

Conference Reports

Symposium 2016 “Thailand’s Rolle in ASEAN (Thailand’s Role in ASEAN)”

HAMBURG, 23 APRIL 2016

On 24 April 2016, a symposium on the position of Thailand within the Association of Southeast Asian Nations (ASEAN) was held at the University of Hamburg’s Asia-Africa Institute (AAI). More than 80 participants attended the symposium, which was jointly organized by the German-Thai Society (DTG, Deutsch-Thailändische Gesellschaft e.V.), founded in 1962 to deepen cultural relations between Germany and Thailand, and the Hamburg Society of Thai Studies (Hamburger Gesellschaft für Thaiistik e.V.), founded in 2011 to promote Thai Studies in Hamburg and beyond. The symposium was opened by HE Nongnuth Phetcharatana, ambassador of the Kingdom of Thailand in Berlin, and Stefan Krohn, Royal Thai Honorary Consul in Hamburg. Prof. Dr. Frauke Kraas, President of the DTG, and Prof. Dr. Volker Grabowsky, head of the Thai Studies programme of the AAI and President of HGT, gave the participants a warm welcome.

The keynote address was delivered by Ambassador Nongnuth, who discussed the challenges and opportunities for Thailand posed by the ASEAN Economic Community (AEC), founded in November 2015. The AEC is part of a long-term vision of the ASEAN countries to develop their association into a people-oriented community that by 2025 would complement the AEC with two additional pillars, the ASEAN Political-Security Community (APSC) and the ASEAN Socio-Cultural Community (ASCC). With almost 640 million inhabitants (in 2016) ASEAN is even larger than the European Union and presently the seventh largest economy in the world, with a GDP of \$2.4 trillion. With GDP growth rates of roughly 4.8 percent (average for the years 2015–16), ASEAN’s economy is growing faster than the global average (3.3 percent for the same period) though lagging slightly behind India and China.

After discussing the challenges and opportunities for ASEAN within trade agreements with its Asian and Pacific neighbours as well as with the USA and the EU, the Royal Thai Ambassador analysed Thailand’s economic outlook and its role as a centre of transport and a logistics hub linking China, India and ASEAN. With one quarter of its exports going to and one fifth of its imports coming from its Southeast Asian neighbours, Thailand’s largest trade partners are indeed ASEAN countries. Thailand has become one of the most competitive and globally linked economies in Southeast Asia. Ambassador

Nongnuth placed particular emphasis on the creation of ten special economic zones from 2015/16 to intensify Thailand's economic and trade relations with Myanmar, Laos, Cambodia and Malaysia. Among the policy measures identified to enhance the economic capacities of Thailand, infrastructure development – notably with regard to the modernisation of road infrastructure, the rather backward railway transport system and air transport – were discussed, as well as the development of an advanced digital society and measures to develop alternative energies as part of Thailand's commitment to reducing greenhouse gas emissions by 20 percent by 2030 compared with the 2005 level.

The inspiring keynote address was followed by Dr. Gerhard Will's lecture "ASEAN/China and ASEAN/EU: Thailand in between two Areas of Conflict". Gerhard Will is a researcher associated with the German Institute for International and Security Affairs (Stiftung Wissenschaft und Politik) in Berlin. In the first part of his presentation Will analysed ASEAN's relations with China and the European Union. Though the economic cooperation between China and ASEAN has grown considerably over the last two decades, this has not led to the development of close cooperation on political and security issues. Paradoxically, the opposite is the case. The speaker noted in particular ASEAN's increasing trade deficit with China and China's lack of readiness to cooperate in the exploitation of the resources of the Mekong River. Such behaviour tends to make China appear as the culprit behind many failed developments, in the eyes of many people in Southeast Asia. China's military build-up and occasional clashes in the South China Sea issue were further issues of concern. In contrast, relations between ASEAN and the EU would appear quite harmonious.

Though for a long time the EU was admired in Southeast Asia as a source of inspiration, the recent Euro crisis and the EU's exposure to serious security threats (armed conflicts in the Ukraine and the Middle East, massive waves of migration from outside Europe) are perceived as warning signals shaking the credibility of the EU as a serious player on the global stage. Therefore, Will concluded that an intensification of ASEAN-EU relations appears very unlikely, at least in the near future.

In the final part of his lecture Will explored the role of Thailand in these two areas of potential conflict. In spite of its economic success, Thailand has been caught in a "middle-income trap" for some time already and needs to create a new economic drive through technological innovations. Given its difficult internal situation before and after the last military coup d'état (in May 2014), it has become more difficult for Thailand to adopt a leading role in ASEAN with regard to the community's relations with China and the EU. There are even some indications that leading Thai politicians consider China not only as a powerful economic partner but also as a model of political order.

The third lecture, entitled "Thailand from the 'Land of Smile' to a Power Factor in ASEAN Related to Economic Policies", was delivered by Prof. Dr.

Andreas Stoffers from the European Institute for ASEAN Studies. Stoffers, the author of the most important reference work on the history of Thai-German relations, provided some crucial historical background much needed for a clear understanding of Thailand's current role in ASEAN. He pointed the attention of the audience to Thai-Vietnamese political rivalry in the nineteenth century, which had caused a number of conflicts in the heart of mainland Southeast Asia. Against this historical legacy the present-day economic and political cooperation between these two countries within ASEAN cannot be overstated. Stoffers emphasised that Europe is no longer the *Nabel der Welt* ("centre of the world"). ASEAN is increasing its global significance, having seen impressive economic development, reducing both poverty and social disparities.

Within the ASEAN economic system, Thailand plays a key role. No longer an agrarian society, Thailand has been transformed, now boasting one of the largest locations for automobile production and a thriving electronics industry. The country is a leading player in the production of electronic circuits and semiconductors. A diversified industrial sector, a strong private sector, a large population of almost 70 million potential consumers, and its prominent geo-strategic position constitute Thailand's great economic strengths. However, ongoing political and social tensions, dependence on oil and gas imports, the lack of sustainable environmental management and, last but not least, the already mentioned "middle-income trap" can be identified as the main weaknesses of the Thai economy. To complete his SWOT analysis, Stoffers looked also at the country's opportunities (e.g. to promote renewable energies, the internationalisation of Bangkok) and its threats (e. g. ethno-religious tensions in the South, an aging population). Political and social stability is certainly a key factor if Thailand is to consolidate its position in ASEAN and the world. Stoffers underlined that the way Thailand handles competition from within ASEAN, notably from Vietnam, is another crucial factor.

The relationship between Thailand and Vietnam was more deeply discussed in the short presentation by Dr. Michael Waibel, a geographer based at the University of Hamburg, that introduced the final panel discussion. Identifying various fields of cooperation and competition, Waibel demonstrated that with regard to foreign trade, both Thailand and Vietnam appear more integrated into the global economy than within the ASEAN economy. However, Thailand seems to be less an "extended workbench" than Vietnam. In many economic fields Thailand and Vietnam are direct rivals, such as in the tourist industry and in agribusiness. On the other hand, in sectors in which both countries have reached different levels of development, such as the car industry and the educational sector, Waibel saw some opportunities for cooperation.

In the vivid panel discussion, in which many participants from the audience were involved, the relations between Thailand and ASEAN on the one hand

and China and the EU on the other hand were examined once again. It became clear that issues of economic, political and social integration within ASEAN need deeper investigation. The EU may still serve as a model in some aspects while also providing warning examples which Thailand and ASEAN should take to heart.

Volker Grabowsky

32nd Annual General Meeting and Conference of the Pakistan Society of Development Economists (PSDE)

ISLAMABAD, 13–15 DECEMBER 2016

“China Pakistan Economic Corridor and Regional Integration” was the topic of the 2016 annual meeting of the Pakistan Society of Development Economists (PSDE), the most prestigious social science conference in the country. The economic corridor under discussion is by far the largest development project ever begun here. The enormous publicity and enthusiasm that the project has created is not just because of its size, but even more because of its partner – the People’s Republic of China. From the 1950s onwards the United States had been Pakistan’s main economic, political and military partner, but whereas Pakistan became America’s most loyal ally in the proxy war in Afghanistan in the 1980s and in the War on Terror after 9/11, the USA did not live up to expectations in Pakistan’s wars against India and left Pakistan completely frustrated when the ongoing war in Afghanistan spilled over into its territory. Among all its allies, the USA is nowhere as unpopular as in Pakistan, which sees China, in contrast, as a reliable partner, whose friendship is praised as “higher than the highest mountains and deeper than the deepest seas”.

Therefore, when China came up with a programme to be known as the Chinese Pakistan Economic Corridor (CPEC), with investments of USD46bn (and more), it was seen as a saviour from all ills. However, not many details of the project were known; news items in the media were inconsistent. It was therefore hoped that the conference would provide some clarity. Clarity was also needed with respect to regional integration, thus far mainly understood as the integration of the eight South Asian states – Pakistan, India, Bangladesh, Sri Lanka, Nepal, Bhutan, the Maldives and Afghanistan. Like Afghanistan, Pakistan is also a member of the ten-nation Economic Cooperation Organisation (ECO) and of the Shanghai Cooperation Organisation (SCO), which began with China and some of the newly independent Central Asian republics. Pakistan has no direct access to Central Asia, while Central Asia’s land routes to the

Indian Ocean have been blocked for political reasons (Iran embargo) and war (Afghanistan). Pakistan, however, is one of only three neighbours that separate China from the Indian Ocean and the only one with close relations to China. The Great Game of the 21st century is over control of the Central Asian oil and gas reserves and of the transport and trade routes, commonly called the Silk Road.

Only after the break-up of the Soviet Union and the opening of China has the area been reintegrated into world travel, transport and trade. Trains from China cross Central Asia and reach German towns like Hamburg and Duisburg on a regular basis. An increasing portion of bilateral trade with China, Germany's major trading partner (2016: €170bn) is moved over land. Accordingly, there is considerable interest in China's One Belt One Road (OBOR) initiative also outside Asia (note: The Belt refers to overland and the Road to maritime transport).

The Silk Road was a network rather than just one road linking China with the Mediterranean, and if we look at the many projects that come under the name of Silk Road today, we see that China is building railways, roads, pipelines and transmission lines in all directions. It is also building ports along the Maritime Silk Road, known as a "Ring of Pearls". China has 14 neighbours and almost all of them have become part of these plans. The New Silk Road is a network, built to guarantee that imports reach China and exports reach destinations, even if some of the connections become difficult or even impossible to use. The existence of various corridors (e.g. through Myanmar) implies that they compete with each other for traffic, investment and business: they are to be more than just transport arteries.

Of particular interest for China is the development of its western provinces/regions. With an area of 4.1 million square kilometres, the combined region of Xinjiang, Tibet, Qinghai and Gansu is as large as the subcontinent, but has just 56 million inhabitants, as compared to Pakistan's almost 200 million. Western China's GDP of USD315bn (2015) is only 2.8 per cent of that of the whole country, but still more than that of Pakistan (USD271bn). The most western parts of China are closer to Europe than to the Pacific; they are also closer to the Arabian Sea. The Chinese Pakistan Economic Corridor is thus especially important for China's own integration by aiming to reduce regional disparities within the country.

Pakistan, with its unhappy history of regional neglect, would greatly benefit from the Economic Corridor, as this would open up its western borderlands, i.e. the provinces of Khyber Pakhtunkhwa and Balochistan. The project would thus help to integrate not only Asia and China, but especially Pakistan. Regional development, however, is more than just building infrastructure. Investment is welcome, where it creates gainful employment for the local workforce. However, where locals lack qualification and have to fear that "better"

jobs go to outsiders, regional development is seen rather as a hostile intrusion, especially if natural resources (agricultural land, water) are concerned. Dozens of workers and guards have already lost their lives in terrorist attacks along the track in Balochistan. Regular skirmishes across the border with Iran have become so bad that this neighbour has set up fences and walls across hundreds of kilometres of open terrain, where traditionally the local population could move unrestricted. Officially, the Economic Corridor is also to benefit Pakistan's neighbours, thereby furthering Asian integration. But as fences have also been set up along the borders with Afghanistan and India, how then can CPEC become an instrument of regional integration? There is no doubt that China has the political will, the financial means and the technical capability to realise the grandest projects. But as Pakistan is not China's only option, one would expect comparative studies of competing projects.

The focus of the conference, however, was exclusively on the home country, in the plenary sessions as well as in the panels. After the inaugural sessions, well covered by TV, radio and newspapers, a new World Bank report with the title "South Asia's turn: Policies to boost competitiveness and create the next export powerhouse" was presented, but only those parts that dealt with Pakistan. This created an immediate reaction, first from the floor and later from the Pakistan Foreign Office, as a slide showed a map of Pakistan which included only the Pakistani-held part of Kashmir. By the afternoon, it was declared that the World Bank had offered their excuses and promised to withdraw the map. The message of the report, i.e. the loss of competitiveness in South Asia, particularly in Pakistan, and the need to improve it in order to increase exports, got lost in the controversy.

The controversy very much reflects the priority of politics over economics: the Pakistan government holds that the fate of the erstwhile princely state of Jammu and Kashmir (minus those parts that Pakistan ceded to China in a treaty in 1963) still remains to be decided, while the Indian government considers the entire state to be part of the Republic of India. International organisations and foreign governments consider the affair as a bilateral matter, to be sorted out by India and Pakistan. However, in the case of CPEC this is easier said than done, as the northernmost part of the Corridor runs over territory controlled by Pakistan, but claimed by India.

Further sessions were dedicated to various aspects of Pakistan-China trade, and regional and financial integration, all in light of the proposed economic corridor, yet surprisingly without active participation from the Chinese themselves. When asked why, one of the few Chinese present (and only on the first day), quipped: "Maybe they should have been invited."

Not only trade-related topics were discussed. The question of sovereign development was raised, as the Chinese make it clear that CPEC is a commercial undertaking, funded and executed, but not exclusively, by Chinese enter-

prises. It is not clear what kind of guarantees the Pakistan government has given or is expected and prepared to give to Chinese investors. Most investment will be in transport and energy. Some roads have already been built: the Karakoram Highway that links Xinjiang with the Indus valley was reopened, after it had been interrupted for two years by a landslide that created a 22km-long lake, submerging the road. At the other end of the country, a direct road between Quetta and Gwadar has been built in record time. This allows the “ordered disorder” of Karachi to be bypassed and will soon be linked to the Indus valley, bypassing unruly Quetta as well.

Ecological concerns were raised especially with respect to the string of new power plants to be built and operated by Chinese companies. Pakistan has large deposits of lignite (brown coal) in southern Sind, mined in open pits. With their high carbon dioxide emissions, however, coal-fired power plants are considered to be especially harmful to the environment. The papers presented will be published with the proceedings of the conference in the annual issue of the Pakistan Development Review.

Postscript: Upon returning to Pakistan the author reads that the Economic Advisor to the Planning Commission expects 4 per cent of global trade to pass through CPEC by 2020, generating USD6-8 billion in tolls and rental fees per year (*Business Recorder*, 11 May 2017). Such unbounded enthusiasm for CPEC is not shared by everyone, especially as Chinese plans have been leaked to the press, indicating an agenda extending far beyond transport and energy, and raising fears that CPEC might develop into another East India Company.

Wolfgang-Peter Zingel

7th Annual Conference of the Study Group South Asia of the German Geographical Society (DGfG)

AUGSBURG, 27–28 JANUARY 2017

The South Asia study group within the German Geographical Society (DGfG) has grown steadily in recent years and now has eighty members in Germany, Austria and Switzerland. The majority of its members are employed in universities, but also include teachers and practical working geographers from consulting companies and development cooperation. At this year’s meeting 33 members made their way to Augsburg, where they were welcomed by host Matthias Schmidt.

The highlight of the conference was the awarding of the research prize “Geographies of South Asia” for the best geographic thesis on South Asia. This year the award was given to two young scientists, Annabelle Jaggi and Marc Herter, both of whom presented their work at the conference. Annabelle Jaggi’s master thesis is entitled “Affirmative Action Practices by Development Actors Targeting Dalits in Nepal. Shedding Light on Theory and Practice Using the Case Study of Helvetas’ Employment Fund”, and was supervised by Ulrike Müller-Böker and Miriam Wenner. The master thesis of Marc Herter with the title “Development as Spectacle: Understanding Post-war Urban Development in Colombo, Sri Lanka. The Case of Arcade Independence Square” was supervised by Pia Hollenbach and Benedikt Korf. Both works were written at the University of Zurich and are released in the publication series of the South Asian study group (available free of charge at <http://crossasia-books.ub.uni-heidelberg.de/xasia/catalog/series/gsa>). The award winners received a voucher from the publisher Franz Steiner Verlag and a one-year subscription to the magazine *Geographische Rundschau* of the Westermann Verlag.

The main idea of the study group is the generation of a platform for exchanging ideas and knowledge on current geographical research and practical reports concerning South Asia. This year the papers were subdivided into six thematic blocks: on Friday, “Migration”, “Education” as well as “Consumption and Value Chains” were debated; on Saturday the topics of discussion were the sessions “Rural Worlds”, “Urban Worlds” and also “Development Research and Tourism”. Andreas Benz (Augsburg) opened the migration session with the results of his project on translocal networks of Ismailis from the Karakorum in Pakistan. Raphael Schwegmann (Münster) reported on his study on the life course of migrants who migrated to England during the colonial period and who told their life history in the 1980s. Carsten Butsch (Cologne) presented the results of his habilitation project on Indian migrants in Germany. He depicted the transnational networks that they possess and how they describe their transnational identities. In the session on “Education” Annika Seitz (Cologne) presented her work on the networks of Indian students, who were previously exchange students in Germany. Afterwards Tobias Aberle (Heidelberg) asked whether “Entrepreneurship Training” offers a future perspective for socially disadvantaged young people in rural Bihar (India). Basabi Khan Banerjee (Hanover) talked about the changes in geography as a school subject in India. Lutz Meyer-Ohlendorf (Potsdam/Cologne) opened the session “Consumption and Value Chains” with a discussion of the relationship between lifestyle, consumption dynamics and climate change, using the example of Hyderabad (India). Shantenou Abe and Amelie Bernzen (Cologne) presented their ongoing DFG (German Research Foundation) project on the livelihoods of small farmers in India involved in the production and trade of organic or fairtrade products.

The first presentation of the session “Rural Worlds” on Saturday was broadcasted via video chat from Nepal: Stephanie Leder (Kathmandu) could not be present in person but reported from a distance on her studies on the effects of emigration on the agricultural structures in the eastern Ganges Plain. This was followed by the presentation from Michael Spies, who studied the agricultural changes in the Pakistani Karakorum using the Actor-Network Theory. Afterwards Raphael Pinheiro Machado Rehm (Augsburg) presented the results of his investigations on the land-use-specific variability of soil characteristics in a headwater region in the West Ghats (India), which he worked on together with Christoph Bail, Peter Fiener (both Augsburg), M.S. Bhallamudi (Chennai) and S. Kumar (Pune).

Peter Dannenberg and Alexander Follmann (both Cologne) opened the session “Urban Worlds”. They presented a study on the peri-urban area of Faridabad (India), where they linked methods of remote sensing with personal encounters and qualitative interviews. Afterwards Manisha Jain showed the results of her joint research with Xiaoping Xie (both Dresden) on informal urbanisation and the impact of urban planning. The changing food practices of urban middle classes in Bangalore were analysed by Mirka Erler (Göttingen). The session on “Development Research and Tourism” began with Markus Keck (Göttingen), who talked about the necessities and possibilities for realigning geographic development research. Finally Tatyana Thimm (Constance) gave a lecture on sustainable tourism in Kerala and asked whether this could serve as a model for other regions.

This year the general meeting focused on the debate about the future of the study group. The question was whether the study group should have a stronger internal structure and if therefore a registered association should be founded. But scepticism prevailed, and thus the study group remains in its present form. A further topic at the annual general meeting was the highly successful publication history of the study group, which will be continued through further jointly planned special issues in journals. Special thanks was given to Alexander Follmann for the redesign of the website (www.geographien-suedasiens.de). During the annual elections of the speakers’ team, Carsten Butsch (Cologne), Alexander Follmann (Cologne), Martin Franz (Osnabrück), Markus Keck (Göttingen) and Julia Poerting (Heidelberg) were confirmed. Matthias Schmidt (Augsburg) left the team. The next and eighth annual conference of the study group South Asia will take place on 19 and 20 January 2018 at the Geographical Institute of the University of Cologne. Further information will be published as usual at www.geographien-suedasiens.de.

Markus Keck / Matthias Schmidt