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## Endgame to Myanmar's Cease-fire Deal Tests President Thein Sein's Resolve

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President Thein Sein urgently wants to sign a nationwide cease-fire agreement before Myanmar's November elections. Yet nearly five months after his government reached a tentative draft nationwide cease-fire agreement with representatives of the Nationwide Cease-fire Coordinating Team (NCCT), an alliance of 16 ethnic armed groups, major sticking points between the two sides remain unresolved.

Following a high-profile ethnic summit in Karen State in early June, senior ethnic leaders decided to return to the negotiating table in hopes of extracting more concessions from a government they know is racing against time to conclude a deal. Unless the two sides can finalize an agreement by September—after which point Myanmar will be in full election mode—the peace process that was started under Thein Sein will face a much more uncertain future.

The biggest disagreement relates to which armed groups will be signatories to the nationwide peace agreement. A delegation of senior “hardline” ethnic leaders—appointed during the June summit to lead peace talks with the government—has pressed the government to include three NCCT members that it so far has refused to recognize in a final deal. They are the Myanmar National Democratic Alliance Army (also known as the Kokang), the Ta'ang National Liberation Army, and the Arakan Army, all three of which have been battling government troops in the Kokang region in northern Shan State as well as southern Kachin State.

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## Endgame to Myanmar's Cease-fire Deal Tests President Thein Sein's Resolve *(continued)*



*President Thein Sein (center) poses with leaders of the Karen National Union (KNU), the oldest and one of the largest ethnic armed groups in Myanmar. Thein Sein has sought to build rapport with senior KNU leaders that his government views as more amenable to signing a nationwide ceasefire deal with Naypyidaw.*  
<https://www.flickr.com/photos/prachatai/8365665334/>

A positive turnabout took place when the Karen National Union (KNU), the oldest and one of the largest ethnic armed groups, announced its readiness on August 17 to sign the cease-fire without the excluded groups. This is significant given that a faction within the KNU has for the past several months sought to drag out the cease-fire process over the issue of the agreement's "inclusiveness." Whether other groups will follow in the KNU's footsteps will become clearer as the president reconvenes with senior ethnic leaders in Naypyidaw toward the end of August.

Government negotiators suggested that Naypyidaw would be open to including the largest armed ethnic group, the United Wa State Army (UWSA), in a final agreement, although it is not a NCCT member and has not been invested in the peace process. The UWSA has made clear that it will settle for nothing less than autonomy and its own state in northern Shan State.

The government has also suggested it is open to including the Kachin Independence Army (KIA), which is a NCCT member but with whom government troops have continued to clash. Achieving peace with the KIA, at least on paper, would be a big prize for government negotiators. Sporadic clashes have taken place in Kachin State between the KIA and the military, mainly over the control of timber and other natural resources, irrespective of any attempts at high-level engagement between senior government and KIA leaders or developments at the negotiating table. More fundamentally, the KIA worries that agreeing to a cease-fire means giving up its leverage with Naypyidaw on issues of power sharing and profit sharing.

Ethnic armed groups and the government also disagreed about which international actors should witness the signing ceremony of a nationwide cease-fire agreement. Both sides agreed that the United Nations, China, and ASEAN should be present. The United Nations has sent representatives to observe talks between the government and the NCCT, while China has been an active player in Myanmar's peace process and carries significant influence with ethnic armed groups on the China-

## Endgame to Myanmar's Cease-fire Deal Tests President Thein Sein's Resolve *(continued)*

Myanmar border. The government also conceded to ethnic demands to add Thailand and India as witnesses to the ceremony.

But disagreement emerged over whether representatives from the European Union, Japan, Norway, and the United States should be invited to witness the ceremony, as the ethnic side has insisted.

Both the Norwegian and Japanese governments have supported the peace process in cease-fire or rebel-controlled areas through humanitarian and development assistance. Ethnic representatives also believe that the presence of the U.S. and other Western governments will give more credibility to the agreement and, more importantly, compel Naypyidaw to abide by the terms of the cease-fire.

For its part, the government is concerned that inviting these parties, and the United States in particular, may upset China, which prefers that security issues along its border with Myanmar not be “internationalized.” The U.S. embassy in Yangon has actively engaged with different stakeholders in the cease-fire negotiations, and there are talks of stepping up U.S. support for the next stage of Myanmar's peace process should the signing of a nationwide cease-fire materialize.

Other longstanding contentious areas include the monitoring mechanisms and implementation of the cease-fire and the status of ethnic rebel armies in the aftermath of a nationwide cease-fire. The two sides reportedly reached agreement on the issue of the disarmament, demobilization, and reintegration of ethnic troops during the latest round of talks in Yangon that ended on August 7, but no details about the terms of the agreement were made available.

This is an issue in which military consent and cooperation are critical, and it remains to be seen whether any understanding reached recently will move forward. Commander-in-chief Gen. Min Aung Hlaing has often disagreed with President Thein Sein over the government's handling of the peace process, and in the past has not hesitated to disrupt the progress when he believed the president had given too much ground to ethnic armed groups.



*A village in Shan State in northeastern Myanmar. Reports indicate that when Myanmar holds general elections in November, voting may not take place in several areas of Shan State controlled by the United Wa State Army, the Kokang, and the Mongla due to security concerns. <https://www.flickr.com/photos/axelrd/7907526454/>*

## Endgame to Myanmar's Cease-fire Deal Tests President Thein Sein's Resolve *(continued)*

Despite the current impasse, many NCCT leaders are aware that their best chance to resolve protracted conflicts in their states is through forging a deal with the current government. Thein Sein and his team have worked hard to build trust – where none existed before – with leaders of ethnic armed groups. These dynamics cannot easily be replicated under the next government, which will come into office in March 2016. That said, some among the ethnic groups wonder whether they would be better off negotiating with a future government that may seem softer than the current one.

For Thein Sein, reaching a nationwide peace deal will not only help cement his legacy, but also pave the way for elections to take place in ethnic areas later this year. Excluding large swaths of ethnic voters, who make up as much as 40 percent of the population, will severely damage the credibility of the elections. Yet unless Naypyidaw can be assured that ethnic troops will be disarmed ahead of the polls, it might not be confident enough to let voting go ahead in many ethnic areas, as happened with the 2010 elections. On the other hand, some rebel groups feel somewhat ambivalent about the elections, for fear that opening up areas they control for electoral contest might result in their loss of influence.

Already there are reports that, due to security reasons, voting will not be held in areas of Shan State that are controlled by the UWSA, the Kokang, and the Mongla. Although Naypyidaw has signed bilateral cease-fires with a dozen ethnic armed groups in Shan, Karen, and Karenni states, cease-fire violations continue in several areas. Without more explicit mutual assurances, it is unclear how government forces and ethnic troops will behave in the lead-up to and during the elections. Any nationwide peace deal will not be binding, but it will greatly boost confidence among all stakeholders.

As Thein Sein works to appease ethnic leaders in the coming weeks, he will also need to convince the military and conservative elements within Myanmar's traditional elite that his government has not been too accommodating of ethnic interests. Failing to do so will make it more difficult for him to secure the military leadership's support for a final cease-fire deal. ■





*Myanmar parliament speaker Shwe Mann and then-U.S. secretary of state Hillary Clinton in Naypyidaw in 2011. Members of the ruling party on August 12 voted to oust Shwe Mann as party leader in what has been widely seen as an effort to sideline him ahead of November elections. [https://commons.wikimedia.org/wiki/File:Hillary\\_Clinton\\_and\\_Shwe\\_Mann.jpg](https://commons.wikimedia.org/wiki/File:Hillary_Clinton_and_Shwe_Mann.jpg)*

## MYANMAR

- **Shwe Mann ousted as ruling party leader.** Allies of President Thein Sein within the ruling Union Solidarity and Development Party (USDP) voted on August 12 to **oust parliament speaker Shwe Mann** as party chairman. During the vote, 200 members of the security forces surrounded the USDP headquarters in Naypyidaw and reportedly prevented Shwe Mann's allies from entering. Members reappointed President Thein Sein as party chairman, with his duties to be shared by Vice-Chairman Htay Oo. The vote was widely seen as a move to derail Shwe Mann's presidential ambitions after he made a number of decisions that alienated the military and the president. Shwe Mann remains parliament speaker.
- **Thein Sein will not run in upcoming election; 45 senior military officers retire to run for office.** The ruling Union Solidarity and Development Party (USDP) announced on August 12 that President Thein Sein will not run for a seat in parliament in elections expected in November, though he has left the door open to a second term as president. Meanwhile, 45 senior military officers and 6 government ministers retired on August 11 to run in the elections. The USDP, led by parliament speaker Shwe Mann, approved only 59 out of 140 senior military officers proposed as candidates to run under the USDP banner in the elections—a decision that likely contributed to his August 12 ouster as party chairman.
- **Peace talks reach another impasse over all-inclusive peace deal.** Two days of peace talks between the Myanmar government and ethnic armed groups reached an impasse on August 8 over how many ethnic groups should be included in a nationwide cease-fire. The ethnic delegation insisted that all 17 members of the National Ceasefire Coordination Team be included, while the government remained firm that only 11 ethnic groups should be included. Three of the six excluded groups—the Ta'ang National Liberation Army, Myanmar National Democratic Alliance Army, and Arakan Army—had offered on August 5 to meet to discuss the possibility of reaching independent peace deals with the government to break the impasse.
- **Flooding affects nearly 1.3 million people.** Widespread flooding has affected 12 of Myanmar's 14 regions since June and led to 103 deaths as of August 18. Floods have affected nearly 1.3 million people and destroyed 1.2 million acres of rice fields. Water levels in the rice-growing Irrawaddy Delta remain high, and rice exports, initially predicted to total \$2.9 billion this year, are expected to decline substantially as all exports have been suspended until September. With elections expected in November, the

Union Election Commission has announced that it will issue special identity cards to households who have lost their identification documents in the floods.

- **Fraser & Neave agrees to sell \$560 million stake in Myanmar brewery.** Singapore-based Fraser & Neave will sell 55 percent of its stake in Myanmar Brewery to its local partner, the military-controlled Myanmar Economic Holdings Ltd. (MEHL), for \$560 million following an August 6 agreement on the valuation of the sale. MEHL in October 2014 won a two-year arbitration case against Fraser & Neave over Myanmar Brewery. The joint venture accounts for more than 80 percent of the beer market share in Myanmar, though Denmark's Carlsberg and the Netherlands' Heineken have recently opened breweries in the country.

#### THAILAND

- **Bomb blast in central Bangkok kills 20.** A bomb exploded near the Erawan shrine in central Bangkok on August 17, killing 20 and injuring 123. A second attack occurred on the city's Sathon Pier, but there were no casualties. No one has claimed responsibility for the bombing—the largest and deadliest in Bangkok's history—though police have released photos of a suspect seen carrying a backpack into the shrine. About two dozen countries have issued travel advisories warning citizens against visiting Thailand. Tourism is one of the few bright spots amid Thailand's overall slowing economy.



A portrait of Thailand's King Bhumibol Adulyadej in Bangkok. A military court on August 7 sentenced a man to 30 years and a woman to 28 years in prison for lèse-majesté—the longest such sentences in Thailand's history. [https://en.wikipedia.org/wiki/Bhumibol\\_Adulyadej#/media/File:King\\_bhumibol\\_monument.jpg](https://en.wikipedia.org/wiki/Bhumibol_Adulyadej#/media/File:King_bhumibol_monument.jpg)

- **Court hands down longest lèse-majesté sentences in Thai history.** A military court on August 7 sentenced a man to 30 years in prison and a woman to 28 years for violating Thailand's strict lèse-majesté laws by insulting the monarchy on social media. The sentences are the harshest ever handed down by a Thai court for defaming the monarchy. The United States expressed concern over the sentences, urging the Thai government to uphold its international obligations and respect free expression.
- **Criminal court opens new divisions on human trafficking, corruption, narcotics.** Thailand's criminal court launched new divisions on human trafficking, corruption, and narcotics on August 11 in the wake of the July 27 release of the U.S. State Department's [Trafficking in Persons report](#) that placed Thailand on the lowest tier for its efforts to combat human trafficking. Officials from Thailand's criminal court, attorney general's office, police, Ministry of Justice, and Ministry of Social Development and Human Security also signed an agreement to improve efficiency in handling human-trafficking cases. The Thai government maintains that the Trafficking in Persons report does not accurately reflect its efforts to combat human trafficking.

- **Constitutional Drafting Committee confirms hybrid system of elected, appointed senators.** Thailand's Constitutional Drafting Committee on August 12 approved a draft constitution under which 123 members of a 200-person senate would be appointed rather than elected. Former prime ministers Yingluck Shinawatra and Thaksin Shinawatra and their Pheu Thai Party have strongly criticized the draft charter for falling short of democracy. The junta-appointed National Reform Council will vote on the charter on September 6, after which it will go to a national referendum.

## INDONESIA

- **Jokowi reshuffles cabinet.** President Joko Widodo on August 12 announced changes to his cabinet in a bid to boost Indonesia's underperforming economy. Central bank governor Darmin Nasution became the coordinating economic minister, replacing Sofyan Djalil, who was reappointed chair of the National Development Planning Board. Private equity executive Thomas Lembong became trade minister, replacing the outgoing Rachmat Gobel, while presidential chief of staff Luhut Panjaitan is the new coordinating minister for politics, law, and security, replacing Tedjo Edhy Purdijatno. Rizal Ramli was appointed the coordinating maritime affairs minister, replacing Indroyono Soesilo, and Pramono Anung took over from Andi Widjojanto as cabinet secretary.
- **Wreckage from missing plane in Papua confirms 54 killed in crash.** Investigators on August 17 recovered all 54 bodies from the wreckage of a plane operated by Trigana Air that presumably crashed into a mountainside while traveling from Jayapura, the capital of Papua Province, to the remote city of Oksibil. The plane lost contact with air traffic control during heavy rain and thick fog on August 16. Rescuers have not determined what caused the crash.
- **Police arrest three, uncover terror plot in Surakarta.** The police counterterrorism unit known as Densus 88 on August 12 arrested three men suspected of terrorism in the city of Surakarta in Central Java Province. Searches of the suspects' residences and the surrounding areas following the arrests led to the discovery of active bombs as well as bomb-making instructions and a black Islamic State flag. Authorities believe the suspects were part of an Islamic State plot directed from Syria, which aimed to attack a local police station and churches on Indonesia's Independence Day on August 17.
- **Government catches container ship carrying slave-caught fish.** A Thai-flagged refrigerated cargo ship, the *Silver Sea 2*, was seized by the Indonesian navy on August 13. The ship was spotted weeks ago in Papua



*Students at an Islamic boarding school in Indonesia. The Ministry of Religious Affairs on August 11 introduced a new Islamic curriculum to schools that aims to promote tolerance amid renewed fears of Islamic extremism in the world's largest Muslim-majority country. <https://www.flickr.com/photos/alkhoirot/5789326244>*

New Guinea loaded with fish from boats crewed by slaves, and was tracked by satellite until it entered Indonesian waters and was interdicted. Slave fishermen rescued from another ship in Papua New Guinea waters claimed to have been forced to load freshly caught fish into cargo ships owned by the same company that operates the *Silver Sea 2*.

- **Religious affairs minister introduces peaceful Islamic curriculum; Muhammadiyah chairman vows tolerance.** Religious Affairs Minister Lukman Hakim Saifuddin on August 11 introduced a new Islamic curriculum to schools at all levels that aims to promote peaceful Islamic teachings. The new curriculum is designed to teach students that Islam is a religion that embraces diversity, peace, and tolerance. Likewise, Haedar Nashir, the newly elected chairman of Muhammadiyah – Indonesia's second-largest Islamic organization – on August 6 vowed to give protection to minority groups in Indonesia regardless of their religions or cultural heritages.
- **Jokowi calls for senior officials to set aside their egos to revive the economy.** President Joko Widodo on August 14 called on senior government officials and political leaders to rein in their egos and join hands to revive the Indonesian economy. The president made his call for unity during his first state of the nation address to the House of Representatives, the Peoples' Consultative Assembly, and the Regional Representative Council in Jakarta, ahead of celebrations for Indonesia's Independence Day on August 17.

#### MALAYSIA

- **Anticorruption commission says money in Najib's personal account not from 1MDB.** Malaysia's anticorruption commission on August 3 said in a report that the \$700 million deposited in Prime Minister Najib Razak's personal bank account were political donations and not funds taken from debt-laden state investment firm 1Malaysia Development Bhd (1MDB). The commission will ask Najib to provide an explanation for the money, which allegedly came from unnamed donors from the Middle East. Malaysia's central bank has completed a separate investigation of 1MDB and has submitted its recommendations to the chief prosecutor.
- **Opposition party sues Najib over \$700 million in donations.** The opposition People's Justice Party (PKR) on August 12 filed a civil suit against Prime Minister Najib Razak for violating electoral rules by allegedly receiving over \$700 million in campaign contributions. The PKR said that the donation amount, which was previously thought to have been siphoned off state investment fund 1Malaysia Development Bhd, was more



than 26 times the donation amount permissible under Malaysia's electoral laws. The opposition party hopes to have the ruling coalition de-registered and fresh elections called.

- **Kerry urges greater efforts in combatting human trafficking.** Secretary of State John Kerry on August 5 urged the Malaysian government to improve its law enforcement and protection of human trafficking victims, noting the steps Malaysia has already taken to address the problem. Kerry made the remarks on the sidelines of the ASEAN Regional Forum in Kuala Lumpur. Kerry also said that Malaysia's upgraded ranking in this year's Trafficking in Persons report was not driven by U.S. concerns about Malaysia's eligibility for the Trans-Pacific Partnership trade agreement.
- **Transport minister says debris found in Maldives not from MH370.** Malaysian transport minister Liow Tong Lai on August 14 told the *Star* newspaper that debris that washed up ashore the Maldives was not from missing Malaysia Airlines' flight MH370. Liow made the announcement in Kuala Lumpur days after Malaysia dispatched experts to the Maldives to examine the debris. The search for more debris continues off the coast of nearby Reunion Island, after a wing component found there was confirmed by Malaysia as part of MH370.
- **At least 20 arrested at rally calling for Najib's resignation; police reject Bersih's application to hold rally.** Police on August 1 arrested at least 20 protesters who took part in a rally organized by youth activists calling for the resignation of Prime Minister Najib Razak amid investigations into state investment fund 1Malaysia Development Bhd, whose advisory council Najib chairs. Meanwhile, Malaysian police have refused to acknowledge a notice submitted by the Bersih 4.0 coalition for its planned overnight rally on August 29 in Merdeka Square in Kuala Lumpur, warning rally organizers against taking actions to topple the government. The first Bersih rally took place in 2007 as an attempt to call for electoral reforms in Malaysia.

#### PHILIPPINES

- **Senate takes up amended Bangsamoro law that Moro leaders call "unacceptable."** Philippine senator Ferdinand Marcos Jr. on August 10 submitted an amended version of the Bangsamoro Basic Law, which would set up an autonomous region in Muslim-majority areas of Mindanao under a peace agreement signed with the Moro Islamic Liberation Front (MILF) in March 2014. MILF leaders called Marcos's version "unacceptable," noting he modified 80 percent of the original legislation. Legislative delays have already cast doubt on whether the peace agreement could be implemented in President Benigno Aquino's term.



*Police stand by at a Bersih 3.0 rally in April 2012. The Bersih coalition, which is short for Coalition for Clean and Fair Elections, was officially formed in 2006 by leaders of political parties and civil society groups. Bersih 4.0 is set to gather on August 29 to demand free elections and to protest the government's handling of the 1Malaysia Development Bhd controversy. [https://commons.wikimedia.org/wiki/File:Police\\_force\\_at\\_Bersih\\_3.0.jpg](https://commons.wikimedia.org/wiki/File:Police_force_at_Bersih_3.0.jpg)*



Senator Grace Poe, who met recently with a constituent party of President Benigno Aquino's ruling coalition that has yet to endorse a candidate for the 2016 presidential race. The president's chosen successor, Mar Roxas, also met with the party, but continues to trail in the polls. [https://commons.wikimedia.org/wiki/File:Grace\\_Poe\\_delivering\\_a\\_privilege\\_speech.jpg](https://commons.wikimedia.org/wiki/File:Grace_Poe_delivering_a_privilege_speech.jpg)



Secretary of State John Kerry and Vietnamese president Truong Tan Sang toast the establishment of the U.S.-Vietnam Comprehensive Partnership in 2013. [https://commons.wikimedia.org/wiki/File:Secretary\\_Kerry\\_and\\_Vietnamese\\_President\\_Truong\\_Tan\\_Sang\\_Toast\\_the\\_U.S.-Vietnam\\_Relationship.jpg](https://commons.wikimedia.org/wiki/File:Secretary_Kerry_and_Vietnamese_President_Truong_Tan_Sang_Toast_the_U.S.-Vietnam_Relationship.jpg)

- **Japan to loan \$2 billion for rail project.** Japan's foreign minister, Minoru Kiuchi, announced on August 7 that Japan would loan the Philippines \$2 billion for a 23-mile commuter rail project from Manila to Bulacan Province to the north. The loan is Japan's largest-ever amount of official development assistance given for a single project in the Philippines. The two countries initially agreed on the project during President Benigno Aquino's June visit to Japan. Kiuchi announced the loan on the sidelines of the 2015 ASEAN Foreign Ministers' Meeting in Kuala Lumpur.
- **Ruling coalition party debating between Roxas, Poe.** Former interior secretary Mar Roxas and Senator Grace Poe met individually with members of the Nationalist People's Coalition (NPC) on August 11 at the invitation of party leader Eduardo Cojuangco as the party debates who to endorse in the 2016 presidential election. The NPC is a member of President Benigno Aquino's ruling coalition, but has not followed the president's lead in endorsing Roxas. Poe leads all other contenders by double digits in recent polls while Roxas trails in third or fourth place.
- **Abu Sayyaf beheads hostage in Sulu.** Members of the Abu Sayyaf terrorist group on August 11 reportedly beheaded a Filipino hostage, Rodolfo Buligao, in the southern Philippines. Police discovered Buligao's body days after Abu Sayyaf told his family that he would be released. Buligao was a village chairman in Sulu Province, the heart of Abu Sayyaf activity. The group's ability to operate has been severely degraded over the last decade and a half and it now primarily engages in kidnapping for ransom and other criminal activities.

#### VIETNAM

- **Vietnam signs FTA with European Union.** The European Union and Vietnam on August 4 agreed in principle to a trade deal that would remove tariffs on nearly all goods traded between Vietnam and EU member economies, and would significantly open up trade in services, investment, and government procurement over the next 7 to 10 years. The deal is said to contain provisions that will allow for the suspension of trade in response to major human rights violations. The other free trade pact the EU has signed in the region is with Singapore.
- **Kerry says U.S.-Vietnam ties can deepen if Hanoi respects human rights.** Secretary of State John Kerry on August 7 said that Vietnam's respect for freedom of expression and assembly will be of paramount importance as the United States and Vietnam seek to build a deeper and more sustainable partnership. Kerry, who was in Hanoi to celebrate the 20th anniversary of diplomatic relations with Vietnam, said that Hanoi's

willingness to protect human rights will be a determining factor in the U.S. calculus on whether to fully lift its lethal weapons sales ban against Vietnam.

- **Supreme Court Justice Ginsburg advocates for judiciary reform in Vietnam.** Supreme Court Justice Ruth Bader Ginsburg on August 10 met with Prime Minister Nguyen Tan Dung and other senior Vietnamese government officials in Hanoi to discuss ways the United States can assist Vietnam's judiciary reforms. Ginsburg said that a group of U.S. judges will travel to Vietnam in September to discuss the role of judges in human rights cases and in enforcing the rule of law. Ginsburg also renewed the marriage vow for U.S. ambassador to Vietnam Ted Osius and his husband Clayton Bond during her visit.

- **Vietnam and Malaysia upgrade relations to strategic partnership.** Vietnamese and Malaysian prime ministers Nguyen Tan Dung and Najib Razak on August 7 signed an agreement to upgrade bilateral Vietnam-Malaysia relations to a strategic partnership. Under the new framework, the two governments will set up a defense dialogue at the deputy ministerial level and work toward agreements on joint maritime patrols, search and rescue operations, and rice trade policy for the 2015-2020 period.

#### ASEAN

- **Foreign ministers discuss South China Sea, other key issues at ARF.** The foreign ministers of the 10 ASEAN states, 16 partner nations, and the European Union met at the August 6 ASEAN Regional Forum in Kuala Lumpur to discuss key regional and global security issues, including the South China Sea disputes, the Islamic State, North Korea, and the migrant crisis in Southeast Asia. The forum followed the ASEAN Foreign Ministers' Meeting, at which leaders reached a last-minute consensus on language noting that recent actions had "eroded trust and confidence" and "increased tensions" in the South China Sea, though China was not referenced by name.

#### CAMBODIA

- **Cambodian government jails opposition senator, protestors.** Cambodian authorities on August 15 arrested Senator Hong Sok Hour, a member of the opposition Cambodia National Rescue Party (CNRP), two days after Prime Minister Hun Sen accused him of treason for questioning a 1979 border agreement with Vietnam. His arrest followed the jailing of 11 CNRP members in July and another 3 on August 6 for their participation in July 2014 protests against the government. The CNRP alleges that the arrests



*Kem Sokha, vice president of the opposition Cambodia National Rescue Party (CNRP), who met with a leader of the ruling Cambodian People's Party in a failed attempt to secure the release of 14 opposition activists arrested since July. The CNRP alleges that the arrests have been orchestrated to undermine the party's campaign against alleged Vietnamese border encroachments. <https://www.flickr.com/photos/mainakiai/12431100594/in/photostream/>*



are intended to undermine an opposition campaign against alleged Vietnamese encroachment across the disputed border, and said it will challenge them in court.

- **Factory leaders vote to freeze minimum wage; unions warn of strikes.** The Garment Manufacturers Association in Cambodia (GMAC) on August 12 voted to freeze the minimum wage in the garment sector at \$128 per month, angering unions that are demanding the monthly wage be increased to \$177. The Labor Ministry is scheduled to decide the issue in October, following meetings in September with the garment unions and manufacturers. Unions are now warning that the manufacturers association's vote could spark strikes ahead of those September meetings.

## SINGAPORE

- **Opposition candidates to stay out of constituencies contested by other opposition parties.** Two of Singapore's opposition parties, Singaporeans First and the National Solidarity Party (NSP), on August 10 announced that they will not field candidates in areas contested by other opposition parties, in a bid to consolidate the opposition vote against the ruling People's Action Party. The NSP said it will withdraw from two constituencies contested by the Workers' Party, while Singaporeans First agreed not to run in a constituency contested by the Reform Party. The next general elections are expected to take place in September or October.
- **Singapore holds celebrations for 50th jubilee.** A weekend of celebrations for Singapore's 50th founding anniversary culminated in a nearly three-hour parade in the evening of August 9, showcasing military hardware, performances by various ethnic groups, and an aerial show by 50 military aircraft. Foreign dignitaries representing 18 countries attended the parade, as well as a 26,000-strong live audience, and millions watched on television.
- **Thirty-eight firms on watch list for not fairly considering Singaporeans for jobs.** The Ministry of Manpower has placed 38 firms on a watch list for not fairly considering Singaporeans for jobs, according to an August 14 *Straits Times* report. The ministry reviewed the Employment Pass—which allows firms to hire foreign professionals—of 150 companies over the past year, with the possibility of banning those found uncooperative from hiring foreign professionals in the future. The ministry also identified another 100 firms with unusually high proportions of foreigners by industry standards.
- **Singapore-registered tanker found off Indonesia after reported hijack.** A Singapore-registered tanker that went missing off the coast of Malaysia



View of Marina Bay Sands in Singapore. The audience at Singapore's 50th founding anniversary on August 9 was treated to an extravagant pyrotechnic spectacle with the largest firework display in the history of Singapore's national day parades. <https://www.flickr.com/photos/nlann/19177921824>





on August 8 was found in Indonesia without cargo the following day. The pirates fled after hijacking the tanker and draining its oil, which was worth more than \$700,000. The vessel's crew contacted the Malaysian coast guard after the incident and was later picked up by Indonesian authorities. This is the eighth tanker hijacked in Malaysian waters since the beginning of the year.

#### SOUTH CHINA SEA

- **Japan exploring giving planes to Philippines for South China Sea surveillance.** Japan is considering giving the Philippines three Beechcraft TC-90 King Air planes to conduct surveillance in the South China Sea, according to an August 6 Reuters report. The Philippines earlier expressed interest in obtaining more sophisticated P3 Orion long-range patrol aircraft, but Japanese authorities believe the Philippine military would have difficulty operating them. The secondhand Beechcraft would allow the Philippines to conduct basic surface and air radar surveillance.

#### TRANS-PACIFIC PARTNERSHIP

- **New Zealand expects TPP talks to resume end of August.** New Zealand trade minister Tim Groser said that he expects talks on the Trans-Pacific Partnership (TPP) agreement to resume in Kuala Lumpur toward the end of August, according to an August 12 *New Zealand Herald* report. Groser expects negotiators to conduct a series of bilateral negotiations to wrap up outstanding issues that prevented TPP ministers from closing the deal at the ministerial meeting in Hawaii at the end of July.

#### TIMOR-LESTE

- **Former guerrilla leader killed in security operation.** Timorese security forces killed former guerilla leader Mauk Moruk and at least two other members of Moruk's Maubere Revolutionary Council, or KRM, in a joint operation on August 9. Security forces launched the operation against KRM in May following attacks by the group on Timorese police. Moruk had been a consistent opponent of former president and fellow guerilla leader Xanana Gusmão's government, challenging it to do more to address poverty and unemployment in Timor-Leste. His death has raised fears of unrest.

#### LAOS

- **Over 150 foreign entities invest in Laos's special economic zones.** One hundred sixty-three foreign companies have invested a combined \$4.2 billion in Laos's two "special economic zones" and nine "specific economic zones," according to an August 11 *Vientiane Times* report. China is the



*New Zealand trade minister Tim Groser (sixth from left) posing in 2012 with ministers from other countries that are part of the Trans-Pacific Partnership negotiations. [https://commons.wikimedia.org/wiki/File:Trade\\_Ministers\\_from\\_Trans-Pacific\\_\(TPP\)\\_Meeting\\_in\\_Vladivostok\\_\(7940097642\).jpg](https://commons.wikimedia.org/wiki/File:Trade_Ministers_from_Trans-Pacific_(TPP)_Meeting_in_Vladivostok_(7940097642).jpg)*



largest source of investment, with 95 firms, followed by Thailand with 17 and Japan with 14. Over 40 percent of foreign investment in the zones is in services and 30 percent is in the industrial sector. Japan’s Nikon and Toyota are establishing factories in Laos’s economic zones to reduce costs.

## BRUNEI

- **Brunei and Malaysia finalize border claims in overlapping area of South China Sea.** Malaysia and Brunei on August 12 announced that they have resolved most of their respective boundary claims affecting the sharing of oil and gas profits in overlapping exploration blocks along Malaysia’s Sarawak State and the Bruneian coast. Bruneian Sultan Hassanal Bolkiah and Malaysian prime minister Najib Razak have agreed to speed up commercial exploitation of oil and gas along the two countries’ shared boundaries. State oil companies of both countries signed production-sharing agreements back in 2010. ■

# Looking Ahead

- **Promoting Nuclear Safety Cooperation in Northeast Asia.** The East-West Center on August 25 will host a seminar with Dr. James E. Platte, nonresident Sasakawa Peace Foundation fellow at the Pacific Forum, Center for Strategic and International Studies, on the current state of nuclear safety cooperation in Northeast Asia. Platte will discuss regional nuclear security cooperation among China, Japan, and South Korea. The event will take place from 12:00 p.m. to 1:30 p.m., 6th floor, 1819 L St., NW. RSVP [here](#) by August 24.
- **Cautious and Conflicted: Singapore, Malaysia, and the U.S.** Rebalance to Asia. The Wilson Center on September 8 will host Dr. Pek Koon Heng-Blackburn, assistant professor at the School of International Service at American University, and Dr. Joseph Chinyong Liow, senior fellow at the Lee Kuan Yew Chair in Southeast Asia Studies at the Brookings Institution, for a discussion on Singapore and Malaysia's balancing between the United States and China. Ambassador J. Stapleton Roy will moderate the session. The event will take place from 10:00 a.m. to 11:30 a.m., 6th floor auditorium, Wilson Center, 1300 Pennsylvania Ave., NW. To RSVP, click [here](#).
- **CSIS discussion on Managing Cyber Risk and the Role of Insurance.** CSIS on September 10 will host a discussion on the growing threat of cyber-attacks and the role of the insurance industry in managing cyber risk. A wide range of stakeholders including industry executives, senior policymakers, and security experts will offer insights on how to promote the development of a common understanding of the cyber risks to U.S. companies and how best to manage those risks. The event will take place from 9:00 a.m. to 10:00 a.m., Second Floor Conference Room, 1616 Rhode Island Ave., NW. To RSVP, click [here](#). ■

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