

## The 8<sup>th</sup> Study Meeting on Asia

1. Date: June 21, 2011 15:00 – 17:00
2. Venue: Meeting Room, the Takeda Foundation
3. Title: Cambodia and Japan

Speaker: Mr. Juro Chikaraishi, Senior Advisor, Japan International Cooperation Agency (JICA)

4. Participants :

01	Juro Chikaraishi	Senior Advisor, JICA
02	Tsuneo Kanazawa	CEO, Excel of Mechatronix.Co
03	Ikuo Takeda	Chairman, the Takeda Foundation
04	Mlstuo Akagi	Senior Managing Director, the Takeda Foundation
05	Ysuo Tarui	Managing Director, the Takeda Foundation
06	Yuzo Mizobuchi	Director, the Takeda Foundation
07	Norio Ohto	Director, the Takeda Foundation
08	Naoaki Aizaki	Program Officer, the Takeda Foundation
09	Aiko Ubasawa	Program Specialist, the Takeda Foundation
10	Setsufumi Kamuro	Program Specialist, the Takeda Foundation
11	Mototaka Kamoshida	Program Specialist, the Takeda Foundation
12	Emiko Mitsui	Program Officer, the Takeda Foundation
13	Takami	Member, the Takeda Foundation

5. Memo

Mr. Chikaraishi was graduated from Waseda University, and joined the International Cooperation Agency in 1976. In 1980, he was dispatched to the Ministry of Foreign Affairs (MOFA) and worked at the Japanese Embassy in Papua New Guinea. In 1988, he was involved in the transfer of the Grant Aid Budget from MOFA to JICA at the Economic Cooperation Bureau of MOFA. In 1993, he became Director of Regional Division 3 of the Operations Strategy Department directing ODA operations in the Middle East, Central Asia, and the former Soviet Union areas. He served in many important positions including Deputy Resident Representative of the Philippines Office in 1995, Resident Representative of the Cambodia Office in 2002, Director General of the Middle East and Europe Department in 2006, and also Director General of the Office of

Media and Public Relations in 2008. At present, he serves as Senior Advisor to JICA. Today, he will talk about Cambodia and Japan based on his experience as Resident Representative of the Cambodia Office.

## **Rough Sketches of the Kingdom of Cambodia**

### **History and Culture**

Cambodia, Laos, Myanmar, and Vietnam are called CLMV countries. The CLMV countries have experienced slow economic development, and recently joined ASEAN far later than the preceding 6 countries of Thailand, Malaysia, Indonesia, Singapore, Philippines, and Brunei. There are major economic disparities between the CLMV countries and the preceding 6 countries, and redressing the intra ASEAN economic disparities is a major challenge for JICA operations in Southeast Asia.

The original country of Cambodia was formed in around the 1<sup>st</sup> Century. In the 5<sup>th</sup> Century, Hinduism was introduced to the country, and in the 7<sup>th</sup> Century, Buddhism was introduced. In the early half of the 12<sup>th</sup> Century, the country again adopted Hinduism and constructed Angkor Wat. After that the major religion has changed from Hinduism to Buddhism and back again. At present, Cambodia's major religion is Buddhism. The history of Cambodia can not be told without addressing the Khmer Dynasty. In the 13<sup>th</sup> Century, the Khmer Dynasty controlled its largest territory including the present Cambodia, the eastern part of Vietnam, Thailand, and the Malaysian Peninsula. The dynasty persisted from the 9<sup>th</sup> Century to the 14<sup>th</sup> Century, and had a significant cultural influence on Indochina societies. Thai dances still retain the influence of the Apsara dances of the Khmer Dynasty. The bars that protrude from the roofs of Thai temples represent snakes, which seems peculiar for Buddhist temples, but they are residues of the Hindu influence in the Khmer dynasty. In the 14<sup>th</sup> Century, Siam began invading Khmer territory, and in 15<sup>th</sup> Century, the Khmer dynasty gave up its capital near Angkor Wat, and moved south, relocating its capital near the present Phnom Penh. In the 18<sup>th</sup> Century, Champa invaded the dynasty from the Vietnam area, and in the 19<sup>th</sup> Century, the territory shrank to the present size of Cambodia, and Phnom Penh became the formal capital. In 1887, France colonized Cambodia. For a short period in 1945, the Japanese army occupied Cambodia, but they were good to the Cambodian people, and, fortunately for both countries, they did not leave a bad image. The present Prime Minister Hun

Sen once said that there was no threat of clouds that could interrupt the friendship between the two countries.

At the time of independence from France, Prince Sihanouk was in power, and he ruled Cambodia for 17 years. Cambodia was caught in a dilemma between the two major powers in the Cold War Era, and Prince Sihanouk had a difficult time steering the country. At that time, the Indochina Peninsula became the place for a power struggle among the US, Soviet Union, and China and looked like a powder keg for a major war. Vietnam was in the midst of war as the US supported the South Vietnam government while the North Vietnam government was supported by the Soviet Union and China. Prince Sihanouk engaged in equidistance diplomacy, and tried to remain neutral. At that time, North Vietnam developed the Ho Chi Minh Trail to move arms and soldiers to the Vietnamese people's liberation army, and parts of the Trail passed through the Cambodian territory. The US pressured Sihanouk to shut down the Trail, but he took no action.

The frustrated US government enabled the CIA to engineer a coup to bring down Prince Sihanouk who was at that time overseas, and set up a pro-US Lon Nol government. The Lon Nol government approved the US bombing of the Trail in Cambodia, which triggered the expansion of the war to Cambodia and later to Laos. The Lon Nol government was a puppet government, and a pro-China communist group, the Khmer Rouge, which was originally located in the northern part of Cambodia, expanded its territory, and finally took power in 1975. A leader of the Khmer Rouge, Pol Pot, rejected western civilization and culture, and denied every national law, modern economy, science and technology, art, and religion. He was trying to follow the Chinese Cultural Revolution, and located all urban residents to villages, and massacred all educated people including intellectuals, doctors, priests, teachers, and clerks. Under the 5 years of the Pol Pot regime, about 3 million people, accounting for about one third of the Cambodian population, were killed. All leaders in all fields, artists, engineers, scientists, politicians, bankers, clerks, and priests were exterminated leaving a large black hole of human resources. The black hole of human resources has been a major obstacle for the development of Cambodia. In 1979, the Vietnamese army invaded Cambodia, and set up a pro-Vietnam Phnom Penh (Heng Samrin) government. Later, a coalition government of Democratic Kampuchea was formed among the Khmer Rouge, the remnants of Lon Nol government, and the pro-Sihanouk group, and the civil war continued between

the Heng Samrin government and the Coalition Parties. In 1991, the Heng Samrin government and the Coalition parties agreed to a peace treaty, and the Paris Peace Agreement was signed by all factions. Cambodia was under the control of the United Nations Transitional Authority in Cambodia (UNTAC). The Japanese government helped the Coalition parties agree to the Peace Agreement, and dispatched Mr. Yasushi Akashi as the head of UNTAC. UNTAC tried to develop peace in Cambodia from 1992 to 1993, and, for the first time, Japan sent the Self-Defense Forces to Cambodia for peacekeeping operations.

In 1993, a general election was conducted and Cambodia became a constitutional monarchy with King Norodom Sihanouk as Head of State. However, the conflict within the coalition government escalated, and the pro-Sihanouk group was removed from the government, and Hun Sen grabbed power. Since the era of colonization, the Pro-Sihanouk group had been receiving preferential treatment, and they had dual nationalities in Cambodia and France. Once, Hun Sen complained that people of the pro-Sihanouk group could always leave Cambodia whenever there was a problem, but that Hun Sen's party would never leave Cambodia regardless of the situation. Hun Sen gained popularity and won the general election in both 1996 and 2003. Ever since, Cambodia has had a stable government

### **Geographical characteristics**

The Mekong River is the defining feature of Indochina geography. It originates in the Tibetan plateau, and runs through Yunnan Province of China, Myanmar, Vietnam, Laos, and Thailand. Its length is 4023km, and the average flow rate is 16000m<sup>3</sup>/sec. The Mekong River has been providing a wealth of water to Indochina, and agriculture has developed along its length. In fact, the river has been sustaining the development of Indochina. Cambodia, Laos, Vietnam, Myanmar, and Thailand established the Mekong River Commission in 1995 to assist in the management and coordinated use of Mekong' resources. However, China is not a member of the commission, and has been building dams in the upper stream areas in China without the consent of the commission. The Mekong River is an international river, but international transportation by water is not available between Laos and Cambodia because of a waterfall at the border. Laos is a hilly country, but Cambodia is very flat, and international transportation by water is available downstream.

In the middle part of the Cambodia plain, there is a very large lake, Tonle Sap, with an area about 4 times that of Japan's Lake Biwako during the dry season. The Tonle Sap River originates Lake Tonle Sap and merges with the Mekong River near Phnom Penh. During the rainy season, the Mekong River water rises about 10m higher than during the dry season. At that time, the Mekong River water flows back through the Tonle Sap River to Lake Tonle Sap, and the lake floods. The flood area is about 6 times larger than the lake during the dry season. The surrounding forests are immersed in the flood water, and fish lay eggs on the branches of immersed trees. Thus, during the rainy season, a wealth of fish are born. The adjacent fertile plain provides rich nutrients and the Lake Tonle Sap area nourishes a variety of species, making the lake area a reservoir of bio-diversity. Floods in Cambodia occur gradually, and do not cause much human suffering; instead the flooding provides various benefits to the Cambodian people. Countries along the Mekong River share various benefits and challenges from the river. Thus the river provides a unifying bond among the surrounding countries.

### **National Territory and People**

The National territory of Cambodia is 181,000 km<sup>2</sup>, which is about half the territory of Japan. The population is 14,100,000, and the average territory per capita is 5 times greater than that of Japan. More than 90 % of the people are Khmer. The GDP per capita is 830 US dollars (Japan: 38,000 US dollars). The average life expectancy was 62.1 years in 2009. More than 97% of the population is Buddhist, and 1.9 % is Muslim. Cambodian men are expected to undertake Buddhist training instead of serving in the military. The political system is a constitutional monarchy with a legislature consisting of upper and lower houses. The major industries are agriculture, which nurtures 70 to 80 % of the people, light manufacturing including the sewing of shirts and shoes, and tourism. They have rich forest and fishery resources (both fresh water and sea water fishes). They have sufficient oil and natural gas reserves for business, but these are still being tested. They have some bauxite and nickel reserves. Cambodia used to produce gems, but these are now mostly exhausted, because the Khmer Rouge dug and sold most of the gems when they withdrew near the Thai border. The Kingdom of Cambodia adopts an omni-directional foreign policy and has diplomatic relations with North Korea and Cuba. Cambodia is basically a democratic country with free trade and economic systems. In 1999,

Cambodia joined ASEAN as its 10<sup>th</sup> member, and has been achieving high economic growth. Annual growth was 13% when Mr. Chikaraishi was Resident Representative of the JICA Cambodia Office. The rate of economic growth has declined a little as a result of the aftereffects of the Lehman crash, but is now recovered.

The availability of electricity is low, and 91% of local people use firewood for cooking. Elementary school enrollment is 97%, but only 80% of students graduate. The child mortality rate is 60/1000 (Japan: 3/10000). The main roads are paved, but, in general, the pavement rate is low, and even 4WD vehicles have trouble operating during the rainy season. During the civil war, vast numbers of landmines were buried, but most of them have been removed from residential areas. The cost of a landmine was only 50 yen, but it takes 15,000 yen to remove and destroy them. Until recently many people accidentally died from the explosions of blind shells. Warheads can be sold, and people used to dig up blind shells and sell them. Blind shells tend to explode during attempts to remove the blasting fuse. Now, the buying and selling of warheads is banned, and the number of accidents has decreased. The Cambodian people are honest, and the cities are safe. There is a famous tale dating to before the civil war that shows the honesty of the Cambodian people. Some foreign tourists have forgotten money on their hotel beds, and have returned later to find all their bills and coins neatly arranged by category on their beds. Phnom Penh has more than 30 Japanese restaurants, and it is easy for Japanese to live there. Cambodia is a beautiful country, and sometime, you should visit.

### **Japan's Cooperation with Cambodia**

Japan is one of the first nations to have friendly relations with Cambodia since the establishment of its independence from France in 1953. Since Cambodia is a kingdom, Japanese imperial family has a long history of friendship with Cambodia's royal family, and Japan has a long standing relationship with Cambodia.

Japan expanded its ODA to Cambodia in 1991. By 2009, Japan has helped Cambodia with loans of 31.3 billion yen, grants of 138.3 billion yen, and technical assistance of 55.5 billion yen. Japan has been the largest donor country for Cambodia. As mentioned before, the Khmer Rouge massacred all leaders, intellectuals, engineers, doctors, and teachers, and so Cambodia had no human resources to start a new nation when peace was established. Japan focused its

ODA effort on technical assistance to cope with the black hole of human resources. JICA assisted young Cambodian leaders to study and gain experience in Japan, and sent them back to Cambodia where they could teach younger Cambodian people. JICA repeated this cycle to nurture leaders and core people in Cambodia. It takes ten years to develop an organization that can manage itself. For example, JICA helped the Mother-Child Health Center in Phnom Penh to become able to operate effectively by providing and educating doctors, nurses, and pharmacists. This process took ten years. Another example is the water system. The water system in Phnom Penh was destroyed during the civil war, and JICA not only upgraded the water system but also educated engineers and chemists to be able to maintain the water system. This process also took 10 years. The water loss in the Phnom Penh water system is now only 5 to 6 %, which is almost equivalent to that of developed countries. Water loss was about 70% when JICA started its water system project. Japan has been consistently helping Cambodia, and is deeply respected by the Cambodian people.

Japan has been the greatest contributing country for Cambodia, but, recently, China is expanding its economic assistance to Cambodia. When developed countries help developing countries, they follow certain rules, but China conducts its operations without consideration of those rules. The Cambodian people tend to appreciate China's help, because China helps without demanding conditions. China quickly starts its assistance operations, but bring all necessary engineers, labor, and even cooks with them, and do not use local people. When their project is over, all the engineers and labor leave Cambodia, but their cooks remain and open up Chinese restaurants. It is their strategy to build a local stronghold in a foreign country. Chinese assistance operations produce infrastructure, but do not provide money or technical experience to the local society. Developing countries have started to question China's assistance operations.

### **Question**

Do overseas Chinese have any influence in Cambodia?

### **Answer**

Cambodia has Chinese communities and Chinese newspapers. Cambodian Chinese have a profound influence in the business field, but they are not ones

who came with assistance operations. They came to Cambodia a long time ago, and have assimilated.

### **Question 2**

What happened to the Cambodian Chinese during the civil war?

### **Answer**

Cambodian Chinese were also killed. Many Cambodian Chinese fled to Thailand. During the Khmer Rouge regime, many millions of refugees were produced. During the Cultural Revolution in China, the condemned were forgiven if they criticized themselves. In Cambodia, condemned people were instantly killed.

### **Question 3**

I have heard that societies in Southeast Asia are quickly aging with decreasing rates of childbirth. Is it also true in Cambodia?

### **Answer**

Many babies were born after peace was established. Cambodian society is filled with the younger generations.

### **Question 5**

Cambodia has manufacturing industries?

### **Answer**

Several foreign companies are operating in the special economic district, but there are very few domestic manufacturing companies. Since the US and EU have given Cambodia most favored nation status, companies in Cambodia can export goods to those countries without tariffs. Manufacturing companies are now moving to Cambodia because of rising labor costs and frequent strikes in China. Recently, we can often see made-in-Cambodia goods in Japan.

Suzuki Motors.Co is producing motorbikes in Cambodia. I have recently heard that Minerva is also expanding its operations in Cambodia. Cambodian cities are filled with motorbikes. Japanese motorbikes have a high reputation, but Chinese bikes are very inexpensive. Used Japanese bikes are more expensive than brand new Chinese bikes. Japanese goods are highly trusted. Japanese companies usually operate as joint ventures with local companies. The

Cambodian people like Japanese companies because they try to educate the local people. Chinese companies are not well liked because they tend to see local employees as exchangeable labor units.

#### **Question 5**

Is it true that the streets are under water during the rainy season in Cambodia?

#### **Answer**

New roads are built on mounds and roadsides are protected so that the roads will not be immersed in water during the rainy season. The water level rises by 10m during the rainy season, and many streets are under water. A JICA grant project has helped to build a river port on a Phnom Penh river. You cannot see any boats from the platform of the port during the dry season, because the water level is about 10m lower than the platform. During the rainy season, the water level rises, and you can see boats. It's one of the strangest scenes I ever saw.

#### **Question 6**

What about language?

#### **Answer**

Cambodians speak Khmer, but you can communicate in English as well. Since many Japanese visit Cambodia, you can communicate in Japanese in tourist spots. Cambodia used to be a French colony, and the foreign language course at Phnom Penh University used to teach French, but it is not popular any more. English is the most favored foreign language because it is the language used in computer fields. Around 2003, JICA and the Japan Foundation tried to establish a Japanese class in Phnom Penh University. It attracted wide attention, and more than 200 applicants applied for the Japanese class with the capacity of 50 students. On the other hand, a French class attracted only 3 applicants for a 200 capacity class. The French Ambassador blanched to hear that.