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Cambodia's Black Gold

U.S. relations with Cambodia, distorted for decades by the Vietnam War and its aftermath, seem on the verge of a startling improvement. Oil will do that.

The Southeast Asian country of 14 million, formerly part of French Indochina, has discovered that it has initial reserves of 700 million barrels of offshore oil. The American giant Chevron-Texaco has the concession for the main bloc in the Gulf of Thailand, where the company has already drilled exploratory wells. More may be found.

One astonishing aspect of the development is that Chevron-Texaco appears to have stolen the initiative from the oil-hungry Chinese, the strongest economic power in the region. The corporation's mastery of the complex technology needed for this sort of field three to five years ago gave it a leg up on competitors.

Cambodia may also have onshore oil. Some other offshore deposits it claims near its 265-mile coast are disputed by Thailand.

U.S. relations with Cambodia almost fell apart in 1973, when the North Vietnamese use of Cambodia as a transit route for military supplies to the Viet Cong in South Vietnam led the United States to drop more than 100,000 tons of bombs on the country. It took Congress to call a halt to the assault.

The chaos and political disorder that ensued in Cambodia led directly to a takeover in 1975 by the murderous Khmer Rouge. That group's brutal rule resulted in the death of some 2 million Cambodians, which many Americans became aware of through the film, *The Killing Fields*.

Most Cambodians, 95 percent of whom are Buddhist, never held America's bombing or its support of the Khmer Rouge against the United States. America, China, and Thailand continued to tolerate the Khmer Rouge because the Vietnamese opposed them, a truly appalling U.S. policy example of "The enemy of my enemy is my friend."

In recent years, the United States has bought 90 percent of Cambodia's principal export, clothing, which represents 85 percent of its export revenue, although that relationship risks being torpedoed in 2008 when U.S. quotas on competing Chinese apparel exports are scheduled to end.

Oil should save Cambodia's economy however, supplementing its earnings from clothing exports and from growing tourism. Cambodia offers Angkor Wat, a spectacular 12th century temple, and other charms. If its oil turns out to be as considerable as it appears, Cambodia's gross domestic product of \$4.8 billion should grow by another \$1 billion within three to four years.

The new oil wealth will create problems of its own, but they will be the kind of problems Cambodians need and deserve after nearly four decades of extreme hardship.

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