A Bucket of Challenges Awaits Presidential Victor in Indonesia

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With less than two weeks before the July 9 presidential elections in Indonesia, polls suggest that the two candidates, former Special Forces general Prabowo Subianto and former Jakarta governor Joko “Jokowi” Widodo, are now in a statistical dead heat. But regardless of which candidate prevails, the new president will face a daunting set of challenges when he takes office in October.

Some of his biggest tests will be in regard to the economy, in which growth has slowed during the previous nine quarters. Highly respected finance minister Chatib Basri told Bloomberg recently that Indonesia’s economy remains “fragile” as a continuing current-account deficit has turned the rupiah into Southeast Asia’s poorest performer this year, while the rising cost of fuel subsidies has increased the 2014 budget shortfall and forced cuts in state spending.

Both candidates have promised to increase spending to boost the country’s woefully weak and overextended infrastructure, but they will face enormous pressure not to cut fuel subsidies to pay for it. Prabowo says he will keep fuel prices at their current levels but introduce procedures to guarantee that the subsidies are used only by the poor. Under his plan, car owners would be required to report their incomes when they register their cars. In contrast, Jokowi would cut subsidies and raise prices slowly over four to five years, which would save the government $30 billion.
Jokowi says he would build 1,250 miles of roads, 10 new airports, and 10 new ports using the money saved by reducing the fuel subsidies. Prabowo tells voters he would invest $60 billion a year to build infrastructure, including 1,875 miles of roads and similar lengths of railroads over five years. He would find the money by revamping the country's tax collection architecture. Current government officials estimate that upgrading Indonesia’s roads and building needed power plants would cost about $150 billion over five years.

The space for foreign investors has shrunk during the decade under President Susilo Bambang Yudhoyono as the negative list excluding foreigners has grown. Many of these restrictions were aimed at protecting an inefficient domestic manufacturing sector. Foreign investment totals only 2.2 percent of gross domestic product, considerably lower than in many comparable economies. A few months ago, Jakarta announced that it will suspend most of Indonesia’s bilateral investment treaties with other countries, raising concerns among investors.

The role of foreign companies in the extractive industries will present another challenge for the new president. Mounting resource nationalism in recent years has resulted in new regulations limiting foreign investment in mining and oil and gas extraction. Both candidates say they will keep the mineral ore export ban that was imposed early this year to force mining companies to process raw materials in Indonesia before exporting them. Regardless of who wins, the new chief executive will come under pressure to nationalize or at least renegotiate the country’s extractive industry contracts.

In the election campaign, the candidates have taken quite different stands on this issue. “Our economy is dominated by foreign companies and the added value of our resources flows overseas,” Prabowo said during the candidates’ third debate on June 22. “We have to save our wealth.” He has repeatedly said he is prepared to renegotiate existing oil and gas and mining contracts.
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In the second debate, Prabowo asked whether Jokowi would support renegotiating contracts. The former governor responded that signed contracts should be honored and not be renegotiated midway into their contract period. “We have to honor contracts we have already signed as part of our efforts to build trust [with] the investment community,” Jokowi said. But if a contract has expired, he said Indonesia should “recalculate” it. Jokowi has said he would introduce a more flexible regime governing the oil and gas sector to attract more investment to boost domestic production.

In a meeting with Indonesian business executives, Prabowo called for establishing an “Indonesia, Inc.” system under which the government would provide increased support and protection for the private sector. Among other things, he advocated the creation of an Indonesian car. In a reflection of foreign business attitudes toward the two candidates, 68 percent of 70 investors recently interviewed by Deutsche Bank said they will buy Indonesian stocks if Jokowi wins, while 43 percent will sell if Prabowo is the victor.

The low quality of human resources due to poor education holds Indonesia’s economy back, but neither candidate has spelled out a detailed plan for overhauling the country’s education system.

Indonesia has achieved remarkable political stability since the political turmoil of 1998 that launched the country down the road to democracy. But the need to streamline government services, boost efficiency, cut red tape, knock down bureaucratic roadblocks, and reduce corruption are outstanding tasks facing the presidential victor. Indonesia ranked 114th out of 177 countries on Transparency International’s 2013 Corruption Perceptions Index.

Prabowo says he will boost salaries and simplify the bureaucracy to eliminate corruption. Jokowi pledges to tackle government efficiency by introducing online systems for government procurement and permits and licenses. “I’m a businessman, so I know the issues on the ground,” he said in a recent meeting with the Indonesia Chamber of Commerce. “Regulations … that retard investment must be cut, cut, and cut.”

If Prabowo wins, he will lead a coalition that controls just over half of the Indonesian parliament, while Jokowi’s coalition controls only 37 percent. But Prabowo’s grouping includes a wide range of disparate members,
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including the most hardline Islamic parties, which could make his coalition more difficult to control. One particular challenge for Prabowo would be maintaining Indonesia’s commitment to religious pluralism because every party in his coalition has at one time or another supported the implementation of shari’a law.

The new president will face the difficult task of tackling the religious intolerance and violence that has marred the previous administration, which did little to halt attacks and discrimination against religious minorities, including Ahmadis, Shi’ites, and Christians. There are indications that a Prabowo administration in particular might be no more able or willing to tackle these issues than was Yudhoyono’s.

If Jokowi wins, he will face the challenge of adapting his on-the-ground personal style of governance, which made him wildly popular as mayor of Surakarta and then governor of Jakarta, to leading a complex archipelago with the world’s fourth largest population and Southeast Asia’s largest economy. Dealing with business tycoons, a fractious parliament, and entrenched politicians at a national level will be tougher than taking on local officials and power brokers. ■
INDONESIA

- **Presidential debates under way as race narrows.** The two contenders in Indonesia’s July 9 presidential elections held their first nationally televised debate on June 9. Both former Jakarta governor Joko “Jokowi” Widodo and former general Prabowo Subianto talked about democracy, clean governance, rule of law, and human rights, but most commentators gave Jokowi a slight edge. In a second debate on June 15, the candidates discussed the economy, while at the third on June 22 they focused on foreign affairs and national security. There was no clear winner in either of the debates. Recent polls indicate an increasingly tight race, with Jokowi leading by just 6 percentage points or less.

- **Surabaya’s mayor closes popular red-light district.** Surabaya mayor Tri Rismaharini on June 18 shut down Southeast Asia’s largest red-light district, popularly called “Dolly.” The more than 1,000 affected workers have strongly opposed the decision and staged protests beginning June 5. Surabaya’s Social Affairs Ministry has allocated almost $700,000 as compensation for Dolly’s former workers.

- **Government holds talks with Freeport and Newmont over copper export ban.** The Indonesian government began talks with U.S.-based companies Freeport McMoRan and Newmont Mining on June 17 to resolve a dispute over the country’s copper export tax. The dispute arose after the government imposed a concentrate export tax of 20 percent on base metals such as copper, which is due to escalate to 60 percent by the second half of 2016. The meeting between the CEOs of both companies and Chief Economic Minister Chairul Tanjung saw the parties agree on a basic framework for contract renegotiations.

- **U.S. ambassador visits Papua.** U.S. ambassador to Indonesia Robert Blake visited Papua and West Papua provinces June 8–13 to meet government officials, members of civil society organizations, and security personnel. Blake discussed the importance of free media access in Papua with local leaders; visited U.S. government-supported programs on HIV-AIDS control, marine biodiversity protection, and healthcare service improvements; and met with Papua’s governor, military commander, and police chief. The United States in 2013 invested $10 million in development programs in the two provinces.
MYANMAR

• **Religious affairs minister, Rakhine state chief minister ousted.** Myanmar’s President’s Office issued an order on June 19 dismissing Religious Affairs Minister Hsan Hsint from office, reportedly due to his mishandling of a highly controversial raid on a Yangon monastery. The Ministry of Home Affairs is also investigating him for corruption. A day after Hsan Hsint’s dismissal, state media reported that the government allowed Rakhine state chief minister Hla Maung Tin to resign—an apparent euphemism for his being forced from office. Under his administration Rakhine state has experienced repeated incidents of Buddhist-Muslim violence that have left more than 200 dead.

• **Parliamentary committee votes to retain article barring Aung San Suu Kyi from presidency.** A parliamentary committee studying potential amendments to Myanmar’s constitution voted on June 13 to retain a clause barring individuals with spouses or children of foreign citizenship from serving as president. The article is widely seen as directed at opposition leader Aung San Suu Kyi, whose late husband and two sons are British citizens. The parliament is not bound by the committee’s recommendation and could still remove the clause, but that is unlikely due to the dominance of military and ruling party lawmakers.

• **Hundreds flee as military shells town in Shan state.** The Myanmar army on June 15 fired artillery shells into a village in Shan state as part of an escalating offensive against the Ta’ang (Palaung) National Liberation Army (TNLA). The shelling set houses on fire and forced hundreds of ethnic Palaung villagers to flee. The two sides have clashed daily for several weeks, during which the ethnic rebels have claimed to have killed six government troops. The TNLA and the Kachin Independence Army are the only two major armed groups that have not signed cease-fire agreements with the government.

• **Government resumes effort to verify citizenship of Rohingya.** Government officials on June 15 resumed a drive to verify the citizenship of ethnic Rohingya who have proper documentation on the condition that they agree to identify themselves as “Bengali.” http://www.flickr.com/photos/69583224@N05/8487762665/
U.S. government urges Myanmar to scrap proposed religious conversion law. Chairman of the U.S. Commission on International Religious Freedom Robert George said June 11 that a recently proposed Myanmar law restricting the right to religious conversion would undermine Myanmar’s commitment to tolerance. The draft law, which is widely believed to target Muslims, would require citizens to seek permission from local officials to convert to another religion. The Myanmar government published the draft in May and was seeking public comments until June 20.

Hilton plans to open five more hotels in Myanmar. U.S.-based Hilton Worldwide announced plans on June 11 to open five new hotels in Myanmar. The company will rebrand two existing properties in Naypyidaw and Rakhine state’s Ngapali beach, and open three new hotels in Bagan, Mandalay, and near Shan state’s Inle Lake. Industry giants including Hilton, Accor Group, and Shangri-La Group are rushing into the country to take advantage of a surge in tourists since 2011. The number of tourist arrivals in Myanmar doubled from 1 to 2 million between 2012 and 2013. The Ministry of Hotels and Tourism expects 7.5 million tourists annually by 2020.

THAILAND

Industrial sentiment improves in May. The Federation of Thai Industries announced June 18 that a monthly poll measuring the economic perspectives of 40 industry groups in the country improved for the first time in seven months, from 84.0 in April to 85.1 in May. Some analysts see this improvement as a sign that military efforts to improve the economy, including paying rice farmers back payments from the former government’s rice-pledging program, are having a positive impact on Thailand’s economy.

Junta approves $3.7 billion in investment projects. Thailand’s investment board, chaired by junta leader Gen. Prayuth Chan-ocha, announced June 18 that it had approved $3.7 billion in stalled projects, including a Toyota plan to invest nearly $1.6 billion to expand car production. Thailand’s auto sales declined 38 percent in May compared to the same period in 2013, and the uncertain political landscape has led some manufacturers to look to Vietnam and Indonesia as potential sites for future projects.

Anti-coup hunger striker wastes away in obscurity. Chalad Vorachat, famous for his 1992 hunger strike that inspired protests and led to the ouster of former prime minister Gen. Suchinda Kraprayoon, began a hunger strike on May 23 to protest Thailand’s most recent coup. This is the 71-year-old’s fifth hunger strike since 1992, although it has failed to attract the
Chinese state councilor Yang Jiechi. Yang recently visited Vietnam, where he reportedly held blunt but unproductive talks with Prime Minister Nguyen Tan Dung on the dispute over China’s placement of an oil rig in waters claimed by both countries. https://www.flickr.com/photos/secdef/13738531735

same attention that his previous attempts did. Chalad has pledged to stay on the steps of Bangkok’s parliament building until new election dates are set. Deputy army spokesman Veerachon Sukhontapatipak said June 18 that the military sees no need to interfere with Chalad’s protest.

- **U.S. State Department downgrades Thailand, Malaysia to lowest tier on annual Trafficking in Persons report.** The U.S. State Department’s annual Trafficking in Persons report, released on June 20, downgraded Thailand and Malaysia to “Tier 3,” the lowest level. The two countries had been on the “Tier 2 Watch List” for four years. The report was based on data from 2013. The change in status could result in sanctions against both countries beginning October 1, but President Barack Obama may suspend punitive actions if he deems U.S.-Thai and U.S.-Malaysian relations to be in the national interest.

**VIETNAM**

- **Chinese state councilor discusses maritime dispute during Vietnam visit.** China’s state councilor Yang Jiechi visited Vietnam on June 17–18 and accused Hanoi of escalating tensions in the South China Sea. Yang told Vietnam’s deputy prime minister Pham Binh Minh on June 17 that the activities of a Chinese oil rig placed in disputed waters in May are legal and demanded that Vietnam offer compensation for anti-Chinese riots that erupted across the country in the aftermath of the rig’s placement. Prime Minister Nguyen Tan Dung met Yang on June 18 for what both sides called a frank discussion.

- **Nominee for U.S. ambassador supports possibly lifting ban on arms sales to Vietnam.** Ted Osius, the nominee to become the next U.S. ambassador to Vietnam, said during his June 17 Senate confirmation hearing that Washington should consider lifting its ban on the sale and transfer of lethal weapons to Vietnam. Osius was responding to a question from Senator John McCain, who supports lifting the ban. Osius maintained that a precondition must be improvements in the Vietnamese government’s human rights record, but he noted that Hanoi is making progress on several issues including labor rights, rights of the disabled, treatment of civil society, and religious freedom.

- **Vietnam has third-highest mortality rate from avian flu in the Western Pacific.** Vietnam’s Ministry of Health announced on June 16 that Vietnam has the third-highest death rate from H5N1 avian influenza in the Western Pacific region according to a recent report by the World Health Organization. Among countries with more than 10 reported cases between 2003 and 2014, Cambodia has the highest mortality rate of 66 percent,
followed by China at 64 percent and Vietnam at 50 percent. Avian flu cases have been reported in 15 Vietnamese provinces and cities during that time.

- **Vietnam to approve feasibility assessment on first nuclear power plant by early 2015.** Deputy head of the Department of Nuclear and Thermal Power Doan The Vinh said June 16 that a feasibility study on Vietnam’s first nuclear power plant in central Ninh Thuan province is scheduled for approval in early 2015. A Russian consulting firm will finalize the study in August and submit it to the Vietnamese government for further assessments. Vietnam plans to alleviate its power shortage by building five nuclear power facilities in its central region between 2020 and 2030.

- **Japan to ease visa requirements for Vietnamese tourists.** Japan’s Ministry of Foreign Affairs announced June 17 that the country will substantially relax visa requirements for Vietnamese, Indonesian, and Philippine citizens. A Japan Tourism Agency official said that Japan will simplify visa application procedures for Vietnamese and Philippine tourists from certain travel agencies. The Japanese government aims to double the number of foreign visitors to 20 million by 2020, when it will host both the Olympics and the Paralympics.

**PHILIPPINES**

- **Aquino endorses expanded Japanese military role.** President Benigno Aquino said during a June 24 meeting in Tokyo with his Japanese counterpart, Shinzo Abe, that he welcomes a proposed change in the Japanese constitution that would allow Japan’s military to come to the aid of allies abroad. Aquino and Abe met to discuss defense cooperation and conflicts in the South and East China Seas. China’s Foreign Ministry decried Aquino’s statement. Beijing has consistently opposed the Abe government’s efforts to amend Japan’s ban on collective self-defense.

- **Two senators surrender to authorities over plunder charges.** Senators Ramon Bong Revilla Jr. and Jinggoy Estrada surrendered to Philippine authorities on June 20 and 24 after an anti-corruption court issued warrants for their arrest on charges of plundering millions of dollars from public funds. Revilla and Estrada, the son of former president Joseph Estrada, are among 54 people implicated in the “pork barrel” scam that saw officials misappropriate hundreds of millions of dollars earmarked for local infrastructure projects. The courts are still deciding whether to indict a third senator, Juan Ponce Enrile.

- **$10 billion airport proposal announced for site near Manila.** The Philippine Department of Transportation announced June 16 that the
Japan International Cooperation Agency had formally recommended Sangley Point, a former U.S. naval base, as the site for a new $10 billion international airport serving Manila. Ninoy Aquino International Airport has been plagued with problems and is the subject of a feasibility study to add a second runway to alleviate congestion. The proposal for Sangley Point would include nearly 5,000 acres of land and four runways.

World Bank endorses new partnership strategy for Philippines. The World Bank’s board of directors on June 12 endorsed a new Country Partnership Strategy for the Philippines that will run from 2015 to 2018 and provide the country with over $1 billion each year in financial support. The strategy includes commitments to support transparent governance, poverty alleviation, sustainable economic growth, environmental protection, and social and economic development. Finance Secretary Cesar Purisima strongly supported the new strategy, saying the World Bank would reinforce the current development objectives of the Aquino administration.

SOUTH CHINA SEA

China builds school and new islands in the South China Sea. China on June 14 started building a school to serve children of Chinese inhabitants of Sansha city on Woody Island in the Paracels, which are also claimed by Vietnam. A Philippine government report released on June 13 showed photos of Chinese land reclamation activities at five locations in the disputed Spratly Islands. Philippine foreign secretary Albert del Rosario on June 16 said that he would propose to ASEAN a ban on new construction in the South China Sea. A Chinese Foreign Ministry spokesperson responded by accusing the Philippines of constructing its own facilities in the Spratlys.

China deploys oil rig in mouth of Tonkin Gulf. China’s Maritime Safety Administration announced on June 19 that one of its oil rigs, the Nanhai 9, departed from waters off Hainan Island on June 18 en route to disputed waters near the mouth of the Gulf of Tonkin. Vietnam and China have not finished bilateral negotiations on maritime boundaries in that area. Vietnam’s Coast Guard commander, Nguyen Quang Dam, said that the oil rig’s announced coordinates are just inside of China’s presumed continental shelf, but the move has still sparked controversy amid the ongoing dispute regarding a rig deployed south of the Paracels.

United Nations stands ready to mediate China-Vietnam dispute. UN spokesperson Stephane Dujarric said on June 10 that Secretary-General Ban Ki Moon would be ready to mediate the dispute between China and
Vietnam over the placement of a Chinese oil rig in disputed waters south of the Paracel Islands. Ban also expressed hope for a peaceful resolution in accordance with international law. Both China and Vietnam have submitted documents to the United Nations outlining their respective claims and accusing each other of escalating tensions in the South China Sea.

- **Philippines to petition for quick arbitration over dispute with China.** Philippine foreign secretary Albert del Rosario said June 17 that the Philippines would petition the Permanent Court of Arbitration to shorten proceedings in its case against Chinese claims in the South China Sea since China has refused to participate. He expressed hope that the court would issue a ruling by 2015. The court had previously given China until December 2014 to submit its counterarguments.

**MALAYSIA**

- **Search area for missing plane to be revised as private vessels take over search.** Australian authorities on June 26 announced a new 23,000-square-mile search area for missing Malaysian Airlines flight MH370, shifting the hunt several hundred miles southwest of the previous suspected crash site. This gives private companies preparing bids for a search contract, worth potentially $60 million, little time to adjust proposals before the official tender closes by the end of June. A Dutch commercial survey vessel, the *Fugro*, began seabed mapping in mid-June.

- **Government decides not to charge Christian group over seized bibles.** Attorney General Abdul Ghani announced June 11 that the Malaysian government would not bring charges against a Christian group over 321 Bibles seized by religious authorities for containing the word “Allah” to refer to God. Malaysian law in some states prohibits non-Muslims from using the term in their material. It is unclear whether the bibles will be returned. The case has paralleled that of the Catholic magazine *Herald*, which Malaysia’s Federal Court on June 24 confirmed could not use “Allah.”

- **Gunmen kidnap two fish-farm workers in Sabah.** Philippine gunmen on June 16 seized a Malaysian and a Filipino working at a fish farm on an island off the coast of eastern Malaysia’s Sabah state. Philippine police have launched a search operation after the kidnappers fled by speedboat to the southern Philippines. This is the third such kidnapping case in eastern Malaysia in 2014. Malaysian authorities have said that the repeated kidnappings in Sabah have had a greater negative impact on Malaysian tourism than the case of missing Malaysian Airlines flight MH370.
Southeast Asia from Scott Circle

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A Malaysian Airlines Airbus A380. The troubled airline will undergo restructuring after three years of financial losses. https://www.flickr.com/photos/richard_deakin/7552638080

• More than 40 dead or missing after two boats of migrant workers sink in Malacca Strait. Two overloaded boats carrying Indonesian migrant workers home for the Muslim holy month of Ramadan sank in the Malacca Strait on June 18 and 19, leaving 16 dead and 25 missing. The boats sank due to high winds and rough seas. Malaysian and Indonesian authorities launched a large-scale search and rescue operation to find those still missing.

• Troubled Malaysian Airlines to undergo restructuring after mounting losses. Prime Minister Najib Razak told Malaysia’s parliament on June 19 that he was waiting on due diligence reports from Khazanah Nasional, a government-owned investment fund and Malaysia Airlines’ main shareholder, before deciding on next steps for the troubled airline. Najib denied that the airline would be closed down while it underwent restructuring. Malaysia Airlines has been hit hard by the disappearance of flight MH370 and three years of financial losses. Shares in the company dropped in mid-June when reports that Etihad airlines would take an equity stake in the airline turned out to be false.

SINGAPORE

• Singaporean companies on biggest overseas investment spree since global financial crisis. Dealogic, a data provider to investment banks, reported on June 17 that Singaporean companies have announced $39 billion in overseas and domestic acquisitions in 2014, the most in any year since 2007. A majority of these deals have been overseas in the banking, health, and supermarket segments. Two Singaporean government-owned firms, Temasek Holdings and the Overseas-Chinese Banking Corporation, have made their largest-ever investments overseas as they seek to find growth beyond the island state’s constrained economy.

• Police start investigation into anti-Filipino xenophobic blog post. The Philippines Embassy in Singapore on June 17 asked authorities in the city-state to take action against the author of a xenophobic blog post that targeted Filipinos in Singapore. The blog, titled “Blood Stained Singapore,” was posted by an anonymous author and listed five ways Singaporeans could express their displeasure with Filipinos. The post was accessed more than a half a million times before being taken down. The incident is the latest in a series that raises concerns about increasing intolerance toward migrants in Singapore.

BRUNEI

• Human rights group urges boycott of hotels owned by sultan. The largest U.S. lesbian, gay, bisexual, and transgender rights organization,
the Human Rights Campaign, issued an open letter on June 13 to members of the fashion industry urging that they boycott a hotel chain owned by the Sultan of Brunei for upcoming fashion shows. The sultan’s recent introduction of shari’a law includes severe punishments against homosexuality. The state-owned Brunei Investment agency owns luxury hotels in the United States and Europe, including the Beverley Hills Hotel in Los Angeles and the Dorchester Hotel in London, often used by the fashion industry.

CAMBODIA

• Opposition leader Sam Rainsy speaks out against Australia’s plan to send refugees to Cambodia. Leader of the Cambodia National Rescue Party Sam Rainsy on June 4 urged Australia to reconsider its plan to settle refugees in Cambodia. He said the proposal is not humane because Cambodia lacks the capacity to properly care for the refugees. Rainsy also said Prime Minister Hun Sen’s government would receive payoffs from Australia for receiving the refugees. Cambodian officials have repeatedly denied that the deal involves any quid pro quo.

• Over 180,000 Cambodian migrant workers flee Thailand. More than 180,000 Cambodian migrant workers have fled Thailand since June 1, according to the International Organization for Migration, pouring across the main border checkpoint and straining authorities’ capacity to process and transport them back to their home provinces. The workers left in fear of a crackdown following Thailand’s May military coup amid rumors that police had shot and killed undocumented migrants. Cambodia’s ambassador to Thailand and authorities in Bangkok have insisted that such rumors are groundless. Cambodian authorities estimate that approximately 400,000 Cambodian workers were in Thailand before the exodus.

TRANS-PACIFIC PARTNERSHIP

• United States begins talks with Malaysia, Brunei on addressing labor concerns in TPP. The Office of the United States Trade Representative announced June 12 that it is holding discussions with Malaysia and Brunei on how those countries can make necessary reforms to comply with labor provisions that Washington will want as part of the Trans-Pacific Partnership (TPP). Labor and human rights concerns in the TPP are getting increasing attention from Democratic lawmakers in the United States. It is unclear whether the United States is seeking specific labor action plans from Malaysia and Brunei, as it is from Vietnam.
LAOS

- Nongovernmental organization reports evidence of Don Sahong dam under construction. Representatives from the nongovernmental organization International Rivers on June 19 released evidence that developers of Laos’s Don Sahong Hydropower Project have started building a bridge as an access route to the dam construction site. Four countries in the Lower Mekong region—Cambodia, Laos, Thailand, and Vietnam—will meet on June 26–27 under the auspices of the Mekong River Commission to address joint river management issues, including the controversial dam.

MEKONG RIVER

- Vietnam’s Mekong Delta paying huge ecological toll for agricultural boom. Vietnamese officials on June 14 warned of deteriorating ecology and aquatic resources throughout the Mekong River basin at an annual forum. Nguyen Thanh Nguyen, vice chairman of Long An province, said farmers have converted nearly 280,000 acres of wetlands into rice paddies since the 1970s to increase rice production tenfold. He also said shrimp farms have destroyed the delta’s brackish water ecology. Nguyen Van Nghia from the Ministry of Natural Resources and Environment blamed upstream hydropower dams and climate change for a strong decline in the Mekong River’s surface current in Vietnam in recent years.

ASEAN

- ASEAN celebrates Dengue Day. The Philippines hosted the annual ASEAN Dengue Day on June 15 themed “ASEAN Unity and Harmony: Key in the Fight against Dengue.” Laos suffered the region’s worst dengue epidemic in 2013, resulting in 95 deaths. Malaysia has recorded a fourfold increase in dengue cases in 2014, with 38 casualties so far. ASEAN and the World Health Organization have developed four platforms to combat the disease, including shifting to proactive approaches to dengue and strengthening national capacity.
• **Briefing on Indonesia's presidential elections.** The Asia Society’s Policy Institute will host a telephone briefing on July 1 to discuss Indonesia’s July 9 presidential elections. *Financial Times* Indonesia correspondent Ben Bland will provide an assessment of what to expect from the elections and potential impacts on Indonesia’s economic and political future. The event will take place from 9:30 a.m. to 10:30 a.m. To register and obtain call-in information, please e-mail AsiaDC@asiasociety.org or call 202-833-ASIA (2742).

• **Book launch of* Room for Maneuver: Social Sector Policy Reform in the Philippines.* The Asia Foundation and the Embassy of Australia will cohost the U.S. launch of *Room for Maneuver: Social Sector Policy Reform in the Philippines* on July 10. The book identifies best practices for social reform in the Asia Pacific based on economic and social reforms in the Philippines. Jaime Faustino, a program director in the Asia Foundation’s Manila office and an editor of the book, will present its findings. The event will take place from 2:00 p.m. to 3:30 p.m. at the Embassy of Australia, 1601 Massachusetts Ave., NW. For further details and to RSVP, please contact Ellie Matthews.

• **Annual CSIS South China Sea conference.** The CSIS Sumitro Chair for Southeast Asia Studies will hold its fourth annual South China Sea conference on July 10–11. The conference will feature keynote remarks by a leading member of Congress and a senior administration official along with top political, security, and legal experts from nine countries with an interest in the South China Sea. Registration is not yet open, but further details will follow.

• **Seminar on cultures of the Mekong River basin.** The Smithsonian Associates will host an all-day seminar on August 2 on the cultures of the Mekong basin. George Mason University’s Robert DeCaroli will present sessions on the history of Cambodia, Laos, Thailand, and Vietnam. The event will take place from 10:00 a.m. to 3:15 p.m. at the S. Dillon Ripley Center, 1100 Jefferson Dr., SW. For more information and to buy tickets, please click here.
SOUTHEAST ASIA FROM SCOTT CIRCLE

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