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Cambodia: Background and U.S. Relations

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Summary

Following a gradual improvement of bilateral ties since the mid-2000s, U.S. relations with the Kingdom of Cambodia have become strained in recent years in light of Prime Minister Hun Sen's suppression of political opponents and growing embrace of China. The Trump Administration and Congress have imposed and considered further sanctions in order to pressure Hun Sen into restoring democracy and conducting free and fair national elections in 2018.

While the U.S. government has criticized Hun Sen's backtracking on democracy, it also has sought to remain engaged with Cambodia. During the past decade, U.S. interests and foreign assistance efforts in Cambodia have included strengthening democratic institutions and norms, promoting the rule of law, increasing bilateral trade and investment, supporting economic growth, reducing poverty, and improving public health. The U.S. government has supported demining and related activities in Cambodia, among the countries most heavily affected by unexploded ordnance. Military engagement has included U.S. naval port visits, U.S. military assistance and training, and joint exercises.

The United States and other countries have provided funding for the Extraordinary Chambers in the Courts of Cambodia (ECCC), also known as the Khmer Rouge Tribunal, established through a 2003 agreement between the government of Cambodia and the United Nations. Since the court commenced proceedings in 2006, it has convicted and sentenced three former Khmer Rouge leaders for crimes against humanity and war crimes committed during the period of Khmer Rouge rule (1975-1978). Cambodian and international human rights groups have advocated prosecuting midranking Khmer Rouge officials, while Hun Sen has opposed further indictments.

The Trump Administration has responded to Hun Sen's banning of the opposition Cambodian National Rescue Party (CNRP) and other human rights abuses by declaring a visa ban on "those individuals involved in undermining democracy in Cambodia" and canceling assistance for the 2018 national elections. The Consolidated Appropriations Act, 2018 (P.L. 115-141) imposes democracy-related and other conditions or certification requirements upon U.S. assistance to the government of Cambodia. S.Res. 279, passed by the Senate in November 2017, urges the Department of the Treasury to consider placing senior Cambodian government officials involved in the suppression of democracy and human rights abuses on the Specially Designated Nationals (SDN) list; calls on the government of Cambodia to release opposition leader Kem Sokha, who has been detained on charges of treason; and supports free and fair elections in 2018 monitored by international observers, among other provisions. A similar resolution, H.Res. 661, is pending in the House.

In recent years, China has by some measures begun to match total annual foreign aid flows from traditional major providers of official development assistance to Cambodia. China's economic support has given Hun Sen greater political room to maneuver, according to some analysts. In return, Cambodia has supported Beijing's positions on various regional issues, including territorial disputes in the South China Sea.

One of the poorest countries in Asia, Cambodia has performed well on some socioeconomic indicators since the United Nations brokered a peace settlement in 1991 and restored a constitutional monarchy in 1993. The Kingdom's economy has achieved an average annual growth rate of 7.5% since 1994. China, Japan, South Korea, and Southeast Asian countries are the main sources of foreign investment. The United States is the single largest overseas market for Cambodian merchandise exports, which consist mostly of garments and footwear.

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Overview

Following a gradual improvement of ties since the mid-2000s, U.S. relations with the Kingdom of Cambodia have become strained in recent years in light of Prime Minister Hun Sen's suppression of the political opposition and his growing embrace of China. Areas of bilateral engagement have included U.S. assistance for strengthening democratic institutions and reducing poverty, demining activities, joint military exercises, and trade. Some analysts speculate that the Cambodian leader has disengaged from the United States in order to avoid diplomatic constraints on his usurpation of power.

Figure 1. Map of Cambodia

Although Cambodia has made progress during the past decade in conducting elections, developing a civil society, and raising living standards, in late 2017, Hun Sen took what some view as extraconstitutional measures to outlaw the political opposition. Despite areas of bilateral discord, according to some analysts, the U.S. government has been reluctant to break ties with Cambodia for fear of further losing leverage or affording China greater influence.[1] Some policy experts argue that due to its deepening relationship with China, Cambodia has garnered strategic significance that warrants continued U.S. engagement. Some also contend that many Cambodians view the United States favorably, and that Washington should continue to promote U.S. interaction with democratic forces in the Kingdom.[2]

In response to the Cambodian government's dissolution of the opposition Cambodian National Rescue Party (CNRP) in November 2017, the Trump Administration withdrew $1.8 million in assistance to the National Election Committee (NEC). In addition, the White House announced in December 2017 that the Secretary of State would "restrict entry into the United States of those individuals involved in undermining democracy in Cambodia."[3] In related developments, the European Union (EU) also suspended assistance to the NEC, and the European Parliament passed

[1] Sebastian Strangio, "Cambodia Becomes the World's Newest One-Party State," *Foreign Policy*, November 17, 2017; David Hutt, "How China Came to Dominate Cambodia," *The Diplomat*, September 1, 2016.

[2] Prak Chan Thul, "U.S. Turns to Music in Bid to Woo Cambodians," *Reuters*, March 7, 2018; House Committee on Foreign Affairs, Subcommittee on Asia and the Pacific, "Cambodia's Descent: Policies to Support Democracy and Human Rights in Cambodia," December 12, 2017; Nicole Smolinski, "The Upcoming Cambodian Election and U.S.-Cambodian Ties under the Trump Administration: An Interview with John D. Ciorciari," National Bureau of Asian Research, June 1, 2017; John Sifton, Human Rights Watch, Statement before the Subcommittee on Asia and the Pacific, House Committee on Foreign Affairs, "Cambodia's Looming Political and Social Crisis," July 9, 2013.

[3] Department of State, Press Statement, Washington, D.C., December 6, 2017. Andrew Nachemson and Ben Sokhean, "A 'One-Party Dictatorship': World Reacts to CNRP Decision as PM Says China Will Fill Gaps Left by Sanctions," *Phnom Penh Post*, November 20, 2017.

a resolution calling on the European Commission to impose visa restrictions on some Cambodian officials and to freeze their assets.[4]

The Consolidated Appropriations Act, 2018 (P.L. 115-141) imposes democracy-related and other conditions or certification requirements upon U.S. assistance to the government of Cambodia. (See "U.S. and Other Foreign Assistance," below.) S. 2412, the Cambodia Accountability and Return on Investment Act of 2018, also would place democracy-related and other conditions upon U.S. assistance. S.Res. 279, passed by the Senate on November 16, 2017, "reaffirms the commitment of the United States to promote democracy, human rights, and the rule of law in Cambodia." Among other provisions, the resolution urges the Department of the Treasury to consider placing all senior Cambodian government officials implicated in the suppression of democracy and human rights abuses on the Specially Designated Nationals (SDN) list; calls on the Cambodian government to release opposition leader Kem Sokha, who has been detained on charges of treason; and supports free and fair elections in 2018 monitored by international observers. A similar resolution, H.Res. 661, is pending in the House.

On December 12, 2017, the Subcommittee on Asia and the Pacific of the House Committee on Foreign Affairs held a hearing on U.S. policy options to promote democracy and human rights in Cambodia. Some U.S. lawmakers discussed whether the U.S. government should impose restrictions on Cambodian exports in order to apply further pressure on Hun Sen. Some experts at the hearing argued that trade sanctions may not be necessary, or that they may not be as effective as imposing sanctions targeting Cambodian leaders or providing assistance to Cambodian organizations engaged in human rights efforts, democratic activism, and elections monitoring.[5] Some analysts argue that restrictions on Cambodian exports may hurt Cambodian workers and encourage Cambodia to seek even closer relations with China, while it is uncertain whether such economic sanctions would weaken Hun Sen politically. Some contend that continued engagement may help promote democratization and serve U.S. security interests in the region.[6]

Cambodia at a Glance

Area: 69,898 sq. miles (about the size of Missouri)

Capital: Phnom Penh

Population: 16.2 million (2017)

Government: Parliamentary under a constitutional monarchy

Next Scheduled General Election: July 2018

Economic Sectors: (percentage of GDP): agriculture (25); industry (33); services (42) (2017)

Life Expectancy: 65 years (2017)

Religion: Theravada Buddhism (95% of population)

Literacy: 77% (2015)

GDP per capita: $4,000 (purchasing power parity) (2017)

Sources: Central Intelligence Agency, *The World Factbook, 2018*; World Bank.

Political Developments

Many Cambodian political, economic, and social institutions that were destroyed under the rule of the Communist Party of Kampuchea, also known as the Khmer Rouge (1975-1979), have to some extent been reestablished. Since the United Nations administered national elections in 1993,

[4] Sopheng Cheang, "EU Suspends Aid to Cambodian Election Commission," *Washington Post*, December 12, 2017; Ray Downs, "E.U. Parliament to Freeze Cambodian Officials' Assets for Human Rights Abuses," *UPI*, December 15, 2017.

[5] House Committee on Foreign Affairs, Subcommittee on Asia and the Pacific, "Cambodia's Descent: Policies to Support Democracy and Human Rights in Cambodia," op. cit.

[6] "The End of Cambodia's Ersatz Democracy," *East Asia Forum*, February 5, 2018; January 17, 2018; Kongkea Chhoeun, "Should Western Countries Impose Sanctions on Cambodia?" *Asia Times*, September 14, 2017.

which restored a constitutional monarchy with a bicameral parliament, the Kingdom has made fitful progress in some areas of political and social development, including conducting elections, allowing a relatively open media, and developing a civil society that remains vibrant despite the political tightening in recent years. Economic growth of nearly 7.5% annually during the past two decades has helped to reduce poverty while many social indicators have improved. National politics remains highly personalized, however, while political, legal, and judicial institutions continue to be weak, corruption is widespread, and economic disparities have widened.[7]

Hun Sen

Hun Sen, age 65, has been the nation's leader for over 30 years, including as Premier of the Vietnam-backed Republic of Kampuchea between 1985 and 1993, and as Prime Minister after the United Nations-sponsored national elections in 1993. Although democratic institutions and practices have developed, along with a civil society, Hun Sen often has employed undemocratic means to remain politically dominant. He has garnered some electoral support, particularly in rural areas, through Cambodia's three decades of relative political stability and economic development.[8] According to some experts, Hun Sen has bolstered his political strength through a combination of "guile and force"; electoral victories; legal and extralegal political maneuvers; influence over the judiciary, broadcast media, and labor unions; patronage; cronyism; and intimidation.[9] In recent years, the Cambodian leader has silenced his chief political opponents through defamation lawsuits, and his government has been accused of harassing civil society actors and organizations. Some scholars have described the Cambodian polity as an example of "competitive authoritarianism," whereby multiparty elections are held and a civil society exists, but the national leader or political party maintains its dominance over them in undemocratic or unconstitutional ways.[10]

2013 and 2017 Elections

Although Hun Sen has maintained popular support, it has been diminishing, particularly since the 2008 national elections. During the past decade, Cambodian urban and young voters—nearly two-thirds of the population are under the age of 30 and half are under the age of 25—have bolstered opposition parties.[11] The national elections of 2013 were viewed by some observers as relatively free, but "fraught with irregularities."[12] Despite widespread problems with voter registration lists, the polls resulted in a striking reversal of fortunes for Hun Sen's Cambodian People's Party (CPP) and a boost for the opposition CNRP, led by Sam Rainsy and Kem Sokha. The CPP lost 22 seats in the National Assembly, holding 68 out of a total of 123 seats, its lowest

[7] Sebastian Strangio, "In Cambodia, Everything Is Different but Nothing Has Changed," *Asian Review*, October 31, 2016.

[8] Vannarith Chheang, "After Thirty Years of Hun Sen, Where Is Cambodia Now?" *East Asia Forum*, March 18, 2015.

[9] Sebastian Strangio, "The House That Hun Sen Built," *Foreign Policy*, January 13, 2015.

[10] See Steven Levitsky and Lucas Way, *Competitive Authoritarianism: Hybrid Regimes After the Cold War*. Cambridge: Cambridge University Press, 2010; Lee Morgenbesser, *Beyond the Facade: Elections in Southeast Asia*. Albany: State University of New York Press, 2016; Lee Morgenbesser, "Cambodia's Leader Just Cracked Down on the Opposition, and the Consequences Will Be Dramatic," *Washington Post*, February 24, 2017.

[11] Central Intelligence Agency, *The World Factbook*, December 12, 2017; United Nations Population Fund, "Cambodia Youth Data Sheet 2015," http://cambodia.unfpa.org/sites/default/files/pub-pdf/Flyer_Cambodia_Youth_Factsheet_final_draft_%28approved%29.pdf.

[12] Department of State, *Country Reports on Human Rights Practices for 2013: Cambodia*, February 27, 2014; Thomas Fuller, "Cambodian Opposition Rejects Election Results," *New York Times*, July 29, 2013.

level of support since 1998. The main opposition groups, unified as the CNRP, won 55 seats for a net gain of 26. The poll reflected a changing electorate that is more urban, younger, and more globalized. Many voters are less aware of or focused upon Cambodia's past turbulence and deprivations, more concerned about current corruption and inequality, and more demanding about government accountability and performance, according to observers.[13]

Modern Political History of Cambodia

The Kingdom of Cambodia became independent from France in 1953. Beginning in 1969, during the Vietnam War, the United States conducted a four-year, sustained, large-scale bombing campaign and incursion into officially neutral Cambodia aimed at stopping the flow of North Vietnamese soldiers and supplies. According to some historians, the U.S. bombing helped the Communist Party of Kampuchea (Khmer Rouge) gain followers and military recruits in rural areas. In March 1970, the military forces of pro-American General Lon Nol overthrew the government of Prince Norodom Sihanouk in a coup. A civil war followed, culminating in Lon Nol's defeat in April 1975 by Khmer Rouge forces and the founding of "Democratic Kampuchea." The Khmer Rouge attempted to create an agrarian, communist society, a policy that included the forced depopulation of cities, establishment of rural communes, and executions of many educated and wealthy Cambodians and ethnic minorities. During its brutal three-year reign, roughly 2 million out of a population of 8 million Cambodians died from execution, torture, overwork, starvation, and disease.

In January 1979, Vietnamese forces drove the Khmer Rouge from Phnom Penh. A 13-year internecine war ensued, in which Khmer Rouge, Cambodian nationalists, and royalist insurgents fought the Vietnamese-backed Peoples Republic of Kampuchea (PRK). Hun Sen, a former Khmer Rouge military officer who had defected from the regime in 1977 and fled to Vietnam, served as Prime Minister and Foreign Minister of the PRK. Following the Vietnamese withdrawal from Cambodia in 1989, a United Nations (U.N.)-brokered peace settlement, also known as the Paris Agreement, officially ended the war in October 1991.

In 1993, the United Nations administered elections for a 120-seat Constituent Assembly while Prince Sihanouk returned to Cambodia and was crowned King. For a decade and a half, three major political parties vied for power and influence: the Cambodian People's Party (CPP) under the leadership of Hun Sen; the royalist FUNCINPEC Party (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia); and the opposition Sam Rainsy Party. After sharing power with FUNCINPEC since 1993, Hun Sen staged an armed takeover of government in 1997. In the face of considerable international pressure and the withholding of foreign aid, Hun Sen held new parliamentary elections in July 1998, which the CPP narrowly won. The CPP and FUNCINPEC again agreed to form a coalition government, with Hun Sen as Prime Minister and Prince Ranariddh, the second son of King Sihanouk, as President of the National Assembly. This uneasy partnership continued until 2006, when Ranariddh was ousted as the leader of FUNCINPEC, which began to decline as a major political force in Cambodia.

In 2004, King Norodom Sihanouk abdicated the throne due to illness and his eldest son, Prince Sihamoni, succeeded him as King. Norodom Sihanouk died of heart failure, at the age of 89, in Beijing, China, in October 2012.

In July 2014, following a year of political unrest stemming from the 2013 elections, including mass demonstrations and the CNRP's boycott of parliament, the CPP and the opposition agreed to a power-sharing agreement. However, despite promises by both sides to adopt a "culture of dialogue," political rhetoric became increasingly strident. Beginning in the second half of 2015, Hun Sen and the CPP struck back at opposition politicians and activists with physical assaults, arrests, and lawsuits that many observers perceived as politically motivated.[14] In November 2015, the National Assembly stripped CNRP President Sam Rainsy of his parliamentary immunity and expelled him from the legislature.

Cambodia held elections for 1,646 commune council seats in June 2017. Hun Sen's CPP won 51% of council seats (down from 62% in 2012), while the CNRP won 44% (up from 31%). Many

[13] Julia Wallace, "As Demographics in Cambodia Shift, Youth Seek Political Change," *New York Times*, February 17, 2016.

[14] Luke Hunt, "New Jailings Expose the Farce of Cambodia's 'Culture of Dialogue'," *The Diplomat*, July 24, 2017.

observers predicted at the time that the scheduled 2018 national elections would continue the trend of increasing competitiveness between the two parties.[15] There were fewer reported irregularities in 2017 compared to the 2013 National Assembly elections, due in part to financial and technical assistance from Japan and the European Union that focused on improvements in the voter registration system.[16] Some human rights groups reported, however, that the local elections were held in an atmosphere of intimidation against the opposition and its supporters.[17] Local elections do not determine the composition of the National Assembly, the most powerful legislative body in Cambodia. Nonetheless, commune councilors elect village chiefs, who long have formed a power base for the CPP.

Constraints on Civil Society

In August 2017, Department of State Spokesperson Heather Nauert expressed U.S. government concerns about antidemocratic trends in Cambodia:

> The United States Government is deeply concerned by the deterioration in Cambodia's democratic climate in recent weeks. Two months ago, Cambodia received widespread recognition for running transparent, peaceful local elections. In the past two weeks, however, the achievement has been eclipsed by troubling government actions curtailing freedom of the press and civil society's ability to operate....[18]

Restrictions on political and social activism and foreign NGOs began roughly one year after the CPP and the opposition CNRP agreed to share power. In July 2015, the Cambodian Parliament passed a broadly worded law on nongovernmental organizations (Law on Associations and Non-Governmental Organizations, or LANGO), which authorizes the Foreign Ministry to halt the activities of any international NGO that fails to register with the government. In addition, Article 8 of LANGO empowers government authorities to ban any NGO that engages in activities that "jeopardize peace, stability and public order or harm the national security, national unity, culture, and traditions of the Cambodian national society."[19] Critics argue that the legislation makes it easier for Hun Sen to shut down NGOs deemed critical of the government.[20]

In September 2017, the Cambodian Foreign Ministry expelled the National Democratic Institute (NDI), a U.S.-based NGO that has attempted to promote transparent governance and inclusive political participation in Cambodia, on the grounds that the organization was not registered with the government. Government media outlets also alleged that NDI, which received financial support from the U.S. Agency for International Development (USAID), was involved in a conspiracy involving the CNRP and U.S.-funded NGOs to overthrow the government.[21] Some Cambodian human rights and environmental NGOs also were investigated or disbanded during this time.[22]

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[15] Jack Myint and Ben Black, "Cambodian Commune Elections 2017," U.S.-ASEAN Business Council, July 5, 2017.

[16] Ben Sokhean, "NEC Releases Official June 4 Election Results," *Cambodia Daily*, June 26, 2017.

[17] "Cambodia: Commune Elections Not Free or Fair," *Human Rights Watch*, June 12, 2017.

[18] Department of State, Department Press Briefing, Washington, D.C., August 23, 2017.

[19] "Cambodian Government Shuts Down Pro-Democracy US Charity and Expels Foreign Staff," *Agence France Presse*, August 23, 2017; Mong Palatino, "Does Cambodia Really Need a New NGO Law?" *The Diplomat*, July 17, 2015.

[20] Ibid.

[21] "Ananth Baliga and Niem Chheng, "PM, US's War of Words Escalates," *Phnom Penh* Post, September 12, 2017; Ananth Baliga, "Breaking: NDI to be Shuttered, Foreign Staff Expelled," *Phnom Penh Post*, August 23, 2017.

[22] National Democratic Institute, "Statement on Cambodian Government's Decision to Shut Down NDI's Office in

In September 2017, the *Cambodia Daily*, an English-language publication founded by a U.S. journalist and known by some observers as an opposition newspaper, was shut down by the government ostensibly because it had failed to pay taxes.[23] The government also closed more than one dozen Cambodian radio stations that sold air time to Voice of America and Radio Free Asia (RFA). RFA, facing political pressure and possible tax and administrative penalties that made it "impossible" to continue operating in the Kingdom, closed its Phnom Penh office.[24] In November 2017, a Cambodian court charged two journalists who had filed reports for RFA with espionage for "providing information that is destructive to national defense to a foreign state."[25]

Silencing the Opposition

Since late 2015, more than 25 opposition members and government critics have been arrested. In June 2016, government critic Kem Ley was killed. Although the perpetrator was convicted of murder and sentenced to life in prison, many Cambodian political activists doubt the killer's stated motives—he claimed that he shot Kem over an unpaid debt—and speculate that he helped carry out a political assassination.[26] Since 2008, CNRP leader Sam Rainsy has faced several defamation charges regarded by many observers as politically motivated, including four since 2016, and has spent most of his time in exile. Sam resigned as president of the CNRP in February 2017. In December 2017, he was charged with treason for posting a video on social media urging security personnel not to "obey orders from any dictators if they order you to shoot and kill innocent people."[27]

CNRP leader Kem Sokha, who became party president in 2017, also has faced charges that many observers believe were politically motivated. In September 2017, he was arrested for treason for allegedly conspiring with the U.S. government to foment a "color revolution."[28] The charge was based upon a speech that Kem gave in 2013 in which he discussed democratic change in Cambodia, and for his involvement with the Cambodian Center for Human Rights, which has received some U.S. funding.[29]

Suspension of Two-Party Politics

In November 2017, the Supreme Court of Cambodia made a ruling based upon recent amendments to the Law on Political Parties, thereby dissolving the CNRP for "conspiring with

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Cambodia," August 23, 2017; Amnesty International, "Annual Report 2016/2017," February 22, 2017, https://www.amnesty.org/en/countries/asia-and-the-pacific/cambodia/report-cambodia/.

[23] Richard Paddock, "The Cambodia Daily to Close," *New York Times,* September 3, 2017.

[24] Ananth Baliga, Mech Dara and Niem Chheng, "RFA Shuts Down Cambodia Operations amid Media Crackdown," *Phnom Penh Post,* September 12, 2017.

[25] Prak Chan Thul, "Cambodian Court Charges Two Journalists with Espionage," *Reuters,* November 18, 2017; Niem Chheng and Shaun Turton, "CNRP May Seek Clarity on Radio Station Closures," August 31, 2017.

[26] Julia Wallace and Neou Vannarin, "A Life Sentence in Cambodia, But Kem Ley's Murder Is Far from Solved," *New York Times,* March 23, 2017.

[27] Mech Dara and Andrew Nachemson, "PM, Military Officials Say Rainsy Will Face 'Treason' Suit over Facebook Post," *Phnom Penh Post,* December 8, 2017; Prak Chan Thul, "Cambodia's Sam Rainsy to Be Sued Over 'Treasonous' Call to Soldiers: PM," Reuters, December 6, 2017.

[28] "Color revolutions" refer to democratic movements in former Soviet republics and elsewhere in the early 2000s that were fueled by civil society groups.

[29] Julia Wallace, "Cambodia Charges Opposition Leader Kem Sokha with Treason," *New York Times,* September 5, 2017.

the United States to overthrow the government."[30] The law allowed 55 opposition seats to be filled instead by third parties, with many of them going to FUNCINPEC, the royalist party that dominated opposition politics until the late 2000s. In addition, 118 CNRP members were banned from participating in politics for five years. The National Assembly also amended laws to remove CNRP commune councilors and village chiefs and replace them mostly with CPP members.[31]

Analysts say that these actions assure that the CPP will run virtually unopposed in the July 2018 general election. Some observers fear that Hun Sen's nullification of opposition seats could lead to large-scale political unrest, although some analysts believe that many Cambodians would hope to avoid political upheaval. According to one expert, the lack of a "strong, neutral force" in the nation's politics poses an obstacle to political compromise and democratic development in the Kingdom.[32]

U.S.-Cambodia Cooperation

Principal areas of bilateral cooperation include U.S. foreign assistance programs, U.S. missing-in-action (MIA) recovery efforts, and demining activities. The United States also has provided funding for the Extraordinary Chambers in the Courts of Cambodia (ECCC), also known as the Khmer Rouge Tribunal. The ECCC was established through a 2003 agreement between the government of Cambodia and the United Nations to try former Khmer Rouge leaders responsible for grave violations of national and international law, including war crimes, crimes against humanity, and genocide. (See "Khmer Rouge Tribunal" below.)

The strengthening of bilateral relations since the mid-2000s has included greater military engagement, including U.S. naval port visits, U.S. military assistance and training, and joint exercises. Angkor Sentinel, launched in 2010, is an annual bilateral exercise held in Cambodia that has focused on international peacekeeping, humanitarian assistance, and military-to-military cooperation. The Cambodian government cancelled the 2017 exercises, stating that the Royal Cambodian Armed Forces (RCAF) were needed for local elections and an anti-illegal-drug campaign. Some observers interpreted the unilateral action as a sign of Hun Sen's further distancing the Kingdom from the United States.[33] The Cambodian government also postponed indefinitely a U.S. humanitarian mission in the Kingdom, the U.S. Navy Mobile Construction Battalion (also known as Seabees), without an explanation. Seabees have worked with RCAF since 2008 and performed more than $5 million in community service projects throughout the country.[34] A U.S. Embassy spokesperson stated that other military exchanges and training programs would not be affected.[35]

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[30] Joshua Berlinger, "Cambodia Court Orders Main Opposition Party to Dissolve," *CNN*, November 17, 2017; Sebastian Strangio, "Cambodia's Crumbling Democracy," *Foreign Affairs*, September 14, 2017.

[31] May Titthara, "CNRP Commune Seats Doled Out," *Khmer Times*, December 4, 2017; Ben Sokhean, Mech Dara and Ananth Baliga, "'Death of Democracy': CNRP Dissolved by Supreme Court Ruling," November 17, 2017.

[32] Vannarith Chheang, "Sanctions Won't Stop Cambodia's Democratic Collapse," *East Asia Forum*, January 9, 2018; Economist Intelligence Unit, "Country Report: Cambodia," December 14, 2017.

[33] Economist Intelligence Unit, "Hun Sen Loosens US Ties Ahead of Crucial Elections," April 10, 2017; "Cambodia's Decision Angkor Sentinel, *GlobalSecurity.org*, https://www.globalsecurity.org/military/ops/angkor-sentinel.htm.

[34] Hul Reaksmey, "Cambodia Scraps US Aid Program, Accepts $150M from China," *VOA*, April 7, 2017; Matthew Burke, "Cambodia Kicks Out Navy Seabees with No Explanation," *Stars and Stripes*, April 5, 2017.

[35] "Cambodia Says China Not Behind Scrapped 'Angkor Sentinel' US Military Drill," *South China Morning Post*, January 17, 2017.

U.S. and Other Foreign Assistance

Cambodia has been heavily dependent upon foreign assistance since 1993. Official Development Assistance (ODA) for Cambodia totaled $797 million in 2016, not including assistance from China.[36] The Kingdom's reliance upon foreign assistance, while still significant, has declined during the past decade-and-a-half. ODA fell from 120% of central government expenditures in 2002 to less than a third in 2015, according to World Bank figures.[37] The Organisation for Economic Co-operation and Development's largest Development Assistance Committee (DAC) donors are Japan, South Korea, the United States, Australia, and France (2010-2016).[38] Some analysts contend that ODA for Cambodia, part of a "multibillion dollar international effort to transplant democracy in Cambodia since the early 1990s," long has kept Hun Sen's authoritarian tendencies in check, but has lost its effectiveness.[39] According to one estimate, DAC nations provided $12 billion in loans and grants to Cambodia between 1992 and 2012 for development and democracy building efforts, although some experts argue that the money was misspent or that it reduced government accountability.[40]

Foreign assistance and investment from China are difficult to quantify. Many forms of Chinese foreign assistance, due to the commercial benefits accruing to China and large loan component, do not meet the Organisation for Economic Co-operation and Development's criteria for ODA.[41] Many Chinese foreign economic projects either are not strictly commercial or do not ultimately result in Chinese ownership, and thus they are not counted as foreign direct investment. For example, many Chinese-built economic projects are financed through Chinese state-backed loans, and ownership is based upon a "build-operate-transfer" (BOT) arrangement. Through BOT, the host country pays a PRC entity to build and operate a project for a period of years, and then ownership of the facility eventually is transferred to the host country. By some measures, however, China has become the leading provider of foreign aid and investment to Cambodia. (See "Cambodia and China," below.)

Ongoing U.S. foreign assistance to Cambodia, one of the largest recipients of U.S. foreign assistance per capita in the East Asia-Pacific region, includes efforts to strengthen democratic institutions and civil society; reduce child and maternal mortality; combat HIV/AIDS and other infectious diseases; and remove unexploded ordnance. International Military Education and Training (IMET) programs provide English language instruction and aim to expose the next generation of Cambodia's military leaders to "American ways and values."[42] The United States

[36] Development assistance from China generally does not meet Organisation for Economic Co-operation and Development (OECD) criteria for ODA. Organisation for Economic Co-operation and Development, *Creditor Reporting System*.

[37] Prak Chan Thul and Matthew Tostevin, "China's Big Money Trumps U.S. Influence in Cambodia," *Reuters*, September 11, 2017.

[38] In order of amount of ODA in 2016. DAC members constitute the world's major ODA donors. Organisation for Economic Co-operation and Development, *Creditor Reporting System*.

[39] Sebastian Strangio, "Cambodia Becomes the World's Newest One-Party State," op. cit.

[40] James Kynge, Leila Haddou and Michael Peel, "FT Investigation: How China Bought Its Way into Cambodia," *Financial Times*, September 8, 2016. See also Sebastian Strangio, *Hun Sen's Cambodia*, New Haven: Yale University Press, 2014 and Sophal Ear, *Aid Dependence in Cambodia*, New York: Columbia University Press, 2013.

[41] The OECD defines ODA as having "the economic development and welfare of developing countries as its main objective" and a grant element of at least 25%. OECD, "Official Development Assistance—Definition and Coverage," http://www.oecd.org/dac/stats/officialdevelopmentassistancedefinitionandcoverage.htm.

[42] Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, Fiscal Year 2019. For past programming, see Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year

provided an estimated $88.3 million in foreign assistance to the Kingdom in FY2017. The Trump Administration's FY2018 and FY2019 foreign operations budget requests would reduce annual assistance to Cambodia by nearly 75%.[43]

Congress periodically has imposed human rights conditions upon some U.S. assistance to Cambodia. From 1998 to 2007, Congress prohibited direct or government-to-government assistance to Cambodia in order to pressure Prime Minister Hun Sen into fully restoring democracy, but allowed U.S. assistance to NGOs and some humanitarian programs to continue. Congress lifted the ban in 2007 due in part to improving democratic processes, although most U.S. assistance efforts in Cambodia have continued to be channeled largely through NGOs. The Consolidated Appropriations Act, FY2014 (P.L. 113-76) imposed political conditions upon some foreign assistance to Cambodia.[44] The Consolidated Appropriations Act, FY2017 (P.L. 115-31) withheld 25% of international security assistance to Cambodia until certain conditions related to democratic governance were met.[45]

The Consolidated Appropriations Act, 2018 (P.L. 115-141) prohibits U.S. assistance to the government of Cambodia unless the Secretary of State certifies that the government is taking effective steps to "strengthen regional security and stability, particularly regarding territorial disputes in the South China Sea and the enforcement of international sanctions with respect to North Korea," and to "respect the rights and responsibilities enshrined in the Constitution of the Kingdom of Cambodia as enacted in 1993." Other provisions of the bill include directing the Department of State to continue the policy of restricting the entry of "individuals involved in the undermining of democracy in Cambodia" and mandating that funds be made available for democracy efforts and Khmer language programs to "counter the influence of the People's Republic of China in Cambodia."[46]

The Cambodia Accountability and Return on Investment Act of 2018 (S. 2412), introduced in February 2018, includes similar restrictions on U.S. assistance to the government of Cambodia and the issuance of visas. In addition, S. 2412 would prohibit transactions in property in the United States of Cambodian officials and family members involved in undermining democracy in Cambodia. The bill would direct U.S. officials in international financial institutions to oppose loans and other assistance to the government of Cambodia, and prohibit negotiations between the United States and Cambodia on debt relief until free and fair parliamentary elections have taken place. The bill would authorize funds for online programming that inform the people of Cambodia of China's historic role in supporting the Communist Party of Kampuchea and the Khmer Rouge regime, and of the role of the international community, including the United States, in supporting the implementation of the U.N.-brokered peace settlement in 1991 and in providing foreign assistance.

Khmer Rouge Tribunal

The Extraordinary Chambers in the Courts of Cambodia, an international tribunal established through an agreement between the government of Cambodia and the United Nations, began

2017; Department of State, "U.S. Relations with Cambodia Fact Sheet," February 12, 2016; Daniel R. Russel, Department of State, "Remarks on the U.S.-Asia Rebalance and Priorities," Phnom Penh, Cambodia, January 27, 2015.

[43] Ibid.

[44] P.L. 113-76, §7043(c).

[45] P.L. 115-31, §7043(c).

[46] P.L. 115-141, §7043(b).

proceedings in 2006 to try Khmer Rouge leaders and officials responsible for grave violations of national and international law.[47] The ECCC has been financed through contributions by the Cambodian government and with donations by foreign countries, particularly Japan, both directly to the ECCC and to a U.N.-administered international trust fund. The tribunal reportedly has been hampered by interference from the Cambodian government and by the alleged corruption of Cambodian court officials, resignations by some international judges, and unexpected costs and delays.[48]

The U.S. government withheld assistance to the ECCC from 2006 to 2008 due to doubts about the court's independence. In 2008, the United States began providing annual contributions to the international trust fund, and it appropriated $2 million and $1.5 million in FY2016 and FY2017, respectively, for the fund. In addition, the U.S. government has contributed to the Documentation Center of Cambodia (DC-Cam), an archive, library, and public service center focused upon Khmer Rouge atrocities, providing $9.8 million to DC-Cam since 2005.[49] Since 2010, some U.S. foreign operations appropriations measures have placed conditions upon assistance to the tribunal in order to discourage corruption and political interference within the court and to ensure that the Cambodian government also was contributing to its costs.[50] The Consolidated Appropriations Act, 2018 (P.L. 115-141) states that no assistance may be made available for the ECCC.[51]

ECCC prosecutors have charged five former Khmer Rouge leaders with crimes against humanity and war crimes. In 2012, "chief executioner" Kaing Guek Eav, who ran the infamous Toul Sleng prison in Phnom Penh, was sentenced to life in prison. Former Foreign Minister Ieng Sary died in March 2013, before the completion of his trial, while his wife, former Minister of Social Affairs Ieng Thirith, was declared mentally unfit for trial. In August 2014, the court sentenced former leaders Nuon Chea and Khieu Samphan each to life in prison for crimes against humanity, although both continue to face additional charges.

Cambodian and international human rights groups have advocated prosecuting midranking Khmer Rouge officials, while Hun Sen has opposed further indictments, arguing that they would undermine national stability.[52] Three lower-ranking military and civilian figures face charges of genocide, but some observers say their prosecutions appear unlikely, given opposition from Hun Sen and related court costs.[53] Some analysts contend that Hun Sen has been reluctant to widen the scope of the trials due to his former connections with Khmer Rouge military leaders.[54]

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[47] The tribunal has 17 Cambodian judges and prosecutors and 10 international judges and prosecutors. As a safeguard against bias, verdicts require a "super-majority"—a simple majority plus the vote of at least one international judge.

[48] "Cambodia: Khmer Rouge Convictions 'Too Little, Too Late'," Human Rights Watch, August 8, 2014.

[49] "United States Announces New Contribution to Help Preserve Cambodia's Historical Documents," USAID, April 3, 2017.

[50] See foreign operations appropriations legislation: P.L. 113-76, §7043(c); P.L. 113-235, §7043(c); P.L. 114-113, §7043(c); P.L. 115-31, §7043(c).

[51] P.L. 115-141, §7043(b).

[52] "Expanding Khmer Rouge Trials Could Spark War: Hun Sen," *The Nation*, February 28, 2015.

[53] Alessandro Marazzi Sassoon, "Khmer Rouge Prosecutors Split on Muth Case," *Phnom Penh* Post, December 1, 2017; Seth Mydans, "Khmer Rouge Trial, Perhaps the Last, Nears End," *New York Times*, June 23, 2017.

[54] Prak Chan Thul, "Hun Sen Hostility Puts Decade-Old U.N. Khmer Rouge Tribunal in Doubt," *Reuters News*, April 21, 2015.

Unexploded Ordnance

Cambodia is among the world countries most heavily contaminated by unexploded ordnance (UXO), including cluster munitions, landmines, and other undetonated weapons left from U.S. bombing during the Vietnam War, the Vietnamese invasion of Cambodia in 1978, and civil wars during the 1970s and 1980s. In 1969, the United States launched a four-year carpet-bombing campaign, dropping 2.7 million tons of ordnance, mostly cluster munitions, on Cambodia, more than the amount that fell on Germany and Japan combined during World War II. Up to 25% of the cluster bombs failed to explode, according to some estimates.[55]

There have been over 64,000 UXO casualties in Cambodia since 1979, including over 19,000 deaths. An estimated 1,400 square kilometers of Cambodia, or about 0.8% of the country's land area, remains contaminated with UXO.[56] Unexploded ordnance has had economic costs as well, by preventing land from being used for agricultural purposes, forestry, and cattle, and by disrupting irrigation and drinking water supplies.

With the help of international assistance, Cambodia has reduced the UXO casualty rate from roughly 250 people per year a decade ago to about 100 annually in recent years, according to the Landmine and Cluster Munition Monitor.[57] About 50% of contaminated land reportedly has been cleared, although many of the remaining areas are the most densely affected.[58] The Cambodian Mine Action Authority is finalizing plans to clear all contaminated land by 2025. Despite progress, the migration of many poor Cambodians to areas that have high concentrations of UXO reportedly has contributed to a recent spike in casualties.[59]

Between 1993 and 2016, the U.S. government contributed over $124 million for UXO removal and disposal, related educational efforts, and survivor assistance programs in Cambodia.[60] USAID's Leahy War Victims Fund has supported programs to help provide medical and rehabilitation services and prosthetics to Cambodian victims of UXO.[61] The United States provided $5.5 million and $4.5 million in FY2016 and FY2017, respectively, for clearance efforts.[62] The Trump Administration reportedly decided to discontinue assistance to the government-affiliated Cambodian Mine Action Center in FY2018, but announced that it would continue supporting clearance efforts through a different organization.[63]

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[55] Zsombor Peter and Aun Pheap, "Follow the Money," *Cambodia Daily*, June 25, 2016; Landmine and Cluster Munition Monitor, Cambodia, http://www.the-monitor.org/en-gb/reports/2017/cambodia/view-all.aspx.

[56] "Landmine/UXO Casualties in Cambodia Down 21 Pct in 1st Four Months," *Xinhuanet*, June 19, 2017.

[57] Landmine and Cluster Munition Monitor, op. cit.

[58] Michael Hart, "Can Cambodia Meet Its Target to Remove Landmines by 2025?" *Asian Correspondent*, December 4, 2017.

[59] Department of State, Bureau of Political-Military Affairs, *To Walk the Earth in Safety 2017*, December 13, 2017.

[60] Ibid.

[61] Ibid.

[62] Nonproliferation, Anti-terrorism, Demining, and Related Programs Conventional Weapons Destruction (NADR-CWD). Data from Department of State.

[63] U.S. Has New Plan for UXO Removal in Cambodia after Cutting CMAC Funding," *Phnom Penh Post*, November 8, 2017; David Boyle and Hul Reaksmey, "US Demining Cut Provokes Cambodia," *VOA News*, November 7, 2017; Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, Fiscal Year 2018.

Cambodian Debt

In 2017, the Cambodian government again pressed the United States to forgive debt that the pro-U.S. government of General Lon Nol had incurred during the early 1970s. As U.S. bombing and civil war wracked the country, the U.S. Department of Agriculture loaned the Lon Nol government $274 million on concessionary terms for American rice, wheat, oil, cotton, and other commodities. The U.S. and Cambodian governments have not come to an agreement on the debt, which has grown to $506 million, including interest and penalties. The last bilateral discussion of the debt reportedly occurred in 2011.[64]

The Cambodian government argues that the debt is revocable because the Lon Nol government, brought to power through a coup d'état, was illegitimate. It also claims that some of the U.S. agricultural commodities never reached Cambodia and that Lon Nol used some of the loans for military purposes. The U.S. government reportedly has cancelled some portions for which there is a lack of documentation and waived interest on unpaid interest. It has offered to reduce the loan or reschedule payments, but only if Cambodia signs a bilateral debt agreement, which the Hun Sen government has refused to do.[65] U.S. officials have stated that various forms of debt relief are unwarranted due to Cambodia's relatively low debt-to-GDP ratio and its fiscal ability to repay the debt.[66]

Cambodian Deportations

More than 1,900 U.S. residents of Cambodian descent, of whom about 1,400 have felony convictions, are subject to deportation, according to U.S. Immigration and Customs Enforcement (ICE). Between 2002 and 2017, over 550 Cambodian nationals who were permanent U.S. residents and who had been convicted of felony crimes were deported to Cambodia. Many of them came to the United States during the 1980s as refugee children, and never have lived in Cambodia or had left when they were very young. Many Cambodians subject to deportation have jobs and families in the United States, and many served prison time in the United States for crimes committed during their youth. Under the Trump Administration, the number of Cambodian, Laotian, and Vietnamese nationals who have received orders of removal has risen significantly. U.S. officials say that up to 200 Cambodians may be repatriated in 2018. In response to the growing number of U.S. returnees, the Cambodian government temporarily suspended accepting them in 2017. In response to Cambodia's refusal to accept its nationals, the U.S. government implemented limited visa restrictions upon Cambodian Foreign Ministry employees and their families, as part of a sanctions process imposed upon countries designated as "recalcitrant" for delaying or not accepting returned citizens from the United States. U.S. and Cambodian officials reportedly have been discussing ways to cooperate on the repatriation process consistent with international law and a Memorandum of Understanding on repatriation that was signed between the two countries in 2002. In April 2018, over 40 Cambodians, the largest group ever to be deported at one time, arrived in Phnom Penh. Some Cambodian U.S. residents have sought legal means to avoid or delay their deportations, with limited success.

[64] Luke Hunt, "Hopes Fade for Cambodia Winning US Debt Relief, Analysts Say," *Voice of America*, February 14, 2017.

[65] David Hutt, "Cambodia, US Duel over Vietnam War Debt," *Asia Times*, March 28, 2017; Julia Wallace, "Cambodia Appeals to Trump to Forgive War-Era Debt," *New York Times*, April 2, 2017; Scot Marciel, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, U.S. Department of State, Statement before the Subcommittee on Asia, the Pacific, and the Global Environment, House Committee on Foreign Affairs, "An Overview of Cambodia Debt and the Need for Debt Recycling: How Can the U.S. be of Assistance?" February 14, 2008.

[66] Colin Meyn and Ben Sokhean, "US Hits Back at Government over $500 Million Debt, Democracy," *Cambodia Daily*, February 6, 2017; Joe Yun, Deputy Assistant Secretary, Bureau of East Asian and Pacific Affairs, Statement before the Subcommittee on Asia, the Pacific, and the Global Environment, House Committee on Foreign Affairs, "Cambodia's Small Debt: When Will the U.S. Forgive?" September 30, 2010.

Economic Conditions

In the past decade-and-a-half, Cambodia, one of the poorest countries in Asia, has performed well on some socioeconomic indicators. The Kingdom's economy has achieved an average annual growth rate of 7.5% since 1994 and 7.1% since 2014, driven largely by foreign investment and the development of the agricultural, construction, garment, real estate, and tourism sectors.[67] China, Japan, South Korea, and Southeast Asian countries are the main sources of foreign direct investment (FDI).[68] Domestic consumption also is fueling economic growth.[69] Continuing obstacles to sustainable development include widespread corruption, income inequality, limited human resources, and a lack of job opportunities for Cambodia's young population.[70] Rising wages and the Kingdom's advancement to "lower middle-income country" may make it less competitive as a low-wage manufacturing center and less eligible for foreign assistance as well as participation in preferential trade programs, such as the U.S. Generalized System of Preferences (GSP) and similar EU trade programs.[71]

Economic development has brought social and environmental costs. Hundreds of thousands of Cambodians reportedly have been displaced as government, business, and foreign entities, often in collusion, have confiscated their land and homes, sometimes forcibly or without proper compensation, to make way for agricultural, mining, logging, tourism, and urban development projects. Although forced relocations have continued, the number of cases reportedly has declined in recent years.[72] Cambodia has one of the highest deforestation rates in the world. Illegal logging continues, due to strong demand for wood from China and Vietnam, corruption, and suppression of environmental activists.[73]

Cambodia's poverty rate reportedly fell from 47% in 2007 to 13.5% in 2014, although many families remain "near-poor" and vulnerable to economic downturns.[74] According to the World Bank, life expectancy has risen over 15 years since 1995.[75] Maternal mortality decreased from 472 per 100,000 live births in 2005 to 170 in 2014, and under-five mortality fell from 83 per 1,000 live births in 2005 to 35 in 2014.[76] Less than one-third of the population, however, has access to piped water supplies, and nearly one-third of children reportedly are stunted.[77]

The United States is the largest single overseas market for Cambodian merchandise exports. In 2017, U.S.-Cambodian bilateral trade was worth nearly $3.46 billion, including $3.06 billion in

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[67] Central Intelligence Agency, *The World Factbook*, December 12, 2017; Asian Development Bank, "Cambodia: Economy," 2017.

[68] In order of amount of FDI. Chheang Vannarith, "China and Investments It Has Made in Cambodia," *Khmer Times*, July 28, 2017.

[69] Economist Intelligence Unit, "Country Report: Cambodia," op. cit.

[70] Central Intelligence Agency, op. cit.

[71] As a beneficiary of GSP and similar programs, lower tariffs apply toward some Cambodian exports to developed countries. The U.S. GSP program does not apply to some export items, including most textiles and footwear.

[72] Department of State, *Country Reports on Human Rights Practices for 2016: Cambodia*, March 3, 2017.

[73] Abu SMG Kibria, "How Politics Is Killing Cambodia's Forests," *The Diplomat*, September 21, 2016.

[74] United Nations Development Programme, "Cambodia Has Region's Fastest Growth Rate in Human Development," March 22, 2017.

[75] World Bank, "The World Bank in Cambodia: Overview," October 2017, http://www.worldbank.org/en/country/cambodia/overview.

[76] Ibid.

[77] Ibid.

Cambodian goods exported to the United States, a nearly 9% increase in exports compared to 2016.[78] Cambodia's other major export markets include the United Kingdom, Germany, and Japan. Garment and footwear products make up about 80% of Cambodian merchandise exports, with 43% reportedly going to the EU and 29% to the United States.[79] In recent years, foreign investment in the garment sector, which employs an estimated 700,000 Cambodian workers, largely has been fueled by companies from China, Hong Kong, and Taiwan.[80] In 2012, China surpassed the United States as Cambodia's largest trading partner, although bilateral trade between Cambodia and China consists primarily of Chinese exports to Cambodia.[81]

Cambodia acceded to the World Trade Organization in 2004, and has made commitments to reduce tariffs and fulfill other obligations by 2018 as a member of the Association of Southeast Asian Nations (ASEAN) Free Trade Area. Cambodia also is a party to the proposed Regional Comprehensive Economic Partnership (RCEP), a trade agreement that includes the 10 ASEAN member states and 6 other Indo-Pacific countries, and which is expected to be finalized in 2018.[82] The United States and Cambodia signed a bilateral trade agreement in 1996, providing for reciprocal "normal trade relations" tariff treatment, and a Trade and Investment Framework Agreement (TIFA) in 2006.

Labor relations in Cambodia have shown some signs of strain in recent years, particularly as the garment industry has developed. A garment factory monitoring system established through an agreement between the United States and Cambodia in 1999 ("*Better Factories Cambodia*"), managed by the International Labor Organization and funded by international donors, including the U.S. Department of Labor, has helped to protect some labor rights.[83] Cambodia's National Assembly adopted a new Law on Trade Unions in 2016, which some analysts say imposes greater restrictions on worker rights.[84] In August 2017, the Cambodian government announced that it would adopt a national minimum wage law. Some analysts surmise that this policy was enacted to boost labor support for the CPP in the run-up to 2018 national elections.[85]

Cambodia and China

The People's Republic of China (PRC) has become Cambodia's largest economic benefactor at a time when major ODA donors have become increasingly critical of Hun Sen's authoritarian policies. China's economic support has lessened the influence of foreign aid conditions imposed by DAC countries and given Hun Sen more political room to maneuver, both domestically and

[78] Global Trade Atlas.

[79] Roseanne Gerin, "Cambodian Garment Unions Fear Possible End of EU, US Trade Preferences," *Radio Free Asia*, December 1, 2017.

[80] Global Trade Atlas; European Commission, "Cambodia: Trade Statistics," http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_111485.pdf.

[81] Global Trade Atlas; World Bank.

[82] ASEAN member countries are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), Philippines, Singapore, Thailand, and Vietnam. RCEP's members include ASEAN countries plus Australia, China, India, Japan, South Korea, and New Zealand.

[83] http://betterfactories.org/.

[84] Department of State, *Country Reports on Human Rights Practices for 2016: Cambodia*, op. cit.; Cambodia Passes Disputed Trade Union Law As Tension Flares," *Reuters*, April 4, 2016.

[85] Alex Barnes, "Cambodia's Proposed Minimum-Wage Law Likely to Reduce Industrial Unrest through 2018, Employers Likely to Receive Concessions," *IHS Global Insight Daily Analysis*, August 25, 2017.

internationally, according to some analysts.[86] Although a commentary in China's *Global Times* warned of the risks to Chinese investments of possible domestic instability and international sanctions resulting from Hun Sen's political crackdown, the PRC government later issued a statement seemingly in full support of the Cambodian leader.[87] In return, some analysts say, Cambodia has backed Beijing's positions on various regional issues, including territorial disputes in the South China Sea.[88] Cambodia, which one expert stated "garner[s] a disproportionate amount of China's attention," is said to wield an "effective veto" in ASEAN on positions aimed at checking China's assertiveness in the region, and to be China's "most reliable partner in Southeast Asia."[89]

In recent years, China has by some measures matched total aid flows from DAC countries to Cambodia. According to one assessment, China has provided Cambodia about $15 billion in assistance and concessionary loans over the past two decades.[90] PRC foreign assistance to Cambodia, which has included development financing and grants, Chinese-built infrastructure, government buildings, and sports facilities, as well as support for public health and education, has become a dominant influence on the Kingdom's development. A PRC entity is constructing one of Cambodia's largest development projects, a $3.8 billion deep-water port on the Gulf of Thailand.[91] In January 2018, PRC Premier Li Keqiang visited Phnom Penh and oversaw the signing of 19 economic and foreign aid agreements worth several billion dollars.[92]

By some accounts, China is the largest foreign investor in Cambodia, with cumulative investment of between $14 billion and $16 billion.[93] According to one report, China accounted for nearly 30% of investment capital in Cambodia in 2016, while that from the United States constituted less than 4%.[94] Major sectors for Chinese investment include agriculture, garments, hydropower, infrastructure, mining, and tourism.

Some observers have expressed concerns about Chinese economic projects, including their quality, effects on the environment, and lack of transparency. Cambodians have expressed mixed assessments about China's economic influence. Some have complained about being forcibly evicted from their homes and communities to make way for Chinese-backed economic projects, about the lack of consultation during the planning stages, and about the influx of Chinese

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[86] Peter Ford, "US-Cambodia Relations at Their 'Worst Point,' As China Steps in to Fill the Void," *ThinkProgress*, December 14, 2017; Sebastian Strangio, "Cambodia Becomes the World's Newest One-Party State," op. cit.; Economist Intelligence Unit, "CPP Is Cementing One-Party Rule," February 22, 2017.

[87] China Supports Cambodia's Crackdown on Political Opposition," *Reuters*, November 20, 2017; Aun Chhengpor, "Chinese State Media Warns of Risks of Cambodia Crackdown," *VOA Khmer*, October 25, 2017.

[88] Economist Intelligence Unit, "Hun Sen Loosens US Ties Ahead of Crucial Elections," op. cit.

[89] "China Cashes in on Cambodian Anti-American Sentiment," *Sputnik News* Service, October 15, 2017; James Kynge, Leila Haddou and Michael Peel, "FT Investigation: How China Bought Its Way into Cambodia," op. cit.; Jeffrey Becker, "What Is the PLA's Role in Promoting China-Cambodia Relations?" *The Diplomat*, April 29, 2017.

[90] Kuch Naren and Ben Pavior, "Bilateral Trade with China Jumps to $4.8 Billion," *Cambodia Daily*, April 12, 2017; Luke Hunt, "Analysts: Cambodia to 'Pay Price' for Siding with China," *VOA*, July 29, 2016.

[91] James Kynge, Leila Haddou and Michael Peel, "FT Investigation: How China Bought Its Way into Cambodia," op. cit.

[92] Prashanth Parameswaran, "China-Cambodian Defense Ties in the Spotlight with Military Drills," *The Diplomat*, March 21, 2018.

[93] May Titthara, "China Woos Hun Sen at Beijing Dinner," *Khmer Times*, December 1, 2017; Chheang Vannarith, "China and Investments It Has Made in Cambodia," *Khmer Times*, July 28, 2017; "'Belt and Road' Initiative Will Bring Closer China-Cambodia Cooperation: HKSAR Official," *Xinhua*, February 27, 2017.

[94] Prak Chan Thul and Matthew Tostevin, "China's Big Money Trumps U.S. Influence in Cambodia," *Reuters*, September 11, 2017.

businesses and workers. Other Cambodians have said that Chinese-built roads and other infrastructure have brought development and tangible benefits.[95]

Domestic and regional demand for energy and foreign investment largely from China have fueled hydropower projects in Cambodia and neighboring countries. While some Cambodians argue that hydropower has spurred development and contributed to energy security, others have complained about environmental degradation and ecological damage, loss of fish stocks, displacement of communities, and adverse effects on livelihoods due to dam construction.[96] Chinese firms reportedly have invested more than $1.6 billion to build six dams in the Kingdom. A seventh hydropower project, the Lower Sesan Dam 2, a joint venture that involves PRC, Cambodian, and Vietnamese companies, aims to become fully operational in 2018.[97] Ownership of most Chinese-backed dams is based upon a BOT arrangement.[98]

Beijing also has become a principal provider of military assistance to Cambodia, extending loans and military equipment, including small arms, tanks, trucks, helicopters, and aircraft, to the Royal Cambodian Armed Forces. China reportedly also has provided military education and training and sponsored exchanges of senior military leaders. Some analysts see PRC-Cambodian military cooperation as a response to growing security ties between the United States and Vietnam.[99] Since 2016, China and Cambodia twice have carried out *Golden Dragon*, a joint military exercise involving roughly 400 People's Liberation Army (PLA) and RCAF soldiers involved in counterterrorism, humanitarian, and disaster response exercises.[100]

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[95] Ibid.; David Hutt, "How China Came to Dominate Cambodia," *The Diplomat*, September 1, 2016; Simon Denyer, "A Rush to Invest in Cambodia's Infrastructure Is Part of a Larger Quest to Expand Regional Influence," *Washington Post*, September 5, 2015.

[96] "Hydropower Dams," Open Development: Cambodia," September 2, 2015, https://opendevelopmentcambodia.net/topics/hydropower-dams; "Hydropower in China Sim Vireak, "Cambodia's Hydroelectric Question: China Power and the Environment," *The Diplomat*, July 30, 2014.

[97] Gregory B. Poindexter, "China Completely Finances Nearly All of Cambodia's Hydropower Projects," Hydroworld.com, October 13, 2016.

[98] Grace Mang, "Guaranteeing Chinese Overseas Dams—By Whom and at What Cost?" *International Rivers*, February 28, 2013.

[99] Neou Vannarin, "Analysts See Cambodia Bolstering Military Ties with China," *VOA*, July 21, 2015.

[100] Prashanth Parameswaran, "China-Cambodia Defense Ties in the Spotlight with Military Drills," *The Diplomat*, March 21, 2018; Huang Panyue, "Highlights of China-Cambodia 'Golden Dragon 2016' Joint Drill," *China Military*, December 27, 2016.

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