

Royal connections

Back then, he was a skinny little kid, looking for his family in a nation devastated by the Khmer Rouge. He had been forcibly separated from his parents in a distant commune years before, later discovering they had starved to death. After the fall of the brutal regime, he and his older brother somehow made it to Phnom Penh. It was 1980. Kith Meng was maybe 11 years old.

Thirty years later, with a decade living, learning and working in Australia under his belt, followed by a meteoric business ascent in Cambodia, Kith Meng is a power to be reckoned with. Chairman and chief executive of the Royal Group, the largest privately owned conglomerate in Cambodia, he has his fingers in many of the nation's growth industries – fast food, television, telecommunications, insurance, rail and banking. The group recently negotiated a \$US591 million loan from a Chinese bank to restructure its debt and buy new technology. On paper he is a multi-millionaire, possibly even a billionaire. And he has the ear of Cambodia's famously xenophobic and strong-arm prime minister, Hun Sen.

Slight, and beautifully dressed in a white shirt, navy suit and polished black shoes, Kith Meng is courteous and affable. Yet he has been viciously uprooted not once, but many times. From the day he was born in September 1968, his life was shadowed by civil war. His father, Kith Peng Ike, was a "class enemy", a well-to-do businessman, feared, despised and targeted by the Khmer Rouge communists who were fighting to rule Cambodia. When Kith Meng was a little boy, the Khmer Rouge finally came to power and

forced all bureaucrats and entrepreneurs, clerks and educators, officials and technocrats out of their offices and into the countryside with the idea of setting up an agrarian utopia. Arbitrary executions and torture were routine. He remembers being kicked out of his home in Kandal province, near Phnom Penh, in 1975 and, with his mother and father, being made to walk 300 kilometres to a commune where the family was separated. "The parents go with the parents, the children with the children," he says. "We were split up."

After the Khmer Rouge regime fell in 1979, Kith Meng and older brother Kith Thieng (now vice-president of the Royal Group) struck out on their own and made it to Thailand. "They put us in a pig farm at Suan Plu," he says, shaking his head. "We slept with the pigs ... we no longer existed; we had no state, nothing."

In 1980, they were found in a refugee camp and brought to Australia by their elder brother Sophan Kith. Kith Meng went to Melba secondary school in the outer suburbs of Canberra, where life wasn't easy for a Cambodian boy with little English. "In Canberra, it's very cold. You deliver pamphlets to earn your living; you walk. You feel you are very alone. I worked for an Indian restaurant as the dishwasher and I cleaned a fruit market on Sundays. I mowed lawns."

Today he has Australian citizenship, a house in Canberra and relatives living there. He visits occasionally. Sophan Kith returned to Cambodia and in 1991 his two younger brothers joined him. They began work catering for the UN and their company had a franchise to sell Canon copiers. Still in his 20s, Kith Meng took control of the Royal Group

ORPHANED BY THE KHMER ROUGE, KITH MENG GREW UP TO BE A FORMIDABLE BUSINESSMAN WITH FRIENDS IN VERY HIGH PLACES. HE TALKS TO SIAN POWELL.

when Sophan Kith died from hepatitis. Now the president of the Cambodian Chamber of Commerce, he carries the title "Neak Okhna(?)", granted by royal decree to generous donors. He works long hours and rarely takes a holiday. He is known as a sharp and sometimes ruthless businessman, an early mover, a risk-taker and an operator who takes full advantage of his close connection to Hun Sen.

These days, Cambodia is considered to have significant business potential. Entrepreneurs appreciate Cambodia's ease of doing business, its liberal trading regime and its relative political stability. It is a member of ASEAN and has joined the World Trade Organisation.

Yet there are significant drawbacks. Infrastructure is minimal and Cambodia ranked equal 154th out of 178 countries in last year's Transparency International corruption perceptions index. Kith Meng says Cambodia has a different culture and that the term "corruption" is difficult to define. "You have to remember that Cambodia is recently developed."

"Before, there were problems with the formation of government. Yet the Australian government isn't really stable [either]," he says, in reference to the independent MPs whose support is so necessary to Julia Gillard's government.

The Royal Group has strong links to Australia. It has a joint venture with Toll Holdings – called Toll Royal – which last year won the concession to run the Cambodian railways, and another joint venture with ANZ bank, named ANZ Royal, which has flourished in Cambodia for five years. The Royal Group is the junior partner in both cases. No one from either firm will talk about Kith Meng.



Royal Group's joint venture with ANZ has done well.



Ou Virak, president of the Cambodian Centre for Human Rights, has tried to negotiate with Kith Meng and the Royal Group to stop Cambodians being thrown out of their homes on newly purchased land. “He’s a cutthroat business operator,” he says. “That’s the reality. He doesn’t entertain any of the suggestions we make. He’s willing to do what he has to do to get what he wants. He doesn’t hesitate.”

“He’s quick on his feet, trying to do many things at the same time. He’s very aggressive, he’s stamped on many people’s toes, and probably worse than that. It’s fair to say his connection with Hun Sen and the government is not just friendly relations. There are business interests in being close to the government.”

Kith Meng agrees he often travels with Hun Sen, representing Cambodia’s interests abroad, but the suggestion that he sits in on cabinet meetings makes him laugh. He denies having much influence with the PM: “I’m just a businessman. He knows me and I know him. He’s the leader of the country. Of course we must know him and respect him.”

The suggestion that he, Kith Meng, might one day stand for office also makes him laugh. “No, I like what I’m doing. Leave politics to the politicians.”

He is happy to have helped shape booming Cambodia, now a nation with solid economic growth, a thriving business community and a prosperous, harmonious population. Kith Meng smiles again. “I feel that I have contributed something to the country and to the people. I am proud of what I have achieved here, to be able to develop a company that gives jobs to the people. If both of my parents were here, they would be happy.” 

