

Southeast Asia *News Review*

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Editorial Advisor:
Udai Bhanu Singh

Editor:
Rahul Mishra

Southeast Asia & Oceania Centre

Institute for Defence Studies and Analyses

No.1, Development Enclave, Rao Tula Ram Marg,
Delhi Cantt., New Delhi - 110 010

Tel. (91-11) 2671-7983 Fax.(91-11) 2615 4191

E-mail: contactus@idsa.in Website: <http://www.idsa.in>



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SOUTHEAST ASIA

GENERAL

ASEAN, Japan to Work on Greater Economic Partnership

Economic ministers from Japan and the ASEAN (Association of Southeast Asian Nations) have agreed to work towards launching talks by the end of 2012 on creating a regional free-trade agreement. The ministers pledged, during a meeting held on April 29, 2012, to work towards talks on the proposed Regional Comprehensive Economic Partnership via working groups. The statement in this regard was issued after the Japan-ASEAN ministerial meeting in Tokyo.¹

BRUNEI DARUSSALAM

Brunei Recognizes Kosovo; 19th ASEAN-EU Ministerial Meeting Held in Brunei Darussalam

Minister of Foreign Affairs and Trade of Brunei Darussalam, Mohamed Bolkiah, through a letter sent to the Minister of Foreign Affairs of Kosovo, Enver Hoxhaj, has confirmed the official recognition of Kosovo. On April 26, 2012, Hoxhaj also had a telephone conversation with the Lao Ambassador to the Organization of the United Nations in New York, Latif Tuha, who has confirmed to the minister Hoxhaj the official recognition by Brunei Darussalam. According to the reports, Hoxhaj was also invited to visit the country.²

The 19th ASEAN - European Union Ministerial Meeting (AEMM) was held in Bandar Seri Begawan, Brunei Darussalam from April 26-27, 2012. Ministers and representatives

¹ 'ASEAN, Japan vow trade bloc talks', *Japan Times*, April 29, 2012, <http://www.japantimes.co.jp/text/nn20120429b3.html>

² 'Brunei Darussalam recognizes Kosovo', *New Asean*, April 26, 2012, <http://newsasean.com/1967-brunei-darussalam-recognizes-kosovo-m-magazine>

from ASEAN member states, EU member states, the ASEAN Secretariat and the European External Action Service (EEAS) attended the event.³

CAMBODIA

20th ASEAN Summit Held in Phnom Penh; Prominent Cambodian Environment Activist Shot Dead; Cambodian Soldier Hurt in Clashes Along The Thai Border

The 20th ASEAN Summit was held in Phnom Penh, Cambodia. The meeting ended on April 4, 2012. It produced a number of declarations, such as the 'Phnom Penh Declaration on ASEAN: One Community, One Destiny', 'Phnom Penh Agenda on ASEAN Community Building', and 'Drug-Free ASEAN 2015'. The Summit, held from April 3-4 in Phnom Penh, also discussed the progress and challenges faced in completing the ASEAN Community by 2015.⁴

Prominent Cambodian environment activist Chut Wutty was shot dead along with a military police officer on April 26, 2012, in Cambodia's south-western province of Koh Kong. Other military personnel were apparently present during the shootings. Two women journalists from the Cambodian Daily newspaper - Cambodian Phorn Bopha and Canadian Olesia Plokhii - were with Wutty when he was shot. Both were initially detained, but have since been released. Wutty was the Director of the Natural Resource Protection Group (NRPG), a Cambodian NGO that campaigns against the destruction of the country's forests.⁵

Cambodia has acknowledged that its troops exchanged fire with Thai security forces along their border in their first publicly acknowledged clash since repeated combat there ended in 2011. The deputy military commander of Cambodia's Preah Vihear

³ 'Prince Mohamed Bolkiah Co-Chairs 19th Asean- EU Ministerial Meeting', *Bru Direct*, April 28, 2012. <http://www.brudirect.com/index.php/Local-News/prince-mohamed-bolkiah-co-chairs-19th-asean-eu-ministerial-meeting.html>

⁴ '20th ASEAN Summit closes, leaders reaffirm goals', *Antara News*, April 4, 2012, <http://www.antaraneews.com/en/news/81149/20th-asean-summit-closes-leaders-reaffirm-goals>

⁵ 'Prominent Cambodian environment activist shot dead', *RTT News*, April 27, 2012, http://www.rttnews.com/1870530/prominent-cambodian-environment-activist-shot-dead.aspx?type=gn&utm_source=google&utm_campaign=sitemap

province, Lt. Col. Men Ly, said Cambodian troops on patrol on April 29, 2012 were attacked by the Thai forces. He said that one Cambodian soldier was wounded in a 10-minute exchange of rifle fire and grenades. Thai Army spokesman Col. Sansern Kaewkamnerd, on the other hand, said that the Thai security forces inside Thai territory returned fire after illegal loggers from Cambodia shot at them and fled.⁶

EAST TIMOR

East Timor Prepares for the April 16 Polls; Ruak Wins East Timor Elections

According to the media reports, East Timor is ready to conduct polls, which are due on April 16, 2012. The final elections, in which Taur Matan Ruak is competing against the Fretilin Party candidate Francisco Guterres Lu'olo, are considered crucial for the country. Election observer Professor Damien Kingsbury confirmed the reports that situation in the country is tense as several complaints have been made to authorities since the election began. However, he added that so far the allegations have not been substantiated.⁷

Official election results have named a former guerrilla fighter who became East Timor's army chief as the nation's new president. The Supreme Court of Appeal which has to vet election results announced on April 23 that Taur Matan Ruak had won the April 16 run-off. Court chief Claudio Ximenes says Ruak won 61.2 percent of the votes, defeating rival Francisco "Lu Olo" Guterres. Ruak's takes office May 20 and replaces Nobel Peace Prize laureate Jose Ramos-Horta.⁸

⁶ 'Cambodian soldier said hurt in Thai border clash', *Herald Tribune*, April 29, 2012, <http://www.heraldtribune.com/article/20120429/API/1204290601?tc=ar>

⁷ 'Tensions rise ahead of E Timor elections', *ABC News*, April 15, 2012, <http://www.abc.net.au/news/2012-04-15/tensions-rise-as-final-elections-approach/3950954/?site=newcastle>

⁸ 'Official election results declare ex- guerrilla fighter Ruak as East Timor's new president', *Washington Post*, April 23, 2012, http://www.washingtonpost.com/world/asia_pacific/official-election-results-declare-ex-guerrilla-fighter-ruak-as-east-timors-new-president/2012/04/23/gIQASsCbbT_story.html

INDONESIA

Pupuk Indonesia to Build US \$ 5.2 Billion Petrochemical Complex in the Papua Region; Indian Business Delegation to Visit Indonesia; Indonesia Summons Malaysian Ambassador Over Migrant Killings; Indonesia Delays DBS- Danamon Deal; Export Tax on Coal Likely in Indonesia; Indonesia Bans American Beef

According to media reports published on April 18, the Indonesian fertilizer firm PT Pupuk Indonesia plans to build a petrochemical complex worth US \$5.2 billion in the country's Papua region. Investors from Japan, South Korea and Germany have expressed interest to take part in a plant that will have annual capacity of 2 million tonnes a year, said the firm's CEO Arifin Tasrif. Pupuk Indonesia, a holding firm of four state-controlled fertilizer firms, already has plants in west and east Java, in Kalimantan on Borneo Island and Aceh in Sumatra Island, with a total capacity of 12 million tonnes. The firm expects sales in 2012 to reach 45 trillion rupiah (US \$ 4.90 billion), up from last year's 40 trillion rupiah.⁹

Responding to media on April 22, 2012, the Indonesian ambassador to India, Andi M. Ghalib said that a fifty member strong Indian business delegation from several Indian states will soon be visiting Indonesia to explore investment opportunities. He added that Indonesia invites Indian investments in agriculture, rubber, mining, coal, textiles, defence, information technology and other areas. Currently, the trade balance is in favour of Indonesia. Indonesian exports to India are around US \$11 billion while the Indian exports to Indonesia are around US \$9 billion. Indonesia exports to India coal, rubber, wood, palm oil and other items while it imports electronics, textiles and others.¹⁰

Indonesia on April 24 summoned the Malaysian ambassador to explain why three Indonesian migrant workers were shot and killed by the Malaysian police and regarding the reports that the deceased's organs were harvested. "We want them to come as soon as possible and bring along the clarification [from Malaysia]," said Tatang Razak, the Indonesian Foreign Affairs Ministry's director for the protection of Indonesian citizens

⁹ 'Pupuk Indonesia plans \$ 5.2 bln petrochem complex in Papua', *Reuters*, April 18, 2012, http://www.silobreaker.com/pupuk-indonesia-plans-52-bln-petrochem-complex-in-papua-5_2265632297027895392

¹⁰ 'Indian business delegation to visit Indonesia', *Economic Times*, April 23, 2012

overseas. He also said the ministry was coordinating with police in Lombok to conduct autopsies to verify reports that the organs had been harvested from the three dead men. The Indonesian government is demanding that Malaysia release the autopsy results and chronology of the deaths of workers.¹¹

Indonesia's central bank said on April 28 that it would not approve a US \$7.3 billion acquisition of Bank Danamon Indonesia by Singapore's DBS until new rules covering foreign ownership were in place. Bank Indonesia said it would re-evaluate a current rule that allows private investors — both foreign and Indonesian — to own stakes as high as 99 per cent in Indonesian banks before assessing DBS's planned acquisition.¹²

Indonesia is likely to subject coal to an export tax to increase state revenues, prevent exploitation, protect the environment and maintain coal reserves, the director general of foreign trade in the trade ministry said on April 27, 2012. Indonesia has said it would apply export taxes to other minerals, creating uncertainty in the country's large mining sector, but until now it was unclear whether coal would be included.¹³

Indonesia has stopped imports of US beef, following a case of mad cow disease that was detected in California. The country has broken ranks with other importers, providing a potential windfall for Australian beef producers. Indonesian Agriculture Minister Suswono said on April 26 that the government had no time frame, but said the suspension applied to all beef shipped after April 24, 2012. This week the first US case of mad cow disease was detected in California. American officials said the case was "atypical" and not related to feed, which calmed fears of a widespread outbreak.¹⁴

¹¹ 'Indonesia summons Malaysia Ambassador over migrant worker killings', *The Jakarta Globe*, April 24, 2012, <http://www.thejakartaglobe.com/seasia/indonesia-summons-malaysia-ambassador-over-migrant-worker-killings/513574>

¹² 'Indonesia delays \$ 7.3 billion DBS- Danamon deal: Reports', *Deccan Chronicle*, April 28, 2012.

¹³ 'Indonesia to subject coal to export tax: Trade ministry', *Economic Times*, April 27, 2012.

¹⁴ 'Indonesia bans American beef over mad cow scare', *Brisbane Times*, April 27, 2012, <http://www.brisbanetimes.com.au/business/indonesia-bans-american-beef-over-mad-cow-scare-20120426-1xnwg.html>

LAOS

Shan Drug Lord Nabbed in Laos; Vietnam Remains Laos' Biggest Investor Country; Laos Resumes Construction of Xayaburi Dam

A Shan drug lord believed to be involved in the murder of 13 Chinese sailors on the Mekong River in 2011 has been arrested in Laos and sent to China, according to the Thai security forces. Jai Norkham, a suspected drug dealer on the Thai authorities' most-wanted list, was arrested with six associates in Laos in Ban Mom in Tonpheung District in Bokeo Province on April 26, 2012, as per the media reports.

Jai Norkham was believed to be involved in the death of 13 Chinese boat crew members on October 5, 2011, which prompted the creation of a joint patrol operation involving Myanmar, China, Laos and Thailand. A former aide of the late drug lord Khun Sa, who led the defunct Mong Tai Army rebel group, Norkham for years has operated with impunity in an area including Myanmar, Thailand and Laos near the Golden Triangle.¹⁵

Vietnam expects to remain as Laos' biggest foreign investor having just sunk US \$ 1.4 billion into 11 mega projects in Laos over the first six months of 2012 fiscal year, according to media reports appeared on April 25, 2012. The projects approved by the Lao government would secure Vietnam's position as the largest foreign investor in Laos amid widespread speculation that China was on track to take the top ranking, said the media report. Vietnamese investors currently have 432 projects worth around US \$ 5.1 billion in Laos, focusing on mining, services, energy and agriculture sectors.¹⁶

In Laos, reports say construction has resumed on a controversial dam on the lower Mekong River, despite an agreement amongst Mekong countries to suspend dam projects pending further study. It's been reported that a Thai company signed a US \$ 1.7 billion deal to construct a hydropower dam in northern Laos.¹⁷

¹⁵ 'Shan drug lord arrested in Laos', *Mizzima*, April 27, 2012, <http://www.mizzima.com/news/regional/7018-shan-drug-lord-arrested-in-laos.html>

¹⁶ 'Vietnam to remain Laos' biggest investor', *Xinhua*, April 18, 2012, http://news.xinhuanet.com/english/world/2012-04/18/c_131535814.htm

¹⁷ 'Laos resumes construction of controversial Xayaburi dam', *Radio Australia*, April 23, 2012, <http://www.radioaustralia.net.au/international/radio/program/asia-pacific/laos-resumes-construction-of-controversial-xayaburi-dam/932204>

MALAYSIA

Malaysian Court to Hear Extradition Case of Bomb Accused in May; Malaysian Government Grants Amnesty to Indian Illegal Immigrants; Malaysia, Singapore to Link Stock Exchanges in June; Thousands of Demonstrators Staged Protest in Malaysia

The extradition plea to Thailand of Iranian national Masoud Sedaghatzadeh, also wanted by India in connection with the February 13 bombing on an Israeli diplomat, will be heard by a Malaysian court on May 28. Sedaghatzadeh was arrested at the Kaula Lumpur airport upon his arrival from Bangkok shortly after botched up plan to bomb various places in Thailand. India has sent an arrest warrant for Sedaghatzadeh to Malaysia requesting for his production before a court in New Delhi to unravel the conspiracy behind the attack on the Israeli diplomat Tal Yeshova's car.¹⁸

The Malaysian government has granted amnesty to more than 10,000 Indian illegal immigrants, who would be allowed to return home. In a statement, Malaysia's Home Ministry secretary-general Mahmood Adam said that since October 20 2011, 70,259 illegal immigrants were screened nationwide in 3,331 operations; adding action was taken against 10,092 of them and 292 employers. He said 154 illegals were found to be victims of human trafficking. Malaysia is heavily dependent on foreign workers in sectors like plantations, construction and restaurants.¹⁹

Malaysia and Singapore are expected to link their stock exchanges in June 2012 to allow brokers in one country to buy shares in the other without having to go through an intermediary, the two countries' bourse operators said on April 27, 2012. "Bursa Malaysia and Singapore Exchange (SGX) will be connected first, with the Stock Exchange of Thailand (SET) added in August 2012," ASEAN Exchanges, a group of regional bourse operators, said in a statement. Speaking on behalf of ASEAN Exchanges, SGX Chief Executive Magnus Bocker said the start of the Singapore-Malaysia electronic

¹⁸ 'Malaysian court to hear Iranian's extradition on May 28', *DNA*, April 16, 2012, http://www.dnaindia.com/world/report_malaysian-court-to-hear-iranian-s-extradition-on-may-28_1676794

¹⁹ 'Malaysia grants amnesty to 10,091 Indian illegal immigrants', *Deccan Herald*, April 17, 2012, <http://www.deccanherald.com/content/242691/malaysia-grants-amnesty-10091-indian.html>

trading link will mark the first key milestone to facilitate cross-border stock trading in Southeast Asia.²⁰

To curb a massive street protest held on April 28, 2012, the Malaysian police unleashed tear gas and chemical-laced water at thousands of demonstrators demanding fair rules for national elections expected soon. At least 25,000 demonstrators swamped Malaysia's largest city, hoping to pressure Prime Minister Najib Razak's ruling coalition - which has held power for nearly 55 years - to overhaul electoral policies before polls that could be held in June. Authorities insist the elections will be free and fair, rejecting activists' claims that the Election Commission is biased.²¹

MYANMAR

Myanmar President Meets Rebels; Suu Kyi Meets Karen Rebels; British Prime Minister Visits Myanmar; Cameron, Suu Kyi Back Suspension of Sanctions; Japan to Write Off US \$ 3.7 Billion Debt on Myanmar; Japan Pledges US \$ 7.4 Billion to Mekong Region; Aung San Suu Kyi Boycotts Parliament Opening Over Oath Dispute; EU Suspends Some Sanction on Myanmar; UN Secretary General Visits Myanmar

On April 7, 2012, a peace delegation from the rebel Karen National Union met with the President Thein Sein. This was the first time President had talks with rebel leaders since he called upon rebel groups to talk in August 2011. On April 6, 2012 the KNU and government delegates met in Yangon and signed a 13- point agreement on how to move ahead with the peace process.²²

The opposition leader of Myanmar, Aung San Suu Kyi met with the Karen ethnic rebels in her first significant meeting after winning the April 1 by-elections. The meeting,

²⁰ 'Singapore, Malaysia to link stock exchange in June', *Asia One*, April 27, 2012, <http://www.asiaone.com/News/AsiaOne%2BNews/Business/Story/A1Story20120427-342581.html>

²¹ '25k rally in Malaysia, police fire tear gas', *Hindustan Times*, April 28, 2012, <http://www.hindustantimes.com/world-news/RestOfAsia/25k-rally-in-Malaysia-police-fire-tear-gas/Article1-847796.aspx>

²² 'Burma President Meets with Karen Rebels', *VOA News*, April 7, 2012, <http://www.voanews.com/english/news/Burma-President-Meets-with-Karen-Rebels-146521725.html>

which lasted for more than an hour, was held in Yangon. The meeting came a day after KNU delegates met Myanmar's President Thein Sein in Naypyidaw.²³

The British Prime Minister, James Cameron started his visit to Myanmar on April 13, 2012. He is the first British Prime Minister to do so since 1948.²⁴

During his visit to the country, Prime Minister Cameron met the opposition leader Aung San Suu Kyi. The two leaders agreed and backed for suspending sanctions on the country. Suu Kyi and UK have long been the biggest advocates of sanctions, imposed over the past 23 years for human rights abuses by Myanmar's military rulers.²⁵

Japan has agreed to write off more than US \$ 3.7 billion of debt owed by Myanmar and to resume development aid. The accord came at talks on April 21, 2012 in Tokyo between the countries' leaders. They also agreed to plan a special economic zone near Rangoon.²⁶

Japan has pledged US \$7.4 billion in development aid to five Southeast Asia nations in an effort to promote cooperation with countries in the Mekong region. Also on April 21, 2012, Japan said it will resume aid as a way to support the country's democratic and economic reforms in Myanmar. Japanese Prime Minister Yoshihiko Noda announced the pledge at the Japan-Mekong summit in Tokyo on April 21, 2012.²⁷

Myanmar's opposition leader Aung San Suu Kyi and elected members of her party on April 21, 2012, announced they will postpone attending parliament until changes are made to the swearing-in oath to the country's pro-military constitution. NLD leader Suu Kyi and 36 other members of Myanmar's main opposition party who won seats in

²³ 'Suu Kyi meets ethnic Karen rebels', *Gulf Today*, April 9, 2012, <http://gulftoday.ae/portal/5d2cbf78-13e6-4765-9bc0-b727403bb398.aspx>

²⁴ 'Cameron on first visit to Myanmar', *Hindustan Times*, April 13, 2012.

²⁵ 'Cameron, Suu Kyi back suspending Myanmar sanction', *Edmonton Journal*, April 14, 2012, <http://www.edmontonjournal.com/news/Cameron+back+suspending+Myanmar+sanctions/6459038/story.html>

²⁶ 'Japan to write off \$ 3.7 bn Burma debt', *BBC News*, April 21, 2012, <http://www.bbc.co.uk/news/world-asia-17797910>

²⁷ 'Japan forgives Burma debt; pledges \$ 7.4 billion to Mekong region', *Mizzima*, April 22, 2012, <http://www.mizzima.com/business/6981-japan-forgives-burma-debt-pledges-74-billion-to-mekong-region.html>

the April 1 by-elections were initially scheduled to be sworn in to Parliament in the capital Naypyitaw, 350 kilometres north of Yangon, on April 23, 2012.²⁸

European Union foreign ministers on April 23, 2012, agreed to suspend most sanctions on Myanmar in response to political reforms there, but continued to press for vigilance over the pace of change in the former military state even while opening the door to a potential surge in investment. The EU also plans to open a trade office in Yangon, Myanmar's commercial capital. Member states said they backed restoring Myanmar "as soon as possible" to the Generalized System of Preferences, which gives low-income nations better access to EU markets—a move likely to happen once an International Labor Organization report presents a paper on allegations of forced labor in Myanmar.²⁹

On April 30, 2012, the UN chief Ban Ki-moon held talks with Myanmar's President. During his three-day visit, Ban Ki- Moon is expected to urge further steps towards democracy and appeal for unfettered humanitarian access to tens of thousands of refugees who have fled Myanmar. Ban is also due to meet opposition leader Aung San Suu Kyi on what is his first trip to the country since decades of military rule ended in 2011.³⁰

THE PHILIPPINES

Four Killed in The Philippines Militant Ambush; US and The Philippine Hold War Games; China, Philippines Discussion Ended in Stalemate; China Warns Against US- Philippines Military Exercise

According to the Philippine officials, the Al- Qaida linked militants killed three armed forces personnel during an ambush in southern Basilan Island. One militant was also killed during the ambush. It is said that Abu Sayyaf rebels under senior leader Furuji

²⁸ 'Myanmar's Suu Kyi to boycott Parliament opening over oath dispute', *The Hindu*, April 22, 2012, <http://www.thehindu.com/news/international/article3342175.ece>

²⁹ 'EU suspends sanctions on Myanmar', *The Wall Street Journal*, April 24, 2012, http://online.wsj.com/article/SB10001424052702303459004577360874233371832.html?mod=googlenews_wsj

³⁰ 'Ban meets Myanmar leader to encourage reforms', *Hindustan Times*, April 30, 2012, <http://www.hindustantimes.com/world-news/Myanmar/Ban-meets-Myanmar-leader-to-encourage-reforms/Article1-848290.aspx>

Indama attacked auxiliary force members on patrol on April 5 in a rubber plantation in Sumisip Township.³¹

Thousands of US soldiers are to participate in two weeks of war games in The Philippines starting on April 16, 2012, as the two nations look to strengthen their military alliance. The Balikatan exercises are an annual event but this year are expected to attract a greater focus with some of the drills set to be held close to sensitive South China Sea waters claimed by the Chinese. The Philippines has insisted the exercises, involving 4,500 US personnel and 2,300 Filipino troops, should not be seen by China as a provocation.³²

China, Philippine discussions ended in stalemate on April 14 as five Chinese ships left the Scarborough Shoal with alleged illegal haul of natural resources. The development ends a tense standoff between the two nations that started on April 10. Chinese vessels blocked Coast Guard ships trying to arrest Chinese fishermen said to be catching endangered coral, giant clams and black-tipped sharks. The Philippines wanted to confiscate the cargo, while China said the fishermen would be subject to Chinese law.³³

China warned the US on April 21, 2012 that the US-Philippine military exercises have raised risks of armed confrontation over the disputed South China Sea, in the toughest high-level warning yet after weeks of tension. China's official *Liberation Army Daily* warned that USA's recent jostling with the Philippines over disputed seas where both countries have sent ships could boil over into outright conflict, and laid much of the blame at Washington's door. American and Filipino troops launched two weeks of annual naval drills on April 16 amid the stand-off between Beijing and Manila, who have accused each other of encroaching on sovereign seas near the Scarborough Shoal, west of a former US navy base at Subic Bay.³⁴

³¹ '4 dead in militant ambush in southern Philippines', *Hindustan Times*, April 7, 2012, <http://www.hindustantimes.com/world-news/RestOfAsia/4-dead-in-militant-ambush-in-southern-Philippines/Article1-836764.aspx>

³² 'US, Philippines hold war games', *Hindustan Times*, April 14, 2012.

³³ 'China, Philippines discussions end in stalemate', *Global Post*, April 14, 2012, <http://www.globalpost.com/dispatch/news/regions/asia-pacific/120414/china-philippines-discussions-end-stalemate>

³⁴ 'China's military warns of confrontation over seas', *The Malaysian Insider*, April 22, 2012, <http://www.themalaysianinsider.com/world/article/chinas-military-warns-of-confrontation-over-seas/>

SINGAPORE

US to Send Combat Ships to Singapore For Joint Exercise; Singapore to Lend US \$ 5 Billion to IMF; Singapore- Vietnam Industrial Parks Attract US \$ 5.3 Billion Investment

The US defence secretary Leon Panetta announced on April 5, 2012 that the US administration is planning to deploy combat ships to Singapore for joint exercise. The announcement came a day after Panetta met his Singapore counterpart Ng Eng Hen met at the Pentagon. The US military already operates a small post in Singapore, a long-standing ally that assists in logistics and exercises for forces in Southeast Asia.³⁵

The Monetary Authority of Singapore (MAS) on April 20 announced that Singapore will make a bilateral loan of US \$ 4 billion to the IMF but stressed that the contribution will be by way of contingent loans to the Fund, and not directly to countries borrowing from it. Thus, Singapore joined the ranks of the Group of 20 (G-20) countries by contributing a US \$ 4 billion loan to the International Monetary Fund (IMF) to help troubled economies. This is part of the broader international effort to boost the IMF's lending capacity, which managing director Christine Lagarde wants to increase by US \$ 400 billion.³⁶

Singapore's four joint industrial parks in Vietnam have pulled investments worth some US \$ 5.3 billion since the first one started in 1996. Per hectare, the parks now attract US \$ 6 million in investments, nearly twice higher than the national average of US \$ 3.5 million. Singapore's President Tony Tan Keng Yam was given this update as he toured developments outside Ho Chi Minh City on April 26, 2012. The developments are largely influenced by Singapore's urban planning model. President Tan visited the second joint industrial park to be established, where 87 companies currently operate and employ 26,000 workers. The companies cover sectors such as furniture, food and electronics.³⁷

³⁵ 'US to send combat ships to Singapore for exercises', *Asia One*, April 6, 2012, <http://news.asiaone.com/News/Latest%2BNews/Singapore/Story/A1Story20120406-338106.html>

³⁶ 'Singapore to lend IMF \$ 5 billion', *Asia One*, April 22, 2012, <http://business.asiaone.com/Business/News/Story/A1Story20120422-341212.html>

³⁷ 'Singapore- Vietnam industrial park draws US \$ 5.3 billion in investment', *Channel News Asia*, April 26, 2012, <http://www.channelnewsasia.com/stories/economicnews/view/1197611/1/.html>

THAILAND

ASEAN Should Play Greater Role in Regional Security: Yingluck; Thailand to Spend US \$ 12 Billion For Disaster Management; Phuket Airport Opens After Tsunami Scare; Thaksin in Cambodia, Address Supporters in A Rally; Shinawatra Visits China to Strengthen Bilateral Ties; Thai Government to Compensate Insurgency Victims; Thailand to Boost Ties Along The Border With Cambodia

Thai Prime Minister Yingluck Shinawatra said on April 4, 2012 that ASEAN should be more proactive to cope with challenges which could threaten regional peace and security to ensure sustainable growth and competitiveness. Attending the 20th ASEAN Summit in Cambodia, Shinawatra said the regional group should play a wider and more constructive role in peace building and closely cooperate with powers outside the region on trade and political stability as well as raising concerns about issues such as the battle against money laundering.³⁸

According to the media reports, Thailand is planning to spend more than US \$12 billion in flood mitigation measures to try to avoid a repeat of last year's devastating floods that killed hundreds of people and cost billions. An enduring image from Thailand's 2011 flood catastrophe was the lines of white Honda vehicle roof tops above blackened waters left stranded at its plant in Ayudhya province, just 60 kilometers from Bangkok. Now after a few months spent cleaning up and millions of dollars for replacement robotics and machinery, the US \$ 700 million plant is again operational.³⁹

Flights to and from Phuket Airport of Thailand were back to normal on April 12 after being shut down during a tsunami scare sparked by a 8.6-magnitude earthquake off Indonesia. Thailand's National Disaster Warning Centre on April 11 afternoon issued a tsunami warning to the six provinces along the Andaman Sea; Krabi, Phuket, Phangnga, Ranong, Satun and Trang. It lifted it about 8:00pm (1300 GMT) when it was clear the earthquake off Aceh in Indonesia had failed to generate a tsunami. Phuket

³⁸ 'Thai PM urges ASEAN to play crucial role in regional security', *Pattaya Mail*, April 6, 2012, <http://www.pattayamail.com/news/thai-pm-urges-asean-to-play-crucial-role-in-regional-security-11687>

³⁹ 'Thailand budgets \$ 12 billion to avoid repeat of 2011 flood catastrophe', *Voice of America*, April 12, 2012, <http://www.voanews.com/tibetan-english/news/—Thailand-Budgets-12-Billion-to-Avoid-Repeat-of-2011-Flood-Catastrophe-147161515.html>

International Airport was closed for several hours during the scare, with more than 15 flights delayed.⁴⁰

Addressing a gathering of thousands of supporters, former Thai Prime Minister Thaksin Shinawatra promised to return to Thailand. The rally was held on April 14, 2012 in Siem Reap, Cambodia. Thaksin supporters have been traveling to Siem Reap via road from Thailand since April 11.⁴¹ Thaksin, ousted by a 2006 military coup after being accused of abuse of power and disrespect for the monarchy, led a song-filled rally to mark Songkran, the Thai New Year. Between appearances on stage, he worked the crowd in a manner recalling his past political campaigning.⁴²

In a joint statement issued at the end of the Thai Prime Minister Yingluck Shinawatra's China visit, which lasted from April 17 to 19, China and Thailand agreed to beef up cooperation in the land and water transportation sectors. The two countries also signed an agreement on facilitating railway cooperation during her visit, particularly in the area of high-speed rail construction. According to the joint statement, the two countries agreed to boost cooperation in multiple areas in order to further their bilateral partnership. They vowed to promote greater cooperation in traditional and non-traditional security sectors and jointly address terrorism, trafficking and illegal migration. The two countries are also committed to strengthening cooperation in the areas of agriculture, science and technology, ocean and environmental protection. Both sides plan to set up a joint laboratory for climate and marine ecosystem research and seek closer cooperation in the clean energy sector, according to the statement. To step up cultural exchanges, the two countries agreed to promote the establishment of Chinese and Thai language and culture centers and encourage more students to study abroad.⁴³

⁴⁰ 'Thailand's Phuket airport reopens after tsunami scare', *The Nation*, April 12, 2012, <http://www.nationmultimedia.com/breakingnews/Thailands-Phuket-airport-reopens-after-tsunami-sca-30179851.html>

⁴¹ 'Thaksin arrives in Cambodia', *Bangkok Post*, April 14, 2012, <http://www.bangkokpost.com/news/local/288843/thaksin-arrives-in-cambodia>

⁴² 'Exiled former Thai PM Thaksin celebrates with followers in Cambodia, plans early return home', *Washington Post*, April 15, 2012, http://www.washingtonpost.com/world/asia_pacific/exiled-former-thai-pm-thaksin-celebrates-with-followers-in-cambodia-plans-early-return-home/2012/04/15/gIQAAFMiIT_story.html

⁴³ 'China, Thailand to beef up co-op', *China Daily*, April 20, 2012, http://usa.chinadaily.com.cn/business/2012-04/20/content_15098245.htm

The Thai government on April 24 approved a US \$ 67 million compensation package for victims of an insurgency in the Muslim-majority south that has left thousands dead over the last eight years. The families of people killed in the conflict will each receive 500,000 baht (US \$ 16,130), or 1.5 million baht if government officials were responsible, Justice Minister Pracha Promnong said after the cabinet agreed on the measure. The offer is less than the 7.5 million baht that the government has said it will pay each family of victims killed in political violence during a series of rival protests in Bangkok since 2005.⁴⁴

According to the Thai media reports, The Thai and Cambodian governments are boosting relations between their people living along the border to further promote cross-border trade and travels. At a meeting co-chaired by Thai Deputy Permanent Secretary for Interior Surapol Pongthadsirikul and Cambodian Permanent Secretary for Interior Sak Setha between senior Thai and Cambodian officials in Phnom Penh on April 26, 2012, the officials met to plan the upcoming 4th Thai-Cambodian border provincial governors meeting set for April 27. Another border crossing will also be opened in Baan Nong Ian in Thailand's eastern Sa Kaeo province adjacent to Cambodia's Banteay Meanchey province to relieve congestion at the Rong Klua market in Sa Kaeo. During the meeting, the Thai and Cambodian officials also agreed at to use bottom-up approach to handle unsettled border issues.⁴⁵

VIETNAM

Vietnam Holds Naval Exercises With The US; India's ONGC Videsh May Surrender Oil Blocks in Vietnam; Police Arrests Dozens in Land Clash; Vietnamese Investment in Laos Rises; Vietnam- Laos Bilateral Trade to Reach US \$ One Billion in 2012; US Citizen Accused of Terrorism in Vietnam

The United States and Vietnam began joint naval exercises April 23 off the coastal town of Da Nang as a territorial dispute with China simmers. About 1,400 US personnel took part in the week-long event, the third of its kind since 2010. The drills come as the Philippines and the U.S. entered the second week of war games in the Philippines.

⁴⁴ 'Thailand to compensate victims of southern unrest', *Strait Times*, April 25, 2012, http://www.straitstimes.com/BreakingNews/SEAsia/Story/STIStory_792110.html

⁴⁵ 'Thailand, Cambodia boost ties between border villages', *Bernama*, April 26, 2012, <http://www.bernama.com/bernama/v6/newsindex.php?id=662057>

China warned that the timing of the exercises could provoke armed confrontation amid the dispute over waters near the Scarborough Shoal.⁴⁶

India's ONGC Videsh Ltd. may surrender a second deepwater offshore block in Vietnam due to high exploration risks, as per the media reports, which appeared on April 24, 2012. Block 128 is adjacent to Block 127, which ONGC Videsh gave up to state-run PetroVietnam in the financial year ended March 2011 after failing to discover hydrocarbons. ONGC Videsh won the contract in 2006 to jointly explore with PetroVietnam in Blocks 127 and 128 in the Phu Khanh basin, in the South China Sea. According to the reports, the board's decision will be conveyed to the oil ministry for final approval.⁴⁷

Vietnamese police have detained twenty people after hundreds of farmers protested on a disputed plot of land near Hanoi, state media report. Riot police used clubs and tear gas to evict the farmers who protested on April 24 in Van Giang district of Hung Yen province near the capital. Villagers had camped in the area to try to keep the authorities and private developers away from the site. Land rights disputes in Vietnam are becoming increasingly violent. Around 2,000 police and security officers were deployed to repossess the area.⁴⁸

According to reports cited in the media, Vietnamese firms have expanded their foothold in neighboring Laos with a total investment of US \$ 3.45 billion in 212 projects, mainly in hydropower, mining, agriculture and forestry. Currently, Vietnam's investments have been poured into 16 out of Laos' 17 provinces, mainly in the greatest-potential and key economic sectors of the country. In the finance, banking and insurance sectors, Vietnamese enterprises have nine projects worth nearly US \$ 82 million, accounting for 2.3 per cent of Vietnam's total investment capital in Laos.⁴⁹

⁴⁶ 'US, Vietnam hold joint naval drills amid China tensions', *The Nation*, April 23, 2012, <http://www.nationmultimedia.com/breakingnews/US-Vietnam-hold-joint-naval-drills-amid-China-tens-30180505.html>

⁴⁷ 'ONGC Videsh may surrender Vietnam Block', *The Wall Street Journal*, April 24, 2012, <http://online.wsj.com/article/SB10001424052702303459004577363352853395224.html>

⁴⁸ 'Vietnam land clash: Arrests after police evict hundreds', *BBC News*, April 24, 2012, <http://www.bbc.co.uk/news/world-asia-17844198>

⁴⁹ 'Vietnamese firms channel \$ 3.45 bln into Laos', *Vietnam Investment Review*, April 27, 2012, [http://www.vir.com.vn/news/business/vietnamese-firms-channel-\\$345bln-into-laos.html](http://www.vir.com.vn/news/business/vietnamese-firms-channel-$345bln-into-laos.html)

Viet Nam and Laos expect their trade turnover to reach US \$ 1 billion in 2012. Lao Deputy Prime Minister Somsavat Lengsavat made the announcement at a Viet Nam-Laos business seminar in Ha Noi on April 26, 2012. Lengsavat said he highly valued Viet Nam's active contribution to Laos' socio-economic development, which he said had created jobs and boosted the State budget. He asked the two sides to further cooperate in resolving difficulties encountered by firms doing business in the two countries.⁵⁰

On April 27, 2012, an American citizen was detained by the police in Vietnam. The accused, an American of Vietnamese origin, was detained in Ho Chi Minh City. Nguyen Quoc Quan was arrested April 17 in Tan Son Nhat airport "trying to enter Vietnam to instigate a demonstration and undermine celebrations", the Vietnam News Agency (VNA) reported on April 28. April 30 marks the 1975 fall of the southern regime in Saigon, when the United States had to pull out its combat troops, heralding the end of a decades-long conflict.⁵¹

⁵⁰ 'Trade with Laos to reach \$ 1b this year', *Vietnam News*, April 27, 2012, <http://vietnamnews.vnagency.com.vn/Economy/224011/viet-nam-laos-target-1-billion-trade-turnover.html>

⁵¹ 'US citizen held for 'terrorism in Vietnam: report', *Deccan Herald*, April 29, 2012.

OCEANIA

AUSTRALIA

Australia Commemorates Anzac Day; Julia Gillard Asks Labor MP to Quit

Tens of thousands of Australians gathered around the nation for services and parades to commemorate Anzac Day on April 25, 2012. 2012 marks the 97th anniversary of the first landings by Australian and New Zealand troops at Gallipoli in 1915. Commemorations began before first light as thousands of people gathered at war memorials in towns and cities across the country for the annual dawn services.⁵²

Australian Prime Minister Julia Gillard has asked embattled Labor backbencher Craig Thomson to quit the Australian Labor Party. Prime Minister Gillard made the announcement in Canberra on April 29, ahead of Thomson's own press conference outside his electorate office in Tuggerah on the NSW Central Coast. She has also asked Peter Slipper to step aside as Speaker for a period of time. Thomson has been the focus of claims of misuse of Health Services Union funds during his time as its national secretary.⁵³

NEW ZEALAND

John Key Visits Indonesia; New Zealand, Indonesia Pledge to Improve Trade Ties; New Zealand Government Approves Farm Sale to Chinese Company

The Prime Minister of New Zealand, John Key visited Indonesia to boost bilateral ties. He met with the Indonesian President and other dignitaries.⁵⁴ He was accompanied by

⁵² 'Australians gather to remember Anzacs', *ABC*, April 25, 2012, <http://www.abc.net.au/news/2012-04-25/anzac-day-dawn-services/3970822/?site=sydney>

⁵³ 'PM asks Federal MP to quit Labor', *West Australian*, April 29, 2012, <http://au.news.yahoo.com/thewest/a/-/national/13548788/pm-asks-federal-mp-to-quit-labor/>

⁵⁴ 'John Key meets Indonesian president', *Stuff New Zealand*, April 17, 2012, <http://www.stuff.co.nz/national/politics/6758964/John-Key-meets-Indonesian-president>

a business delegation, which tried to explore opportunities to improve trade relations. Trade Minister Tim Groser signed agreements with his Indonesian counterparts in Jakarta on April 17, concluding deals on closer ties in the geothermal, agriculture, labour and environment sectors. New Zealand will train Indonesian agricultural workers, including breeders, and also provide training for agriculture ministry officials in areas such as quarantine and trade negotiations. The countries will cooperate more closely on geothermal energy, with New Zealand businesses assisting Indonesia with its energy development programme. New Zealand will also appoint an additional trade commissioner to the region, with a focus on building business links between the two countries. The agreements will see new opportunities for New Zealand to provide technology and services to aid Indonesia's environmental protection and conservation.⁵⁵

The New Zealand government has approved the sale of 16 dairy and drystock farms to Chinese development firm Shanghai Pengxin Group Co.—the second time it's done so after a High Court ruling in February 2012, forced it to review its original decision. Minister for Land Information Maurice Williamson and Associate Finance Minister Jonathan Coleman said Friday they had approved the Overseas Investment Office's recommendation to allow Milk New Zealand Holding Ltd., a wholly-owned subsidiary of Pengxin, to buy the properties, which cover a total 7,892 hectares of farm land.⁵⁶

⁵⁵ 'NZ, Indonesia sign dairy, geothermal deals', *MSN New Zealand*, April 17, 2012, <http://news.msn.co.nz/nationalnews/8452818/nz-indonesia-sign-dairy-geothermal-deals>

⁵⁶ 'New Zealand farm sale approved', *The Wall Street Journal*, April 19, 2012, http://online.wsj.com/article/SB10001424052702303425504577354610564530368.html?mod=googlenews_wsj

PHOTO-ESSAY:

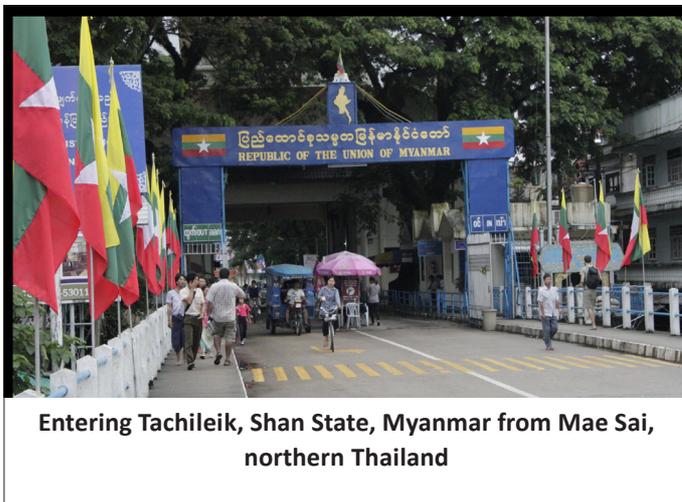
Thailand-Burma Relations through the Prism of their Border

Jabin T. Jacob*

Thailand has been involved in a number of ways in developments across the border in Burma. While trade and commerce through multiple points on the border form a very big part of their bilateral relationship, also coming through the borders has been a steady stream of Burmese refugees and migrant workers. Prominent points of contact include the Three Pagodas Pass and Mae Sot, both in western Thailand and Mae Sai in northern Thailand.



Burmese Entry Permit for Foreigners



Entering Tachileik, Shan State, Myanmar from Mae Sai, northern Thailand

Thai companies are among the biggest investors in Myanmar and involved in building hydroelectricity dams as well as in mining and timber operations. Thailand, therefore, has a significant interest in keeping links open with both the Burmese military and the various ethnic armies on the Burmese side of the border.

Starting with this issue we are introducing a new feature: The Photo-Essay. We are grateful to Dr Jabin T. Jacob for contributing the inaugural photo-essay. The photographs were taken by the author himself.

Contributions for the Photo-Essay relating to Southeast Asia & Oceania on relevant themes are welcome. Photos (10- 12, each with a line of explanation) should be accompanied by an essay of around 1,000 words.



A Burmese child from Tachileik, Myanmar goes to school in Mae Sai, Thailand

Just as significant, are Thai attitudes to Burmese refugees and political exiles on the one hand and to Burmese migrant workers on the other.

Thailand is not a signatory to international refugee conventions and nor does it recognize many NGOs operating on its territory in support of Burmese refugees and workers. In general though, Thai attitudes to refugees and political exiles are tolerant. Political exiles, especially prominent leaders of the 88 generation, carry out their pro-democracy activities openly on Thai soil but the Burmese military has frequently tried to pressurize the Thai

government into giving these exiles up. For instance, the Burmese authorities closed the Friendship Bridge at Mae Sot – a hub of Burmese political activity – over a year ago, in an attempt to pressurize the Thai government to crack down on the political

activities of the exiles. Simultaneously, however, Thailand is also under pressure from the United States and other Western governments to treat its Burmese refugees well.



Burmese market in Mae Sot, Thailand

Meanwhile, the Thai government is also under pressure from traders and businesses in the Tak province, where Mae Sot is located, to give in to the Burmese authorities since the closure of the border means a reduction in

the flow of cheap labour to work in their factories and workshops. This demand for workers in fact, has resulted in Burmese workers continuing to cross the river by ferry under the gaze of plainclothes police and customs officials on the Thai side. And not just workers but goods too, make the crossing. Further south, at the Three Pagodas Pass, officially closed because of fighting on the Burmese side; workers live in camps just along the border inside Burma and use identity cards issued by their Thai employers to cross over for their work every day. The crossing between Mae Sai and Tachileik in Shan State, Burma is however, open.



Burmese Vendors walk across into Mae Sai, Thailand



The closed Thailand-Myanmar Friendship Bridge from Mae Sot, Thailand

Burmese workers in Thailand, whether legal or illegal, usually do what is known as ‘3D’ work – dirty, dangerous, and difficult – and there are various forms of institutional discrimination built in against them especially in access to health and other labour rights. For

example, while Burmese refugees usually have access to health care provided by international agencies within the designated camps and for the more serious cases at Thai public health facilities (where they have to pay), illegal migrants do not have the same degree of access. Further, they are also wary of accessing Thai public health facilities for fear of being asked for documentation.

Burmese migrants travel from inside Burma to the borders and then try to travel from the borders to Bangkok in search of higher wages. In both instances, they often have to rely on human smugglers. There are thus frequent police and army checks for illegal migrants on vehicles headed to and from the border areas.



Crossing from the Burmese Side seen from Mae Sot, Thailand

Thai border areas are likely to have a higher concentration of whatever Burmese ethnic group lives across the border in Myanmar, but the Bamars are to be found all along the border.

The Thai government’s general tolerance of political exiles and willingness to accommodate Burmese refugees must be appreciated. However, Thailand’s own politics has been prone to instability and there are now fears of a still greater refugee influx from Burma if current ceasefires between the Burmese



A Burmese Army Truck of Chinese make, Tachileik, Myanmar



A Thai customs official inspects a Burmese trader's vehicle, Mae Sai, Thailand

military and many ethnic armies break down or if ongoing conflicts between the Burmese army and other ethnic armies escalate. Under such circumstances, Thai-Burmese relations are likely to see difficult times and their border areas especially likely to become flashpoints.



From a Burmese restaurant in Mae Sot, Thailand, frequented by political exiles

Views expressed in this photo-essay are author's own.

Photo copyright: Jabin T Jacob

* The author is Visiting Fellow, S. Rajaratnam School of International Studies (RSIS)

Nanyang Technological University (NTU), Singapore & Assistant Director, Institute of Chinese Studies (ICS) Delhi, India. This article is a brief summary of some findings from a trip to the Thai-Burma border areas that the author undertook between 28 July and 6 August 2011 along with two other researchers, Mirza Zulfiqur Rahman and Brian Orland.

ABOUT US

The Southeast Asia and Oceania Centre focuses on policy-relevant research in respect of the ten ASEAN states, East Timor and Oceania, including Australia and New Zealand. The Centre studies India's bilateral and multilateral relations with states of the region with a view to providing contemporary relevance to India's Look East policy. It has a futuristic approach and examines the emerging trends in the regional security architecture. The Centre studies the potential for India's enhanced defence cooperation (including maritime issues) and cooperation in non-traditional security issues with the region. It examines internal developments of countries in this region, especially political transition and the role of the military, and their implications for India. The Centre seeks to promote Track-II institutional linkages with the region.

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