

INDIA CAMBODIA BILATERAL RELATIONS

CAMBODIA - HISTORY

Cambodia's history is marked with periods of peace and of great calamity. From its early cities to the introduction of Hinduism and Buddhism, the great kingdom of Angkor, colonialism, and the Khmer Rouge, this essay tries to put its current rebuilding of civil society in context of its incredible history and the challenges it faces today.

When Communist insurgents known as the Khmer Rouge seized control of Cambodia in 1975, a spokesman claimed that in the process "2,000 years of history" had come to an end. What he meant was that the Khmer Rouge intended to break with the past and to overthrow Cambodia's social relationships. The spokesman was also boasting that Cambodia's recorded history stretched back for two millennia.

In fact, archaeological data has revealed that the area we now call "Cambodia" was inhabited



by human beings at least 40,000 years ago. Cities developed along the coast in the centuries before and after the birth of Christ. Indian and Chinese pilgrims and traders passed through these cities, and for the first centuries of the Christian era sources for Cambodian history that survive are almost entirely written in Chinese. Elements of Indian culture, in the meantime, took root among Cambodia's elite, and by the 5th and 6th centuries several Hinduized kingdoms sprang up in southern Cambodia. We know about them from the remains of small religious monuments in brick, laterite and stone, from massive stone sculptures, and from inscriptions in Sanskrit and Cambodian, or Khmer. The earliest dated inscription comes from the 4th century CE.

In the late 8th century, a Khmer prince later crowned as Jayavarman II returned to Cambodia from "exile" in Java, and began to consolidate the kingdom. In 802, in a ceremony near the site we now call Angkor, north of Cambodia's Great Lake, he declared himself a universal monarch, and founded a dynasty that lasted until Angkor was abandoned in the 16th century.



In its heyday, Angkor was a powerful kingdom that dominated much of mainland Southeast Asia. Its capital, Yasodharapura, probably housed as many as a million people—most of them farmers—making it one of the most populous cities in the world. The city's temples, dedicated to the Buddha or to Hindu gods, are among the artistic wonders of the world. An image of the most famous of these, Angkor Wat, has appeared on every Cambodian flag (there have been five of them) since the country gained its independence from France in 1953.

In the 13th century, Cambodians converted en masse to Theravada Buddhism, the variant practiced by the Khmer today. State-sponsored Hinduism, and the temples inspired by that religion, lost their importance, but for many years the kingdom remained strong and prosperous, as the Chinese emissary Zhou da guan reported in 1296. Over the next 200 years, the empire shrank, as tributary states in what is now Thailand declared their independence and invaded Cambodian territory. By 1450 or so, the capital had shifted southward to the region of present-day Phnom Penh, where it has remained ever since.

Over the next four centuries, Cambodia became a small Buddhist kingdom dependent on the goodwill of its neighbors, Thailand and Vietnam. In the mid-19th century, conflict between these kingdoms spilled onto Cambodian soil, and Cambodia almost disappeared.

In 1863 the Cambodian king, fearful of Thai intentions, asked France to provide protection for his kingdom. France kept Cambodia from being swallowed up, but the protectorate developed into a full-scale colonial relationship that the king had not foreseen.

French rule lasted until the 1950s, and was less harsh than in neighboring Vietnam. The Khmer elite was treated well and French policies had a relatively light impact on the population, while improvements in infrastructure strengthened the economy and brought Cambodia to the edges of the developed world. France's greatest contribution to Cambodia was probably its restoration of the temples at Yasodharapura. French scholars deciphered Angkorean inscriptions and rebuilt many of the temples, providing Cambodians with a glorious, precisely dated past that had been largely forgotten.

After Cambodia gained its independence from France, it entered a short period of peace and prosperity which many older Khmer now look back on as a golden age. By the late 1960s, however, Cambodia was drawn inexorably into the Vietnam War. In 1975, Communist forces, known to the outside world as Khmer Rouge or Red Khmers, overthrew the pro-American regime that had seized power five years before. In the Khmer Rouge era that followed, at least 1.2 million Cambodians died of malnutrition, overwork, executions, and mistreated diseases as the Maoist-inspired regime sought to achieve total communism overnight. Responding to Cambodian attacks, Vietnam invaded Cambodia in 1979 and established a protectorate there that lasted for 10 years.



Under peace agreements signed in Paris in 1991, Cambodia came under United Nations protection for a time in preparation for general elections that were held in 1993. Since then, Cambodia has been a constitutional monarchy ruled by a coalition government that has accepted large infusions of foreign aid. In 1999 Cambodia became a member of ASEAN, and became for the first time, after centuries of isolation, a full-fledged member of the Southeast Asian community.¹

GEOGRAPHICAL PRESENCE

Cambodia is a southeastern Asian nation, bordering the Gulf of Thailand situated between Thailand, Vietnam, and Laos.²

BRIEF BIO - CAMBODIA

Cambodia, with **Phnom Penh** as its capital has a population size of **15,957,223**. The **Cambodian riel** is the official currency with the Us Dollar looked at as an unofficial second currency. **Khmer** is the official language. On the economic front, main export partners include **US 23%, UK 8.7%, Germany 8.2%, Japan 7.4%, Canada 6.7%, China 5.1%, Vietnam 5%, Thailand 4.9% and Netherlands 4%** whereas main import partners are **Thailand 28.7%, China 22.2%, Vietnam 16.4%, Hong Kong 6.1% and Singapore 5.7% (2015)**. A statistical look from the economic stand point follows³.

GDP INDICATORS	GDP: \$58.94 billion External Debt: \$8.46 billion
TRADE	Exports: \$8.762 billion Imports: \$12.32 billion
MISCELLANEOUS	Unemployment Rate: 0.3% Inflation Rate: 2.8%

*2016 (est)



INTRODUCTION – INDIA & CAMBODIA RELATIONS

India-Cambodia relations go back to the 1st century AD when Hindu and Buddhist religious and cultural influences emanated out of India to various parts of South-East Asia. Cambodians are today predominantly Buddhist but retain a strong influence of Hindu rituals, idolatry and mythology. The pervading influence of Hinduism, Buddhism, and Indian architecture are borne out by the magnificent structures at Angkor Wat, Angkor Thom, Bayon, Ta Phrom and other religious and historical sites in Cambodia.⁴

INDIAN COMMUNITY IN CAMBODIA

There are about 1500 Indian nationals working in various sectors in Cambodia. Most of them are based in the capital city, Phnom Penh. Many of them are employed with international organizations and agencies. There are some Indians working as advisers in some of the Cambodian Ministries. There are also a few doctors, working with WHO & other international organizations. There is a group of small traders hailing from Uttar Pradesh, who sell clothes and mosquito nets in the countryside.

The Indians in Cambodia have formed an Indian Association-Cambodia. The Association has been collaborating effectively with the Indian Embassy, and holding get-togethers on festivals and important occasions.

In addition, an Indian Chamber of Commerce (ICC) has also been established since 2012. The ICC organizes seminars, business events, etc. mostly in collaboration with the Indian Embassy and works towards solutions for common problems faced by Indian businessmen in Cambodia.⁵

INTRODUCTION – INDIA & CAMBODIA TRADE RELATIONS

The potential of bilateral trade between the two countries is highly underutilised. India's main exports are drugs, pharmaceuticals and fine chemicals, cotton, staple fibres, rubber articles, precious stones, transport equipment and machinery, and instruments etc.

India mainly imports non-ferrous metals from Cambodia. In the last few years, Cambodia's exports to India have risen at a faster pace. This is likely due to Government of India's schemes to encourage exports from LDCs through schemes such as Duty Free Tariff Preference (DFTP).⁶

INVESTMENT RELATIONS

India has extended Duty Free Tariff Preference Schemes to Cambodia since August 2008, which has encouraged exports of Cambodian goods to India. At present investment from India



is marginal. But Indian companies are showing interest in investment in hotel, hospital, mining and agro-industries sectors, and are discussing projects with Cambodian parties. Indian pharmaceutical companies have their representative offices in Phnom Penh. Bank of India has opened a branch in Phnom Penh in May 2009. A sugar refinery has been set up in Kratie province. Companies like Atul Auto, Bajaj have set up show rooms. Pulsar motorcycles from the Bajaj stables are slowly expanding. Tata is selling farm-track equipment. During 2015, trade delegations from MILLTEC, Federation of Gujarat Industries, Independent Power Producers of India and number of representatives from Indian private Industries/Companies visited Cambodia and interacted with local counterparts.⁷

TRADE OVERVIEW (USD MILLIONS)⁸

Details	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
EXPORT	112.28	141.31	142.53	143.01	105.3
%Growth		25.86	0.86	0.33	-26.36
IMPORT	11.9	12.72	17.96	54.43	36.1
%Growth		6.9	41.14	203.11	-33.67
TOTAL TRADE	124.18	154.04	160.49	197.44	141.41
%Growth		24.04	4.19	23.02	-28.38

The trade has been in favour of India and has seen a negative percentage of growth during 2016-2017. Cambodia being one of the only dollar economies in ASEAN, has vast potential for trade expansion with India.

FREE TRADE AGREEMENTS

India and the ASEAN (Association of South East Asian Nations) comprising Brunei Darussalam, **Cambodia**, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam signed the Trade in Goods Agreement under the broader framework of Comprehensive Economic Cooperation Agreement (CECA) between India and the ASEAN on 13 August, 2009.⁹

INDIA AND CAMBODIA CULTURAL RELATIONS

There exists a Cultural Exchange Programme (CEP) between the two countries. The CEP was signed during PM Hun Sen’s visit in February 2000. A new Cultural Exchange Programme between India and Cambodia was signed during the visit of Secretary, Ministry of Culture in June 2013. An MoU on the Establishment of ICCR’s Chair on Buddhist & Sanskrit Studies at Preah Sihanouk Raja Buddhist University was signed with Cambodian Ministry of Religions &



Cults on 04 July, 2011. A highly successful Festival of India comprising of Buddha Mahotsava and Ramayana Festival was organised in Phnom Penh and Siem Reap in February 2014. On 21 June, 2015 Cambodia marked the International Day of Yoga in front of Angkor Wat Temple, Siem Reap, with the participation of over 1,000 Cambodians and foreigners. The event was organized by the Ministry of Tourism in cooperation with the Embassy of India in Cambodia.

India has been appointed co-chair of the prestigious International Coordinating Committee (ICC) on Preah Vihear, a world heritage site and one of the oldest temples and pilgrimage site of Lord Shiva.

A new MOU on Tourism Cooperation between Indian and Cambodia has been signed on 16 September 2015 during the visit of Hon'ble Vice President of India to Cambodia. Proposal for direct flight link between the two countries is under consideration.¹⁰

KEY INITIATIVES BY CII

CII's institutional partner in Cambodia are Cambodian Investment Board, Phnom Penh Chamber of Commerce, Indian Chamber of Commerce and Federation of Associations of Small and Medium Enterprises of Cambodia (FASMEC) who aid CII with its various activities in or with Cambodia.

- Mr Chhuon Dara, Secretary of State, Ministry of Commerce, Kingdom of Cambodia attended the 4th edition of the India-CLMV Business Conclave which took place in Jaipur, Rajasthan on 27-28 February. He was accompanied by a fifteen member strong business delegation.
- Mr Sun Chanthol, Senior Minister, Ministry of Commerce, Kingdom of Cambodia led a business delegation to the 3rd India CLMV Business Conclave on 12-13 January, 2016 in Mamallapuram, Tamil Nadu.
- Mr Pan Sorasak, Secretary of State of the Ministry of Commerce of Cambodia, participated at the CII Partnership Summit held in Jaipur from 15-17 January 2015
- Business delegation from Cambodia led by Mr Pan Sorasak, Secretary of State, Ministry of Commerce, Cambodia participated at the 2nd India – CLMV Business Conclave in New Delhi from 11-12 December 2014.
- Mr Pan Sorasak, Secretary of State of the Ministry of Commerce of Cambodia, participated at the CII Partnership Summit held in Bangalore from 27-29 January 2014
- Business Delegation from Cambodia participated at the Business Conclave: Cambodia, Lao, Myanmar, Vietnam (CLMV): "Creating New Economic Opportunities" was held on 21-22 October 2013, at Taj Palace Hotel, New Delhi.



REFERENCES

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 - ³ CIA World Fact Book
 - ⁴ MEA Foreign Relations Portal
 - ⁵ MEA Foreign Relations Portal
 - ⁶ MEA Foreign Relations Portal
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 - ⁸ EXIM Data – Ministry of Commerce, India - Website
 - ⁹ Department of Commerce, Ministry of Commerce, India
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