

Small State's Hard Choices: Cambodia between ASEAN and China

Cheunboran Chanborey*

Introduction

Following the creation of the second Kingdom of Cambodia in 1993, the Cambodian government adopted an “open door” policy through its engagement with the outside world, especially its regional integration into the Association of Southeast Asian Nations (ASEAN). After becoming a full member of ASEAN in 1999, the regional grouping became the cornerstone of Cambodia’s foreign policy. This was due to the conviction that ASEAN would be a crucial regional platform in which Cambodia could safeguard and promote its strategic, political, and economic interests.

Meanwhile, as China emerged as a regional and global power, Cambodia-China bilateral relationship has been markedly enhanced into a higher plane since the late 1990s. In December 2010, the two countries upgraded their bilateral ties to a “Comprehensive Strategic Partnership of Cooperation” – the very first type of such relationship that Cambodia has ever had with a foreign country. Consequently, China has become, at least in the eyes of leaders in Phnom Penh, the most important strategic partner of Cambodia.

Given a changing strategic and security landscape in the Asia-Pacific region, particularly the intensified tensions over the maritime disputes in the South China Sea between China and some ASEAN claimant states, Cambodia has been pushed into hard foreign policy choices as ASEAN and China are both crucially important for Cambodia’s economic development and security. In this context, a foreign policy puzzle for Cambodian leaders is how to reconcile two strategic visions – ASEAN regionalism and Cambodia’s alignment with China.

Cambodia’s Foreign Policy towards ASEAN and China since 1993

In search for their country’s security and survival, Cambodian leaders have opted for various foreign policy approaches – including balancing against threats, seeking French protectorate, proclaiming neutrality, and aligning with external powers – with mixed results at best. After obtaining its independence in 1953, Cambodia was known by its foreign policy of neutrality and non-alignment initiated by late King-Father Norodom Sihanouk. This foreign policy approach enabled Cambodia to briefly stay away from the impacts of the Cold War’s realpolitik. Unfortunately, the 1970 coup shattered Cambodia’s neutrality and allowed the full effects of the Vietnam War to be felt in this small state. Immediately, Cambodia became a pawn of the great power politics, ended up in a civil war, destruction, and the worst atrocity of the 20th century.

Following the 1991 Paris Peace Accords, which led to the UN-sponsored election in 1993, Cambodia reinstated neutrality and non-alignment as the fundamental principles of its foreign policy, as stipulated in Article 53 of the 1993 Cambodian Constitution. Moreover, the end of the Cold War allowed Cambodia to execute neutrality and non-alignment in a new framework of an “open door” policy through strategic engagement with the outside world, especially with ASEAN.¹ A year after the departure of the UN peacekeepers, the Cambodian government took concrete steps to participate in the ASEAN process. Cambodian became an ASEAN observer in 1994 and acceded to the Treaty of Amity and Cooperation (TAC) in 1995.

* Cheunboran Chanborey is a PhD scholar at the Strategic and Defence Studies Centre at the Australian National University, and a researcher at the Cambodia 21st Century Maritime Silk Road Research Center (CMSRRC) at the Royal University of Phnom Penh.

This policy brief is from the research project funded by the Cambodia 21st Century Maritime Silk Road Research Center.

Cambodia in ASEAN: Motives and Expectations

Eventually, Cambodia became a full member of ASEAN on 30 April 1999. Then, ASEAN became the cornerstone of Phnom Penh's foreign policy as Cambodian foreign policymakers were convinced that the regional grouping would provide a strategic window of opportunities for Cambodia to regain its regional role as well as promoting its national interests. Economically, Cambodian leaders strongly believed that Cambodia's participation in ASEAN would pave the way for the Kingdom to spur its economic development through the promotion of trade, investment, tourism, agriculture and physical infrastructure.

Diplomatically, Phnom Penh was convinced that ASEAN would enable Cambodia to expand its foreign relations, especially with the great powers.² ASEAN was considered a regional diplomatic club due to its enmeshment with the great powers in a number of regional frameworks, including ASEAN Post-Ministerial Conference, the ASEAN Regional Forum, and the ASEAN Plus Three.

Strategically, Cambodia's membership in ASEAN was motivated by the belief that ASEAN would safeguard the Kingdom's sovereignty and territorial integrity. Cambodia's strategic rationale in joining ASEAN could be explained by the historical fear

“Joining ASEAN will address Cambodia's external security threats. It will remove any future prospect for the interference in the country by any neighbouring states such as Vietnam and Thailand, thereby putting to an end one of Cambodia's most serious security concerns. As members of ASEAN, both Vietnam and Cambodia will have to strictly adhere to the principle of non-interference in the internal affairs of each other... By joining ASEAN, Cambodia will be an equal partner with its neighbours.”³

By and large, Phnom Penh's expectations on ASEAN had been high. However, Cambodian leaders have later perceived that the regional grouping's response to the Kingdom's needs is limited. Noticeably, Cambodian leaders started to question ASEAN's security role in the aftermath of the Cambodia-Thailand border dispute from 2008

to 2011. In response to Cambodia's urge for help, what ASEAN and its member states did was the encouragement for Phnom Penh and Bangkok to resolve the dispute bilaterally.

In fact, the border dispute had never been tabled as the agenda of the ASEAN Summits until Prime Minister Hun Sen broke from protocol, possibly out of his frustration, and raised the issue at the ASEAN Summit in Jakarta in May 2011. This prompted ASEAN Foreign Ministers to convene their informal meeting in which an agreement on the deployment of Indonesian civilian observers along the Cambodia-Thailand border was reached. However, the deployment of the observers was never implemented.

On 20 June 2016, Prime Minister Hun Sen reminded Cambodian young public servants four main factors encouraging Cambodia to join ASEAN. Firstly, ASEAN's principle of non-interference would “help Cambodia to address its external security challenges.” Secondly, a consensus-based ASEAN would ensure that “whether the country is rich or poor, big or small, every member has one voice equally.” Thirdly, Cambodia would stand to benefit from ASEAN in terms of “economic construction, socio-economic development and connectivity.” Finally, Cambodia would benefit from ASEAN's “big diplomatic outreach to partners” in the region and beyond.

Prime Minister Hun Sen's recall of the reasons for Cambodia's entry in ASEAN can be understood as an expression of doubt in his past conviction on the role of this regional organization. It seems that Phnom Penh's confidence in ASEAN has gradually faded due to the grouping's ineffective response to the Cambodia-Thailand border conflicts. Cambodian diplomats, to whom the author talked during his fieldwork in Cambodia in late 2017, pointed out the double standards of some ASEAN members towards Cambodia. They argued that, “the countries that were unwilling to take any action when Cambodia was bullied by its neighbour [Thailand] have always criticised Cambodia for not confronting China to protect their interests in the South China Sea and defend the so-called ASEAN unity.”

Cambodia's Strengthened Ties with China since 1997

After retaining its independence from France in 1953, Cambodian leaders, particularly Norodom Sihanouk, saw China as a potential protector of Cambodia against its rapacious neighbours.⁴ In 1958, Cambodia officially recognized the People's Republic of China (PRC) and the two countries have had diplomatic ties ever since. China remained a staunch ally of Sihanouk after his overthrow in the 1970 coup, which prompted Beijing to close its embassy in Phnom Penh. However, since the collapse the Khmer Rouge – Beijing's ally – in 1979, the new regime of People's Republic of Kampuchea had always been sceptical about PRC's intention due to its support for the Khmer Rouge and its close ties with the royalists. In his 1988 essay, Hun Sen stated that, "China was the root of all that was evil in Cambodia."⁵

Cambodia-China relationship experienced a remarkable transformation following armed clashes in Phnom Penh on 5-6 July 1997 between the loyal forces of the First Prime Minister Norodom Ranaridh and the Second Prime Minister Hun Sen. In the aftermath of the political violence, Hun Sen and his ruling Cambodian People's Party (CPP) were condemned and isolated again by the West. Beijing's response to the military violence was subtly different. China immediately provided legitimacy, aid, and political support to Phnom Penh. China was the first country to recognize the change of the Cambodian government after the armed clashes.⁶ As a result, Hun Sen's perception of Beijing gradually changed from mistrust to partnership.

China's economic clout in Cambodia continued to grow. China has become Cambodia's largest foreign investor and economic benefactor. As of 2014, China has funnelled to Cambodia cumulative investments of US\$10 billion and development assistance of US\$3 billion, including grant aid and concessional loans. In November 2014, Chinese President Xi Jinping pledged that China would provide Cambodia an annual development assistance package worth between US\$500 million to US\$700 million annually – a significant increase from less than US\$100 million in 2007.⁷ Bilateral trade between Cambodia and China has also increased remarkably over the past years, reaching US\$4.32 billion in 2015.⁸

Also, China has recently been the biggest source of foreign direct investment to Cambodia. Between 2011 and 2015, Chinese companies funnelled nearly US\$5 billion in loans and investment to Cambodia, which accounted for about 70 percent of the total industrial investment in the country.⁹ Moreover, as Beijing has aggressively promoted China's Belt and Road Initiative, Cambodian policy makers are convinced that Cambodia stands to benefit enormously from this mega project.

Politically, Beijing is not only a source of inspiration but also a shield that leaders in Phnom Penh can use to cushion pressures and criticism from the West. Cambodian leaders, particularly Prime Minister Hun Sen, frequently praised China's assistance for having 'no strings attached'. They enthused that "Cambodia's development could not be detached from Chinese aid" and that "without Chinese aid, Cambodia goes nowhere."¹⁰ MP Suos Yara, Vice-Chairman of the CPP's Committee on External Relations, noticed that:

"... Although China is much bigger and stronger than Cambodia, in terms of size and power, both countries treat each other equally and with mutual respect. Equal sovereignty and non-interference are the key principles of international relations and the foundation of international peace and stability... The Cambodia-China relationship can be a role model in modern international relations. It is about a special and equal relationship between a big country and a small country."¹¹

Strategically, due to revived security threats from its neighbours – the border dispute with Thailand in 2008-2011 and Phnom Penh's uneasy relations with Hanoi due to border issues, ethnic Vietnamese in Cambodia, and disagreement over the South China Sea since 2012 – China has emerged as Cambodia's potential balancing power against its neighbours.¹² Phnom Penh believes that Beijing's growing influence in Thailand would help temper Bangkok's aggressive and bullying attitude towards Cambodia. Moreover, China's age-old policy has been to maintain an independent Cambodia in order to prevent the domination of Vietnam in the Indochinese region. And thanks to the China-Vietnam territorial conflict over the South China Sea, Cambodian strategists are

increasingly convinced that Cambodia can rely on Beijing to address perceived security threats from its neighbour in the east, Vietnam.

Foreign Policy Implications for Cambodia

As discussed earlier, the eruption of the 2008-2011 Cambodia-Thailand border conflicts prompted Cambodian leaders to rethink the role of ASEAN in maintaining peace and stability in the region. It seems that ASEAN is no longer the cornerstone of Cambodia's foreign policy. At the same time, Cambodia-China bilateral relationship has been tremendously enhanced. As tensions over the maritime disputes in the South China Sea intensified between China and some ASEAN claimant states, Cambodia had been pushed into difficult foreign policy choices between ASEAN and China.

The South China Sea constitutes today's most difficult foreign policy dilemma for Cambodia since ASEAN and China are both important for the Kingdom's security and economic development. Therefore, by tracking Cambodia's changing attitudes towards the maritime dispute, one can comprehend Cambodia's evolving strategic directions towards both ASEAN and China.

ASEAN: Still the Cornerstone of Cambodia's Foreign Policy?

According to sources at the Cambodian Foreign Ministry, prior to the eruption of the Cambodia-Thailand border dispute, Cambodia's position on the South China Sea had generally been in line with the common stance of ASEAN. There are two possible explanations for such a cautious position. Firstly, after the adoption of the Declaration of Conduct of Parties in the South China Sea (DOC), in Phnom Penh in 2002, the tensions in the disputed region subsided as claimant states tried to avoid raising the issue at the ASEAN forums. Secondly, when the South China Sea was tabled at the ASEAN meetings, Cambodia had mostly attempted to take a neutral stance and adopted a wait-and-see approach in order not to alienate both China and the ASEAN claimant states.

However, as Cambodia's perception of ASEAN changed in the aftermath of the Cambodia-Thailand border dispute, Phnom Penh has abandoned

the wait-and-see approach to the South China Sea issue in favour of a more proactive attitude, which is not necessarily pro-Chinese but has certainly alienated some ASEAN claimant states. As a non-claimant state, Cambodia's position on the issue has been similar to other ASEAN non-claimant states, including Laos, Thailand, and Myanmar, which include, according to Prime Minister Hun Sen: (1) continuing implementing the DOC; (2) urging ASEAN and China to make utmost effort to finalize the code of conduct (COC); and (3) encouraging countries concerned to discuss a resolution of the issue because "ASEAN is not a court."

Unfortunately, Cambodia has always been highlighted negatively when ASEAN faced deadlock on the South China Sea. Cambodian foreign policymakers perceive that Cambodia has been the scapegoat for ASEAN's division on the South China Sea as the Kingdom had been quickly blamed as the regional maverick in all disagreements within ASEAN on the issue.¹³ In fact, Cambodia's image in ASEAN has been damaged following the failure of ASEAN Foreign Ministers to issue a joint communiqué during their meeting in Phnom Penh in July 2012, known as the 'Phnom Penh Fiasco'. Phnom Penh was promptly been criticised for the failure. The 'Phnom Penh Fiasco' was continuously been used to build the narrative that Cambodia is a spoiled member of ASEAN or a proxy of China in Southeast Asia.

Although ASEAN has no longer been the cornerstone of Cambodia's foreign policy, there is consensus within the Cambodian foreign policy community that ASEAN remains crucial for Cambodia. Phnom Penh has recently reenergized Cambodia's participation in the ASEAN Community building process. On 20 January 2017, Prime Minister Hun Sen posted on his Facebook page that "I do not hesitate to say that Cambodia will continue on the ASEAN's Road." Broadly, public opinion in Cambodia on ASEAN, particularly among young foreign-service officers and the country's intelligentsias, is still positive. Interestingly, during a quick survey the author conducted on 14 October 2017, over 70 percent of 30 PhD students – mostly in political science and public policy at one university in Phnom Penh – considered ASEAN a 'very important' regional organization for Cambodia to address its economic and security challenges.

Cambodia's Increasingly Tight Alignment with China?

With regard to Cambodia's relations with China, it is widely perceived that Phnom Penh has gradually moved towards an increasingly tight alignment with Beijing for three main reasons. First, it is widely perceived that China's influence in Cambodia is too prevalent to the extent that Phnom Penh cannot defy Beijing's pressure. One of the risks is a possibility that Chinese-funded commercial ports in Cambodia can be used as China's quasi-military base(s) in the long run. This perception is growing among Cambodian scholars and Vietnamese strategists. If Phnom Penh does not address the perception, there will be serious consequences for Cambodia's peace and security.

Second, it is argued that Cambodia's foreign policy towards ASEAN and China has been excessively unbalanced. Cambodia's image in ASEAN has been damaged following the 'Phnom Penh Fiasco'. The Fiasco took place partly due to the geopolitical complexities of the region in 2012, including the leadership transition in Beijing, the US Presidential election, and the assertiveness of China and some ASEAN claimant states following the declaration of the American pivot to Asia. It was also due to the failure of Cambodia's diplomacy. The Cambodian leaders have not exercised diplomatic flexibility and strategic ambiguity vis-à-vis Cambodia's position on the South China Sea, which have given an impression that Phnom Penh is Beijing's hard-nosed supporter in the South China Sea.

Third, despite its efforts to diversify its foreign relations with other major powers, it is perceived that Cambodia's ties with China and other powers are unbalanced in favour of the former. It is criticised that Phnom Penh has also gone too far in its anti-Western rhetoric, noticeably against the US. While Phnom Penh has cancelled joint military exercises with the US and Australia, separately in early 2017, Cambodia continues to host a series of joint military exercises with China, noticeably the Golden Dragon humanitarian aid and disaster relief exercise. These moves have been interpreted as evidence of Cambodia's increasingly tight alignment with China.

Policy Recommendation

All things considered, China is currently the most important, but must not be the only one, strategic partner for Cambodia. Undeniably, China is in a good position to provide enormous economic benefits to Cambodia and, to some extent, to help the Kingdom address its security challenges. However, it is also obvious that Cambodia-China bilateral ties are asymmetric between a small state and a great power in which the smaller side will, to a certain extent, experience risks and vulnerabilities.

According some Cambodian scholars, who spoke under the condition of unanimity, there are two primary risks and challenges for Phnom Penh from its increasing alignment with China. First, there has been growing public resentment over China's political and economic clout in Cambodia. Within the public debate, many have pointed out that there are correlations between China's growing influence in Cambodia and the regression of democracy, depletion of natural resources and the erosion of foreign policy autonomy in the Kingdom. Second, there are certain risks and vulnerabilities from Cambodia's increasing dependence on a single great power, like China, which include possible abandonment, entrapment into the great powers' conflicts, and the alienation of other powers and domestic forces.

In this respect, Cambodia, in the short run, should embrace the dragon, China, in a form of 'loose alignment'. This would help Cambodia to address its security challenges, and especially to promote its economic development. To be relevant to the region, Cambodia needs to prioritize socio-economic development. Its diplomatic role and prestige at regional and international forums cannot be promoted without economic backup. Therefore, the debate on Cambodia's economic diplomacy should shift from which foreign assistance Cambodia should accept towards how to optimally use foreign support and assistance to promote its socio-economic development.

In the long run, Cambodia should adopt an omnidirectional foreign policy and play a key role in promoting a rules-based regional order.

To loosen Cambodia's alignment with China, the author of this study recommends three sets of foreign policy. First of all, Cambodia must continue to implement the three "No-policies": (1) No formal defence treaty or widely acknowledged informal pact; (2) No permanent or semi-permanent basing rights; and (3) No joint combat operation or significant alliance bureaucracy. It seems less difficult to uphold these policies for the Article 53 of the Cambodian Constitution gives Cambodian leaders a shield against foreign powers' pressure, including that of China. The implementation of these 'No-policies' helps Phnom Penh not only to loosen Cambodia's alignment with China in order to broaden its strategic manoeuvrability but also to proclaim its political commitment to the Kingdom's neutrality with flexibility.

Secondly, ASEAN must continue to be a priority for Cambodia's foreign policy. The bottom line for small states like Cambodia is that promoting a rules-based regional order is imperative so that all states, regardless of their size, approach international affairs with similar assumptions. In this regard, a strong, cohesive ASEAN is fundamental for a rules-based regional order as well as for Cambodia's future autonomy and prosperity, although this regional grouping has occasionally been ineffective in meeting security and economic needs of its members.

As discussed earlier, Cambodia's image in ASEAN has been damaged by Phnom Penh's position on the South China Sea. There is, hence, an urgent need for Phnom Penh to address this issue. Cambodia must begin a diplomatic campaign to create an image as an independent and constructive player in the region, rather than a 'proxy' or 'puppet' of China. To this end, Cambodia's Foreign Ministry needs to engage in an extensive public diplomacy by working closely with national and regional think tanks as well as

the media in order to provide clearer Cambodian perspectives on ASEAN and other important regional issues. Cambodia should seek and work with like-minded ASEAN members in order to contribute to the ASEAN consensus on the South China Sea. By so doing, Cambodia can prevent some ASEAN members from hijacking the regional grouping for their individual claim in the disputed region and thus maintains ASEAN unity and centrality. Cambodia can also contribute to the promotion of ASEAN-China relations as well as regional peace and stability without a risk of being seen as an ASEAN spoiler.

Thirdly, a small state also relies on its expanded diplomatic horizon, especially with major powers to ensure its survival and relevance. However, it is crucially important to note that having close relationships with many major powers at the same time does not guarantee their unwavering commitment to assist the threatened small state in question if those major powers do not have interests in so doing. Therefore, Cambodia needs to prioritize its alignment with the great powers. By and large, Cambodia's alignment preferences are influenced by its geographic proximity, threat assessment across issue areas and historical experiences, and the distribution of power in the region as well as the political, economic and diplomatic weights of targeted major powers. Cambodia's choices are also dependent on the great powers' commitment to address the security concerns of the Kingdom. Although, China is now the most important partner of Cambodia, other major powers, including Japan, France, and Russia as well as middle powers, such as South Korea and Australia, are crucially important for Cambodia to broaden its strategic space. Strengthening Cambodia's ties with these major powers does not seriously affecting the Kingdom's close relations with its most important partner – China.

Conclusion

Apparently, while the July 1997 political violence changed CPP's perception of Beijing from mistrust to partnership, revived security threats from Cambodia's neighbours in the aftermath of the 2008-2011 Cambodia-Thailand border conflict have pushed Phnom Penh to form an alignment with Beijing. Phnom Penh's growing unease with Hanoi and Western political pressures have further consolidated Cambodia's alignment with China. Moreover, Cambodia's changing strategic direction towards China has also been motivated by Cambodian leaders' diminishing confidence in ASEAN following the regional grouping's ineffective response to the Cambodia-Thailand border conflict. Although ASEAN remains crucial for Cambodia, it seems that the regional grouping is no longer the cornerstone of the Kingdom's foreign policy.

The rapid rise of China has convinced Cambodian foreign policymakers that Asia's future geopolitics and geo-economics would be Sino-centric. With such a worldview, they believe that Cambodia's alignment with China would put the Kingdom on the right side of the history. Undeniably, an alignment with China might be the best viable option for Cambodia based on the country's current economic, political and strategic imperatives, as discussed earlier. However, there are certain risks and vulnerabilities that Cambodia might have to face from its increasingly tight alignment with China. Therefore, Cambodian foreign policymakers must not take those risks for granted. Cambodian diplomacy needs to be smart, nuanced and sometimes ambiguous in order to maximize benefits from the rise of China, without being seen as the giant's proxy.

Notes

¹ Kao Kim Hourn, *Cambodia's Foreign Policy and ASEAN: From Nonalignment to Engagement* (Phnom Penh: CICP, 2002).

² Ibid.

³ Amitav Acharya, "Cambodia and Regional Cooperation in Southeast Asia and the Asia-Pacific Region," *The CICP Distinguished Lecture Series Report*, No.12 (1997).

⁴ Julio Jeldres, *Cambodia's Relations with China: A Steadfast Friendship*, in Pou Sothirak et al. (eds.), *Cambodia: Progress and Challenges since 1991* (Singapore: ISEAS, 2012).

⁵ Paul Marks, "China's Cambodia Strategy," *Parameters* Vol.30, No.3 (2000): 92-108.

⁶ Jeldres, *Cambodia's Relations with China*.

⁷ "Aide Memoire on Cambodia-China Cooperation," Ministry of Foreign Affairs and International Cooperation (MFAIC), December 2014.

⁸ "Aide Memoire on Cambodia-China Cooperation," MFAIC, November 2016.





⁹ "The Giant's Client: Why Cambodia has cosied up to China," *The Economist* (21 January 2017). Retrieved from: <https://www.economist.com/news/asia/21715010-and-why-it-worries-cambodias-neighbours-why-cambodia-has-cosied-up-to-china>




¹⁰ David Hutt, "How China Came to Dominate Cambodia," *The Diplomat* (1 September 2016). Retrieved from: <http://thediplomat.com/2016/09/how-china-came-to-dominate-cambodia/>

¹¹ Suos Yara, "Happy 60th Anniversary of Cambodia-China Ties," *Khmer Times* (10 January 2018). Retrieved from: <http://www.khmertimeskh.com/50101002/happy-60th-anniversary-cambodia-china-ties/>

¹² Cheunboran Chanborey, "Cambodian-China Relations: What do Cambodia's past strategic direction tell us?" in Deth, Sun & Bulut (eds.), *Cambodia's Foreign Relations in Regional and Global Contexts* (Phnom Penh: Konrad-Adenauer-Stiftung, 2018).

¹³ Cheunboran Chanborey, "The South China Sea and ASEAN Unity: A Cambodian Perspective," *Thinking ASEAN*, Issue 3 (2016).

 Cambodia Development Center
 Cambodia Development Center (@cdcenter_kh)
 Cambodia Development Center (@cd.centerkh)
 Cambodia Development Center
 Cambodia Development Center

 Building E, University of Puthisastra, #55, Street 180-184, Sangkat Boeung Raing, Khan Daun Penh
 info@cd-center.com |  (+855) 16 616 951

