–30 to discuss increasing the U.S. troop presence in the Philippines. In a press conference with Philippine defense secretary Voltaire Gazmin, Hagel emphasized that the United States is not seeking new permanent bases in the Philippines, but instead permission to rotate more U.S. forces into



A protest against the Priority Development Assistance Fund. President Benigno Aquino vowed to abolish the controversial pork barrel fund. <http://www.flickr.com/photos/mlbautista/9607266466>



the country for military exercises and in times of humanitarian crises. Officials have had two rounds of negotiations, on August 14 and 29, in search of a framework agreement.

- **Philippine economy surprises with high growth.** The Philippine National Statistical Coordination Board announced on August 28 that the Philippines posted a higher-than-expected 7.5 percent economic growth rate in the second quarter. Market analysts had earlier predicted growth of 7.2 percent, as most Asia Pacific nations are experiencing a slowdown. The Philippines and China, both of which posted 7.7 percent growth in the first quarter of 2013, have tied for the fastest-growing Asian economy two quarters in a row.
- **U.S. senior official to discuss counternarcotics efforts in Philippines.** Assistant Secretary of State for International Narcotics and Law Enforcement Affairs William Brownfield visited the Philippines from September 1 to 4 to discuss counternarcotics efforts with Philippine officials. He discussed bilateral cooperation with Undersecretary Arturo Cacdac, director general of the Philippine Drug Enforcement Agency. Brownfield also delivered remarks at the opening ceremony of a training exercise for the Philippine National Police Maritime Group Special Boat Unit.

#### MALAYSIA

- **Anwar suggests he will work with ruling party on some issues.** Malaysian opposition leader Anwar Ibrahim indicated during a pre-independence day speech on August 30 that he would put aside differences with the ruling Barisan Nasional coalition to work on specific problems facing the country. But he reiterated that he does not accept the results of May's general elections and is not ready to cooperate broadly with the government. Anwar said that Prime Minister Najib Razak should convene a roundtable discussion with Anwar's opposition Pakatan Rakyat coalition to solve problems with public finance, slowing economic growth, corruption, and rising crime. Some voices in Pakatan Rakyat have criticized Anwar's proposal, preferring to avoid working with the government at all.
- **Malaysia may impose goods and services tax to address fiscal deficit.** Malaysia may impose a goods and services tax (GST), according to an August 29 statement by Secretary-General of Treasury Mohd Irwan. Irwan stated that the tax could be included in the country's 2014 budget proposal and would take 14 months to implement. The proposed GST comes amid a widening fiscal deficit and is intended to help broaden the tax base and reduce reliance on dividends from state oil company Petronas.



- **Hagel visits Malaysia; affirms bilateral partnership.** U.S. defense secretary Chuck Hagel affirmed the United States' commitment to building and strengthening the U.S.-Malaysia partnership and praised the Malaysian military's contributions to regional and global security while on a visit to the country on August 25. Hagel met with Defense Minister Hishammuddin Hussein and Prime Minister Najib Razak during his visit and confirmed that the United States will continue assisting Malaysia's military with humanitarian assistance and disaster relief, peacekeeping, maritime security, and counterterrorism efforts.

- **Central bank cuts 2013 growth forecast.** The Central Bank of Malaysia cut its 2013 growth forecast on August 21 from between 5.5 and 6 percent to between 4.5 and 5 percent. The bank said that domestic demand in the country remains stable and blamed weak global demand for the reduced growth forecast. Fitch Ratings downgraded Malaysia's credit rating in August due to high government debt and a lack of budgetary reform. The Malaysian currency has fallen 8 percent against the dollar in 2013.

- **Malaysia seeks to expand surveillance powers to combat graft.** The Malaysian government may use electronic surveillance to fight corporate crime and government graft, according to an August 19 statement by Paul Low Seng Kuan of the Prime Minister's Department. Low said that corruption costs the country about \$9 billion annually and that additional legislation is planned to appoint chief integrity officers to government ministries and make corporate directors liable for staff corruption. Malaysia ranked highest in a 2012 Transparency International survey of corporate executives who said they had lost contracts to competitors due to bribery.



*Central Bank of Malaysia headquarters. The bank has cut its 2013 growth forecast for the country. [http://commons.wikimedia.org/wiki/File:Central\\_Bank\\_of\\_Malaysia\\_headquarters,\\_Kuala\\_Lumpur.jpg](http://commons.wikimedia.org/wiki/File:Central_Bank_of_Malaysia_headquarters,_Kuala_Lumpur.jpg)*

## THAILAND

- **Rubber farmer protests grow after talks with government fail.** Tens of thousands of rubber farmers have joined road blockades and protests across southern Thailand that started on August 22. Negotiations between the government and representatives of Thailand's rubber farmers broke down on August 28 after Agriculture and Cooperatives Minister Yukol Limlaemthong insisted that the government would not intervene with the rubber market and would buy rubber products at about \$1.10 per pound instead of the \$1.70 demanded by farmers. The farmers have since lowered their demand to \$1.30.

- **Yingluck hosts reconciliation forum.** Prime Minister Yingluck Shinawatra hosted a reconciliation forum on September 3 featuring former British prime minister Tony Blair and former Finnish president Martti Ahtisaari,



Thai students. The Asian Development Bank has warned that Thailand must improve its educational system to transition from an agricultural economy to a service-oriented industrial economy. <http://www.flickr.com/photos/45593608@N03/8874331273/>

among others. The forum was held to discuss possible solutions to the political divisions in Thailand. Blair and Ahtisaari made several suggestions, including respecting the opinion of the political minority and realizing that peace is a process, not an outcome. Meanwhile, opposition leader Abhisit Vejjajiva did not attend, citing a lack of sincerity on the government's part in hosting the forum.

- **ADB poised to cut growth projections for Thailand.** The Asian Development Bank (ADB) may cut its 2013 GDP growth projections for Thailand from 4.9 percent to between 4 and 4.3 percent. Sluggish exports and a decrease in consumer spending are the main impediments to Thailand's growth, according to the ADB. Jesus Felipe, an adviser to the ADB's Economics and Research Department, says that Thailand must improve its educational system to successfully transition from an agricultural economy to a service-oriented industrial economy.
- **National Security Council chief blames separatist factions for hindering talks.** National Security Council chief Paradorn Pattanabutra said on August 26 that one or two smaller factions of the insurgent group Barisan Revolusi Nasional (BRN) are hindering peace negotiations and have continued to engage in subversive activities since talks began in March. Peace negotiations between BRN and the government are currently in a deadlock, as Bangkok has not agreed to BRN's demands to free detained insurgent suspects and revoke charges against those still at large.

#### VIETNAM



South Korean president Park Geun-hye. She will visit Vietnam from September 7 to 11 in her first trip to Southeast Asia since taking office. <http://www.flickr.com/photos/42438955@N05/8709911412/>

- **Government considering restrictions on mobile chat apps.** Prime Minister Nguyen Tan Dung said on August 16 that the Vietnamese government is considering a ban on free mobile messaging services because they create unfair competition for Internet and phone providers. The government said free mobile messaging apps such as Viber, Line, and Whatsapp take revenue from network providers that require payments, such as state-owned Viettel Telecom. Mobile providers are predicted to lose \$32 billion in revenue to chat apps in 2013. Vietnam currently has 17 million smart phone users, according to a Google report.
- **President of South Korea to visit Vietnam.** South Korean president Park Geun-hye will visit Vietnam from September 7 to 11 in her third trip to a foreign country and first to Southeast Asia since taking office. The visit will include discussions on the possibility of a South Korea-Vietnam free trade agreement, cooperation on nuclear power and industrial technologies, and the provision of development aid projects, according to South Korea's presidential office. The office also said that the visit demonstrates the importance to Park of relations with ASEAN members.

- **Dissidents not included in mass amnesty.** President Truong Tan Sang's office on August 29 granted amnesty to 15,446 prisoners in recognition of Vietnam's National Day but did not release any dissidents accused of spreading "propaganda against the state." However, four prisoners accused of national security violations, including two Christians, were released. Annual prisoner releases following National Day are customary and have been enshrined in Vietnam's constitution, its 2007 Law on Amnesty, and other legislation.

#### ASEAN

- **Hagel meets with ASEAN defense ministers.** U.S. defense secretary Chuck Hagel on August 28–29 met with counterparts from the 10 ASEAN countries and their seven other dialogue partners—Australia, China, India, Japan, New Zealand, Russia, and South Korea—at the ASEAN Defense Ministers Meeting Plus in Brunei. Hagel said in a speech that countries in the region must refrain from provoking international confrontation and emphasized that any territorial disputes must be resolved peacefully. Meanwhile, the 10 ASEAN defense ministers accepted Hagel's invitation to come to Honolulu in 2014 for an informal meeting—the first time all 10 will travel to the United States.
- **Indonesia announces naval exercise in South China Sea.** The Indonesian navy announced on August 22 that it will host a first-of-its-kind naval exercise with the 10 ASEAN member countries and their eight dialogue partners. The exercise will focus on countering maritime threats as well as humanitarian assistance and disaster relief. It will take place off Indonesia's Natuna and Anambas archipelagos in the South China Sea in April 2014.

#### SOUTH CHINA SEA

- **Arbitral tribunal issues rules and timeline.** The five-judge tribunal hearing the Philippine's case against China's claims in the South China Sea released a statement announcing that it has adopted formal rules and scheduled an initial timetable for proceedings, according to an August 27 statement from the Permanent Court of Arbitration (PCA), which serves as the registry for the case. The tribunal has ordered that Manila present its memorial—which includes the facts of the case, arguments for jurisdiction, and relevant evidence—by March 30, 2014. Beijing, in a diplomatic note written to the PCA on August 1, reiterated that it will not participate in the arbitration.



*U.S. defense secretary Chuck Hagel (fourth from left) at the 2013 ASEAN Defense Ministers Meeting Plus in Brunei. <http://www.flickr.com/photos/68842444@N03/9620069410/>*



A Taiwanese warship. Taipei plans to upgrade a dock to accommodate warships at Itu Aba Island in the Spratlys. <http://www.flickr.com/photos/70661745@N00/441007715>

- **Taiwan to create warship dock at Itu Aba.** Taiwanese lawmaker Lin Yu-fang said on August 29 that the country's coast guard submitted a plan to Taiwan's parliament for a \$112.4 million upgrade to an existing dock on Itu Aba Island, the largest of the disputed Spratlys. The upgrade will allow the renovated dock to accommodate large supply ships and naval frigates. It will also extend the 3,800-foot runway on the island, according to Lin. The dock is scheduled to be operational in 2016.
- **Philippine, Vietnamese defense ministers discuss defense cooperation.** Vietnamese defense minister General Phung Quang Thanh visited Manila from August 25 to 27 and met with Philippine defense secretary Voltaire Gazmin to discuss defense cooperation. During their meeting the two discussed a 2010 agreement between Vietnam and the Philippines on joint cooperation on defense capabilities and on humanitarian assistance and disaster relief initiatives. Their discussion focused on security concerns in the South China Sea, according to Philippine Defense Department spokesman Peter Paul Galvez.
- **China, ASEAN foreign ministers hold special meeting in Beijing.** Chinese foreign minister Wang Yi and his 10 ASEAN counterparts discussed tensions in the South China Sea at an August 29 meeting in Beijing. Wang said that the ministers "did not shy away from any problems" during their meeting, which focused mainly on strengthening China-ASEAN relations. It was held in celebration of the 10th anniversary of the China-ASEAN strategic partnership. Chinese and ASEAN officials will meet on September 14-15 for official discussions on the South China Sea.

#### CAMBODIA

- **Court orders election body to unseal voting records in second province.** The Constitutional Council of Cambodia forced the National Election Committee to open sealed packages containing ballot information in order to verify the results of the recent presidential election after the opposition party in Cambodia held a rally with 20,000 supporters on August 26. The opposition gave an ultimatum that the government investigate election irregularities or face even larger protests. The council ordered a similar investigation in Kratie Province following accusations from the opposition of electoral fraud.
- **Government signs \$70 million loan agreement with Asian Development Bank.** The government of Cambodia signed a loan agreement with the Asian Development Bank (ADB) worth \$70 million on August 26 to expand the country's rice sector and promote reforms in its finance sector. Deputy Prime Minister and Minister of Economy and Finance Keat Chhon signed



the agreement with ADB country director Eric Sidgwick. Nearly 1 million low-income Cambodian farmers are expected to gain an additional \$300 of income by 2020 thanks to the agreement, which will continue into 2019.

- **Chinese minister calls for peaceful resolution to electoral standoff.**

Chinese foreign minister Wang Yi urged Cambodian officials to resolve the electoral dispute following the July 28 national elections quickly and peacefully during a meeting on August 21. The visit by Wang signified how important China views its bilateral relations with Cambodia, and it could put positive pressure on both the ruling and opposition parties to accept the National Election Commission's official ruling on the elections, expected on September 8.

## SINGAPORE

- **Tightened measures on public housing decrease demand for real estate.**

The government announced on August 27 that mortgage terms for state-built homes would be tightened and that public housing eligibility for non-citizens would be delayed, further lowering demand in Singapore's real estate sector. The tightening measures are intended to rein in increasing housing prices by removing a large portion of the demand in the market. But many experts argue the measures will have the opposite effect in the long run.

- **Yale formally opens new liberal arts college in Singapore.** Yale-National University of Singapore (NUS) College officially opened on August 27 as Singapore's first liberal arts college despite criticism from Yale faculty members. The faculty members had discouraged the opening of the university because of Singapore's tight rules on student protests and political activity. But supporters of the joint effort argued that despite the restrictions, there is a need for students to be trained at higher levels of education in the growing city-state. Yale-NUS accepted 157 students in its inaugural class and hopes to house 1,000 by 2015.

- **Report shows Singapore dollar least-affected currency in current Asian instability.** The Singapore Exchange released a report on August 28 showing that the Singapore dollar has declined less than any other currency in Asia with the recent appreciation of the U.S. dollar. The Singapore dollar declined 1.3 percent in August against the U.S. dollar, compared to a 9.4 percent fall for the Indonesian rupiah, 10.2 percent for the Indian rupee, and 3.2 percent for the Malaysian ringgit and the Thai baht.



*Public housing in Singapore. The government is taking steps to tighten mortgage terms and eligibility for public housing in order to dampen demand for real estate. <http://www.flickr.com/photos/42472377@N00/2553949267/>*





## TRANS-PACIFIC PARTNERSHIP

- **Tariffs and yarn-forward rule key issues in latest TPP round.** Officials traveled to Brunei for the 19th round of Trans-Pacific Partnership (TPP) negotiations from August 22 to 31. Rules of origin for apparel remained a key issue, with negotiators seeking agreement over the yarn-forward rule meaning that only textiles and apparel made with materials from TPP members would be exempted from tariffs under the agreement. Vietnam opposes that standard, which the United States supports. The talks, which saw Japan as a full participant for the first time, also tackled market access, state-owned enterprises, and tariffs, among other issues.

## LAOS

- **Flash floods kill 20, damage rice crops.** Flash floods from heavy annual rains in Laos have left at least 20 dead and damaged about 5,400 square miles of rice crops as of August 28, according to Glenn Dodge, the head of the United Nations resident coordinator's office in Laos. The floods also left about 116,000 people in 7 of Laos's 17 provinces without access to clean water, according to Dodge. The United Nations says that Laos is likely to have more natural disasters in the future due to climate change.
- **Students banned from riding motorbikes to school.** Secondary schools in Laos's Khammuan Province have banned students from riding motorbikes to school, according to an August 28 *Vientiane Times* report. The purpose of the ban is to encourage students to ride bicycles instead of motorbikes, which would reduce family expenses and road accidents and is better for the environment, according to the director of the province's education department, Sihay Keokaithinh. The province had banned motorbikes for a trial period, following which 40 schools decided to implement the ban permanently after noticing a significant decrease in road accidents.
- **Lao Airlines to buy four new aircraft.** Lao Airlines plans to acquire four new aircraft—two ATR72-600s in 2014 and two Airbus 320s in 2015—for its expanded flight routes, according to an August 26 *Vientiane Times* report. Phouthasone Vannachack, director general of the airline, says that the national carrier will increase flights between Vientiane and Oudomxay, Bokeo, and Luang Namtha provinces and will begin operating regular flights to Incheon, South Korea. The airline currently has a total of 14 aircraft.

## APEC

- **Fourteen heads of state confirm attendance at October summit.** U.S. president Barack Obama, Indonesian president Susilo Bambang



*Lao citizens riding motorbikes. Schools in Laos's Khammuan Province have banned students from riding motorbikes to school.*  
<http://www.flickr.com/photos/22627749@N08/5125775701/in>

Yudhoyono, Chinese president Xi Jinping, and Russian president Vladimir Putin have all confirmed their attendance at the upcoming APEC summit on October 7-8, along with 10 other heads of state. Leaders from Australia, Brunei, Canada, Hong Kong, Papua New Guinea, Taiwan, and Vietnam have yet to confirm their attendance to the event organizing committee. Xi has also confirmed that he will give the closing address at the summit.

#### TIMOR-LESTE

- **USS *Denver* arrives in Timor-Leste.** The amphibious transport dock ship USS *Denver* arrived in Dili on August 27 to provide assistance and training activities while visiting the country. *Denver's* medical staff will provide basic medical training in collaboration with staff from Australia's Royal Darwin Hospital, and the ship's crew will organize a number of community service programs during the visit. U.S. sailors and marines will also conduct military exercises with the Timor-Leste Defense Forces.

#### BRUNEI

- **Minister of foreign affairs and trade meets with Chinese counterpart in Beijing.** Prince Mohamed Bolkiah, Brunei's minister of foreign affairs and trade, met with his Chinese counterpart, Wang Yi, in Beijing on August 27. Wang praised Brunei's role in enhancing China-ASEAN relations and added that China will look to further closer bilateral ties with Brunei. The prince welcomed Wang's remarks and said that Brunei will similarly look to strengthen its cooperation with China on international and regional issues. His visit came as ASEAN defense ministers and dialog partners, including China and the United States, gathered in Brunei to discuss regional security issues. ■



*The USS Denver. The Denver arrived in Timor-Leste and will provide training and assistance in the country. [http://commons.wikimedia.org/wiki/File%3AUS\\_Navy\\_100314-N-0120A-297\\_USS\\_Denver\\_\(LPD\\_9\)\\_cruises\\_the\\_South\\_China\\_Sea\\_while\\_participating\\_in\\_exercise\\_Balikatan\\_2010\\_\(BK\\_10\).jpg](http://commons.wikimedia.org/wiki/File%3AUS_Navy_100314-N-0120A-297_USS_Denver_(LPD_9)_cruises_the_South_China_Sea_while_participating_in_exercise_Balikatan_2010_(BK_10).jpg)*



*Brunei's foreign affairs and trade minister, Prince Mohamed Bolkiah, who recently met with Chinese foreign minister Wang Yi to discuss strengthening bilateral ties. <http://www.flickr.com/photos/35483578@N03/3963202478/>*

# Looking Ahead

- **A briefing on the Trans-Pacific Partnership.** The National Bureau of Asian Research, U.S.-Japan Research Institute (USJI), and U.S.-Asia Institute will sponsor a briefing on the Trans-Pacific Partnership hosted by the House Committee on Foreign Affairs, Subcommittee on Asia and the Pacific, on September 6. It will feature remarks by Acting Deputy Assistant Secretary of State Robert Manogue, Doshisha University professor Takashi Terada, and USJI president Katsuichi Uchida. The briefing will be held from 9:00 a.m. to 10:00 a.m. at 2255 Rayburn House Office Building. Please RSVP by September 5 to Sonia Luthra at [nbrdc@nbr.org](mailto:nbrdc@nbr.org) or (202) 347-9767.
- **A discussion on Myanmar's democratic reforms.** The East-West Center in Washington will host a discussion on September 6 on Myanmar's turn to democracy and its unusual new capital, Naypyidaw. Australia National University's Nicholas Farrelly and Georgetown University's David Steinberg will lead the panel discussion. The event will be held from 10:30 a.m. to 12:00 p.m. in the Sixth Floor Conference Room, 1819 L St., NW. Please [click here](#) to RSVP.
- **Made in Indonesia Festival.** The Made in Indonesia Festival will be held on September 8, featuring art exhibits and workshops, Indonesian delicacies, performances, and a marketplace for Indonesian-made arts and crafts. It will be the first festival in the Washington metropolitan area to promote Indonesian culture, arts, travel, food, and products. The event will be held from 11:00 a.m. to 7:00 p.m. at 908 Ellsworth Dr., Silver Spring, MD. For more information, [click here](#).
- **CSIS conference on Asian security and economic architecture.** The CSIS Scholl Chair in International Business, Simon Chair in Political Economy, and Sumitro Chair for Southeast Asia Studies will cohost a conference September 12 on evolving security and economic architecture in the Asia Pacific. The conference will provide an important platform for U.S. and Asian policymakers, business executives, and academics to discuss the challenges and opportunities facing the region as President Barack Obama prepares to attend the East Asia Summit in Brunei and the Asia Pacific Economic Cooperation summit in Bali in October. The event will be held from 9:00 a.m. to 3:15 p.m. in the B1 Conference Center, 1800 K Street, NW. [Click here](#) to RSVP.
- **Panel discussion on ASEAN regional integration.** The Asia Foundation will host a panel discussion September 17 on the prospects and challenges of ASEAN's plan to form an ASEAN Community by 2015. Featured speakers will include the Institute for Strategic and International Studies in

Thailand's Kavi Chingkittavorn, the Institute for Southeast Asian Studies in Singapore's Tin Maung Maung Than, PanNature in Vietnam's Trinh Le Nguyen, and China Foreign Affairs University's Wei Ling. The event will be held from 9:00 a.m. to 11:30 a.m. at 1601 Massachusetts Ave., NW. Please contact Elizabeth Matthews at [ElizabethMatthews@asiafound-dc.org](mailto:ElizabethMatthews@asiafound-dc.org) or call 202-588-9420 to RSVP.

- **Rollout of new CSIS report on U.S.-Indonesia relations.** CSIS and the Indonesian Embassy will cohost a rollout event September 25 for CSIS's forthcoming report *A U.S.-Indonesia Partnership for 2020: Recommendations for Forging a 21st Century Relationship*. Ted Osius, one of the report's coauthors and a former CSIS senior State Department visiting fellow, will present the report's key recommendations, followed by a panel discussion that will include Indonesian ambassador to the United States Dino Patti Djalal. More information, including instructions on how to RSVP, will follow.
- **Hanoi's road to the Vietnam War.** The Wilson Center will host a panel on September 25 to explore the internal debates and other elements that shaped Hanoi's strategy in the decade preceding U.S. military intervention in Vietnam. The panel will feature Pierre Asselin, associate professor of history at Hawaii Pacific University in Honolulu; Shawn F. McHale, associate professor of history and international affairs at George Washington University; and John Prados, head of the National Security Archive's Vietnam and Intelligence Documentation Projects. The event will be held from 3:30 p.m. to 5:00 p.m. at 1300 Pennsylvania Ave., NW, sixth floor. [Click here](#) to RSVP.
- **Thai khon and puppet grand performance.** The Royal Thai Embassy will host a performance of Thai classical dance, called khon, and a Thai puppet show on September 30 in commemoration of the 180th anniversary of Thai-U.S. relations. Khon and Thai puppet shows are some of the most influential traditional performing arts in Thailand. Doors open at 6:30 p.m. and the performance will be held from 7:30 p.m. to 9:30 p.m. at the Warner Theatre, 513 13th St., NW. Admission is free. E-mail Latasha Jacobs at [Latashajacobs@livenation.com](mailto:Latashajacobs@livenation.com) or call 202-626-8261 to reserve tickets. ■

SOUTHEAST ASIA FROM THE CORNER OF 18TH & K STREETS  
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