



JOURNAL OF GREATER MEKONG STUDIES

VOLUME 02 | ISSUE 01 | FEBRUARY 2020



JOURNAL OF GREATER MEKONG STUDIES

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PHNOM PENH, CAMBODIA

EDITOR'S NOTE

I am very proud to introduce this second issue of the *Journal of Greater Mekong Studies (JGMS)*, a compendium of articles focused on the challenges facing the Greater Mekong sub-region. Our inaugural issue published in 2019 featured an array of experts from across the globe who examined issues as diverse as water diplomacy to sub-regional labor migration and the protection of biodiversity. After its mid-2019 launch at a conference at the Cambodian Institute of Cooperation and Peace in Phnom Penh on the future of the Mekong river, I was greatly encouraged by the positive regional and international responses, suggesting strong enthusiasm for a publication devoted to regional affairs.

The essays in our second issue focus largely on the future of the Mekong River itself –encompassing problems and proposals ranging from environmental concerns to geostrategic issues. To highlight just some of the outstanding contributions to this edition, Brian Eyler, author of *The Last Days of the Mighty Mekong*, explores why the 2019 drought that so severely impacted the Mekong region has failed to motivate fresh collaboration among state actors. Yun Sun of the Stimson Center provides fascinating insights into the realities of economic assistance and infrastructure development in Myanmar, shedding new light on the implementation of China's Belt and Road Initiative. Author and analyst Murray Hiebert highlights the realities of great power competition in the sub-region, and underscores the urgency of increased American engagement with the Mekong states. Among leading regional analysts, Nguyen Vu Tung and Le Trung Kien of the Diplomatic Academy of Vietnam discuss the rise of minilateralism in the sub-region and ask how it can be best fostered. From the historical perspective, Julio Jeldres, former special assistant and official biographer of the late King Norodom Sihanouk, gives scholarly insight into a critical period in the development of Cambodia-Vietnam relations.

It is impossible to go into all the excellent contributions here but I would like to take this opportunity to thank all our contributors for their valuable insights.

In addition to serving as a locus for analysis and original Mekong-oriented research, JGMS also reflects what we at CICP see as the vital need to provide a platform for diverse views among scholars, practitioners and analysts.

In conclusion, I would again like to thank the Embassy of the United States of America in Cambodia for its continued support of JGMS as we strive to build a truly world-class publication highlighting the salient issues impacting the river, the subregion, and the tens of millions of individuals whose daily lives are so deeply dependent on the Mekong.

Ambassador Pou Sothirak

Executive Director, Cambodian Institute for Cooperation and Peace

LIST OF BIOGRAPHIES



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WHY ISN'T THE DROUGHT CRISIS DRIVING REGIONAL COOPERATION IN THE MEKONG BASIN?

Brian Eyler
Stimson Center

The climate of the Mekong River region is marked by an extreme dry season, which typically runs from November to April, and a very wet monsoon season from May to October. During the annual monsoon season, a voluminous pulse of water surges through the basin, replenishing it with life. It floods the banks of the river's mainstream and its tributaries, depositing much needed sediment to support dry-season agricultural production for riparian communities in Thailand and Laos. Farther downstream, the water runs across wide floodplains in Cambodia and Vietnam's delta, producing fertile conditions for the production of rice and other agricultural products as well as providing fish to catch.

But 2019 was one of the driest years on record and marked a turning point in the Mekong's mighty ecosystem. Reports from monitoring stations, local communities and media all point to a drought crisis on an unprecedented scale that will likely persist through June 2020. The Lower Mekong countries of Laos, Vietnam, Cambodia, and Thailand have so far failed to mount an effective, coordinated regional response to the crisis. Moreover, similar crises are expected in the future because of the rapid onset of climate change.

Drought conditions began to appear in May and June of 2019 when the annual monsoon failed to materialize due to an El Nino weather pattern. By July, communities along the Mekong were posting images on social media of dried up river beds on the Thai-Lao border and schools of dead migratory fish that had become trapped in isolated pools due to low river levels. Pumping stations that normally transfer water from the Mekong mainstream to the Mun-Chi basin, a sub-basin of the Mekong in Thailand, could no longer do so due to the low river levels.

Also in July, civil society organizations alleged that both the Jinghong Dam, China's dam located furthest downstream on the Mekong, and the newly completed Xayaburi Dam in Laos had conducted tests in June that caused sudden drops in the river level. Both dam operators denied that they were to blame. Nevertheless, data from the Mekong River Commission (MRC) website and satellite imagery corroborated the

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claims of the civil society groups that dams were indeed exacerbating drought conditions by changing the flow regime.

China has 11 operating dams on its portion of the upper Mekong, while Laos has 64.¹ These have collectively contributed to the drought conditions on the river; although to what degree is unknown due to a lack of research. All dams along the Mekong alter the natural flow of the river's system - some more so than others - and all dams block sediment and the migratory pathways of fish.

By early August, most policy and media discussions focused on effected areas along the Thai-Lao border, with scant attention paid downstream to the effects on Cambodia's Tonle Sap Lake and Vietnam's Mekong Delta. Each year, the monsoon pulse causes the river draining the Tonle Sap, the largest lake in Southeast Asia, to reverse direction. This "miracle of the Mekong" sends 70 times the amount of water back up into the lake compared to dry season volumes and causes the lake's floodplain to expand five times. The reversal transports an untold volume of sediment, fish eggs, larvae and juvenile fish into the lakebed and floodplain and creates an explosion of life. The science behind the natural mix that produces the Tonle Sap's bounty is complex, but the lakeside fishers who live in stilted homes rising up to ten meters off the ground work by a simple rule of thumb: the higher and longer the floods, the bigger their yearly catch.²

As the monsoons recede, the river that drains the Tonle Sap once again flows back to the Mekong mainstream and the lake head out from the lake. Some head toward the river's mouth and are harvested in Vietnam, but most fish head upstream to return to their spawning grounds. Some travel thousands of kilometers, and those fishing along the Mekong take advantage of the mass migration. In Cambodia, up to 500,000 tons of fish are caught, making it the world's single largest fish catch for a freshwater lake. The fish catch provides Cambodia with 60-70% of its protein intake. In all, 2.6 million tons of fish are caught throughout the Mekong Basin annually, also a world record for a river system. The annual expansion and contraction of Tonle Sap Lake is what makes the Mekong both mighty and distinct from all other river systems in the world.

The Tonle Sap's river reversal normally happens in June or early July. But in 2019 this came late at the end of August, about two months late, triggered by a major typhoon that dropped more than 40 centimeters of rain in southern Laos and northeastern Thailand, causing severe flooding to those areas. When those upstream floodwaters receded in October, the Mekong mainstream level dropped and caused the Tonle Sap River to return to its normal course. The expansion of the Tonle Sap waters lasted a paltry six weeks, compared to a normal period of five months.

¹ Stimson Center Mekong Infrastructure Tracker, November 30, 2019

² To better understand the complexity of the Tonle Sap's ecosystem processes, see chapter 9 of my book, Brian Elyer, *Last Days of the Mighty Mekong* (London: Zed Books, 2019) pp?

International media outlets reported on general drought conditions throughout the summer, but few mentioned the threat that a lack of flooding posed to the Tonle Sap. Then in late September, a *New York Times* article reported on the lake's low levels.³ In early November, an article on America's National Public Radio's website reported that lakeside fish catches for this time of year were down 90%.⁴ Despite the warning signs, the only official mention of a potential crisis came from Tin Ponlok, the secretary general of Cambodia's National Council for Sustainable Development. He publicly acknowledged climate change will slow Cambodia's growth over the next decades and delay the country's transition to upper middle-income status.⁵

Until the expected rains return in May 2020, all data and anecdotal evidence in the Mekong suggest an impending food and water crisis. Without upstream releases, the river's level from the Golden Triangle to the Mekong Delta will likely be at an all-time low, and record lows for fish catches will likely follow. Agricultural areas in the Mekong Delta hundreds of kilometers from the coastline will be increasingly invaded by tidal saltwater twice daily. Still - no one is ringing the alarm bell.

Regional stakeholders need to take action to mobilize effective solutions at the trans-boundary level to mitigate or to alleviate current and future conditions. No previous year has been like this one, but climate change experts predict future years will be similar. To be sure, El Nino weather effects happen regardless of climate change. But El Nino weather patterns and the slow onset of climate change effects share a commonality: both are very predictable. As a result, early action, particularly at the regional level in the Mekong, can reduce risk and vulnerabilities. Key development partners such as the U.S. and Australia have the predictive technology to map out El Nino effects six to eight months before they set in. If Mekong countries lack the capital resources and human capacity to invest in weather prediction systems, then formalizing cooperation with development partners for this end would greatly improve the response and reduce risks related to drought months before the impact begins to bite.

Lessons from 2019 should also serve to highlight a "new normal" of precipitation patterns in the basin. While El Nino effects are not necessarily related to the onset effects of climate change, this year's unusual monsoon pattern mirrors the way in which climate change is predicted to impact monsoon patterns for the Mekong in the future.

³ Abby Seiff, "At a Cambodian Lake, a Climate Crisis Unfolds," *The New York Times*, September 30, 2019. <https://www.nytimes.com/2019/09/30/opinion/tonle-sap-cambodia-climate.html>

⁴ Michael Sullivan, "The Lake that Feeds the Mekong Basin Is Facing a Shortage of Fish," National Public Radio, November 9, 2019. <https://www.npr.org/sections/goatsandsoda/2019/11/09/777539946/the-lake-that-feeds-the-mekong-basin-is-facing-a-shortage-of-fish>

⁵ Sok Chan, "Climate change to delay Kingdom's ascent to middle-income economy," *Khmer Times*, October 7, 2019. <https://www.khmertimeskh.com/648301/climate-change-to-delay-kingdoms-ascent-to-middle-income-economy/>

Climate scientists have long predicted that a warming climate will delay the arrival of the annual monsoon season by one month, which will then end a month earlier as well. Among the diverse resulting effects, the Mekong River will run at lower levels for longer durations throughout the year. Intense monsoon storms will also deliver faster and deeper floods to the wetter parts of the Mekong (northeastern Laos and the Central Highlands area shared by Laos, Cambodia, and Vietnam). As such, the individual Mekong countries and regional institutions should study the 2019 climate pattern as a benchmark for what is to come. At this stage, it seems that climate change impacts cannot be avoided. Relief efforts must focus on reducing vulnerability and risks, while adapting to a new normal.

To a degree, the region *is* already responding. In November 2019, the MRC’s Ministerial Council agreed to a new drought management plan for 2020-2025. It dedicates USD 13 million dollars to five areas that were assessed as “poorly functioning”: drought indicator monitoring; drought forecasting and early warning; capacity building in drought assessment and planning; mitigation measures; and information sharing systems.⁶

This amount of money is hardly enough to mobilize an effective one-year response for one country in the region let alone a five-year response for the four countries affected in the Mekong Basin. Development partners would be wise to channel resources to these functional areas. More importantly, the Mekong countries need to better coordinate efforts among themselves and rely less on development partners, including China, if they want to achieve increased adaptation and resilience to climate risk. Moreover, the region needs to account for emergency situations such as a basin-wide drought by creating automatic emergency response mechanisms. I make the three recommendations in this regard:

1. Mekong countries must rapidly incorporate alternative power generation sources such as solar, wind and biomass into national power mixes; incorporate energy efficient solutions to reduce demand; and smartly site and operate future dams considered vital. Maintaining a connected and flowing Mekong river system is the region’s most efficient and cost-effective course of action for climate change adaptation. Poorly sited upstream dams are reducing the river’s connectivity and productive floodplain capabilities. Dams and climate change combined pose increased risks, especially to 30 million people living in vulnerable riverside communities, such as the Tonle Sap fishing villages, and Mekong Delta settlements. Non-hydropower renewable

⁶ Mekong River Commission, “MRC ministerial council approves a drought management strategy, other policies, boosting Mekong countries’ ability to prepare for future disaster,” November 26, 2019. <http://www.mrcmekong.org/news-and-events/news/mrc-ministerial-council-approves-a-drought-management-strategy-other-policies-boosting-mekong-countries-ability-to-prepare-for-future-disaster/>

energy is now commercially viable in the Mekong region with all countries, excepting Laos, rapidly moving to bring these technologies into their power mixes. Since Laos continues to build more dams, it risks falling behind a regional and global transition to non-hydropower renewables. This could lock both Laos and the region into an increasingly risky commercial and environmental future. With declining future water levels in the Mekong system, dams will run at far lower efficiency rates than anticipated and affect their income stream and investment return. The need for further dams can be reduced if major consumers of electricity, such as Thailand and Vietnam, incorporate power demand reduction strategies. Demand reduction could easily be achieved by implementing smart urban development strategies and decentralized power systems (smart grids), while reducing unnecessarily high power reserve margins. For dams that must be built because no other alternative exists, these should be sited in locales that reduce adverse impacts. This includes avoiding building on undammed tributaries of the Mekong and new mainstream dams, and keeping dams as far away as possible from the Tonle Sap fishery grounds.

2. *Negotiate drought-related trans-boundary water sharing agreements for use in times of emergency.* During times of drought, China's portion of the river provides 40-50% of total downstream flow. To date, much of the hydropower potential of China's 11 operational dams is wasted due to poor grid connectivity in China, which suggests that their 47 billion cubic meters of stored water could be used for other purposes. The MRC should declare regional redlines for water availability and then pursue drought-related water sharing agreements with China. China has acted on an *ad hoc* basis to relieve drought in 2016 and 2019. However sustained releases that help to return the river system to some degree of normality will do much to reduce risks in the lower basin. If China does not agree to such water sharing approaches, then it is incumbent on the Lower Mekong countries to use the water they have to provide drought relief. Laos's 66 dams, a mixture of run-of-river and storage dams, can be used to provide coordinated water and sediment release to benefit downstream communities. The same is true for the Lower Sesan 2 dam in Cambodia, Vietnam's sixteen Mekong dams in the Central Highlands, and Thailand's nine dams in the northeast provinces. Such coordination requires a regional water-sharing agreement that can be negotiated through the mechanisms of the MRC. Importantly, some power purchasing agreements will need to be altered or temporarily suspended until emergency conditions subside.

3. *The MRC should declare the Tonle Sap as part of the Mekong mainstream.* Although it plays a vital role in the Mekong's sustainability and is responsible for much of the basin's 2.6 million tons annual freshwater fish catch, the Tonle Sap ecosystem receives very little attention compared to other parts of the basin. Few people living in the Mekong countries outside of Cambodia know or understand its important contributions to the health of the entire river system. To increase prioritization of the Tonle Sap as a vital resource, the MRC should officially recognize both the Tonle Sap lake and river as part of the Mekong mainstream. Like all other downstream portions,

the Tonle Sap receives water-borne resources in terms of sediment and fish from upstream. The only significant difference from the Mekong Delta is that the Tonle Sap's contents do not flow into the ocean, except in the dry season during the lake's contraction. If such prioritization is achieved, then the Tonle Sap's health will be considered in all MRC technical review processes and other programs required by the 1995 Mekong Agreement, which only covers mainstream development. This would encourage Cambodia's government and development partners to improve the protection of the lake's ecology and promote drought relief measures adopted by other Mekong countries. Such prioritization will likely strengthen the protection the Tonle Sap's floodplain and lead to more effective fish conservation processes.

The above proposals are not by any means exhaustive. But if implemented, the four Lower Mekong countries, together with China, could move toward a closer coordinated and effective response to pending crises. Such moves would also reduce reliance on foreign donors who will need to focus on be their own climate-related crises in the future. Importantly, these actions would help stakeholders in the region to adjust and adapt to a "new normal" – one where the conditions of 2019 will become more frequent in the decades ahead.

CLOSER COORDINATION WOULD AID MINILATERALISM IN THE MEKONG SUBREGION

*Nguyen Vu Tung and Le Trung Kien**
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Multilateralism has been defined as “the practice of coordinating national policies in groups of three or more states.”¹ “Minilateralism,” therefore, is a form of multilateral cooperation where a small number of countries in a limited territorial and functional context work together to address specific issues. It has been argued that based on global multilateralism, regional minilateralism was established to serve as an additional tool for parties to deal with issues that are most critical to them.² Universal values and principles of multilateralism can be applied in minilateral institutions and arrangements to better reflect local conditions and to serve local needs.

The “value-added” aspect of minilateralism comes from presenting an alternative to global and regional multilateral arrangements that have failed to satisfy the needs of their members. Since the early 1990s, “multilateral talks have inevitably failed; deadlines have been missed; financial commitments and promises have not been honored; execution has stalled; and international collective action has fallen far short of what was offered and, more importantly, needed.”³ As dissatisfaction with large, multilateral institutions grows, minilateral forms of cooperation are seen as a smarter, more targeted and pragmatic approach for states to cooperate and to create real impacts.

Three reasons help explain why minilateralism has such value. Thanks to a small and limited membership, minilateral institutions and frameworks make it easier to define interests and implement cooperation. Additionally, the framework is more manageable and cost-effective while it is faster to establish new minilateral mechanisms and implement relevant projects and programs.⁴ Finally, minilateralism offers more

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¹ Keohane, Robert O. “Multilateralism: An Agenda for Research.” *International Journal* 45, no. 4 (1990): 731-764

² Harlen, Grant C., “Multilateralism’s Life Cycle”, *The American Journal of International Law* 112, no 1, (2018): 47-66

³ Naim, Moises. “Minilateralism.” *Foreign Policy*. June 21, 2009.
<https://foreignpolicy.com/2009/06/21/minilateralism/>.

⁴ M. Dubey, L. R. Baral, R. Shoban, *South Asian Growth Quadrangle: Framework for Multifaceted Cooperation*, (New Delhi: Macmillan India Limited, 1999), p.2

flexibility as it is easier to adjust a cooperative agenda when needed. In short, multilateralism appears to demonstrate the conclusion: the smaller is better.

The Mekong Subregion is an example of how minilateralism can flourish. After the Cold War, the first wave of minilateralism produced such multilateral cooperative mechanisms among the Mekong states as the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), the Cambodia-Laos-Myanmar-Vietnam cooperation (CLMV), Cambodia-Laos-Vietnam Development Triangle Area (CLV), the Greater Mekong Subregion Cooperation (GMS), and the ASEAN-Mekong Basin Development Cooperation (AMBDC).

In practice, however, the performance of these mechanisms revealed certain drawbacks. Minilateralism has obvious limitations and constraints. It is clear that minilateral arrangements among small- and medium-sized members must contend with a lack of resources. They find it difficult to mobilize finance and know-how among members to implement projects. Sub-regional cooperation, even when developed under the auspice of ASEAN, produces few tangible outcomes. More importantly, it is also difficult for members to agree on matters directly related to their national interests. Conflicting interests between upstream and downstream countries in the Mekong sub-region concerning water management is a salient case in point.

Since 2008, there has been a second wave of new minilateral initiatives put forward by the United States (the Lower Mekong Initiative, or LMI), Japan (Mekong-Japan Cooperation), China (Lancang-Mekong Cooperation), and the Republic of Korea (Mekong-ROK Cooperation). This engagement by more powerful players seems to have breathed new life into regional minilateralism in several respects.

First, there are the advantages provided by the financial and technical support from the U.S., Japan, China and the ROK. The U.S. pledged about USD 100 million for LMI.⁵ At the 12th LMI Ministerial Meeting in August 2019, Washington. announced the Japan-U.S. Mekong Power Partnership (JUMP), with an initial commitment of USD 29.5 million and a plan to provide an initial USD 14 million in assistance to counter transnational crime and trafficking. In 2018, according to statistics from the Office of the U.S. Trade Representative, the total trade of the U.S. with the Mekong region reached about USD 117 billion. According to the U.S. Bureau of Economic Analysis, FDI by the U.S. in the Mekong region during 2015-2018 mainly focused on Thailand (about USD 68.7 billion).

Japan committed to provide the Mekong countries with 1,850 billion yen (equivalent to about USD 17 billion) during the 2009-2018 period. At the 10th Mekong-Japan Summit

⁵ U.S. Department of State, "Lower Mekong Initiative FAQ's," 2015
<https://2009-2017.state.gov/p/eap/mekong/faq/index.htm>

in October 2018, Japanese Prime Minister Abe Shinzo stated that Japanese corporate investment in the Mekong region exceeded more than 2 trillion yen (equivalent to more than USD 18.3 billion) during 2016-2018.⁶

China contributed USD 300 million to the Lancang-Mekong Cooperation (LMC) Special Fund; gave Mekong countries priority access to the USD 200 million South-South Cooperation Fund; and 10 billion yuan (equivalent to about USD 1.53 billion) in concessionary loans, USD 5 billion for preferential export buyer's credit, and USD 5 billion for production capacity cooperation.⁷ The total trade of China with the Mekong countries in 2017 was about USD 224 billion.⁸ In term of investment, statistics from China's Ministry of Commerce show that during 2015-2018, the total FDI of China to the Mekong region accounted for nearly USD 14 billion.⁹

The ROK has so far provided USD 7.42 million for the Mekong-ROK Cooperation Fund.¹⁰ The total trade of ROK with the Mekong countries in 2018 reached about USD 84.5 billion.¹¹

Second, sub-regional initiatives can be of greater significance if they are closely aligned with major power strategies, e.g., the U.S. Indo-Pacific Strategy, Japan's Free and Open Indo-Pacific Strategy, the ROK's New Southern Policy, and China's Belt and Road Initiative (BRI) to support its concept of a community of a shared future. This promises to result in increased resources allocated and greater attention paid to cooperation in the Mekong sub-region. Beijing, for example, has stated that it wants to use the LMC as a model to create a "community of shared future of peace and prosperity" and as a showcase for the BRI.¹²

Third, big players can take an effective lead in identifying main areas of cooperation and setting the agenda. In the LMI, six cooperative pillars have been identified, with these having been streamlined into two key pillars in addition to some cross-sectoral issues. In Mekong-Japan cooperation, a 63-point action plan was quickly prepared and implemented with the subsequent introduction of the three-year New Tokyo Strategy.

⁶ Yoshida, Reiji, "Tokyo flexes financial muscle at Mekong-Japan Summit." October 9, 2018.

<https://www.japantimes.co.jp/news/2018/10/09/national/politics-diplomacy/mekong-japan-summit-tokyo-eyes-economic-aid-pushback-chinese-influence/#.XeOea9VS-Uk>

⁷ "China Offers Preferential Loans and Credit Worth USD Billions to Lancang-Mekong Cooperation." Yicai Global, March 24, 2016. <https://www.yicai.com/news/china-offers-preferential-loans-and-credit-worth-usd-billions-to-lancang-mekong-cooperation>

⁸ National Bureau of Statistics of China, China Statistical Yearbook 2018, <http://www.stats.gov.cn/tjsj/ndsj/2018/indexeh.htm>

⁹ Ministry of Commerce of PRC, Statistics, <http://english.mofcom.gov.cn/statistic/charts.shtml>

¹⁰ Mekong Institute, Mekong-ROK Cooperation Fund, 2019, <http://www.mekonginstitute.org/what-we-do/development-funds/mekong-rok-cooperation-fund/>

¹¹ Korea Custom Service, Import / Export by Countries, 2019.

<http://www.customs.go.kr/kcshome/trade/TradeCountryList.do?layoutMenuNo=21031>

¹² State Council of PRC, Lancang-Mekong cooperation a bid to build community of shared future, January 8, 2018. http://english.www.gov.cn/premier/news/2018/01/08/content_281476006006077.htm

China swiftly proposed the LMC's three cooperation pillars. Five priority cooperation areas were then developed into the LMC's five-year plan of action, with hundreds of projects being implemented. The LMC mechanism has been institutionalized with annual foreign minister meetings and a bi-annual summit of national leaders. Mekong-ROK Cooperation has implemented about 20 projects in six priority areas, with the ROK promising more trade, investment and development aid to the region. At the first summit of the Mekong-ROK cooperation program in Busan in November 2019, the two parties agreed to establish "a partnership for peace, prosperity for people" as well upgrading the Mekong-ROK ministerial meeting to an annual summit of leaders. In short, sub-regional cooperation in the Mekong area is being revitalized, resulting in increased opportunities to thrive.

However, concerns linger. First, the Mekong countries risk becoming more dependent on outside powers for resources and their particular visions of sub-regional cooperation. The agenda for sub-regional cooperation and the process of the institutionalization of sub-regional arrangements have been influenced by these outside powers to a great extent. In the LMC, China has been able to push for the quick expansion of areas of cooperation beyond the five priority areas as well as the group's institutionalization. The U.S. has played a decisive role in determining the speed and scale of the LMI, which mostly deals with water governance, capacity building and environment protection despite the sub-region's need for more cooperation in economic development. In short, asymmetric power relationships play an important role in the minilateral mechanisms in the Mekong region.

Second, the Mekong countries have become increasingly entangled in the geostrategic and geopolitical competition between the U.S. and China. As competition between the U.S. and China intensifies, Washington and Beijing will continue to use "regional international societies to advance their normative and political agendas" since great powers "naturally seek to capitalize on regional sphere of influence."¹³ In addition, as minilateral mechanisms are exclusive by nature, big power competition may turn minilateral arrangements into "competing minilateral blocks" in the Mekong sub-region. If this scenario materializes, minilateral arrangements will no longer serve as the building blocks for broader multilateralism at the regional and global level. The evolution of LMC toward a highly institutionalized mechanism with a dominating role by China has raised concerns that this cooperative mechanism may not only weaken the central role of ASEAN but also prevent other powers from engagement with Southeast Asia.

¹³ Robert W. Murray, "Wither Multilateralism? The Growing importance of Regional International Societies in an Emerging Multipolar Era," in *Multilateralism in a changing world order*, ed. Christian Echle, Patrick Ruppel, Megha Sarmah, Yeo Lay Hwee (Singapore: Konrad Adenauer Stiftung, 2018), 13-27

Third, coordination of overlapping cooperative projects introduced by different minilateral mechanisms could become more difficult. Areas such as infrastructure development, capacity building, healthcare, education, and start-ups among others are covered by almost all minilateral mechanisms in the sub-region. Although several joint documents from the summits and ministerial meetings of the LMI, LMC, Mekong-Japan and Mekong-ROK have referenced the need for coordination among different mechanisms, effective coordination schemes have yet to be established. Efforts to synchronize and harmonize these minilateral mechanisms are still at a very nascent stage. There is a growing need to avoid duplicating efforts by promoting the coordination and facilitation of projects in similar fields.

In this context, this essay argues that the Mekong countries need to promote closer coordination first and foremost to advance their common interests and gain benefits. First, the Mekong countries need to advance their unity and solidarity. Given certain disparities in the level and priorities of economic development and growth in the Mekong sub-region, the Mekong countries need to strengthen their common vision, collectively agree on priorities, and identify areas for cooperation that can effectively improve the process for selecting and implementing joint projects. Mekong countries must take the lead in determining the sub-regional cooperation agenda and play the coordinating role in minilateral mechanisms in the region.

Second, minilateral arrangements in the Mekong sub-region should be aligned with broader regional and global multilateral institutions, with priority given to the United Nations and ASEAN. Sub-regional minilateralism must adhere to universal principles and frameworks. For example, the development agenda of the Mekong sub-region must contribute to the realization of the U.N. Sustainable Development Goals as well as the ASEAN Community Vision 2025. The infrastructure development plans in the Mekong sub-region should also be in line with the ASEAN Master Plan on ASEAN Connectivity. Synergy must not only be facilitated on the policy level, but also at the project level. The implementation of infrastructure projects must be compatible with widely recognized principles such as cost effectiveness, accountability, transparency, and integrity as stated in the G20 Principles for Quality Infrastructure Investment. Of special importance, the process of dealing with conflicts of interests between upstream and downstream countries over water governance in the Mekong river has to be made in accordance with the Treaty of Amity and Cooperation in Southeast Asia and with reference to the 1995 Agreement on Cooperation for Sustainable Development of the Mekong River Basin. China and Myanmar have not yet signed on to this agreement. Mekong countries also need to coordinate discussion on the possibility of establishing a Code of Conduct in the Mekong with China through dialogue, confidence-building measures, and respect for diplomatic and legal processes.

As the concept of multilateralism shifts towards one with “a more regional character,” this should benefit minilateralism in the Mekong sub-region. The participation of big

powers in minilateral arrangements in the Mekong sub-region is a new and positive development and should be welcomed. But at the same time, the actors and stakeholders should make sure that these minilateral mechanisms avoid creating a “fragmented multilateralism” and instead ensure that they are the building blocks for multilateral arrangements on both a regional and a global scale. Minilateral efforts at promoting sub-regional cooperation in the framework of greater big power commitment and engagement in the Mekong sub-region should nurture the growth of a rules-based order in Southeast Asia and beyond.

THE MEKONG REGION BENDS TOWARDS A RISING CHINA

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On a hot, humid morning in June 1866, six Frenchmen cast off from the waterfront in Saigon, the capital of the recently conquered colony of Cochinchina. They traveled in miniature steam-driven gunboats, accompanied by a pile of supplies and a huge retinue of support staff. Led by Ernest Doudart de Lagrée, a veteran of the Crimean War, the explorers intended to chart the course of the great Mekong River, upstream from its delta in southern Vietnam into regions then mostly unvisited by Europeans.¹ The Mekong Exploration Commission and its backers in Paris hoped to open a navigable trading route into southern China, to enrich the regime of Napoleon III and beat out their great rivals, the British, then prospecting north from their new imperial base in lower Burma.

The French expedition lasted two years, but never succeeded in opening a trade connection to China. While the exploits of De Lagrée and his compatriots helped hasten the extension of French colonial rule over modern-day Vietnam, Cambodia and Laos, the Mekong turned out to be stubbornly unnavigable along large stretches of its course. A century and a half on, however, the old imperial dream of linking China with the lands to its south is finally in the process of being realized – just in reverse.

After four decades of breakneck economic growth, a resurgent China is spearheading the construction of a network of infrastructure links that has opened up isolated tracts of highland Southeast Asia once crisscrossed by European adventurers. New highways have supercharged the ancient caravan routes and opium-smuggling trails that once wound through the rugged borderlands. Chinese engineers have opened the Mekong to large-scale commercial shipping as far south as northern Laos and Thailand. Chinese state firms are also currently striking a railway through the mountainous upper

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¹ Milton Osborne, *River Road to China: The Mekong River Expedition, 1866-1873* (New York: Liveright, 1975); John Keay, *Mad About the Mekong: Exploration and Empire in South-East Asia* (London: HarperCollins, 2005).

provinces of Laos, marking a step towards the fulfillment of another forgotten imperial dream: the linking of China to Singapore by rail.

These new infrastructure networks herald significant changes for the nations and peoples of mainland Southeast Asia. For most of history, a thick barrier of mountains and forests kept the Chinese state far away. While the region's kings and princes sent periodic missions of tribute to the imperial court in Beijing or Nanjing, political contacts were relatively fleeting. During the Qing dynasty, the Lao kingdom of Lan Xang dispatched tributary missions to the Chinese court just once per decade. In 1730, the Chinese emperor described it as a distant land, "secluded at the edge of the sky."² On the rare occasion that Chinese armies were sent south, they fared poorly in the humid, malarial climate. The last imperial expeditions to Southeast Asia – the Qing invasions of Burma (1765-69) and Vietnam (1788-1789) – both ended in painful defeat.

Until the European imperial offensives of the nineteenth century, there was no hard border dividing China from Southeast Asia; imperial power simply thinned out as it approached the tropics. China's southern provinces, late additions to the empire, were sparsely settled by Han Chinese and slipped in and out of central control. The mountainous borderlands dividing China from the Indianized kingdoms to its south were inhabited by a diverse range of upland peoples who mostly resisted the control of the lowland states. They may have donned Shan, Burmese or Chinese dress, or wielded titles granted by lowland kingdoms, but as the British anthropologist Edmund Leach observed of highland Burma in the 1950s, they "claimed to be lords in their own right, subject to no outside authority."³ Later, James C. Scott would term this sprawling upland region "Zomia", describing it as "the largest remaining region of the world whose peoples have not yet been fully incorporated into nation-states."⁴

This ancient geographic barrier is now quickly collapsing. After a century of weakness, subjugation and internal discord, China now has the financial resources to invest heavily in what John Garver has termed the "technological subjugation" of terrain.⁵ Since 1978, the Chinese state has not only become more internally integrated, bound from Yunnan to Heilongjiang by a mesh of highways and rail links; it has also pushed for increased economic integration across its southern borders, into Myanmar, Laos, Thailand and Vietnam. In doing so, Beijing has two clear motivations. The first is to

² Bien Chiang and Jean Chih-yin Cheng, "Changing Landscape and Changing Ethnoscape in Lao PDR," in *Impact of China's Rise on the Mekong Region*, ed. Yos Santasombat (New York: Palgrave Macmillan, 2015), p. 89.

³ Edmund Leach, "The Frontiers of 'Burma'," *Comparative Studies in Society and History* 3, No. 1 (October 1960): p. 60.

⁴ James C. Scott, *The Art of Not Being Governed: An Anarchist History of Upland Southeast Asia* (New Haven: Yale University Press, 2009), ix. Although the term "Zomia" is indelibly associated with Scott, it was coined by historian Willem van Schendel in 2002. See Willem Van Schendel, "Geographies of Knowing, Geographies of Ignorance: Southeast Asia from the Fringes," *Environment and Planning D: Society and Space* 20, No. 6 (2002).

⁵ John W. Garver, "Development of China's Overland Transportation Links with Central, South-west and South Asia," *The China Quarterly*, No. 185 (March 2006): 2.

open its poor, landlocked southwestern provinces to development and trade, helping them to catch up to the booming eastern coastal regions. The second is to reduce China's heavy strategic reliance on the chokepoint of the Straits of Malacca, by establishing alternative overland routes to the Bay of Bengal and the Indian Ocean.

At first, China built on regional integration schemes like the Asian Development Bank's Greater Mekong Subregion program, established in 1992, which aimed to construct networks of roads, ports, railways, industrial zones and power transmission grids that would help turn the region "from a battlefield into a marketplace" after the end of the Cold War.⁶ In more recent years, Beijing has wrestled the lead on such projects away from the Japan-dominated ADB. China is now taking the lead on the construction of new roads, railways, pipelines and industrial zones under the Belt and Road Initiative (BRI), President Xi Jinping's headline policy scheme, and its regional sub-pillar, the Lancang-Mekong Cooperation (LMC) mechanism.

The combined effect of these various integration efforts has been dramatic. In 1991, it took six weeks for goods to travel from Yunnan province to Thailand by sea via the Chinese coast. With the completion of the Kunming-Bangkok Expressway in 2013, direct road travel time between the two cities had been cut to less than 24 hours. These links have led to a supercharging of economic contacts. Opium smuggling trails have been replaced by highways and tunnels, and mule trains by semi-trailers and 150-ton river barges.

As national boundaries blur, old historical patterns are being re-established. For more than two millennia, Chinese history has had a southward momentum, as imperial power has expanded from its heartland in the Yellow River basin. As the British Sinologist C.P. Fitzgerald wrote in 1972, "Chinese influence, Chinese culture and Chinese power have always moved southward since the first age of which we have reliable historical evidence."⁷ With the Western conquests of the nineteenth century, this southward expansion slowed, halted, and went into reverse. As the colonial powers menaced China by sea, they pressed northward from their new imperial bases in Burma and Indochina, seeking backdoor access to the vast Chinese market.

Now, as a booming China returns to its former position at the center of Asia, Chinese influence, culture and power are slowly resuming their historical "march towards the tropics."⁸ While national borders rule out the conquests of the past, these revolutionary transport networks have opened the sparsely populated reaches of upper Myanmar, Thailand and Laos to new and unprecedented flows of Chinese capital, labor, migration and tourism. They have precipitated the beginnings of a broad economic reorientation

⁶ This phrase was coined by Thai Prime Minister Chatichai Choonhavan in 1988. See Steven Erlanger, "Thailand Seeks to Shape a 'Golden Peninsula'," *New York Times*, April 30, 1989.

⁷ C.P. Fitzgerald, *The Southern Expansion of the Chinese People* (New York: Praeger, 1972), xiii.

⁸ Herold J. Wiens, *China's March Toward the Tropics* (Hamden, Connecticut: The Shoe String Press, 1954).

of the Mekong region away from the southern coasts, traditionally its main outlet of trade and contact with the outside world, towards the giant economy to the north. Travelling through northeastern Myanmar, where border enclaves glow with Chinese-powered prosperity, the historian Thant Myint-U wrote in 2012 of the “stunning reversal” in the nation’s geography: “What had been remote is now closer to the new center. What were muddy mountain hamlets are now more modern than Rangoon.”⁹

Most striking is the recent increase of workers, traders and “new migrants” (*xin yimin*) sweeping down these new overland highways into mainland Southeast Asia. Zhuang Guotu of Xiamen University estimates that between 2.3 and 2.7 million Chinese nationals immigrated to Southeast Asia as a whole in the two decades after 1990, many of them overland.¹⁰ However, due to China’s long, porous border with the Southeast Asian mainland (and the years that have since elapsed) the real figure is probably much higher.

These “new” migrants - as well as countless expatriates, sojourners, students and itinerant businesspeople - are increasingly visible in the cities of the region, including Mandalay, Vientiane, and Chiang Mai. Their impact has been perhaps most striking in northern Laos. In a land that once lay “at the edge of the sky,” flows of Chinese capital and migration have profoundly altered the ethnic and commercial landscape. Throughout the hills, quiet roads are now dotted with Chinese-run restaurants, hotels, mechanics and furniture stores. In northern towns like Udomxai and Luang Namtha, Chinese immigrants make up as much as a fifth of the population. The pull of Chinese migration is so strong, writes Brian Eyler, that new arrivals “can interact in a closed-loop system with their compatriots.”¹¹

This new boom in overland travel represents an inversion of the dominant historical patterns of Chinese immigration. In the past, the vast majority of Chinese who came to Southeast Asia did so by steamship, travelling from the great seaports of Fujian and Guangdong to Southeast Asian port cities like Singapore, Bangkok, and Jakarta. Overland travel was difficult, and therefore rare. A small number of Yunnanese Muslims migrated overland during the upheavals of the nineteenth century, particularly the Taiping Rebellion (1850-64) and the Panthay Rebellion (1856-73), where their descendants remain settled today. Another trickle followed the communist victory over the Kuomintang armies in 1949 and 1950.¹² But as the scholar G. William Skinner

⁹ Thant Myint-U, *Where China Meets India: Burma and the New Crossroads of Asia* (New York: Farrar, Straus & Giroux, 2011), p. 107.

¹⁰ Zhuang Guotu and Wang Wangbo, "Migration and Trade: The Role of Overseas Chinese in Economic Relations between China and Southeast Asia," *International Journal of China Studies* 1, No. 1 (January 2010), p. 190.

¹¹ Brian Eyler, *The Last Days of the Mighty Mekong* (London: Zed Books, 2019), p. 155.

¹² Richard Michael Gibson and Wen H. Chen, *The Secret Army: Chiang Kai-Shek and the Drug Lords of the Golden Triangle* (Singapore: John Wiley & Sons, 2011).

noted in 1959, the ethnic Chinese of Southeast Asia were generally “most thinly distributed in the territories bordering China itself.”¹³

These new flows of migration also represent an inversion in another way. The major waves of outward Chinese migration roughly coincided with periods of internal upheaval or poverty in southern China. The Chinese empire never had much concern for those that chose to leave, viewing them as outcasts, sometimes even as traitors and criminals. When the Dutch sent the Qianlong emperor an apology for the horrific massacre of Chinese they helped engineer in Batavia (Jakarta) in 1740, he is reported to have replied that he was “little solicitous for the fate of unworthy subjects who, in the pursuit of lucre, had quitted their country and abandoned the tombs of their ancestors.”¹⁴ Unlike their predecessors, today’s immigrants have gone abroad in an era of Chinese wealth and prosperity. More importantly, they also enjoy the backing and encouragement of a powerful state. Each bear a Chinese passport inscribed with the “nine-dash line,” Beijing’s controversial maritime claims in the South China Sea, a powerful symbol of China’s waxing power and ambition.

Perhaps the most far-reaching impact of China’s re-emergence concerns the future of the Mekong River. As China’s ambitions have grown in mainland Southeast Asia, it has shaped the Mekong to serve the needs of the Chinese economy. It has not only dynamited sections of the waterway to open it up to trade; Chinese engineers have also built a slew of large hydropower dams on the upper reaches of the Mekong (known in China as the Lancang) to power the industrialization of southwest China. Six dams have been completed so far, with nine smaller dams planned further upstream by 2030.¹⁵

China’s dam construction has created a new geopolitical reality for the region, analogous to the artificial islands that China has built in the South China Sea to reinforce its claims there.¹⁶ It is a reminder that the geographic journey of the Mekong River reflects the region’s geopolitical hierarchy: a powerful China at the headwaters and smaller, less developed nations downstream. Given that the Chinese stretch of the river is narrow, deep and thinly populated – that is, perfect for dam construction – China has been able to reap the benefits of hydropower, while exporting most of the environmental costs downstream.¹⁷ Combined with the deleterious impacts of climate change, which heralds a future of increasingly punishing droughts along the lower

¹³ G. William Skinner, "Overseas Chinese in Southeast Asia," *Annals of the American Academy of Political and Social Science* 321, No. 1 (January 1959), p. 137.

¹⁴ Lynn Pan, *Sons of the Yellow Emperor: A History of the Chinese Diaspora* (Boston: Little, Brown, 1990), p. 22.

¹⁵ Eyler, op. cit., p. 14.

¹⁶ Bilahari Kausikan, *Dealing with an Ambiguous World* (Singapore: World Scientific Publishing, 2017), p. 81.

¹⁷ Eyler, op. cit., p.51.

Mekong, Chinese control of the river's headwaters gives Beijing a powerful form of leverage over those nations downstream.

These momentous asymmetries form the backdrop of the Mekong region's relationship to a rising and newly powerful China. Rival powers, including the United States, Japan, India, and South Korea, all have their own mechanisms of engagement with the Mekong region – but these will need to be bolstered considerably in the years to come if they are to compensate for the simple fact of China's adjacent position, and the density of its own engagements with the region. This balance may ultimately determine whether the nations of the region will reap the benefits of proximity to Asia's largest economy, or whether they will be reduced to a mere doorstep and hinterland of a new Chinese imperium. As the story of the French Mekong expedition shows, it is only a matter of time before economic projects evolve into political ones, too.

ASIA'S TROUBLED RIVER: DAM(N)ING OR MANAGING THE MEKONG?

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As long as the natural hydrological cycle runs its course, fresh river water is a seemingly infinite resource. Rivers are particularly integral to ecological and economic activities in mainland Southeast Asia. The Mekong River and its tributary system is the most important element for regional food, energy and economic security. Unfortunately, the Mekong waterways have become an object of potential political interference as they cross several national borders and are under the de facto control of China in that source of the river system is located there.

This article seeks to highlight the risks of predominantly Chinese hydropower infrastructure development along the Mekong and its ecological, economic, and geopolitical ramifications. It suggests that what is needed is sound and sustainable management of the Mekong and a binding rule book. This can only be achieved with the help of both existing mechanisms and ASEAN to establish an institutionalized river-basin management architecture and to promote inter-agency policy cooperation and institutional synergies.

China's assertiveness as the rising great power of Asia has become one of the most critical issues in global politics. Whether China's ascent will be disruptive or accommodative to the current regional order will be the decisive factor in determining whether the Indo-Pacific region is heading for a period of instability and conflict. In addition to the Belt and Road Initiative (BRI) and territorial disputes in the South China Sea, the Mekong has become a critical indicator of how China will conduct its relations with neighboring countries. Consequently, the freshwater supply to Indochina has become highly politicized. Smaller Southeast Asian countries have not yet been able to withstand the impact of increasing Chinese influence despite U.S. military backing, foreign investment flows, and international diplomatic and juridical support.

Southeast Asia's longest river, the Mekong, crosses six countries. It consists of an upper basin (China and Myanmar) and lower basin (Laos, Thailand, Cambodia, Vietnam).

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Originating in the Tibetan Highlands, it flows for more than 4,500km from southern China to Vietnamese delta, where it discharges into the South China Sea. Along the way, the Mekong crosses five ASEAN countries and is fed by and feeds numerous tributaries. The Thai name for the river, *Mae Nam Khong*, has been roughly rendered into “Mekong” and means “Mother of Water,” which symbolizes its importance. The flood season is critical to the sustainability of environment and agricultural activity in the lower basin. During the dry season, snowmelt from China contributes to around a quarter of the total flow. During the monsoon season, the river floods the subregion’s wetlands and supports a level of biodiversity second only to the Amazon. Wetland habitats rely on monsoon floods as the aquatic life migrates between lakes, such as the Tonle Sap in Cambodia, during the dry season and the nutrient-rich grounds in the wetland plains during the wet season.¹ The Mekong and its unique ecosystem supports not only natural wildlife, but also the lives of some 60 million river dwellers and the operation of major trade routes.

In Cambodia, freshwater fisheries account for up to 12% of gross domestic product and are the basis for food security, accounting for almost two-thirds of Cambodia’s protein consumption.² Southeast Asia’s largest lake, the Tonle Sap, is fed by the Mekong and has been the main source of fish in Cambodia since the times of the Angkor Kingdom. During the dry season the lake quadruples in size as water surges into it as the Tonle Sap River reverses course. The Mekong is responsible for this unique ecological phenomenon of the tributary changing the direction of its flow every six months. Man-made modifications in the upper Mekong basin threaten this ecological process and have already irreversibly affected this complex and vital ecosystem.

The Mekong Delta is similarly important for Vietnam’s rice-based agricultural sector. Almost 80% of all arable land is used for the cultivation of rice, which provides half of total domestic calorie consumption. The delta is also responsible for the country’s status as the world’s fifth largest rice producer and its position as one of top five rice exporters.³

China's Dams: Blessing and Curse

Approximately half of the Mekong lies in Chinese territory, where the river is called Lancang. Here, it drops over 4,000 meters in height from the Tibetan Plateau to Yunnan province, making the downstream a perfect source for hydroelectricity. Over the past two decades, the Chinese government has either directly constructed or financed numerous large-scale hydropower dams along the Mekong mainstream and tributaries

¹ Ian Campbell, “Biodiversity of the Mekong Delta,” in *The Mekong Delta Systems*, ed. Febrice G. Renaud and Claudia Kuenzer (Dordrecht: Springer Science, 2012) page citation needed

² Food and Agriculture Organization of the UN, “Fishery and Aquaculture Country Profiles: The Kingdom of Cambodia,” <http://www.fao.org/fishery/facp/KHM/en>

³ The World Bank, “The World Bank In Vietnam,” <https://www.worldbank.org/en/country/vietnam>; Ricepedia: Country Profile Vietnam, <http://ricepedia.org/vietnam>

in China, Laos, Cambodia and Thailand. Eight mega-dams have already been completed on the Chinese mainstream alone and more than 20 are under construction or in the planning stages. Laos and soon Cambodia will become crowded with hydropower infrastructure.

Dam construction is a double-edged sword. Developing hydropower offers significant development potential for poorer countries. Governments understandably want to capitalize on their geographic position along the river system. These countries can satisfy their own energy needs with comparatively cheap hydropower while exporting the electricity surplus. Laos, for example, intends to become the “battery of Southeast Asia” as a means to leapfrog economic development. Energy generation projects are the largest source of foreign direct investment in Laos, with China being the main contributor.⁴ In Cambodia, Chinese state-owned enterprises are investing heavily in hydropower as the Lower Sesan 2 dam exemplifies. The project has gone ahead despite environmental and social concerns.

Energy demand across Asia is rising and so is the need for renewable energy sources to replace fossil fuels. China is the world’s leading country in renewable electricity production and is likely to extend this lead in the medium term. Hydropower is already the largest component of China’s renewable energy portfolio and the largest source of energy after coal. Investing in hydropower and a resulting acceleration in economic development are laudable causes as energy demand increases and the impact of climate change becomes more apparent, even though questions remain about dubious financing.

Such positives are offset, however, by mounting evidence of the significantly negative ecological and socio-economic impact of the Mekong dams. Dam construction raises questions pertaining to future food and environmental security as well as to social challenges for fishing communities if fish stocks disappear. According to environmental NGOs, large dam projects are already having an adverse domino effect, affecting wildlife, altering flow patterns and sediment delivery, causing shoreline erosion, and increasing salinization of agricultural land.⁵

In addition to ecological and social challenges, dam construction also poses a political challenge. Unintended consequences include the influence gained over recipient countries due to the substantial amount of FDI offered as well as the potential ability of the most upstream country, China, to control the water flow to downstream riparian countries. China’s hydropower projects already have a direct impact on both the quality and quantity of river water flows to mainland Southeast Asia. Beijing has the de facto

⁴ Laos Ministry of Planning and Investment, Investment Promotion Department 2018: Statistics, <http://www.investlaos.gov.la/index.php/resources/statistics>

⁵ International Rivers: Mekong Mainstream Dams, <https://www.internationalrivers.org/campaigns/mekong-mainstream-dams>

potential to use its dominant position on the Mekong as a diplomatic and political bargaining tool and to exert pressure on downstream riparian countries.⁶ Constructing or financing hydropower dams in Laos and Cambodia adds to China's diplomatic toolbox, while several strategically placed dam projects could potentially isolate Vietnam and substantially limit its freshwater supply.

Vietnam's location is southernmost along the Mekong, where the river reaches the delta. In southern Vietnam, the ecological and socio-economic consequences of waterway manipulation are the most severe in terms of social and economic costs. It is policymakers and diplomats in Hanoi that most fear Beijing's potential water diplomacy, with a high awareness of Hanoi's political vulnerability. In 2016, millions of lower basin dwellers were affected by the worst drought that Southeast Asia had seen in years. Dramatically low Mekong levels caused freshwater shortages. The limited supply had a devastating effect on rice agriculture, particularly in Vietnam, as the depleted delta became salinized from the South China Sea. In Cambodia, the low water level of the Mekong was also keenly felt as the Tonle Sap water level fell to a fifty year low.

Beijing was quick to blame the El Niño weather phenomenon, but in response to a desperate request from Hanoi, it agreed to help to relieve the water shortage. In the name of apparently benevolent "water diplomacy", Beijing announced it would discharge massive quantities of water downstream from its *Jinghong* hydropower station. China's Foreign Ministry stated that "China and Mekong River countries on the Indochina Peninsula are friendly neighbors [...] nourished by the same river. It goes without saying that friends should help each other when help is needed."⁷ An alternative reading, however, was that this highlighted that the discharge came at no cost to Beijing, while only slightly relieving an ecological disaster that was at least partially caused by Chinese dam construction in the first place.⁸ Most importantly, it reminded Hanoi of just how much influence Beijing has over Vietnam's security. While it would be unfair to allege exclusively ulterior motives, the *Jinghong* dam discharge nonetheless underlined the power Beijing wields over a shared trans-boundary resource and was a reminder of the extent to which downstream riparian countries depend on Chinese goodwill.

⁶ Brahma Chellany, *Water: Asia's New Battleground*, (Washington, D.C.: Georgetown University Press), p. 130.

⁷ Ministry of Foreign Affairs of the People's Republic of China, Foreign Ministry Spokesperson Lu Kang's Regular Press Conference on March 15, 2016; mprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1347923.shtml

⁸ Associated Press, "Chinese dams blamed for exacerbating Southeast Asian drought," *South China Morning Post*, April 2, 2016. <https://www.scmp.com/news/asia/southeast-asia/article/1932944/chinese-dams-blamed-exacerbating-southeast-asian-drought>

Managing the Mekong

Water resource security is a critical source of both sustainable economic growth and water-related conflicts. Sound multilateral management of the Mekong is vital for at least two reasons. First, the region's future is likely to be determined by greater industrialization, consumption, pollution, resource scarcity, and unpredictable environmental changes. Second, hydropower dam projects on the Mekong adds to China's already asymmetric power advantage when it comes to its Southeast Asian neighbors.

Existing mechanisms include the Mekong River Commission (MRC), founded in 1995. It aims to sustainably develop the Mekong on the basis of the Mekong Agreement by stipulating the responsibilities of the riparian countries and the rules for using the Mekong River Basin. But the MRC lacks effective mechanisms and legal instruments to enforce the Mekong Agreement and to address the MRC's lack of independent funding. Similarly, the Greater Mekong Subregion (GMS), created in 1992 with support from the Asian Development Bank, is a regional cooperation mechanism that lacks binding rules and regulations that can be imposed, while depending entirely on the political will of the riparian states.

Most critical is the Lancang-Mekong Cooperation (LMC), launched in 2015. LMC is one of the key instruments of China's neighborhood diplomacy as it further strengthens Chinese presence and influence in the Mekong region. International mechanisms include the U.S.-initiated Lower Mekong Initiative (LMI) as well as the Mekong-Japan Regional Partnership Program.

The main problem of the existing Mekong management architecture is its lack of binding instruments and the lack of inter-agency policy cooperation and institutional synergies. As a result, it is of the utmost necessity that the stakeholders involved need to cooperate more closely to develop a common and Mekong basin-wide development strategy. This must include a set of rules for hydropower development as well as an alternative energy strategy to reduce the adverse effects of hydropower dam construction. Moreover, ASEAN needs to play a role in this process. In 2010, the ASEAN Secretariat and the MRC Secretariat signed an agreement to strengthen their partnership. Nevertheless, not much has happened since that time. Yet, ASEAN is the only international organization that has the potential to negotiate guidelines for the benefit of the small downstream riparian countries vis-à-vis China.

As a first step, China and the MRC countries must agree on a Memorandum of Understanding that offers guidelines for the management of the Mekong. This should be followed by a second step of producing a rule book for the treatment of the Mekong that curtails the arbitrary, asymmetric power that could be wielded by China as the most-upstream country. The Cambodian public policy analyst Vannarith Chheang

refers to this as a Code of Conduct for the Mekong River.⁹ There is a clear need for such legally binding guidelines.

Achieving these goals needs the cooperation of ASEAN and the MRC on the one hand and the Chinese LMC on the other. It is possible that China might agree to such cooperation. On top of the territorial disputes in the South China Sea, China now risks antagonizing the region further, which could result in an alliance to counter its ever increasing regional influence. Cooperation over the shared Mekong represents a great chance for Beijing to make good on its promises of a “community of common destiny.” Beijing also has a genuine interest in the region’s economic and ecological wellbeing. LMC-MRC-ASEAN cooperation could function as a comprehensive, multilateral Track I platform. There is also room for track-2 initiatives that focus on research and provide scientific input, informing binding decisions on the Track I level. Such institutionalized multi-stakeholder cooperation represents the most promising pathway to a stable Mekong subregion.

⁹ Vannarith Chheang, “Water Resource Security in Mainland Southeast Asia: Challenges and Solutions,” in *ASEAN Security Connectivity. Regional Solutions to Regional Security Challenges*, ed. Frederick Kliem (Singapore: Konrad-Adenauer-Stiftung, 2019), p. 80.

ENGAGEMENT AND STRATEGIC COMPETITION IN MAINLAND SOUTHEAST ASIA

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In Southeast Asia, the maintenance of both regional stability and balance among the major powers is always the optimal policy objective. The region has been relatively successful in achieving these goals through a combination of managing bilateral relationships and utilizing regional institutions and processes. The region maintains extensive security and economic relations with the United States and China as well as with other regional stakeholders such as Australia, the EU, India, Japan, South Korea and Russia. This has helped create an environment where security and economic interdependence contribute to regional peace and prosperity.

But various push and pull factors continue to both benefit and challenge regional stability. The current strategic competition between the U.S. and China in Southeast Asia has caused many countries to consider how they can maintain an effective hedging strategy to ensure a stable balance. While the region has long benefited from the U.S.-led regional order and has viewed the U.S. as a benign power, China's economic power has great appeal. The economic benefits from maintaining close ties with China have undeniably offered many less developed countries alternative access to financing and technology. But as Beijing begins to dominate economic development in the Mekong sub-region, this brings with it political influence.

This has resulted in conflicting trends. On the one hand, China's expanding influence has alarmed Southeast Asia because Beijing's involvement threatens to cause regional schisms and affects the unity of ASEAN. On the other hand, the intensifying great power competition has led to renewed interest among major stakeholders in engaging with the sub-region. This development, if managed effectively, can help reduce political imbalances and provide more benefits to economic development.

China's active role in mainland Southeast Asia

The increased strategic competition between the U.S. and China in mainland Southeast Asia stems from more proactive moves by China. Beijing has maintained good relations with most countries in the sub-region despite having a territorial conflict with Vietnam

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in the South China Sea. All mainland Southeast Asian nations are benefiting from economic interactions with China. China has become a top trading partner¹ and an emerging source of foreign direct investment² for these countries. The U.S.-China trade war is expected to encourage more Chinese firms to relocate to the sub-region to avoid high tariffs imposed on Chinese imports in the U.S.³

China's Belt and Road Initiatives (BRI) has consolidated China's presence. The sub-region is designated as one of BRI's six economic corridors along with the China-Indochina Peninsula Corridor. Major infrastructure projects in the region include the Kyaukpau seaport in Myanmar, the Kunming-Vientiane high-speed railway in Laos, investment projects in Cambodia, the Thai-Chinese high-speed railway, and the East Coast Rail Link in Malaysia.

China is also attempting to consolidate its leadership by creating a local minilateral mechanism, the Lancang-Mekong Cooperation (LMC). The LMC strengthens not only China's role in infrastructure development but also economic development and security. The LMC's objectives somewhat mimic ASEAN's three pillars in the security, economic and socio-cultural realms. While this helps the LMC to echo ASEAN's Community Building, it threatens to divert attention and synergy away from ASEAN itself.⁴

This economic-strategic nexus could affect the region in the long run. Since securing regime stability through economic performance remains important to many Southeast Asian governments, close ties with China are deemed necessary. Cambodia, Laos, and Myanmar are becoming increasingly prone to Chinese political influence. Thailand has also relied upon political and economic support from Beijing since the military coup in 2014.^{5 6} The rise of pro-Beijing sentiments in Southeast Asia will surely affect ASEAN's unity. The disagreement about the joint statement regarding China and the South China Sea disputes during the 2012 ASEAN Summit in Cambodia points to this concern.

¹ ASEAN Secretariat, *ASEAN Statistical Yearbook 2018* (Jakarta: ASEAN Secretariat, 2018), 78, <https://asean.org/storage/2018/12/asyb-2018.pdf>.

² ASEAN Secretariat, *ASEAN Investment Report 2018: Foreign Direct Investment and the Digital Economy in ASEAN* (Jakarta: ASEAN Secretariat, 2018), 9.

³ Kasikorn Bank, "ASEAN Investment Update Q1 2019" (Bangkok: Kasikorn Bank, March 18, 2019), https://kasikornbank.com/international-business/en/AEC/InvestmentEconomic/Pages/201903_ASEAN_Investment_Update_2019Q1.aspx.

⁴ Pongphisoot Busbarat, "Grabbing the Forgotten: China's Leadership Consolidation in Mainland Southeast Asia through the Mekong-Lancang Cooperation," *ISEAS Perspective* 2018/7: 6-7.

⁵ Pongphisoot Busbarat, "Thailand's Foreign Policy in the Post-Cold War Era: From Potential to Disarray," in *The SAGE Handbook of Asian Foreign Policy*, vol. 2 (London: Sage Publishing, 2020), 706.

⁶ *Ibid.*, 699-700.

The return of the United States?

The U.S. has been viewed in the post-Cold War era as a benign power and offshore balancer. The American presence is even more important to the region when major power adjustments are still in flux and regional institutions and processes face structural challenges due to changes in the geostrategic environment. The U.S. possesses various advantages stemming not only from its military might but also its economic strength and soft power that give it a better image in the region than China.

The U.S. has extensive security arrangements with most countries in Southeast Asia. Two Southeast Asian countries—the Philippines and Thailand—are U.S. treaty allies. The U.S. also maintains strategic partnerships with other ASEAN countries, including Singapore, Indonesia and recently Vietnam. The U.S. also maintains relatively stable political relations with most countries in Southeast Asia. But disagreements over democracy and human rights complicates relations at times. While U.S. President Barack Obama’s foreign policy attached importance to democracy as a pillar of his “Pivot to Asia” strategy, the Trump administration seems to have taken a more pragmatic approach. For example, the U.S. has normalized ties with Thailand despite military rule.⁷ In addition, the U.S. enjoys a better economic record in Southeast Asia than China. Southeast Asia has trade surpluses with the U.S. in contrast to trade deficits with China. The region continues to receive substantial foreign direct investment (FDI) from American investors. While Chinese FDI has risen in recent years, the U.S. accumulated FDI in the region still surpasses that of China.⁸

But U.S. policy toward Southeast Asia has vacillated and been inconsistent throughout the post-Cold War period, giving mixed signals to the region. The Trump administration initially caused disappointment since it showed less attention to the region than under Obama. The introduction of the Free and Open Indo-Pacific (FOIP) concept in 2018, however, has somewhat strengthened regional confidence in Washington.

The renewed U.S. interest in mainland Southeast Asia under the FOIP has re-energized the Lower Mekong Initiative (LMI) that was initiated by the Obama administration. The LMI has become a foreign policy tool for Washington to reengage with the sub-region. Remarks by U.S. Secretary of State Mike Pompeo at the LMI meeting in August 2019 in Bangkok demonstrated this U.S. commitment. Interestingly, Pompeo openly addressed the negative impact of China’s active role in the sub-region, especially its dam building

⁷ Pongphisoot Busbarat, “Thailand in 2017: Stability without Certainties,” in *Southeast Asian Affairs* (Singapore: ISEAS Publishing, 2018), 357.

⁸ ASEAN Secretariat, *ASEAN Investment Report 2018: Foreign Direct Investment and the Digital Economy in ASEAN*, 55.

on the upper Mekong, and associated issues, such as the environmental impact from blasting riverbeds and China's attempt to dominate river governance.⁹

Pompeo also showed that Washington wants to play a positive role in the Mekong region under the LMI. As a result, Washington pledged more than USD 45 million for various projects, including education and teaching English, improving clean drinking water and sanitation, and building infrastructure and promoting environmental sustainability.¹⁰ LMI has also recently engaged in other activities. For example, the U.S. allocated USD 14 million to assist Mekong countries to counter transnational crimes. An Indo-Pacific conference on strengthening the rules-based governance of trans-boundary rivers is being held. A new Mekong water data-sharing platform and a new LMI public impact program are also being planned.¹¹

Pompeo announced that the U.S. would cooperate with outside partners on other projects in the sub-region. For instance, the U.S. is providing USD 29.5 million for the development of regional electricity grids in cooperation with Japan. The US and South Korea are supporting a project focusing on improving satellite imagery in assessing flood and drought patterns in the Mekong basin.¹² The U.S. also reiterated support for the Thai-led Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) to serve as a regional coordinating platform for development.¹³ These initiatives collectively indicate the importance of mainland Southeast Asia to the U.S. FOIP program.

Reinvigorating the engagement of other regional stakeholders

The growing role of China and the U.S. in the sub-region has led to increased engagement by other regional stakeholders, such as Japan and South Korea.

Japan has long played a role in the Mekong sub-region. It has supported economic development through both bilateral cooperation and multilateral organizations such as ASEAN and the Asian Development Bank. Japan's commitment to the sub-region was strengthened in 2007/08 through the Japan-Mekong Region Partnership Program. This was aimed at enhancing sustainable economic development and integrating economies

⁹ "Opening Remarks at the Lower Mekong Initiative Ministerial," United States Department of State, <https://www.state.gov/opening-remarks-at-the-lower-mekong-initiative-ministerial/>.

¹⁰ "Strengthening the U.S.-Mekong Partnership," U.S. Embassy & Consulate in Thailand, August 2, 2019, <https://th.usembassy.gov/strengthening-the-u-s-mekong-partnership/>.

¹¹ "Opening Remarks at the Lower Mekong Initiative Ministerial."

¹² Ibid

¹³ "Press Release: 1st Lower Mekong Initiative (LMI) Policy Dialogue - Ministry of Foreign Affairs, Kingdom of Thailand," [http://www.mfa.go.th/main/en/news3/6886/102377-1st-Lower-Mekong-Initiative-\(LMI\)-Policy-Dialogue.html](http://www.mfa.go.th/main/en/news3/6886/102377-1st-Lower-Mekong-Initiative-(LMI)-Policy-Dialogue.html).

in the region with Japan and beyond.¹⁴ This has led to annual meetings among ministers and national leaders.

Japan-Mekong Cooperation reached another milestone when Japan proposed the Tokyo Strategy 2018 for Mekong-Japan Cooperation, showing a stronger Japanese commitment to the sub-region. It demonstrated not only Japan's increased interest in sustainable development but also an effort to synergize its role with existing mechanisms. This is reflected in two important documents, the "Mekong-Japan Cooperation Projects in Synergy with Japan's Policy to Realize a Free and Open Indo-Pacific" and "Japan's Ongoing or Possible Cooperation Projects related to the ACMECS Master Plan."¹⁵

This goal was reiterated in August 2019 in the Mekong-Japan ministerial meeting in Bangkok. Japan emphasized its objectives under Tokyo 2018 by supporting the realization of Sustainable Development Goals and a Free and Open Indo-Pacific, while promoting closer coordination between Mekong-Japan Cooperation and ACMECS.¹⁶ This suggests that the U.S. push for a FOIP strategy has led to Japan's deeper involvement in the sub-region. Despite minor differences with the U.S. in the interpretation of FOIP, Japan agrees that the concept is in line with its interests. In this connection, Japan views the Mekong region as a critical juncture between the Indian and Pacific Oceans and it should receive benefits from the realization of FOIP. Japan has pledged its support to regional connectivity and peace and stability in the sub-region. It also applauded the issuance of the ASEAN Outlook on the Indo-Pacific, which emphasizes the principles of inclusivity and transparency as well as objectives and common approaches to cooperation in the Indo-Pacific region.¹⁷

Significantly, Japan also showed support for ACMECS as a platform in which the sub-region can voice its opinions on development issues. Japan is an ACMECS Development Partner and wants to maintain its traditional approach to cooperation in Southeast Asia by encouraging local actors to share responsibility. By coordinating with ACMECS, Japan seeks to align its development assistance to the needs of the Mekong countries.

South Korea is also active in this new round of engagement. Previously, Korea's role in the Mekong was limited to bilateral official development assistance (ODA). In 2018, the Mekong countries were top four recipients of Korea's ODA, accounting for a fourth of

¹⁴ Ministry of Foreign Affairs of Japan, "Japan-Mekong Region Partnership Program," <https://www.mofa.go.jp/region/asia-paci/mekong/goal.pdf>.

¹⁵ Ministry of Foreign Affairs of Japan, "The 10th Mekong-Japan Summit Meeting," Ministry of Foreign Affairs of Japan, /s_sa/sea1/page4e_000937.html.

¹⁶ Ministry of Foreign Affairs of Japan, "The 11th Mekong-Japan Summit Meeting," Ministry of Foreign Affairs of Japan, /s_sa/sea1/page3e_001125.html.

¹⁷ Ministry of Foreign Affairs of Japan, "Joint Statement of the 11th Mekong-Japan Summit, 4 November 2019," <https://www.mofa.go.jp/files/000535954.pdf>.

its total ODA, with a focus on Vietnam.¹⁸ This is understandable since it reflects Korea's increasing trade links and investment in the sub-region due to its growth potential based on a young population and rich resources. Southeast Asia is also viewed as an alternative site for Korean investment to hedge against the impact of tensions between China and South Korea. South Korea, for example, suffered economic sanctions after Seoul accepted the deployment of the U.S. Terminal High Altitude Area Defense (THAAD) missile defense system in 2016.¹⁹

Korea's growing interest in the sub-region has been strengthened by the recent New Southern Policy of President Moon Jae-in. This has given Southeast Asia greater weight among Korean foreign policy priorities, with a focus on the Mekong sub-region. In the ASEAN-ROK Commemorative Summit in November 2019, Korea not only pledged its strong commitment to co-operate with ASEAN as a whole but identified the existing Mekong-ROK Cooperation mechanism as an area of deeper engagement.²⁰

During the ASEAN-ROK Commemorative Summit, the Mekong-ROK Summit was also held for the first time since the cooperation mechanism was established in 2011. The summit institutionalized Korea's contributions in development assistance, such as water resources management and infrastructure construction.²¹ Seoul also hopes that the Mekong region may play a role in the peace process on the Korean Peninsula as all the countries in the sub-region have diplomatic ties with Pyongyang.²²

Korea is also attempting to align its policy in the Mekong with FOIP, although Korea was initially reluctant to endorse the concept. But it has recently shown support for FOIP. In June 2019, President Moon during a bilateral meeting with President Trump stated that Korea agreed to promote cooperation between its New Southern Policy and FOIP.²³ Collaborative projects and activities between Korea and the U.S.-backed LMI are expected to increase. FOIP promises openness and inclusivity in the region, which will benefit Korean investment.

¹⁸ Korea International Cooperation Agency, "2018 KOICA Annual Statistical Report," Korea International Cooperation Agency, http://www.koica.go.kr:80/koica_en/3497/subview.do?

¹⁹ "China's Thaad Backlash May See South Korea Invest More in Asean," *Bloomberg*, March 7, 2017, <https://www.bloomberg.com/news/articles/2017-03-07/china-s-thaad-backlash-may-see-south-korea-invest-more-in-asean>.

²⁰ "[ASEAN-Korea Summit] Co-Chair's Statement of the 2019 ASEAN-Republic of Korea Commemorative Summit," *Korea Herald*, November 26, 2019, <http://www.koreaherald.com/view.php?ud=20191126000550>.

²¹ "Full Text of a Joint Declaration Adopted at Mekong-S. Korea Summit," Yonhap News Agency, November 27, 2019, <https://en.yna.co.kr/view/AEN20191127004200315>.

²² "Opening Remarks by President Moon Jae-in at Joint Press Conference Following 1st Mekong-Republic of Korea Summit View | Ministry NewsMinistry of Foreign Affairs, Republic of Korea," http://www.mofa.go.kr/eng/brd/m_5674/view.do?seq=319996&srchFr=&srchTo=&srchWord=&srchTp=&multi_itm_seq=0&itm_seq_1=0&itm_seq_2=0&company_cd=&company_nm=.

²³ Ramon Pacheco Pardo, "South Korea Holds the Key to the Indo-Pacific," *The Hill*, August 18, 2019, <https://thehill.com/opinion/international/457542-south-korea-holds-the-key-to-the-indo-pacific>

Korea, like other regional stakeholders, has agreed to coordinate its development projects with ACMECS priorities. Korea backs ACMECS as an ACMECS Development Partner and was committed to supporting USD 1 million annually for development projects in ACMECS.²⁴ It also offers ODA through a trilateral arrangement among Korea, Thailand and third parties. The Mekong-ROK Cooperation also reflects this stance as Korea pledges its support to the ACMECS Master Plan (2019-2023).²⁵

Thailand's attempt to maintain its role

A shared feature of the new round of engagement from the U.S., Japan, South Korea and China in the Mekong is that all have agreed to cooperate with ACMECS. It is Thailand's recent strategy to persuade external stakeholders to take advantage of ACMECS as a mechanism to help coordinate activities with the sub-regional states. Thailand will benefit from the ability to maintain its regional leadership at the same time. ACMECS was established in 2003 under Prime Minister Thaksin Shinawatra to help Thailand provide more systematic development assistance to Cambodia, Laos, Myanmar and Vietnam. The ACMECS plan reflected the view among Thai policymakers that the sub-region should be the focus of Thailand's regional leadership. But ACMECS was largely abandoned after Thaksin was ousted in a military coup in 2006. With Thailand's role in the sub-region reduced, China has tried to fill the gap through the promotion of the Lancang-Mekong Cooperation (LMC) as an alternative sub-regional institution. The rapid development of China-led LMC has undoubtedly posed a challenge to Thailand's leadership. The revival of ACMECS can be viewed as Bangkok's attempt to reassert its role. In June 2016, Thailand set up a fund of USD 200 million to promote development projects under ACMECS over five years.²⁶ It also improved ACMECS' strategy to create more effective coordination between the Mekong countries and other regional stakeholders. The result is that ACMECS can serve as another channel that external actors can use to coordinate development priorities and ultimately improve the effectiveness of ODA.

The success of Thailand in using ACMECS as a foreign policy tool will depend on how Bangkok can maintain the relevance of this sub-regional initiative in the face of competition among the major powers. ACMECS can also serve as a catalyst for regional stakeholders. For instance, China was initially uninterested in the renewal of ACMECS.²⁷ But when other major regional stakeholders became ACMECS Development Partners in 2018, China sought to become one as well.

²⁴ "South Korea Backs Thai-Led Mekong Strategy," *Bangkok Post*, December 21, 2019, <https://www.bangkokpost.com/thailand/general/1821079/south-korea-backs-thai-led-mekong-strategy>.

²⁵ "Full Text of a Joint Declaration Adopted at Mekong-S. Korea Summit," op. cit.

²⁶ "Cabinet Approves \$200m for Regional Master Plan," *Bangkok Post*, June 19, 2019, <https://www.bangkokpost.com/business/1697592/cabinet-approves-200m-for-regional-master-plan>.

²⁷ Paul Chambers and Poowin Bunyavejchewin, "Thailand's Foreign Economic Policy toward Mainland Southeast Asia," *ISEAS Perspective*, no. 2019/64: 7-8.

Conclusion

The strategic competition between China and the U.S. in Southeast Asia is reflected not only in the South China Sea but on the continental mainland as the two great powers seek advantages by increasing engagement with regional states.

China's proactive approach in its promotion of BRI projects through both bilateral and sub-regional arrangements such as the LMC has attracted the attention of other regional powers. The U.S. is at the forefront of this geostrategic competition. Although Obama's "Pivot to Asia" has been largely abandoned, the Trump administration is promoting a U.S. presence in the region through FOIP. The importance of Southeast Asia as a center of geostrategic competition for the U.S. is also seen in the revitalization of LMI. Japan and South Korea are other important regional stakeholders that have deepened their engagement in the sub-region through their Mekong Cooperation arrangements. Their involvement shows that the U.S.-China strategic competition can result in benefits for the sub-region, not just political confrontation.

This positive factor, however, should not disguise the fact that Southeast Asia still faces difficulties in maintaining a balance between the U.S. and China, which poses a significant policy challenge for most countries. In spite of peaceful power relations in the region, the countries affected need to address this delicate issue by signaling that cooperation with the two major powers does not mean becoming dependent or dominated by them.

Southeast Asia has already sent such signals to regional stakeholders in several ways. ASEAN has stated its position by issuing the ASEAN Outlook on the Indo-Pacific (AOIP) at the 2019 summit in Bangkok. Although critics assert that the AOIP is broad and has no mechanisms for enforcement, it affirms ASEAN's policy on dealing with outside powers. The reactivation of the Thai-led ACMECS is another good example of how to use existing sub-regional bodies to streamline development programs in cooperation with regional stakeholders. These efforts underscore that there is an overall consensus in the region that sub-regional cooperation remains paramount to prevent domination by outside powers.

However, the effectiveness of both AOIP and the revived ACMECS, including other broader ASEAN frameworks, depends on the commitment of the member states to the spirit of collective action. The challenge from within is, perhaps, more important than from external power competition. For ASEAN to maintain its resilience amidst any challenges, the interest of an individual nation must not triumph that of the region.

CHINA-MYANMAR ECONOMIC CORRIDOR: A UNIQUE BRI CASE

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China formally introduced its concept to develop a China-Myanmar Economic Corridor (CMEC) in the November 2017. This approach is based on an upside-down “Y”-shaped design, first connecting China’s Yunnan province with Mandalay in central Myanmar, then another stem stretching southeast to Yangon and still another towards the southwest to Myanmar’s Rakhine state. Following the China-Pakistan Economic Corridor, CMEC is only the second economic corridor China is developing in a single country under the Belt and Road Initiative (BRI), suggesting its strategic importance in Beijing’s overall design of BRI. But despite the wide attention paid to the CMEC, the approval and implementation of the CMEC projects have been gradual and at a speed far less impressive than expected. The friction and lengthy bargaining that divides China’s massive ambition and Myanmar’s moderate capability will result in CMEC being different from what was initially thought.

Numbers Don’t Lie

In terms of key milestones, the Memorandum of Understanding (MOU) on the development of the CMEC was signed in September 2018, 10 months after the initial proposal was made in November 2017. Two rounds of the CMEC Forum were subsequently hosted, the first in Guangxi province in September 2018 and the second in Yunnan province in February 2019. In December 2018, the Myanmar government established the Steering Committee for Implementation of the BRI in Myanmar. In April 2019, during the second Belt and Road Forum in Beijing, Aung San Suu Kyi, Myanmar’s de facto leader, is said to have signed agreements for nine early harvest projects under the CMEC despite reports that China had proposed 33.¹ In comparison, the China-Pakistan Economic Corridor progressed at a faster pace. Within two years of the initiation of the CPEC, Chinese President Xi Jinping visited Pakistan in 2015 and signed 51 agreements totaling more than USD 46 billion.

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¹ Interviews by author in Beijing, July, 2019.

The figures for Chinese foreign direct investment in Myanmar reveal that investment flows into the country have been lower than expected. In fiscal year 2017/2018, when CMEC was first proposed, approved investments from China reached USD 1.395 billion.² But in the following 12 months, when it was expected that there would be major, fresh investment flows, Chinese FDI dropped to USD 600 million (USD 304 million from April to September 2018 and USD 296 million from October 2018 to April 2019).³ Between October 2018 and April 2019, China saw the largest number of projects being approved at 72, which meant that the average size of a Chinese project was only USD 4 million.⁴ The numbers would suggest that China's investment strategy is geared toward smaller projects instead of the mega-infrastructure projects for which BRI is notoriously famous.

Notable Projects

Indeed, since the introduction of the CMEC, announcements of major infrastructure projects have been almost nonexistent, which distinguishes Myanmar from other BRI recipient countries. The most notable project under the CMEC has been the Muse-Mandalay railway project, a renewed effort by China to build a standard-gauge rail from Yunnan through Myanmar. The concept has always been a component of the Pan-Asia railway network China has sought to build in mainland Southeast Asia. Its previous reincarnation was as a MOU on a China-Myanmar railway that was abandoned in 2014 after three years of failure to reach an agreement on the size and interest rates of the loans. Despite the enthusiasm Beijing has expressed about the railway project for more than a decade, China Railway Group was only able to sign an MOU regarding feasibility studies with the Myanmar Ministry of Transport and Communications in October 2018.⁵ The study was completed by April 2019.⁶ If the project's feasibility is accepted by Myanmar, it would represent only the first step in a long negotiation process concerning the design, implementation, financing and procurement process of the project. At this rate, implementation of the railway project will not occur for the next few years. Already it has reportedly taken four months after the feasibility study for the railway route to be selected.⁷

² Myanmar Directorate of Investment and Company Administration, "Yearly Approved Amount of Foreign Investment (By Country, By the end of March, 2018)", https://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/fdi_country_yearly_1.pdf.

³ Myanmar Directorate of Investment and Company Administration, "Yearly Approved Amount of Foreign Investment (By Country, By the end of March, 2019)", <https://www.dica.gov.mm/sites/dica.gov.mm/files/document-files/filcountryyearly.pdf>.

⁴ Ibid.

⁵ Kinling Lo, "China-Myanmar Look Railway Project Linking Muse and Mandalay", South China Morning Post, October 23, 2018, <https://www.scmp.com/news/china/diplomacy/article/2169878/china-myanmar-look-railway-project-linking-muse-mandalay>.

⁶ Chan Mya Htwe, "Initial Technical Report on Muse-Mandalay Railway Project Submitted," The Myanmar Times, May 29, 2019, <https://www.mmtimes.com/news/initial-technical-report-muse-mandalay-railway-project-submitted.html>.

⁷ Kyaw Ko Ko, "Route of New Muse-Mandalay Express Railroad Selected," The Myanmar Times, August 21, 2019, <https://www.mmtimes.com/news/route-new-muse-mandalay-express-railroad-selected.html>.

The Myanmar government launched in January 2019 an online “project bank” of priority infrastructure initiatives to streamline their planning, decision-making and financing. The centralization of the infrastructure project initiatives is aimed to facilitate inter-agency coordination as well as public-private partnerships.⁸ With the introduction of public access, the government should establish more stringent requirements regarding the environmental, social and governance impact assessments of the projects. The project bank is a first step toward healthier and more efficient infrastructure development of the country. However, during the initial stage and before all of the bureaucratic and public processes are settled, it will slow the implementation of foreign investment projects. The CMEC projects will be subject to the process stipulated by the project bank and will cause delays as a result.

The establishment of the project bank is partly the result of Myanmar’s experience with the Kyaukpyau deep-sea port. Although the port was proposed prior to BRI, it was later designated as a BRI and CMEC project because China’s CITIC won the bidding in late 2015. The initial proposal included a USD 7.2 billion investment and was 85% owned by CITIC. Nevertheless, because of concerns about the national security implications of the port and worries that it would place Myanmar in a debt trap, the negotiations with CITIC took three years and eventually led to the downsizing of the project’s investment from USD 7.2 billion to USD 1.3 billion and from the original ten berths to two berths.⁹ The face-saving justification by Myanmar for the downsized version is a framing that this represents only the first stage of the port’s construction. Once the first phase is completed and proves profitable, then the remaining berths of the projected port will be expanded over the course of three stages. But the Chinese have been scornfully skeptical of this explanation. Based on their calculations, the profitability of Kyaukpyau port will only be achieved through economies of scale and this is unlikely to occur as long as the port is limited to only two berths.¹⁰

The Chinese feel betrayed by the fact that Myanmar turned to the U.S. government for technical assistance on the downsizing of the Kyaukpyau port.¹¹ The potential U.S. involvement in the assessment of CMEC projects is viewed as a factor that negatively impacts Chinese interests. For Beijing, Myanmar is already a difficult place to invest because of the ambiguous views held about China in the country. To involve an added foreign input that is believed to have a preexisting bias against BRI is unlikely to make it any easier.

⁸ Thompson Chau, “Government Announces ‘Project Bank’ to Get Myanmar Building,” *The Myanmar Times*, Jan 31, 2019, <https://www.mmimes.com/news/govt-announces-project-bank-get-myanmar-building.html>.

⁹ Yuichi Nitta, “Myanmar Cuts Cost of China-Funded Port Project by 80%,” *Nikkei Asian Review*, September 28, 2018, <https://asia.nikkei.com/Spotlight/Belt-and-Road/Myanmar-cuts-cost-of-China-funded-port-project-by-80>.

¹⁰ Interviews by author in Beijing, July 2019.

¹¹ Ben Kesling and Jon Emont, “U.S. Goes on the Offensive Against China’s Empire-Building Funding Plan,” *Wall Street Journal*, April 9, 2019, <https://www.wsj.com/articles/u-s-goes-on-the-offensive-against-chinas-empire-building-megaplan-11554809402>.

One aspect of CMEC that has made moderate progress is the development of three border economic cooperation zones at the Houqiao-Kambaiti, Ruili-Muse and Mengding-Qingshuihe ports on the land border between China and Myanmar. The trade volume of Muse port is ten times bigger than that of Qingshuihe and 15 times bigger than that of Kambaiti. Since the operations of the Muse port could potentially be affected by conflicts between ethnic armed groups and government forces, Qingshuihe, which has received funding from the Asian Development Bank, and Kambaiti, which has been approved by the local Kachin government, are expected to play a bigger role in the future. Although all three ports are located in areas controlled by the Myanmar government, it is hoped that their development will help stabilize areas controlled by ethnic groups.¹²

Regional Implications

Myanmar's experience with BRI is an outlier compared to other parts of mainland Southeast Asia. Despite its limited options in terms of foreign financing and the problems caused by sanctions resulting from the international response to the Rohingya crisis, Myanmar has been able to maintain a somewhat dignified and balanced position in its negotiations with China. In contrast, Laos, Cambodia and, until recently, Malaysia have embraced Chinese financing terms and projects with much less scrutiny and more greater enthusiasm. Myanmar's cautious approach can also be distinguished from Vietnam, which is in the vanguard against Chinese projects, and Thailand, which arguably is in a much better negotiation position when it comes to China due to its stronger economic model and access to other sources of financing. Considering the fact that Myanmar urgently needs foreign financing to stimulate domestic growth combined with the country's corrupt bureaucratic system, its ability to resist Chinese enticements and pressure has been amazing.

A key question is: how has Myanmar been able to achieve this balancing act? One reason has been attributed to the country's nascent democracy and the rise of an increasingly strong and vocal civil society. After decades of military junta rule and expanding Chinese dominance in their country, civil society is naturally suspicious of any potential exploitation by its giant northern neighbor, with the result that it scrutinizes all projects as to whether they will create possible negative impacts. Civil society groups have been able to construct an environment wherein Chinese companies need to tread carefully to avoid being criticized by the Chinese government for any actions that might further alienate the Burmese. Corporate social responsibility programs and environmental and social impact assessments are becoming indispensable elements of Chinese commercial endeavors in Myanmar to win local public support.

¹² Yun Sun, "Peace through Development: China's Experiment in Myanmar," *Frontier Myanmar*, October 15, 2019, <https://frontiermyanmar.net/en/peace-through-development-chinas-experiment-in-myanmar>.

A more curious question, however, is why the Chinese have acquiesced to Myanmar's seeking Western assistance to counterbalance Chinese ambitions in the country. Even as China has become involved in sensitive local issues such as trying to mediate an end to conflicts between the Myanmar government and armed ethnic groups as well as dealing with the Rohingya issue, it has not used its position to try to block the U.S. intervention in the Kyaukpyau port. One reason could be that China has decided to adopt a soft approach toward Myanmar instead of direct coercion. This may reflect historical tensions between the two countries as well as Myanmar's strategic importance to China's Indian Ocean strategy. This makes Myanmar unique in Southeast Asia. As a result, China appears to have decided to accept a slower pace in pushing BRI projects when it comes to Myanmar.

Conclusion

For China, investing in Myanmar has represented a challenge. Beijing's preferred approach of promoting major infrastructure projects funded by Chinese loans and built by Chinese companies is subject to many obstacles when it comes to Myanmar. This is due to deeply entrenched, historical suspicions of China in Myanmar; bureaucratic barriers' and close, public scrutiny of all foreign investment projects. Contrary to the widely shared perception that CMEC would bring massive Chinese funding, this has not proved to be the case. Instead the level of investment has been modest, with a lack of major projects announced so far. The incremental progress of project negotiations suggests that CMEC represents a different form of BRI initiatives than seen elsewhere and one based on genuine mutual consultations and Chinese adaptation to local conditions. Modifying Chinese ambitions to match the more moderate aspirations and capacities of Myanmar appear to be a main theme of the CMEC. This may better serve the goals of the Myanmar public and government.

COOPERATION WITH WHOM AND FOR WHAT?: JAPAN'S MEKONG DEVELOPMENT POLICY

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Introduction

Since the 1990s, socio-economic development in the Mekong basin countries has been a polestar of international relations within the region. Following multilateral frameworks such as the Greater Mekong Subregion (GMS), Mekong River Commission (MRC) and the Initiative for ASEAN Integration (IAI), projects among the five Mekong basin countries (Myanmar, Laos, Thailand, Cambodia and Vietnam) and a single international donor were successively inaugurated in the early 2000s. One of these is the Japan Mekong Cooperation mechanism, which was launched in 2008.

Studies suggest that the plethora of Mekong cooperation initiatives is the result of the independent pursuit of national interests by outside powers, and that these “Mekong five-plus-one donor” projects exemplify the competition between the United States, China and Japan over their strategic goals in mainland Southeast Asia. This simple view, however, ignores efforts by these powers to coordinate their Mekong policies. This article examines cooperation among the U.S., China and Japan and then reviews the basic concepts behind Japanese policy toward the Mekong basin countries.

Mekong Congestion?

Table 1 shows the status of Mekong cooperation initiatives in 2019. There were 11 cooperation frameworks among the Mekong regional countries (China and the five mainland Southeast Asian countries), the five other ASEAN members (Malaysia, Singapore, Indonesia, Brunei and the Philippines) and four outside donor countries (Japan, the U.S., South Korea and India). For some major donor countries, Mekong basin development has been among the biggest priorities in post-Cold War Southeast Asia, and has achieved significant results.

The frameworks listed in **Table 1** show the common goals of the Mekong basin countries that have encouraged them to cooperate. Although the Mekong countries were divided into two ideological camps and fought each other for almost half a century, it is noteworthy that they have been working together since the beginning of the 1990s as a

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Table 1 Mekong Development Cooperation Initiatives

Framework	GMS	MRC	AMBDC	AMEICC	IAI	MGC	ACMECS	Japan-Mekong Cooperation	LMI	LMC	ROK-Mekong Cooperation	
Inaugurated in	1992.10~	1995.4~	1995.12~	1997.11~	2000.11~	2000.11~	2003.11~	2006.12~	2009.1~	2015	2015	
Proposed by	ADB	UNDP	Malaysia	Japan (METI)	Singapore	India/Thailand	Thailand	Japan	The US	China	ROK	
M e m b e r s	Thailand	O	O	O	O	O	O	O	O	O	O	
	Cambodia	O	O	O	O	O	O	O	O	O	O	
	Laos	O	O	O	O	O	O	O	O	O	O	
	Vietnam	O	O	O	O	O	O	O	O	O	O	
	Myanmar	O	Observer	O	O	O	O	O	O	O	O	
	Indonesia	X	X	O	O	O	X	X	X	X	X	X
	Singapore	X	X	O	O	O	X	X	X	X	X	X
	Malaysia	X	X	O	O	O	X	X	X	X	X	X
	The Philippines	X	X	O	O	O	X	X	X	X	X	X
	Brunei	X	X	O	O	O	X	X	X	X	X	X
	China	O	Observer	O	X	X	X	X	X	X	O	X
	Japan	X	X	X	X	X	X	X	O	O*	X	X
The US	X	X	X	X	X	X	X	X	O	X	X	
ROK	X	X	X	X	X	X	X	X	X	X	O	

Source: Maki Aoki-Okabe 2015, "Mekon Koiki kaihatsu kyoryou wo meguru kokusaikankei no jusoteki tenkai (How has the Multilayered Structure of Mekong Region Development Cooperation Developed?) in Ajia Keizai Vol 56, No. 2, pp. 2-40, pp. 6-7

*Japan is a member of the Friends of the Lower Mekong.

single group under the rubric of the “Mekong basin.” Cooperation on Mekong development has succeeded in involving outside powers as development partners (or, more precisely, as donors). Through financial support on both a bilateral and multilateral basis, the donors have provided the motivation for cooperation among the Mekong countries. As a result, mainland Southeast Asia and the southwestern China provinces have been connected by roads built by the GMS under the auspices of the Asian Development Bank (ADB).

At the same time, there has been an overlap of both projects and membership among the frameworks. **Table 2** below shows that there are 11 projects that deal with transportation and trade while there are only three that focus on food security. In terms of membership overlap, the 11 frameworks in Table 1 all involve the mainland Southeast Asian countries. Each of the outside donors has separate cooperation frameworks with mainland Southeast Asia. Mekong development has become congested mainly due to “mainland Southeast Asia-plus-one donor” frameworks. Some studies see this situation as “donors promoting competition over cooperation,” and urge the need for project coordination to achieve optimal planning and efficient operations.

	1	2	3	4	5	6	7	8	9	10	11
	GMS	AMEICC	MRC	AMBDC	BIMSTEC	IAI	ACMECS	Japan-Mekong	LMI	LMC	ROK-Mekong*
Transportation	○	○		○	○	○	○	○	○	○	○
HRD	○	○	○	○		○	○	○		○	○
Trade	○	○		○	○		○	○		○	
Energy (Dam Construction)	○		○	○	○	○			○	○	
Tourism	○		○		○		○	○		○	
Investment	○			○	○		○			○	
Telecommunication	○	○			○	○				○	○
Agriculture/ Fisheries	○		○	○					○	○	○
Water Resource/ River Management	○*		○	○					○	○	○
Environment	○		○					**○	○	○	○
Social Development								○		○	
Exchange of People								○		○	
Private Sector Development	○	○									
Inner Water Navigation	○		○								
Food Security									○	○	
Industrial Development		○						○			
Natural Disaster Management								○		○	
Other	Economic Corridor				Technical Cooperation	Economic Integration Promotion		Natural Disaster Management and Connectivity Enhancement		Border SEZs, Financial Cooperation, and Law Enforcement	

Source: Maki Aoki-Okabe 2015, p8.

* Based on the six priority areas of ROK-Mekong Cooperation Fund's website (<http://www.mekonginstitute.org/what-we-do/development-funds/mekong-rok-cooperation-fund/>) Last accessed on 13th January, 2020

Japan as a “true friend of Southeast Asia”

Among outside donors, Japan has been one of the earliest contributors to regional development projects in the Mekong basin. It embarked on restoration of the war-shattered Indochinese countries of Vietnam, Cambodia and Laos by proposing the “Forum for the Comprehensive Development of Indochina (FCDI)” in 1993. Although the FCDI was later dissolved and incorporated into GMS, Japan has continued to contribute to GMS projects through the ADB as well as providing bilateral Official Development Assistance to each Mekong country. In addition, Japan’s Ministry of Economy, Trade and Industry (METI) launched the Cambodia Laos Myanmar Working Group (CLM-WG) in 1994 as a part of its ASEAN-METI Consultations. It later developed into the ASEAN-METI Economic and Industrial Cooperation Committee (AMEICC) in 1997, which focused on planning economic and industrial cooperation in the Indochinese countries and Myanmar.

The ultimate goal of Japanese regional strategy since the 1990s has been to enable the Indochinese nations and Myanmar to participate in ASEAN’s integration process by narrowing their political differences and economic gaps. Japan’s role should be seen as a “promoter of Southeast Asian integration.” Although this strategy took shape in the 1990s, it was originally an idea expressed in a speech in Manila by Japanese Prime Minister Takeo Fukuda during his visit to Southeast Asia in 1978. Fukuda expressed his government’s willingness to support peace-building between ASEAN and Indochina, and pledged to increase ODA, including establishing the ASEAN Development Fund. “Further economic development and regional integrity will lead to political stability in the region,” he said.

Although its efforts were hampered by Vietnam's intervention in the Cambodian civil war at the end of 1978, Japan sought to intermediate the peace process in Cambodia. At the end of the 1980s Japan, together with Thailand, was finally able to lead peace negotiations among the four contending parties in Cambodia. Their success in encouraging the parties to sign a peace agreement in Paris in 1991 was followed by the establishment of the FCDI and CLM-WG. It was seen as a fulfilment of Japan's desire to promote stability and prosperity in the framework of regional cooperation. Progress in achieving this goal came faster than Japan's foreign ministry officials expected when Vietnam, Cambodia, Laos and Myanmar expressed their desire to join ASEAN in the early 1990s. This consequently eliminated Japan's role as a mediator. Instead, Japan's Ministry of Industry and Trade (formerly METI) envisaged a new role to create a regional production network that would incorporate Cambodia, Laos, Myanmar and Vietnam.

Japan's coordination with China and the U.S.

Following the Plaza Accord in 1985, Japan's foreign direct investment in the U.S. and Asia increased substantially. For newly developing economies like Indonesia, Malaysia and Thailand, Japanese FDI was a key source of capital to support their growing export-oriented industries, such as automobiles and electronics. **Figure 1 and 2** (see appendix) show the growth of Thailand's trade with foreign countries on a national basis since 1995. The relatively recent emergence of China in the Mekong region as a major donor has affected Japan's relations with the five Mekong countries. In terms of Thai exports, the ASEAN-3 countries (Indonesia, Malaysia and Philippines) had been the top destinations followed by the U.S. until 2008. In terms of Thai imports, Japan maintained its top position until the early 2010s. The resulting Japan-led trade system consisted of Japan providing capital and technology to Thailand as a regional production base, which then exported products to ASEAN and the U.S. (**Figure 3**). Under this trading system, Cambodia, Laos and Myanmar provided Thailand with primary products and labor. In this way, Indochina and Myanmar were integrated into the production network, with Japan playing a role as a supporter of Southeast Asian integration.

However, this trading network has been changing since the mid-2000s. As Figures 1 and 2 show, China replaced Japan as Thailand's biggest export market and source of its imports by 2013. In addition, China's FDI expanded in the 2000s (**Figure 4**). In apparent response, the Japan-Mekong Ministerial Meeting was inaugurated in 2008. In inviting the foreign ministers of Cambodia, Laos, Myanmar Thailand and Vietnam to Tokyo, Japanese Foreign Minister Masahiko Komura pledged to promote Japan-Mekong cooperation by increasing both ODA and trade investment programs, and supporting sub-regional cooperation projects among Cambodia, Laos and Vietnam.¹ The Japan-

¹ Ministry of Foreign Affairs of Japan, "Mekong-Japan Foreign Ministers' Meeting (Results Summary)," January 17, 2008. https://www.mofa.go.jp/mofaj/area/j_mekong/0801_kg.html

Mekong meeting was later elevated to summit level with regular meetings of national leaders. This has become one of the main frameworks for Japan's Southeast Asia policy, along with Japan-ASEAN meetings.

The Japan-Mekong meetings have been interpreted as a sign of Japan's intent to catch up with China as it rapidly expands assistance to each of the five Mekong countries and to the ADB. In 2009, the U.S. weighed in and established the Lower Mekong Initiative (LMI) with the five Mekong countries. This was followed by China's proposal to launch the Lancang-Mekong Cooperation (LMC) mechanism in 2015. The convergence of "Mekong five-plus-one donor" frameworks were widely seen as a sign of escalating rivalry between the three outside powers.

However, a new factor has been growing coordination between Japan, China and the U.S. Senior Chinese and Japanese officials inaugurated the "Japan-China Mekong Policy Dialogue" in 2008. The meetings were held annually until 2011 and then in 2014 and 2019. Sino-Japanese coordination was enhanced in 2018, when Japan launched its Free and Open Indo-Pacific (FOIP) strategy. In his speech to Japan's Diet on January 22, 2018, Prime Minister Shinzo Abe declared his government's policy to promote FOIP, and pledged to "work with China to meet the growing infrastructure demand in Asia. Japan and China share significant responsibilities for the peace and prosperity of the region, and maintain an inseparable relationship."²

According to Foreign Minister Yohei Kono, FOIP is composed of three pillars: first, the principles of freedom of navigation and rule of law; second, connectivity, including the development of quality infrastructure in accordance with international standards; and third, promotion of peace and stability through supporting the development of maritime law enforcement capabilities.³

At the 10th Japan-Mekong Summit held on October 9, 2018, participating leaders declared in the "Tokyo Strategy 2018 for Mekong-Japan Cooperation" that "leaders of the Mekong countries welcomed Japan's policy to realize a Free and Open Indo-Pacific to contribute to the peace, stability and prosperity in the region and the world."⁴

The Japanese Diplomatic Bluebook for 2018 also mentioned FOIP, while carefully avoiding use of the word "democracy."⁵ It is assumed that the framework was being

² "Policy Speech by Prime Minister Shinzo Abe to the 196th Session of the Diet," January 22, 2018 https://japan.kantei.go.jp/98_abe/statement/201801/00002.html

³ Ministry of Foreign Affairs of Japan, "Foreign Policy Speech by Foreign Minister Kono to the 196th Session of the Diet," January 22, 2018. https://www.mofa.go.jp/fp/unp_a/page3e_000816.html

⁴ Ministry of Foreign Affairs of Japan, "Tokyo Strategy 2018 for Mekong-Japan Cooperation," October 9, 2018 <https://www.mofa.go.jp/mofaj/files/000406731.pdf>

⁵ Ministry of Foreign Affairs of Japan, "Free and Open Indo-Pacific Strategy," in "Chapter 1: International Situation in 2017 and Development of Japanese Diplomacy," Diplomatic Blue Book 2018. https://www.mofa.go.jp/mofaj/gaiko/bluebook/2018/html/chapter1_00_02.html#T001

redesigned to include China's future participation and Tokyo did not want to provoke disputes by referring to "democracy." The changes in FOIP were followed by the conclusion of a "Memorandum on Business Cooperation in Third Countries" between Japan and China on May 9, 2018. In this memorandum, Japan's METI and Ministry of Foreign Affairs (MOFA) and China's National Development and Reform Commission and Ministry of Commerce recognized "strong complementarities in Japan-China economic relations," and agreed to use Thailand's Eastern Economic Corridor (EEC) Project as the first case for cooperation.

Japan's FOIP strategy also aims to encourage the U.S. to join cooperation efforts in Asia, with Washington showing more interest since 2017 and launching its own FOIP concept. The U.S. Department of Defense published its National Security Strategy in December 2017 which defined the Indo-Pacific as the region in which a "geopolitical competition between free and repressive visions of world order is taking place."⁶ Emphasizing its claim to exclude no nation from the Indo-Pacific, the National Strategy declares the government's will to reinforce its commitment to regional relations."⁷

Future challenges for Mekong Donors Coordination

Considering these recent actions by Japan, China and the U.S., Tokyo's version of FOIP is possibly emerging as a main framework for Sino-Japan-U.S. coordination in the region, including Mekong development cooperation.

However, donor coordination among the three countries is facing problems that should not be overlooked. One issue is the passive attitude of Japan's private sector. Japan, China and Thailand agreed on cooperation to support the EEC project, with the Airport Link Railways project to connect three key airports in and around Bangkok selected as the first test case of Sino-Japan cooperation. But few Japanese companies participated in the public bidding, and a Thai company, Charoen Phokphand Group, and a Chinese company, China Railway Construction Corporation Limited, won the final tenders. Thailand's EEC is designed as a public-private partnership project in which the Thai government contributes only 18% of total investment, with the rest expected to come from the private sector.⁸ Since transportation projects such as high-speed trains are often deemed risky for private companies, the Japanese government and business associations requested the Thai government to guarantee profitability of the project, but

⁶ White House, "National Security Strategy of the United States of America," December 2017, p.45. <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>

⁷ Mie Oba, "Nihon no 'indo taiheiyo' koso (Indo-Pacific from Japan's Perspective) in Kokusai Anzen Hosho Vo. 46, No.3 (2018), pp12-32.

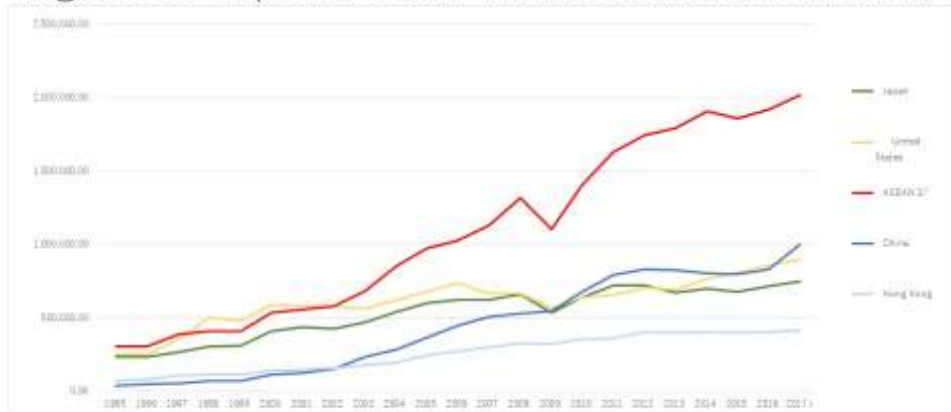
⁸ Hisao Kasuga, "Tai tobu Keizai kairo (EEC) infura nyusatsu no shinten (Progress of Thailand's East Economic Corridor (EEC) Infrastructure Tender," Sekai Keizai Hyoron, December 17, 2018. <http://www.world-economic-review.jp/impact/article1223.html>

this was rejected by Bangkok. This supposedly discouraged Japanese companies from participating in the EEC projects.

Another factor hampering Sino-Japanese-U.S. coordination is growing Sino-U.S. rivalry. The cornerstone of Japan's foreign policy is based on a strong security and economic relationship with the U.S. Washington's attitude toward China could limit Japan's policy alternatives. Although Sino-Japan relations have improved ahead of Chinese President Xi Jinping's visit to Tokyo in the spring of 2020, the space for Japan to serve as an intermediary between the two superpowers appears to be quite limited.

APPENDIX

Figure 1: Exports from Thailand (Million Baht)



Source: Bank of Thailand

Figure 2: Imports to Thailand (Million Baht)



Source: Bank of Thailand

Figure 3: Production Network among Japan and ASEAN

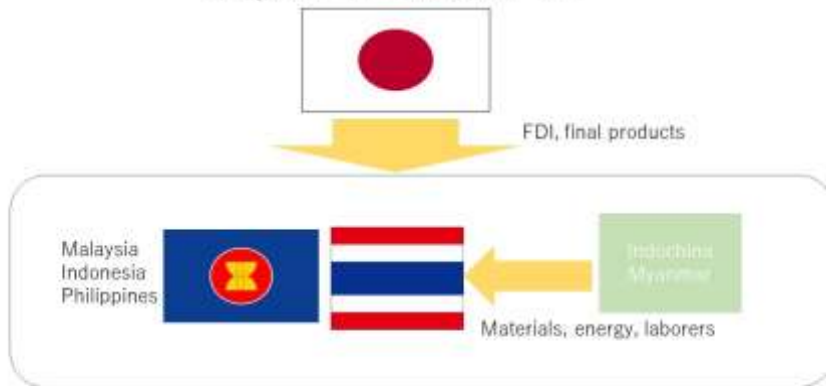
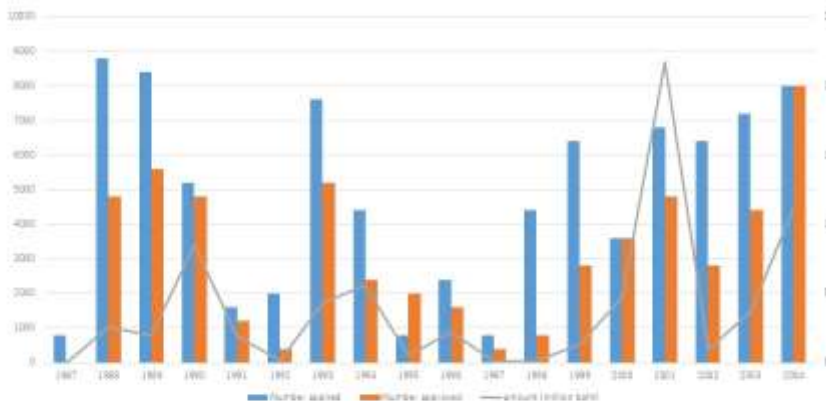


Figure 4: FDI from China to Mekong (E.g.Thailand)



Sompap, M. (2009). Thailand-China cooperation in trade, investment and official development assistance. (URL: http://www.ide.go.jp/English/Publish/Download/Brc/pdf/01_thailandandchina.pdf. Last accessed 12 July, 2018)

CHINESE DAMS, DROUGHT, AND GEOPOLITICAL RIVALRY THREATEN THE MEKONG

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The future of the world's twelfth longest river is threatened by continuing construction of hydropower dams along the Mekong River – many built or funded by China – and erratic rainfall driven by climate change that endangers farming communities in mainland Southeast Asia. At particular risk are the abundant fish spawning waterways linked to the Tonle Sap lake in Cambodia, as well as the fertile low-lying Mekong Delta in Vietnam that relies on silt from upstream to avoid being inundated by saltwater from the South China Sea.

Beijing's robust dam construction along the Mekong is boosting economic links between China and its southern neighbors. Beijing's recently established Lancang-Mekong Cooperation (LMC) mechanism, designed to coordinate plans in the Mekong region, rivals an older grouping that includes the United States and Japan, and seeks to tie the region more closely to infrastructure built under China's sweeping Belt and Road Initiative (BRI). Beijing's ambitions to send regular armed patrol boats down the river from China would bolster its geopolitical influence, particularly if Thailand succumbs to pressure to comply.

The potential loss of flourishing fisheries in the Tonle Sap lake and bountiful crops in the Mekong Delta – due to water shortages caused partly by the upstream dams -- threaten to turn the Mekong into the next flashpoint between China and mainland Southeast Asia, as well as between Beijing and Washington, echoing tensions over the South China Sea. Although Washington has recently started to challenge Beijing's actions in the Mekong region, proposed U.S. countermeasures have so far lacked much heft and resources.

China has built eleven hydropower dams -- and plans nine more -- to produce electricity. Chinese companies have signaled they intend to finance and/or build about half of another eleven proposed dams along the Mekong mainstream in Laos and Cambodia. These projects are creating concerns downstream because the dams affect the flow of water, curtail the movement of fish, and reduce the flow of sediment needed

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to preserve the fish stock of Cambodia's Tonle Sap and the agricultural wealth of Vietnam's Mekong Delta.

During the final months of 2019, the dams and a devastating drought combined to play havoc along the river. In northeastern Thailand, the Mekong had shrunk to a narrow stream of muddy water instead of the normally fast flowing waters which span a kilometer at the height of the monsoon rains. This was due to less rainfall and the storage of water in a reservoir at the newly opened Xayabouri Dam in northern Laos.¹

In neighboring Cambodia, the upstream dams and drought in late 2019 devastated Tonle Sap lake, Southeast Asia's largest lake. Normally when the monsoon rains start around May, the Mekong swells. This sends an explosion of water, sediment, and fish eggs and larvae into the Tonle Sap river, reversing its flow and quadrupling the size of the lake. When the flood waters recede, the river once again reverses course and sends water and sediment downstream to Vietnam, while the fish and eggs go to spawning areas upstream in Thailand and Laos or downstream in Vietnam. In normal years, this process lasts four to five months. But in 2019, it lasted only six weeks.²

In Kampong Pluk, a fishing village on the lake southeast of Siem Reap, villagers said they were facing the most severe drought in living memory, and estimated that their fish catch was down some 60-70% from normal levels.³ One species used for producing fish paste, a staple in their diet, did not appear during the normal spawning period in the lake's flooded grasses in late June because there was not enough water.

Further downstream in Vietnam's low-lying Mekong Delta, water flow was a third lower than the annual average. Farmers faced drought and severe saltwater intrusion from the South China Sea, which threatened agricultural production in this fertile region that normally produces more than half of Vietnam's rice and fruit.⁴

Laos has constructed two hydropower dams on the mainstream of the Mekong and is planning six more, while it has built scores of dams on the river's tributaries, to help support the landlocked country's economic growth. Roughly half these dams were financed and/or built by Chinese banks and contractors. Most of the power produced by these dams is exported to neighboring Thailand.

¹ "Mekong Levels at Lowest on Record as Drought and Dams Strangle River," *Phys.org*, October 31, 2019, <https://phys.org/news/2019-10-mekong-shrivels-drought-strangle-seasia.html>

² Michael Sullivan, "The Lake That Feeds the Mekong Basin Is Facing a Shortage of Fish," *National Public Radio*, November 9, 2019, <https://www.npr.org/sections/goatsandsoda/2019/11/09/777539946/the-lake-that-feeds-the-mekong-basin-is-facing-a-shortage-of-fish>; Brian Eyles, *The Last Days of the Mighty Mekong*, (London: Zed Books, 2019); Nick Middleton, "A Geographer's Notebook: The Reversing River," *Financial Times*, March 24, 2017, <https://www.ft.com/content/03e8ac3c-0b2d-11e7-ac5a-903b21361b43>.

³ Courtney Weatherby email to the author, December 2, 2109.

⁴ "Mekong Delta Needs Urgent Measures to Prevent Drought, Saline-Intrusion," *Viet Nam News*, September 9, 2019, <https://vietnamnews.vn/environment/535116/mekong-delta-needs-urgent-measures-to-prevent-drought-saline-intrusion.html#ktL6cSuVM321m3uS.97>

Environmentalists in Vietnam are concerned that during droughts, water will be stored upstream in reservoirs behind dams, as happened at one Chinese dam and at Xayaburi Dam in Laos in 2019. This exacerbates the drought situation downstream. But in times of heavy rains, the dams in China and Laos will need to release water that could cause successive waves of flooding downstream.

Fish movements in the Mekong are also affected by the growing number of dams. In the lower Mekong region, fisheries are worth about USD 17 billion year, according to a 2015 study by the Mekong River Commission (MRC).⁵ The construction of dams in China has driven a sharp drop in fish migration between the upper and lower Mekong. A 2018 study by the MRC estimated the decline of fish moving down the river would cost countries south of China more than USD 16 billion through 2042.⁶

Roughly half of the sediment carried by the Mekong comes from China and much of that is blocked by its dams. In the part of northern Thailand nearest to China, a UNESCO study found that the quantity of suspended sediment dropped from sixty metric tons in 2003 to only ten by 2009. The study's authors concluded that if all the new dams planned by Laos and Cambodia were built, they would trap more than 96% of the sediment and slash agricultural production downstream by up to 27%.⁷ Reduced sediment arriving in Vietnam's fertile Mekong Delta has already contributed to increased saltwater intrusion.

In recent years, Thailand has become concerned about China's longer-term intentions along the Mekong. Beijing has long wanted to send larger ships carrying up to 500 tons of cargo down the river from Yunnan in southern China to Luang Prabang in Laos. But giant river rocks and some rapids near the Thai port of Chiang Saen block their passage. In 2016 China proposed blasting the rocks and dredging the river, prompting a vigorous campaign by Thai environmentalists who warned of excessive damage to the river's ecosystem and food security for people living along it.⁸

Local protests along the Thai and Lao portion of the Mekong escalated when three Chinese survey vessels arrived near the potential dredging site in 2017, leading the Thai government a few months later to put the project under review, either in response to

⁵ So Nam, Souvanny Phommakone, Ly Vuthy, Theerawat Samphawamana, Nguyen Hai Son, Malasri Khumsri, Ngor Peng Bun, Kong Sovanara, Peter Degen and Peter Starr, "Lower Mekong Fisheries Estimate to be Worth Around \$17 Billion a Year," *Catch and Culture*, Vol. 21, No. 3, (2016), 4 <http://www.mrcmekong.org/assets/Publications/Catch-and-Culture/CatchCultureVol-21.3.pdf>

⁶ Mekong River Commission, *The Council Study: The Study on the Sustainable Management and Development of the Mekong River Basin, including Impacts of Mainstream Hydropower Projects* (Phnom Penh: Mekong River Commission, 2017), 7, <https://www.mrcmekong.org/assets/Publications/Council-Study/Council-study-Reports-discipline/180207-Macroeconomic-Assessment-Report-final-5-MG-2.pdf>.

⁷ Ibid.

⁸ Andrew Stone, "Chinese Firm Fails to Convince Locals over Mekong Blasting," *The Third Pole*, January 29, 2019, <https://www.thethirdpole.net/en/2019/01/29/chinese-firm-fails-to-convince-locals-over-mekong-blasting/>.

local environmental concerns or fears about allowing large Chinese vessels to move freely along the Mekong into Thai territory.⁹ The Thai cabinet finally decided on February 4, 2020 to scrap the Chinese project, ostensibly due to the lack of adequate environmental surveys of the river. But some observers believe that Thailand might eventually cave into Chinese requests if Beijing continues to apply pressure.¹⁰

Beijing has also pushed to have armed Chinese patrol boats transit the Thai-controlled portion of the Mekong after thirteen Chinese sailors were killed in attacks on two cargo ships on the river in 2011. In recent years, several armed Chinese police boats have regularly traveled down the Mekong into Myanmar and Lao waters. However, Thailand has signaled concerns that this would extend Beijing's economic and strategic influence deep into mainland Southeast Asia.

Thai officials acknowledged in mid-2019 that China indicated it would no longer push for its patrol boats to enter Thai territory.

As tensions have risen over deterioration of the Mekong and the impact of drought as well as some of China's actions, Washington has taken more interest in issues involving the Mekong river. U.S. Secretary of State Mike Pompeo hosted a meeting of the five Southeast Asian Mekong states in Bangkok in August 2019 and warned that the "spree of dam building...concentrates control over the downstream flows." He added that the Mekong had been "at its lowest level in a decade," which he cited as "a problem linked to China's decision to shut off water upstream," a reference to China's decision to cut the flow from some of its eleven dams on the upper Mekong.

Pompeo also warned that "China has plans to blast and dredge riverbeds" to bring large cargo vessels down the Mekong from China. He charged that "China operated extra-territorial patrols" in the river by sending armed police patrol boats down the river, which had prompted security concerns among officials, particularly from Thailand and Vietnam.

In a reference to China's establishment of the LMC framework, Pompeo said "we see a push to craft new Beijing-directed rules to govern the river, thereby weakening the Mekong River Commission."¹¹ The LMC includes all five Southeast Asian Mekong

⁹ Gregory V. Raymond, "Competing Logics: Between Thai Sovereignty and the China Model in 2018," in *Southeast Asian Affairs 2019*, ed. Daljit Singh and Malcolm Cook (Singapore: ISEAS-Yusof Ishak Institute, 2019), 350.

¹⁰ AFP, "Thailand ditches China-led plan to dredge Mekong River." *The Straits Times*, February 5, 2020; Michael Sullivan, "China Reshapes the Vital Mekong River to Power Its Expansion," *National Public Radio*, October 6, 2018, <https://www.npr.org/2018/10/06/639280566/china-reshapes-the-vital-mekong-river-to-power-its-expansion>

¹¹ Michael R. Pompeo, "Opening Remarks at the Lower Mekong Initiative Ministerial," U.S. Department of State (speech, Centara Grand, Bangkok, Thailand, August 1, 2019), <https://www.state.gov/opening-remarks-at-the-lower-mekong-initiative-ministerial/>

countries but pointedly excludes the United States and Japan. Many see it as a rival to the MRC, an institution that excludes China.

The Trump administration in 2019 announced several new initiatives to boost its economic engagement in the region and compete with China in the infrastructure space. One initiative was to launch the new U.S. International Development Finance Corporation (DFC) to provide financing, risk insurance and equity to assist infrastructure and energy projects overseas. The administration hoped to launch it in October 2019, but the project was delayed due to difficulties in the U.S. Congress in passing the 2020 government budget, which it eventually did in late December 2020. The DFC opened its doors in January 2020, with an initial goal to use the USD 60 billion provided under the previously passed BUILD (Better Utilization of Investments Leading to Development) Act to boost private sector investment in infrastructure projects.¹²

At the August 2019 Bangkok meeting, Pompeo announced several new U.S.-backed initiatives for the Mekong region. One was the Japan-U.S. Mekong Power Partnership to help develop regional power grids to which Washington pledged USD 30 million. A further proposal was designed to assist Laos in setting up solar and wind farms to produce electricity that could be exported to power-short Vietnam instead of building more dams to provide the power.

Pompeo said the U.S. and South Korea would jointly finance a new project that would use satellite imagery to access patterns of flooding and drought on the Mekong. The U.S. would also support Thailand's Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) mechanism to set up a regional infrastructure development fund with its neighbors. The goal would be to provide these nations an alternative to Chinese financing.

While a good start for the U.S., the project funding announced by Pompeo fell far short of the amount needed and failed to match the billions of dollars China is pouring into Laos and Cambodia in dam construction alone. Pompeo promised that the U.S. would roll out more initiatives and funding at a business forum in Bangkok on the sidelines of the East Asia Summit in November 2019. Yet neither President Donald Trump nor Vice President Mike Pence attended the summit, nor did Pompeo.

One project announced at the November 2019 East Asia Summit was a joint venture among the U.S., Australia and Japan called the Blue Dot Network to facilitate infrastructure projects to counter those offered under China's BRI program. But few

¹² The Build Act," Overseas Private Investment Corporation, <https://www.opic.gov/build-act/overview>

details, including the budget, project standards or supervisory authority, were spelled out, leading some to question its true significance.

While China is charging ahead with its schemes along the Mekong, the U.S. largely remains on the sidelines, mostly complaining about what it sees as Beijing's overly assertive actions that threaten the river's environmental and economic future. Unless Washington and its allies offer the Lower Mekong countries more vigorous engagement soon, U.S. efforts will be too little too late and Washington will effectively be handing the Mekong to China.¹³

¹³ Peter McCawley, "Connecting the Dots on the Blue Dot Network," *The Interpreter*, Lowy Institute, November 12, 2019, <https://www.lowyinstitute.org/the-interpreter/connecting-dots-blue-dot-network>.

CAMBODIA RELATIONS WITH VIETNAM: HISTORICAL MISTRUST AND VULNERABILITY

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Cambodia's relations with Vietnam have for centuries been marked by historical enmity and deep-seated animosity resulting from actions taken in the 15th century by the Annamite Empire, the forerunners of today's Vietnam.

A frequently repeated 19th century folk tale in Cambodia relates how, during the construction of the Vinh Te Canal in 1811, commanded by Emperor Gia Long of the ruling Nguyen dynasty in Annam, the Vietnamese would occasionally bury groups of three Khmers at a time up to their necks and light a fire around them, so that a pot could be placed on their heads to boil rice.¹ Whether true or not, it has been repeated among Cambodians for generations.

As for the Vinh Te Canal, it played an important role in southern Vietnam's transportation network and defined its border with Cambodia. In the process, it became a symbol of Vietnamese mistreatment of the Khmer, which many Cambodian rulers, including the Khmer Rouge, used in their anti-Vietnamese rhetoric.²

The two countries share a border of approximately 1,000 kilometers. The border between the Kingdom of Cambodia and the former French colony of Cochin-China was established by a document signed on July 15, 1873. This document was not a treaty in the legal sense of the word but rather what was known in French as an "arrangement," which can be translated into English as an "accord", an "entente," or a "contract." It stated that the border would be marked by numbered posts bearing inscriptions indicating their purpose.³

At the time, Cochin-China was a full colony of France while Cambodia was only a protectorate. This meant that Cochin-China was considered French territory and the

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¹ I was first told this tale by the late Nay Valentin, a former Cambodian ambassador to Australia, China and North Vietnam in Canberra, April 1973. For a further expanded description see: Thu-huong Nguyen-vo, *Khmer-Viet relations and the Third Indochina Conflict*, (Jefferson, North Carolina: McFarland & Company, 1992), p. ix

² Nayan Chanda, *Brother Enemy: The War after the War*, (London: Harcourt Brace Jovanovich, 1986) p. 52

³ *Bulletin Officiel de la Cochinchine française* ("Official Bulletin of French Cochin-China), No 12 (1873), p. 435

French administrators pushed Cochin-China's borders at the expense of Cambodia to make sure that more taxes were collected.

French commercial agricultural interests in Cochin-China were influential and much better organized than those in Cambodia. A well-organized Cochin-China lobby existed in the French colonial administration to obtain maximum benefits for rice and rubber plantations. This led to some Cambodian territory being annexed to Cochin-China.⁴

During the Geneva Conference in 1954, Pham Van Dong, prime minister of the Democratic Republic of Vietnam, argued for political recognition of the anti-French Pathet Lao and Khmer Issarak independent movements by arguing that they were de facto governments carrying out "democratic reforms" in the areas their armies had already "liberated" in Laos and Cambodia.⁵ He said they should be granted equal status to the delegations of the Royal Lao and Royal Cambodian governments.⁶

Pham Van Dong's statement alarmed the Cambodian delegates in Geneva. Norodom Sihanouk who was then king of Cambodia, had already been concerned by North Vietnamese President Ho Chi Minh's letter of congratulation to Son Ngoc Minh, president of the Cambodian Communist Party, hailing the country's Independence Day.⁷

As head of state, Sihanouk refused to recognize both South and North Vietnam until the two states were reunified as envisaged by the Geneva Agreements. In the meantime, he offered to exchange non-diplomatic political representatives to maintain economic ties. Although the Geneva Agreements had specifically called for the complete withdrawal of Communist forces from Cambodia, they remained in substantial numbers and managed to seize control of a significant part of the Khmer Issarak nationalist movement while actively supporting the local Communist Party.⁸

In a climate of constant mistrust and fear, and relentless propaganda attacks against the Cambodian government by Radio Hanoi, North Vietnam on October 12, 1955 sent a request to Sihanouk, who had abdicated the throne and become Cambodia's prime minister, proposing the opening of diplomatic relations.⁹ In a carefully drafted response, dated October 15, Sihanouk professed Cambodia's desire to maintain cordial relations

⁴ Steve Heder: "*The Conflict between Kampuchea and Vietnam*", unpublished paper, 1978, David Chandler Cambodia Collection, Series 15 (Miscellaneous), Box 1, ASRC, Matheson Library, Monash University

⁵ United States Delegation- Geneva to State Department, Telegram 396.1GE/5-1054, 10 May 1954, Geneva Conference Files Lot 60 D627, CF 276, State Department, NARA

⁶ Ibid.

⁷ The Voice of Vietnam in Tonkinese, Summary of World Broadcasts, June 19, 1953, Series A1838 Control Symbol 3020/2/1/1 Part 1 NAA

⁸ A. Doak Barnett, "*Communist China and Asia: Challenge to American Policy*", (New York: Harper & Brothers for the Council on Foreign Relations, 1960), p. 482

⁹ Australian Legation-Phnom Penh to External Affairs-Canberra, Savingram 1, November 23, 1955, Series A6760 Control Symbol 221/5/8 Part 1 NAA

with all her neighbors on a basis of mutual respect for national sovereignty and international treaties, but citing the anti-Cambodian government broadcasts by Radio Hanoi, he suggested it would be difficult to realize friendly relations between the two countries.

In July 1955, Cambodia had allowed a delegation of Cambodian journalists to accept an invitation from the Vietnamese Journalists' Association.¹⁰ The Cambodians were given a special welcome, being the first semi-official delegation from the Kingdom to visit Communist Vietnam. They were granted an audience with Ho Chi Minh, who likened their visit to "a nightingale heralding the spring" and referred to Sihanouk as "a hero whose name should be recorded in history."¹¹

Sihanouk would later explain to Australia's ambassador to Cambodia that the exchanges of journalists and sporting teams with North Vietnam were intended merely to show Phnom Penh's willingness to live in amity with any government that maintained correct relations with Cambodia, even though he feared that a reunited Vietnam would present "a deadly menace to Cambodia."¹²

During the 1960s, there were discussions between Cambodian and North Vietnamese officials, but no diplomatic relations or resolution of border disputes were finalized. Sihanouk, who retained the royal title of prince and his power as head of state, maintained his position that if North Vietnam would give some guarantees on the recognition of Cambodia's frontiers, he would extend full recognition to the DRV.

During a visit to Peking in 1964, Pham Van Dong told Sihanouk that Cambodia should decide what to do regarding the issue of recognition of the DRV, adding that "we are not pressed, we can wait, because we know that we shall win." His remark was received with concern by Sihanouk, who told his people that "we need to reflect on these words because if Cambodia waits until they have won to discuss about our territorial integrity with them, it is possible that the Vietnamese will be less accommodating with us, as they would owe us nothing."¹³ The establishment of diplomatic relations between Cambodia and North Vietnam was finally announced on June 24, 1967.¹⁴

On the surface, bilateral relations appeared cordial. There were constant exchanges of goodwill, with Hanoi claiming that the two countries were "two neighboring and

¹⁰ AKP-Khmer News Agency, Phnom Penh, No. I.945, July 17, 1956, p.2

¹¹ Australian Legation-Phnom Penh to External Affairs-Canberra, Memorandum 269, July 27, 1956, Series A6760 Control Symbol 221/5/8 Part 1 NAA

¹² Personal letter from Ambassador Noel Deschamps to Sir Keith Waller, Department of External Affairs-Canberra, 9 April 1963, Series A6760 Control Symbol 221/5/8 Part 1 NAA

¹³ Ibid. op. cited

¹⁴ Cambodia did not immediately open an embassy in Hanoi. Instead, it accredited its ambassador to North Korea, Samreth Soth, as non-resident ambassador to the Democratic Republic of Vietnam. He presented his credentials on November 25, 1967 to Ton Duc Thang, Vice-President of the DRV. Le Sangkum, December 1967, p. 62

brotherly nations” and that it had always respected Cambodia’s sovereignty, independence, neutrality and territorial integrity within her present borders.¹⁵

In reality, military clashes between the Royal Cambodian Army and Vietnamese Communist forces were steadily increasing. By the end of 1969, the Prince had become disillusioned with the Communists after numerous attempts, such as donating medicines and food, to secure their cooperation to keep Cambodia out of the war engulfing Vietnam.

In the end, the Cambodian government and the Prince appear to have concluded that the Vietnamese Communist presence in their country was a fact of life resulting from the war. They hoped, however, that in return for their forbearance they could persuade the Communists to withdraw once the war was over.

At the same time, the U.S. and South Vietnamese bombing of Cambodian territory was intensifying. The newly reopened U.S. Embassy in Phnom Penh reported to Washington that the Cambodian Ministry of Foreign Affairs in the month of October 1969 alone had sent 83 separate notes of protest, prompting the embassy to comment that Cambodia and the Prince deserved credit for their restraint.¹⁶

Alongside this, there was the “other relationship” that the Vietnamese had closely nurtured with the local Khmer Communists. This would continue to be far more important ideologically and would at times weigh on relations between Cambodia and North Vietnam.

The Prince was unaware of the extent to which North Vietnam’s close links with the Khmer Communists had developed before the 1954 Geneva Conference, and had been strengthened by visits to North Vietnam of Cambodian Communist Party leader Pol Pot in the 1960s. The Cambodian Communists were divided in their allegiances. According to historians Ben Kiernan and Chantou Boua, the first leader of the secretive Khmer Communist Party, Son Ngoc Minh, was fully subordinated to Hanoi, where he had been trained, and had become very unpopular among Khmer Communists. Keo Meas, a party veteran, publicly accused him of “becoming fat in safety while the party faithful were being liquidated.”¹⁷

In April 1968, Prince Sihanouk had warned China, North Vietnam and the National Liberation Front in South Vietnam that in supporting the Khmer Communists “not to go too far testing the Sangkum’s goodwill, since, despite the fact that he is a good friend,

¹⁵ Far Eastern Economic Review, December 25, 1969, p. 668

¹⁶ Australian Embassy, Phnom Penh, to External Affairs, Canberra, Telegram addressed to State Department No. 2039, 29 November 1969, Series A 1838 Control Symbol 3016/11/161, NAA.

¹⁷ Ben Kiernan and Chanthou, Boua, *Peasants and Politics in Kampuchea, 1942-1981*, (London: Zed Books, 1982), p. 194

Sihanouk may not be able to hold out and may yield his place to a 'Cambodian Suharto',"¹⁸ in reference to the Indonesian general who had come to power after cracking down on Indonesia's Communists in 1965. Sangkum was the political organization affiliated with Sihanouk that governed Cambodia until 1970.

Subsequent events proved the Prince correct in his assessment of the situation, as domestic opposition to the North Vietnamese presence in Cambodia, particularly among the military, increased. This prompted Sihanouk to leave in January 1970 for France for health treatments, with a plan to then go to Moscow and Beijing to lobby their leaders to urge Hanoi to withdraw its forces from Cambodia.

But following well-organized anti-Vietnamese demonstrations and the sacking of the North Vietnamese diplomatic mission in Phnom Penh in March 1970, the Cambodian Assembly and Council of the Throne, under military pressure, voted on March 18 to depose the Prince as head of state and gave an ultimatum to the Communist forces to leave Cambodian territory.

The Prince, who was in Paris, continued his trip to China. There he met his friend Prime Minister Zhou Enlai, who advised Sihanouk to carefully reflect before making any momentous decisions. The following day on March 20, Pham Van Dong arrived in Beijing to consult with Sihanouk on what Vietnam could do to help him. Unknown to the Prince, Pol Pot also arrived on the same plane for discussions with the Chinese leadership on events in Cambodia.

The coup in Cambodia altered North Vietnam's relations with both Prince Sihanouk and the Cambodian Communists. While the relationship with Sihanouk became much closer, with the latter making frequent visits to North Vietnam, Hanoi's relations with the Khmer Communists began to unravel rapidly, leading to serious bloody clashes soon after the military victory of Khmer Communists in April 1975.

At his meetings with Pham Van Dong, Sihanouk's main concern was to obtain assurances that North Vietnam would respect the territorial integrity and independence of Cambodia. The Vietnamese leader, prompted by the Chinese, gave those assurances as well as promising training for royalist elements to join the fight against Lon Nol, the new Cambodian leader, under the banner of the National United Front of Kampuchea (FUNK), proclaimed by the Prince on March 23, 1970.¹⁹

At the same time, in separate meetings, Pol Pot had discussions with both the Chinese and Vietnamese premiers, who urged him to form a joint government with Sihanouk and other non-Communist forces to fight Lon Nol.

¹⁸ FBIS - Cambodia, 1 April 1968, p. 0002

¹⁹ Ibid. See also AFP, March 29, 1970, dispatch by Pierre Comparet in Beijing

Vietnam promptly recognized the Royal Government of the National Union of Cambodia (GRUNC), established by Sihanouk in Peking in May 1970. GRUNC opened an embassy in Hanoi, led by a leading left-wing intellectual, Sien An.²⁰

In January 1973, the Prince returned to Hanoi to celebrate the Lunar New Year, as had become his custom since 1970. A few weeks earlier, the North Vietnamese had signed an agreement with the U.S. in Paris which in theory ended the war between the two countries.

The Paris Agreement meant that the resistance forces in Cambodia would no longer receive assistance from North Vietnam and would have to limit themselves to defending “liberated zones” against the Lon Nol forces. In Hanoi, the Prince was advised by Pham Van Dong and General Vo Nguyen Giap “not to throw oil on the fire of the war which was about to be extinct in Indochina.”²¹

On May 9, Sihanouk confided to the French ambassador in Beijing, Etienne Manac’h, that his relations with Hanoi were still superficially cordial but in fact had become seriously strained and would most likely deteriorate further because the Prince believed that Hanoi had designs on Cambodia.²²

According to Sihanouk, China told the North Vietnamese to stop interfering in Cambodia’s affairs prior to the ceasefire agreement between Hanoi and Washington. North Vietnam, therefore, suspended assistance to the anti-Lon Nol forces in Cambodia, a move that Sihanouk regarded as an unfriendly act.²³

Manac’h believed that Sihanouk’s assertions about Chinese representations to Hanoi were true. He also believed the Prince’s claims about North Vietnam’s reaction, as Zhou Enlai had told Manac’h that China wished to see the borders of each Indochina state recognized and respected, while opposing the domination of Indochina by any local or outside power.²⁴

That May, Sihanouk traveled to several African countries that supported the GRUNC. While in Conakry, the capital of Guinea, he received a message from Penn Nouth, the GRUNC prime minister, to publicly condemn the plan by U.S. Secretary of State Henry Kissinger to discuss the situation in Cambodia with Le Duc Tho in Paris. Penn Nouth

²⁰ Later killed in one of the purges orchestrated by Pol Pot.

²¹ Prince Norodom Sihanouk’s unpublished letter to Jean Barre, Hanoi February 3, 1973. Copy from King Sihanouk’s Personal Archives, Beijing, September 2004

²² Australian Ambassador-Peking to External Affairs-Canberra, Telegram 330, May 7, 1973, Series A1838 Control Symbol 252/2/5/1 NAA

²³ Ibid.

²⁴ Ibid, p. 2

considered this an unacceptable interference in Cambodia's affairs and a violation of its sovereignty.²⁵

On May 29, Sihanouk, who was in Morocco, sent a message to Le Duc Tho asking him to declare officially that the problem of Cambodia must be only solved by the Cambodians themselves.²⁶ During a press conference in Rabat, Morocco, Sihanouk condemned U.S. President Richard Nixon's dealings with North Vietnam on the situation in Cambodia, adding that "I must state that we are not satellites of North Vietnam."²⁷

The text of Sihanouk's message to Le Duc Tho is unavailable. But when he met Kissinger in Paris the following month, Le Duc Tho refused to discuss the Cambodia situation with him by alluding to Sihanouk's message which Tho described as "harsh." He added that Sihanouk had asked him to respect Cambodia's sovereignty, that he should tell the U.S. that North Vietnam had no responsibility with regard to FUNK or GRUNC, and that the resistance forces had asked him not to discuss Cambodia with Kissinger in Paris.²⁸

Hanoi welcomed the fall of Nol's government in April 1975 with a warm message stressing the customary wish for a Cambodia of genuine independence, sovereignty, peace, neutrality, non-alignment, democracy, prosperity and territorial integrity. It added that future Cambodia-Vietnamese relations would be based on respect for each other's independence and sovereignty.²⁹

But there were already reports that a Khmer Rouge convoy had been attacked by North Vietnamese troops near the Vietnamese border. The Vietnamese also expressed irritation at claims by the new Phnom Penh government that it was the only anti-imperialist force in Indochina to refuse to negotiate with the enemy.³⁰

On June 9, 1975, Vietnam sent four gunships to invade Koh Way Island in the Gulf of Thailand, opposite Kampot province.³¹ The same day, Vietnamese artillery attacked border areas in Kampot and Takeo provinces and briefly occupied the village of Phnom

²⁵ Confidential Telegram from Penn Nouth to Norodom Sihanouk, Beijing, May 14, 1973. Copy from King Sihanouk's Personal Archives, Beijing, September 2004

²⁶ Moroccan Press Agency, Rabat, May 30, 1973, p. 2

²⁷ Ibid.

²⁸ Memorandum of Conversation between Dr. Henry Kissinger and Mr. Le Duc Tho, Paris, June 6, 1973, copy from the Digital National Security Archive (DNSA No. 00746)

²⁹ Australian Embassy-Hanoi to External Affairs-Canberra, Memorandum 228, May 8, 1975, Series A1838 Control Symbol 3006/3/6 NAA

³⁰ Ibid.

³¹ Most information on this issue draws from a lengthy telegram sent to Prince Sihanouk, at the time residing in North Korea, by Penn Nouth, Prime Minister of GRUNC, dated June 17, 1975. Copy from King Sihanouk's Personal Archive, Beijing, November 1996.

Den in Takeo province. On June 11, Koh Way was bombed by North Vietnamese MIG-21 planes and the Cambodian authorities lost contact with their garrison on the island. In Hanoi, GRUNC Ambassador Sien An requested an urgent meeting. He was received on June 14 by Pham Van Dong, who promised to order a halt to the military actions, but requested further negotiations between the two countries.³²

Meanwhile, the Cambodian and Vietnamese Communist parties were holding secret discussions, with Pol Pot already in Hanoi from June 11 to 14. This dual dynamic created a chaotic situation. Sihanouk and Penn Nouth were unaware of the secret talks when they ordered the Cambodian ambassador in Hanoi to seek an urgent meeting with the prime minister and called on all GRUNC ambassadors to inform their host governments of the GRUNC's position on Vietnam's actions.³³

Pol Pot's visit to Hanoi did not achieve a breakthrough. A report by the Indian charge d'affaires assessed the visit as friendly and stated that the Vietnamese had said that they would return Koh Way island to Cambodia "if the Cambodians insisted," suggesting that Hanoi was stalling on the issue rather than trying to settle it.³⁴

On July 17, Penn Nouth informed Sihanouk that he had recalled Ambassador Sien An from Hanoi in view of Vietnam's attitude and as counselled by China and "other friends." Keeping the envoy at his post would have amounted to recognizing the fait accompli imposed by Vietnam as it continued to occupy Koh Way, he added.³⁵

In late July, Le Duan, Secretary General of the Vietnamese Workers' Party, paid a secret visit to Cambodia. The visit was only announced in a terse communiqué broadcast by Radio Phnom Penh on August 3, after he returned to Hanoi.³⁶

During Le Duan's visit, major differences became apparent. According to Vietnamese reports, Pol Pot dismissed the border confrontations as resulting from geographical ignorance by local commanders.³⁷

The Prince accepted an invitation from Pham Van Dong to visit and celebrate the newly reunified Vietnam's first National Day on September 2, 1975.

³² Ibid, p. 2

³³ Ibid.

³⁴ Australian Ambassador-Hanoi to External Affairs-Canberra, Memorandum 341, July 4, 1975, Series A1838 Control Symbol 3006/3/6 NAA

³⁵ Handwritten letter from Penn Nouth to Prince Sihanouk, Peking July 17, 1975, copy from King Sihanouk's Personal Archives, Beijing, September 2004

³⁶ FBIS Trends-Indochina, August 6, 1975, p.16

³⁷ Socialist Republic of Vietnam Foreign Ministry: "Facts About the Vietnam-Kampuchea Border Question," Kampuchea Dossier, Hanoi, 2nd edition, 1978, p.126

While in Hanoi, Pham Van Dong suggested to Sihanouk that the “brothers and comrades in arms” from North Vietnam and the new revolutionary governments in South Vietnam, Laos and Cambodia should meet over a joint dinner.³⁸ In a clear indication of the deteriorating relationship between Hanoi and Phnom Penh, Khieu Samphan intervened and said to Pham Van Dong: “We, Kampuchians, accept a bipartite dinner between you, the North Vietnamese, the host country, and our delegation.”³⁹ Upon their return to the state guest house, where the GRUNC delegation was lodged, Khieu Samphan told Sihanouk: “We must never fall in the trap prepared by these Viets who wish to dominate and swallow up our Kampuchea by incorporating it in their Indochinese Federation. We must remain very vigilant. This projected quadripartite dinner was a dangerous trap! We must not fall into it.”⁴⁰

After his return to Cambodia, the Prince’s last engagement in Cambodia’s foreign affairs under the new Democratic Kampuchea regime was hosting a luncheon at the royal palace for the North Vietnamese ambassador, Nguyen Tuong, and the ambassador representing the revolutionary South Vietnam government, Pham Van Ba. He never met them again and soon afterwards he ceased to be treated as head of state and was placed under house detention.

The Khmer Rouge leadership, some of whom had been trained in Hanoi, knew the Vietnamese well because they had fought alongside them during the 1970-75 period.

However, after 1973, when Vietnam signed the Paris peace accords with the U.S. to end the war not only in Vietnam but in the whole of Indochina, Khmer Rouge leaders were unhappy and hostile statements quickly led to armed confrontation.

It was, therefore, not surprising that following the so-called “liberation” of Phnom Penh, relations rapidly deteriorated into bloody conflict leading to the breakdown of diplomatic relations between the two countries in late 1977 and Vietnam’s armed intervention in late 1978.

In recent years, relations between the two countries have stabilized through frequent exchanges of high-level visits. In 2017 the two countries celebrated the 50th anniversary of the establishment of diplomatic relations and two-way trade reached \$3.8 billion dollars with Vietnam being Cambodia’s greatest source of foreign investment within ASEAN.

³⁸ Norodom Sihanouk: “*The Cup to the Dregs*”, unpublished manuscript, Second Part, Chapter 12

³⁹ Ibid.

⁴⁰ Ibid.

In contrast, when it comes to the South China Sea dispute, both countries have adopted different approaches, which involve China and four ASEAN member states, including Vietnam. Cambodia, as a non-claimant state, is not interested in having this issue dominate regional multilateral diplomacy that might upset Beijing and harm good ties between China and ASEAN.

Cambodia has occasionally refused to join Vietnam and some other ASEAN members to internationalize the South China Sea issue, a reflection that when it comes to its national interests and, particularly, to its foreign relationships, Cambodia will follow its own path and will not always be in agreement with Vietnam.

Nevertheless, putting aside these differences caused by Cambodia's current close relations with China, both countries maintain close links with exchanges of high-level visitors every year.

Nature has placed Cambodia and Vietnam as neighbors, this cannot be changed and the leadership of both countries understand that they have no other choice but to co-exist and live in peace, while mutually respecting each others' sovereignty and territorial integrity.

APPENDIX

Credit: From the Personal Collection of the Author



Photo 1: *Prince Norodom Sihanouk and Pham Van Dong, 25 May 1970*



Photo 2: *Prince Sihanouk (far left) with Vietnamese and Laotian leaders, 1970*



Photo 3: *Prince Sihanouk in Hanoi, 1973*



Photo 4: *Prince Sihanouk (second from left) visits North Vietnam, June 1970*



Photo 5: *Prince Norodom Phurissara (left) visits Ho Chi Minh in North Vietnam*

THE FATE OF THE MEKONG RIVER: HOPE OR DESPAIR?

*Pou Sothirak**

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The fate of the Mekong River casts a dark shadow over mainland Southeast Asia. This majestic river system and the benefits it delivers to the lives of the local population face mounting threats from massive development projects such as the seemingly relentless construction of dams. For the region's riparian countries, this situation represents a complicated challenge. Unless alternative and creative solutions can be found, the "Mighty Mekong" will rapidly reach a point of no return.

For riparian populations whose livelihood depends on fish catches from the Tonle Sap Lake, the fate of Cambodia's great lake is a story of enormous change over just one generation, as fish stocks have declined and the river's biodiversity has weakened.¹ The river continues its rapid decline, negatively impacting the natural means whereby it has molded the land and supported the lives in its enormous basin.²

The Mekong River's natural patterns are intriguing. It can deliver great floods, but also suffer desperate droughts. Travelers exploring the river are often captivated by the spectacular natural environment and stunning sunsets. However, the essence of the Mekong goes beyond these facts. The reality at hand is one of nurturing the conditions that allows the river's ecology to thrive and sustain the populations of the riparian countries. Mainland Southeast Asia considers the Mekong as a bulwark of regional development, sustainability, and prosperity as it provides food, drinking water, irrigation, transport, and energy to more than 70 million people in China, Cambodia, Myanmar, Laos, Thailand and Vietnam.

The benefits provided by the river now face growing dangers due to ill-conceived development projects. Competition to exploit the Mekong Basin is intense, placing severe stress on the security of water resources. Hydropower development plans pose the greatest danger since these have the potential to damage the environment, create

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¹ Zoe Osborne, "Mekong basin's vanishing fish signal tough times ahead in Cambodia," The Guardian, December 16, 2019. <https://www.theguardian.com/environment/2019/dec/16/mekong-basins-vanishing-fish-signal-ill-times-ahead-for-cambodia-aoe>

² Andrew Haffner, Mekong River: Currents of Time," Southeast Globe, December 17, 2019. <https://southeastasiaglobe.com/currents-of-time/>

negative social repercussions, harm the livelihoods of local communities, and endanger regional security.

Moreover, the irresponsible building of hydropower stations needs to be treated as a trans-boundary challenge as these installations affect all countries sharing the Mekong. Apart from addressing energy requirements, flood control, and water usage, governments must take into account broader environment considerations and the politics of water governance in order to achieve a stable equilibrium. This will require coordination and sustainable management among stakeholders to avoid further environmental degradation and deepening mistrust among both state and non-state actors.³

Countries along the Mekong basin are keen to exploit the river's water resources to produce electricity to support continued economic development. Damming of the Mekong began in China in the early 1990s. At present, China has 11 dams in operation and 9 more planned. In 2006 Laos built its first dam on the river and has now completed 64 dams, with another 63 under consideration. Among other lower Mekong countries, Vietnam has completed 16 dams, Thailand has constructed nine, and Cambodia has built two with one more currently under construction.⁴

According to the Mekong River Commission (MRC), unchecked dam building along the Mekong and its tributaries is predicted to cause a 30-40% reduction in fisheries, a loss of about 1 million tons of fish every year, and a 97% reduction of sediment load to the Mekong Delta in coming years.⁵

The MRC reported in mid-July 2019 that water levels over the previous month had fallen to "among the lowest on record." Drought alone was not the only culprit. Water that was held back by the Jinghong dam in China's southwest Yunnan province for two weeks in July further exacerbated the situation. This was coupled with start of tests in Laos for its newly built Xayaburi hydropower station on July 15 before it began operating in October.⁶

There are many academic reports highlighting the serious impacts of Mekong dam building on the environment. These include endangered food security and a fall in

³ Johns Hopkins University School of Advanced International Studies, "Challenges to Transboundary Water Governance in the Mekong River Basin: Field Research in Yunnan Province, China, and Mekong Delta, Vietnam, January 16-27, 2018," 2018.

https://sais.jhu.edu/sites/default/files/JHU_SAIS_Transboundary_Water_Governance_in_the_MRB.pdf

⁴ Stimson Center ASEAN Infrastructure Database, June 13, 2019

⁵ Sheith Khidir, "Giving a dam about the Mekong," The Asean Post, May 3, 2019.

<https://theaseanpost.com/article/giving-dam-about-mekong>

⁶ Emmy Sasipornkarn, "A dam-building race threatens the Mekong River," Deutsche Welle, August 16, 2019. <https://www.dw.com/en/a-dam-building-race-threatens-the-mekong-river/a-50049206>

living standards that could threaten domestic political stability and put great stress on regional relations.⁷

Some 70 million people are dependent on the river for their food, especially in terms of fresh water fish. But fish reproduction is at risk since the dams serve as barriers to their movement to spawning grounds.⁸ Hydropower dams can reduce the amount of sediment reaching the Tonle Sap Lake or Mekong Delta. This alters the natural process of enriching and replenishing the entire Mekong basin and can cause dramatic declines in agricultural production and fish stocks.⁹

The hydropower plants are threatening to permanently change the way of life along the Mekong River in Thailand, Cambodia and Vietnam - at the same time as meteorologists are warning that the Mekong countries have experienced the driest conditions in the last decade. Experts are suggesting that to relieve this problem, viable energy alternatives such as wind and solar should be used to replace hydropower.¹⁰

Dam construction can also undermine regional peace and stability. A report in 2019 by the Stimson Center notes that dams built on the uppermost reaches of Mekong River unfairly favor China by allowing it to exploit the river's immense hydroelectric power potential while passing on related costs to its downstream neighbors.¹¹ Hydropower dam construction thus can help one country to achieve economic prosperity at the expense of another, causing friction among the Mekong River countries as they compete for scarce water resources. One Cambodian scholar links national security to trans-boundary river governance issues and argues that riparian states need to cooperate to address this problem.¹²

How can civil society stakeholders, including members of academia, think tanks, and non-governmental and civil society organizations, encourage the governments of the lower Mekong countries to stop building dams?

⁷ Richard Cronin and Timothy Hamlin, "Mekong Tipping Point: Hydropower Dams, Human Security and Regional Stability," Stimson Center, 2010. https://www.stimson.org/sites/default/files/file-attachments/Mekong_Tipping_Point-Complete_1.pdf

⁸ Maizura Ismail, "What's at stake for the Mekong's fishery," The Asean Post, November 14, 2018. <https://theaseanpost.com/article/whats-stake-mekongs-fishery>

⁹ International Rivers, "Tragic Trade-Offs of Mekong Hydropower," April 3, 2019. <https://www.internationalrivers.org/resources/press-release-tragic-trade-offs-of-mekong-hydropower-17292>; Tom Fawthrop, "Something Is Very Wrong on the Mekong River," The Diplomat, August 26, 2018. <https://thediplomat.com/2019/08/something-is-very-wrong-on-the-mekong-river/>

¹⁰ Dominic Faulder, "Dams threaten way of life in Mekong countries," Nikkei Asian Review, July 10, 2019. <https://asia.nikkei.com/Economy/Dams-threaten-way-of-life-in-Mekong-countries>

¹¹ Cronin and Hamlin, op. cit.

¹² Mak Sithrith, "Dams and state security: Damming the 3S rivers as a threat to Cambodian state security," Asia Pacific Viewpoint 57, no. 1 (2016).

Here are a few suggestions.

First, we need to make sure that policymakers in the region are aware of the consequences of dam construction, including falling water levels that affect livelihoods and damage biodiversity at an alarming rate.

Regional policymakers, energy ministers, economists, and hydropower companies are often consumed by the desire to promote infrastructure development, increase energy supplies, and provide the conditions necessary to further economic growth, while being unaware or reluctant to address the warning signs of the river's deterioration. They must bear the responsibility for the social, environmental and economic costs of losing the precious natural resources that the Mekong can offer to future generations.

Second, efforts should be made to ensure that dam construction, if necessary, is based on sound assessments in meeting environmental and socioeconomic criteria as laid out by the World Commission on Dams and heed the recommendations made by the MRC-commissioned Strategic Environmental Assessment of Hydropower on the Mekong Mainstream.¹³ This addresses the broader strategic issues resulting from mainstream hydropower plants and offers recommendations on how best to pursue such projects to ensure a fair regional distribution of costs and benefits for economic development, social equity and environmental protection. Policymakers, dam builders, and investors have a clear responsibility to understand that the benefits received by one country should not create severe negative externalities for other nations that share the river. The benefits and environmental and social costs of dam projects should be equally shared.

Third, energy demand is relatively high in the lower Mekong countries, making it difficult for governments to stop building hydropower dams. Nevertheless, many experts believe solar and wind power can now provide increasingly viable alternatives at a time when more dams on the Mekong could cause catastrophic results. They argue that more people are hurt rather than helped by dam construction. The value added by these projects pales against the social and environmental costs involved. They also claim that hydropower is not a clean energy source nor is it a panacea for future power needs.¹⁴

Fourth, the governments of the four MRC member states - Cambodia, Vietnam, Laos and Thailand - must make sure that the mission of the MRC is fully achieved. Although the MRC has been relatively successful at generating knowledge and developing a set of useful rules and guidelines to promote the reasonable and equitable use of the

¹³ International Centre for Environmental Management, MRC Strategic Environmental Assessment (SEA) of hydropower on the Mekong mainstream: summary of the final report, (Hanoi: Mekong River Commission, 2010)

¹⁴ Transparency Environmental Security in the Mekong River Basin," Wilson Center, December 6, 2012. <https://www.wilsoncenter.org/event/transboundary-environmental-security-the-mekong-river-basin>

Mekong River system, it has had less success in finding consensus on important decisions, notably hydropower. Member states prefer to “agree to disagree” when it comes to prior consultations on dams, such as the Xayaburi and Don Shong dams in Laos. They have also clearly not endorsed that country’s Pak Beng and Pak Lay dam projects as a “reasonable and equitable” use of the Mekong River system.¹⁵ The MRC risks becoming irrelevant if member states fail to enforce their political will and ensure that the 1995 Mekong Agreement is implemented in a responsible manner. Ways must be found to strengthen the role of the MRC in order to safeguard the Mekong.

Fifth, the launch of the China-led Lancang-Mekong Cooperation (LMC) Framework in 2016 heralds a new impetus toward regional collaboration for the sustainable development of the greater Mekong region. China is expected to use this initiative to formalize institutional cooperation with Cambodia, Laos, Myanmar, Vietnam and Thailand to help maintain regional peace and stability, increase access to resources, economies and markets, and provide greater support to regional social and economic development. Now that this initiative is in place, it is expected that there will be a stronger willingness to discuss those areas of discord that have tainted relations in the past.

The LMC also highlights China’s diplomatic attempts to calm criticism from downstream countries over Beijing’s unilateral decision to construct several large-scale dams on the Mekong River’s mainstream. China is assuming a central role in the “Asian century” and it is becoming a catalyst for infrastructure development, economic growth, and cooperation in Asia and beyond. But to continue to make a positive contribution to the region, China should make greater efforts to address pressing issues as the LMC moves into its next phase. For the LMC to inject new vigor into the Mekong region, it must establish a well-coordinated and effective mechanism to implement the goals proclaimed in the LMC Declaration. In addition, being a relatively new organization, the LMC should engage in mutual and transparent collaboration with all existing initiatives such as the MRC, Greater Mekong Sub-region, Japan-Mekong Cooperation, and the Lower Mekong Initiative among others to identify and achieve effective measures to mitigate the negative impacts of dams and bring truly sustainable prosperity to the region. There is no doubt that the LMC can be of strategic benefit if its six member states can shape the rules of cooperation and ensure that other external actors participate. This would increase the LMC’s influence in the region. As a result, the LMC can look forward to playing a more active and positive role in water resource management and cooperation in the region, making other powers more receptive to China’s growing role in regional affairs.

¹⁵ See: Sustainable development in the Mekong Basin: The role of the Mekong River Commission’s water diplomacy. At: https://drive.google.com/file/d/1USyR1pbt_OezOSQIW2FxmU0HhSQLZuQV/view

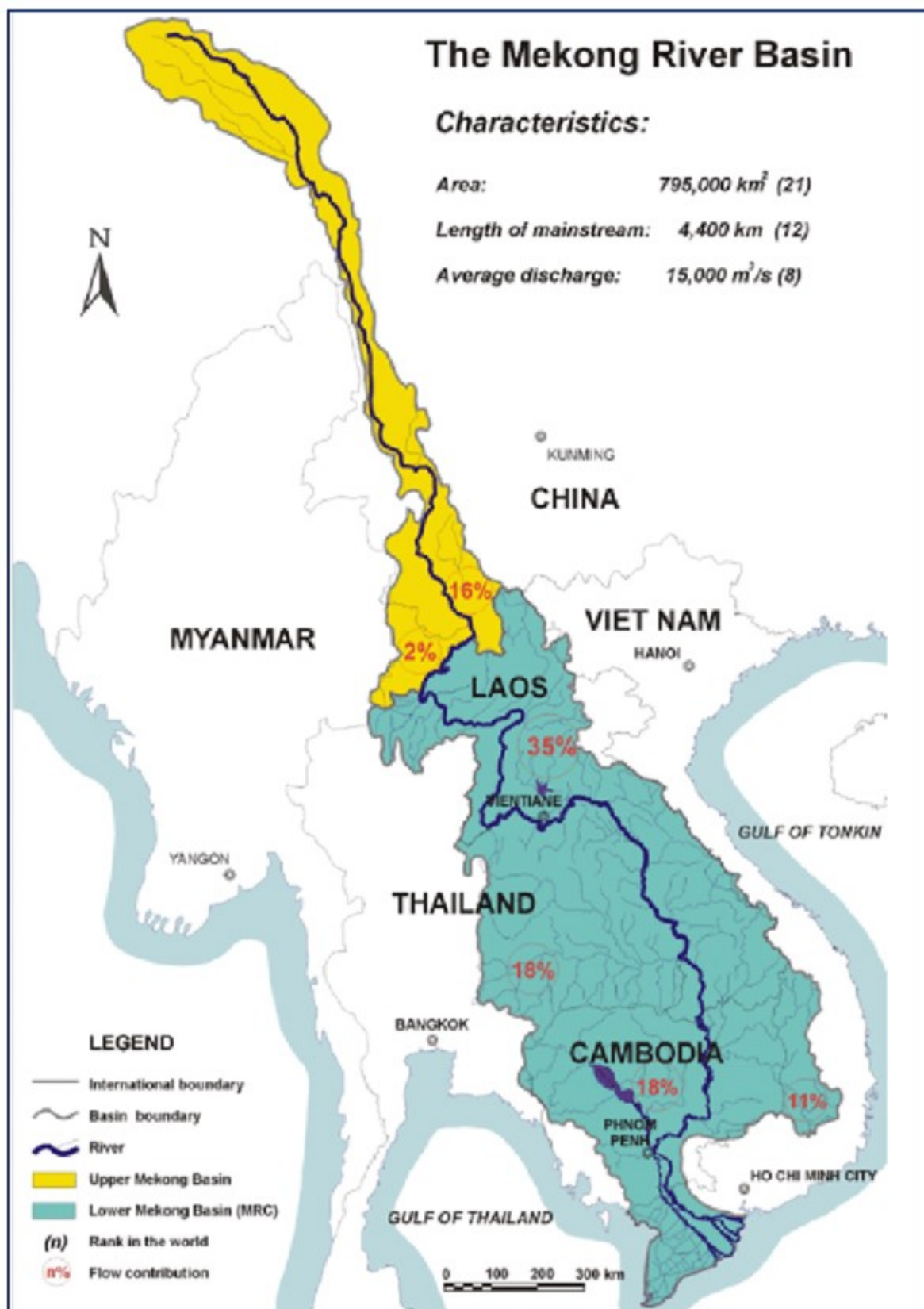
Conclusion

We must restore hope that the Mekong will continue to provide the source of life for those who depend on its bounty. But hope alone is not enough. We must do all that we can to stop harming the river and find the best solutions to safeguard it for future generations. It is my opinion that the best way forward is to halt, completely, the construction of hydropower dams on the river's mainstream and explore alternative sources of energy that are eco-friendlier and less harmful toward the livelihoods and the biodiversity of the river.

For now, we can only hope that all stakeholders can agree to create trust and confidence among themselves in addressing this challenge. Member countries, development partners and other non-government actors such civil society, academia, scientists and the private sector, must engage in sincere dialogue to explore the best solutions to address consequences related to the water-energy-food security nexus. This includes addressing social and environment grievances to achieve a broad understanding of the opportunities and risks created by damming the Mekong River.

We must ensure that the MRC and LMC as well as other regional initiatives can work collaboratively to promote sustainable and inclusive development of the Greater Mekong Subregion. Emphasis should be directed towards efforts to forge greater cooperation and coordination to help build confidence and trust and to synergize policies to appropriately harness the Mekong and to find new, sustainable ways to produce energy instead of relying on hydropower plants.

We must solemnly seek to replace despair with hope such that the Mighty Mekong survives forever.



Source: https://www.researchgate.net/figure/Map-of-the-Mekong-River-Basin_fig3_255661258



ACKNOWLEDGEMENT

This journal is made possible by a grant from the
Embassy of the United States of America in Cambodia



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